



Western Australia
State Budget
2021-22

Budget Paper No. 2
Budget Statements Volume 2

2021-22 Budget Paper set includes:

Budget Paper No. 1 – Treasurer’s Speech

Budget Paper No. 2 – Budget Statements (Volumes 1–2)

Budget Paper No. 3 – Economic and Fiscal Outlook

Reader’s Guide to the 2021-22 Budget Statements (available electronically from www.ourstatebudget.wa.gov.au)



2021-22 B U D G E T

B U D G E T S T A T E M E N T S

Budget Paper No. 2
Volume 2

**PRESENTED TO THE LEGISLATIVE ASSEMBLY
ON 9 SEPTEMBER 2021**

2021-22 Budget Statements

(Budget Paper No. 2 Volume 2)

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Acknowledgement of Country

The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of Aboriginal communities and their cultures; and to Elders past and present.

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2021-22 BUDGET

BUDGET STATEMENTS

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Part 7

Community Safety

Introduction

The Community Safety portfolio delivers services to ensure a safe and secure community. This includes metropolitan, regional, remote and specialist policing services, road safety awareness, a fair and just legal system, corrective services, and a timely and effective response to emergency management.

Summary of Recurrent and Asset Investment Expenditure

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Western Australia Police Force		
– Total Cost of Services	1,679,230	1,685,806
– Asset Investment Program	90,908	94,344
Justice		
– Total Cost of Services	1,745,313	1,728,457
– Asset Investment Program	63,157	94,645
State Solicitor's Office		
– Total Cost of Services	54,210	56,461
– Asset Investment Program	-	301
Legal Aid Commission of Western Australia		
– Asset Investment Program	2,391	2,617
Fire and Emergency Services		
– Total Cost of Services	476,146	496,169
– Asset Investment Program	46,576	55,720
Office of the Director of Public Prosecutions		
– Total Cost of Services	53,028	51,672
– Asset Investment Program	325	2,364

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Corruption and Crime Commission		
– Total Cost of Services	27,590	28,611
– Asset Investment Program	1,300	1,300
Chemistry Centre (WA)		
– Total Cost of Services	28,283	30,109
– Asset Investment Program	2,500	2,500
Office of the Inspector of Custodial Services		
– Total Cost of Services	3,609	3,689
Parliamentary Inspector of the Corruption and Crime Commission		
– Total Cost of Services	809	810

Ministerial Responsibilities

Minister	Agency	Services
Minister for Police; Road Safety; Defence Industry; Veterans Issues	Western Australia Police Force	<ol style="list-style-type: none"> 1. Metropolitan Policing Services 2. Regional and Remote Policing Services 3. Specialist Policing Services 4. Road Safety Commission
Attorney General; Minister for Electoral Affairs	Justice	<ol style="list-style-type: none"> 1. Court and Tribunal Services 2. Advocacy, Guardianship and Administration Services 3. Trustee Services 4. National Redress Scheme for Institutional Child Sexual Abuse 5. Births, Deaths and Marriages 6. Services to Government 7. Equal Opportunity Commission Services 8. Legal Aid Assistance
Minister for Mines and Petroleum; Energy; Corrective Services	Justice	<ol style="list-style-type: none"> 9. Adult Corrective Services 10. Youth Justice Services
	Office of the Inspector of Custodial Services	<ol style="list-style-type: none"> 1. Inspection and Review of Custodial Services
Minister for Emergency Services; Racing and Gaming; Small Business; Volunteering	Fire and Emergency Services	<ol style="list-style-type: none"> 1. Community Awareness, Education and Information Services 2. Health, Safety, Wellbeing and Training Services 3. Delivery of Frontline Services Before, During and After Incidents
Attorney General; Minister for Electoral Affairs	State Solicitor's Office	<ol style="list-style-type: none"> 1. Legal Services to Government
	Legal Aid Commission of Western Australia	n/a
	Office of the Director of Public Prosecutions	<ol style="list-style-type: none"> 1. Criminal Prosecutions 2. Confiscation of Assets
	Corruption and Crime Commission	<ol style="list-style-type: none"> 1. Assessing All Allegations of Serious Misconduct Received 2. Investigating Allegations of Serious Misconduct
	Parliamentary Inspector of the Corruption and Crime Commission	<ol style="list-style-type: none"> 1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations
Deputy Premier; Minister for Health; Medical Research; State Development; Jobs and Trade; Science	Chemistry Centre (WA)	<ol style="list-style-type: none"> 1. Research and Development 2. Commercial and Scientific Information and Advice 3. Emergency Response Management

Division 27 Western Australia Police Force

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 61 Net amount appropriated to deliver services	1,403,840	1,417,591	1,467,156	1,478,405	1,508,240	1,552,132	1,577,196
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	4,712	4,622	4,622	4,640	4,661	4,682	4,701
Total appropriations provided to deliver services	1,408,552	1,422,213	1,471,778	1,483,045	1,512,901	1,556,814	1,581,897
ADMINISTERED TRANSACTIONS							
Amount provided for Administered Grants, Subsidies and Other Transfer Payments ^(a) ...	16,174	-	-	-	-	-	-
CAPITAL							
Item 129 Capital Appropriation	72,876	122,122	111,551	64,367	79,464	106,959	83,621
TOTAL APPROPRIATIONS	1,497,602	1,544,335	1,583,329	1,547,412	1,592,365	1,663,773	1,665,518
EXPENSES							
Total Cost of Services	1,595,077	1,628,953	1,679,230	1,685,806	1,701,453	1,744,125	1,766,368
Net Cost of Services ^(b) ^(c)	1,451,637	1,484,928	1,528,845	1,527,874	1,544,588	1,584,816	1,605,831
Adjusted Total Cost of Services ^(d)	1,533,822	1,559,826	1,610,103	1,640,811	1,649,642	1,688,975	1,714,342
CASH ASSETS ^(e)	134,131	69,070	125,542	72,502	66,422	72,606	81,849

- (a) Administered Transactions funding of \$16.2 million in 2019-20 represents the Western Australia Police Force Redress Scheme to recognise and support former police officers medically retired due to a work-related illness or injury.
- (b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.
- (c) 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.
- (d) Adjusted Total Cost of Services excludes Road Trauma Trust Account (RTTA) 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 2021-22 to 2024-25. Further detail is provided in the Total Cost of Services - Reconciliation Table.
- (e) 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 Western Australia Police Force's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COVID-19 Response					
COVID-19 Emergency Management	36,415	15,866	2,389	2,389	2,389
Fremantle Police Complex	-	-	-	205	412
Election Commitments					
Baldivis and Forrestfield Police Stations (Project Definition Plans)	-	160	-	-	-
Extend Police Station Opening Hours	-	262	265	269	272
Kalgoorlie CCTV	-	1,000	-	-	-
Police and Community Youth Centres Sustainability Funding	-	4,367	4,455	4,544	4,634
Small Commitments	20	416	-	-	-
New Initiatives					
Additional Police Officer Program					
ChemCentre and PathWest Flow-on Impacts	-	1,010	1,264	1,769	2,275
Infrastructure Planning	-	1,024	1,033	-	-
Critical Information and Communications Technology (ICT) Upgrades	-	3,396	-	-	-
Emergency Services Radio Network Project - Planning	-	758	767	-	-
Helicopter Fleet - Operating Costs	-	951	6,911	1,556	1,502
Kimberley Juvenile Justice Strategy	-	253	-	-	-
Regional Road Enforcement - Increased Police Deployment	-	1,500	-	-	-
RTTA - Mobile Camera Trial - Metropolitan and Regional	-	1,500	-	-	-
Ongoing Initiatives					
Government Office Accommodation Reform Program	(85)	(104)	(98)	(73)	(7)
Living Safe Together Intervention Program	181	-	-	-	-
Mental Health Court Diversion Program	-	238	241	244	246
National Anti-gangs Squad	91	-	-	-	-
National Disability Insurance Scheme Worker Screening	85	165	133	86	86
Operation Heat Shield	5,000	-	-	-	-
Proceeds of Crime	1,202	-	-	-	-
RTTA					
Impaired Driving Detection (Alcohol and Drug) Program	-	1,403	1,865	2,384	2,923
School Drug Education and Road Aware Program	-	-	-	76	114
Speed Enforcement - Administration	-	(423)	(423)	(423)	(423)
Special Plates Fund	369	-	-	-	-
Other					
2020-21 Operating Pressures	9,323	-	-	-	-
2021-22 Tariffs, Fees and Charges	-	2,942	3,461	3,818	4,260

Significant Issues Impacting the Agency

COVID-19 Response

1. The Commissioner of Police continues to provide leadership as the State Emergency Coordinator in managing the State's response to the COVID-19 pandemic. The Western Australia Police Force continues to provide support to the Department of Health, the Hazard Management Agency, through the implementation of emergency management plans. In addition to providing policing services, the Western Australia Police Force is performing duties associated with border security, quarantine arrangements, track and trace services and compliance measures.

Safe, Strong and Fair Communities

2. To meet the Government's commitment of an additional 950 police officers over a four year period, the Western Australia Police Force is progressively recruiting and deploying officers across Western Australia. The recruitment program provides greater opportunities to build workforce diversity. The safety, health and welfare of the workforce remains a priority, and work continues to deliver additional support to officers with work-related injuries or illness and their families.

3. Acknowledging the significant impact that illicit drugs have on the community, the Western Australia Police Force continues to target the illicit drug trade, including through the implementation of the Government's Methamphetamine Action Plan, to reduce drug-related harm in the community. Delivering this objective includes increasing collaboration with law enforcement agencies in Australia and overseas, focusing on organised criminal networks to disrupt the supply of illicit drugs into Western Australia, and supporting the progression of targeted legislative reforms which aim to enhance police powers and seek to drive organised crime out of Western Australia by disrupting organised crime activities and crime supply chains. The Western Australia Police Force also continues to strengthen engagement within Government and the community to minimise drug-related harm and to support a reduction in demand for drugs.
4. Increased reporting of family violence and the need to provide victims with continued support and to keep perpetrators accountable remains a priority for the Western Australia Police Force, which continues to evolve risk identification and collaboration with State and national partner agencies. Further technological improvements are being explored to integrate systems with partner agencies and to strengthen a multi-agency response.
5. The Western Australia Police Force remains dedicated to contributing to the wellbeing of Aboriginal people through increased engagement to improve relationships and understanding of the issues facing Aboriginal people, to inform strategies to reduce over-representation in the justice system. To improve the capability to engage, the Western Australia Police Force continues to explore strategies to attract, develop and retain Aboriginal officers and employees, particularly in regional and remote areas, and to utilise technology.
6. The Western Australia Police Force continues to build positive relationships with young people in the community. This work includes contributing to better outcomes for youth and the community by leveraging opportunities with partner agencies, including the Police and Community Youth Centres, to provide early intervention, diversion and prevention strategies for at-risk young people.
7. As the Hazard Management Agency for a number of prescribed hazards, the Western Australia Police Force provides substantial support in a range of emergencies. These emergencies present complex challenges, particularly in regional and remote areas, and require an ongoing program of training and exercising to develop and maintain essential capabilities.
8. The National Terrorism Threat for Australia remains at 'probable'. The Western Australia Police Force continues to maintain and improve its capacity to prevent and respond to terrorism threats and incidents through a broad range of capabilities and collaborative relationships with partner agencies and community stakeholders.
9. Technological innovation presents an opportunity to enhance the capabilities of police officers on the frontline, including access to information for better decision-making. Early adoption of technologies provides an opportunity for the agency to deliver a more agile, mobile and responsive service to the community, and enables the Western Australia Police Force to manage increased community expectations in responding to emerging crime types. The increasing reliance upon information holdings places greater demand upon the Western Australia Police Force to protect its systems against emerging cyber security threats while maintaining resilience and recovery capabilities.
10. The prevalence of mental health issues in the community, as well as the number of vulnerable people and persons at risk, has impacted demand for services from the Western Australia Police Force, which is committed to continuing the development of partnerships in order to identify and address these issues, including engaging with the community and developing inter-agency and other partnerships at all levels.
11. To reduce the road toll, the Western Australia Police Force continues to target the enforcement of Category A offences such as driving without a license or while impaired by drugs or alcohol, mobile phone usage, non-use of seatbelts and helmets, and reckless driving, including in regional Western Australia.

Road Safety

12. The Road Safety Commission (the Commission) is leading the implementation, across Government and within the community, of the Driving Change - Road Safety Strategy for Western Australia 2020-2030 which aims to reduce the numbers of people killed or severely or seriously injured by 50-70% by 2030.
13. While crashes involving risk-taking behaviours such as speed, drink driving and not wearing a seatbelt have reduced, the Commission is continuing to further reduce road trauma related to these factors through support for enforcement activities, assisting local governments to create safer communities through safer speeds on local streets, and developing educational campaigns and regulation which deters dangerous driving behaviours.

14. Further reducing crashes involving inattention, distraction, mistakes and fatigue is key to reducing the road toll. The Commission will examine the use of technology and education to address these behaviours.
15. The number of regional road fatalities continues to be too high. The Regional Road Safety Program is being implemented to deliver unprecedented road safety treatments across the State, with \$669 million being invested by the State and Commonwealth Government to upgrade 7,000 km of regional roads.
16. New and emerging modes of transport including automated vehicles, trackless trams and e-rideables are expected to impact on road safety. The Commission will continue to anticipate, monitor and respond to these impacts including through modernising regulation and targeted education.
17. Ongoing improvements in vehicle safety technology contribute to positive road safety outcomes. The Commission will continue to support the National Road Safety Partnership Program, which promotes vehicle safety technology and explores opportunities to support employers in embedding road safety in the workplace.

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 Western Australia Police Force's services, the desired outcomes and the relevant Government Goal. 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
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Metropolitan Policing Services.....	565,752	570,455	556,909	574,891	596,362	614,432	614,642
2. Regional and Remote Policing Services.....	432,331	431,859	433,274	436,628	457,263	471,190	476,521
3. Specialist Policing Services ^(a)	523,097	534,480	599,718	603,332	574,383	585,837	606,046
4. Road Safety Commission	73,897	92,159	89,329	70,955	73,445	72,666	69,159
Total Cost of Services.....	1,595,077	1,628,953	1,679,230	1,685,806	1,701,453	1,744,125	1,766,368

(a) The service allocation is based on a continuation of COVID-19 Response activities at the present level in 2021-22. From the 2022-23 Forward Estimate, it is assumed that the service allocation for the Western Australia Police Force's activities will return to pre-pandemic proportions.

Total Cost of Services - Reconciliation Table

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Total Cost of Services	1,595,077	1,628,953	1,679,230	1,685,806	1,701,453	1,744,125	1,766,368
<i>Less: RTTA Grants to Other Entities ^(a)</i>	<i>61,255</i>	<i>69,127</i>	<i>69,127</i>	<i>44,995</i>	<i>51,811</i>	<i>55,150</i>	<i>52,026</i>
Adjusted Total Cost of Services	1,533,822	1,559,826	1,610,103	1,640,811	1,649,642	1,688,975	1,714,342

(a) The Western Australia Police Force distributes RTTA grants to other 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)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 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	804.8	810	847.5	810	1
Rate of offences against property (excluding family violence-related offences) per 100,000 people	5,172.7	6,200	3,880.4	6,200	2
Percentage of sworn police officer hours available for frontline policing duties.....	73.3%	75%	72.7%	75%	3
Percentage of priority one and two incidents in the metropolitan area responded to within 12 minutes	80%	80%	76.4%	80%	4
Percentage of priority three incidents in the metropolitan area responded to within 60 minutes	76.8%	80%	79%	80%	5
Percentage of family and domestic-related incidents where an offender was processed for an offence against the person within seven days.....	75.2%	75%	73.7%	75%	6
Percentage of offences against the person investigations finalised within 60 days.....	88.1%	85%	87.7%	85%	
Percentage of offences against property investigations finalised within 30 days	87.9%	90%	89.4%	90%	
Percentage of traffic law enforcement contacts made by police officers that target 'Category A' offences	97.8%	90%	98.3%	90%	
The percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police	83.9%	82%	84.6%	82%	
The percentage of the community who 'agreed' or 'strongly agreed' that they have confidence in police.....	83.1%	85%	82.3%	85%	
Outcome: Improve coordination and community awareness of road safety in Western Australia:					
Effectiveness of road safety awareness campaigns	82%	70%	77%	70%	

(a) Further detail in support of the key effectiveness indicators is provided in the Western Australia Police Force's Annual Report.

Explanation of Significant Movements

(Notes)

1. The increase in the 2020-21 Estimated Actual compared with the 2020-21 Budget and the 2019-20 Actual is mainly due to an increase in assault (non-family). Between April and June 2020, COVID-19 restrictions were applied to entertainment venues, which affected opening hours and capacity limits. When restrictions were eased, community interaction and access to alcohol through licensed venues increased.
2. The decrease in the 2020-21 Estimated Actual compared with the 2020-21 Budget and the 2019-20 Actual is mainly due to a decrease in burglary and stealing offences, which can be attributed to the restrictions associated with the COVID-19 pandemic. Operations and innovations targeting high-harm offenders and crime hot spots, including the State-wide Operation Heat Shield have also contributed to the decrease.
3. The decrease in the 2020-21 Estimated Actual compared to the 2020-21 Budget reflects a decrease in the hours available for frontline duties as a percentage of the baseline hours (total police hours less annual and long service leave). There was an actual 2.7% increase in the number of hours available for frontline duties (compared with 2019-20) due to an increase in frontline police officer hours and overtime hours during the State of Emergency declared for the COVID-19 pandemic. However, this increase was offset by a larger increase in baseline hours in 2020-21 due to an increase in total police officer hours.
4. The decrease in the 2020-21 Estimated Actual compared with the 2020-21 Budget and the 2019-20 Actual reflects additional demand being placed on available resources due to an increase in the number of incidents attended combined with the requirement to conduct COVID-19 quarantine and self-isolation checks.
5. The increase in the 2020-21 Estimated Actual compared to the 2019-20 Actual is attributable to a 17.1% (22,233) decrease in priority 3 incidents attended in 2020-21. While the number of priority 3 incidents decreased, the Western Australia Police Force was also required to conduct COVID-19 quarantine and self-isolation checks which has resulted in additional demands being placed on available resources.
6. The decrease in the 2020-21 Estimated Actual compared with the 2020-21 Budget and the 2019-20 Actual can be attributed to a 10.9% increase in family violence-related offences against the person compared with 2019-20. This increase placed additional demands on available resources to process offenders within seven days.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000	\$'000	\$'000	\$'000	
Less Income ^(a)	565,752	570,455	556,909	574,891	
Net Cost of Service	9,267	10,070	10,312	11,683	
Net Cost of Service	556,485	560,385	546,597	563,208	
Employees (Full-Time Equivalents)	3,725	3,884	3,637	3,762	
Efficiency Indicators					
Average cost of metropolitan policing services per person in the Perth metropolitan area	\$271	\$271	\$262	\$268	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	432,331	431,859	433,274	436,628	
Less Income ^(a)	12,180	13,237	13,554	15,355	
Net Cost of Service	420,151	418,622	419,720	421,273	
Employees (Full-Time Equivalents)	2,068	2,156	2,078	2,203	
Efficiency Indicators					
Average cost of regional and remote policing services per person in regional Western Australia	\$808	\$811	\$806	\$810	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

3. Specialist Policing Services

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	523,097	534,480	599,718	603,332	
Less Income ^(a)	24,593	26,726	27,366	31,004	1, 2
Net Cost of Service	498,504	507,754	572,352	572,328	
Employees (Full-Time Equivalents)	2,955	3,082	3,382	3,481	3
Efficiency Indicators					
Average cost of specialist services per person in Western Australia	\$200	\$203	\$225	\$225	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual was higher than the 2020-21 Budget Target as a consequence of a larger than anticipated increase in expenses due to COVID-19 Response activities.
2. The 2021-22 Budget Target is higher than the 2020-21 Estimated Actual primarily due to the increase in associated fees and charges and the Commonwealth revenue received for the COVID-19 Response.
3. The increase in full-time equivalents from the 2020-21 Budget to the 2021-22 Budget Target is mainly due to the redirection of police effort from the Metropolitan and Regional Policing Services to Specialist Policing Services in response to the COVID-19 pandemic, and the Additional Police Officer Program.

4. Road Safety Commission

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	73,897	92,159	89,329	70,955	1
Less Income ^(a)	97,400	93,992	99,153	99,890	
Net Cost of Service	(23,503)	(1,833)	(9,824)	(28,935)	
Employees (Full-Time Equivalents)	33	36	41	44	
Efficiency Indicators					
Percentage of road safety commission projects completed on time.....	71%	90%	86%	90%	2
Percentage of road safety commission projects completed on budget.....	100%	95%	86%	95%	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The variation in Total Cost of Service across the 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target is mainly due to the completion of road safety projects in 2020-21.
2. The 2020-21 Estimated Actual was lower than the 2020-21 Budget Target due to the impact of the COVID-19 pandemic that affected the continuation of campaigns and participation by the community in events and partnerships.

Asset Investment Program

1. To support the delivery of services, the Western Australia Police Force has a widespread Asset Investment Program (AIP). New capital funding in this Budget largely focuses on election commitments to provide modern fit-for-purpose police facilities, aircraft replacement and the continued implementation of responses to the COVID-19 pandemic.

Election Commitments

2. As part of the 2021 State Election, the following commitments were made, including:
 - 2.1. construction of a new purpose-built police station in Forrestfield (\$22 million);
 - 2.2. construction of a new police station in Baldivis to service the rapidly growing community (\$19 million); and
 - 2.3. replacement of Mobile State Operations Command Vehicles to enhance emergency management response and control capabilities of the Western Australia Police Force (\$3.5 million).

COVID-19 Response

3. Investment is continuing on the following COVID-19 Response related projects that commenced in 2020-21:
 - 3.1. to support an increase in accommodation capacity and an updated design, an additional \$34.4 million will be invested towards the construction of a purpose built, modern police station in Fremantle (total \$83.6 million). The state-of-the-art facility is planned to be built at the former Stan Reilly Reserve site on South Terrace near the corner of Parry Street; and
 - 3.2. a further \$6.7 million will be spent on refurbishment works at 14 police stations across regional and metropolitan Western Australia (total \$28.6 million), which are due for completion in 2021-22.

Other Initiatives

4. A total of \$19.9 million will be invested to purchase a second new Airbus H145 helicopter to replace Dauphin Eurocopter, providing a significant improvement in the Western Australia Police Force's aerial response capability.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Land and Buildings Infrastructure							
Fremantle Police Complex.....	83,619	70	70	1,882	6,672	35,910	39,085
Fremantle Water Police - Wharf and Jetty Renewal	2,580	1,865	1,865	615	100	-	-
Kununurra Police Station Alterations	500	166	166	334	-	-	-
Refurbishment of Police Stations.....	28,596	10,488	10,488	16,033	2,075	-	-
Multi-functional Policing Facilities							
Heating, Ventilation, and Air Conditioning (HVAC)							
Replacement Tranche 2 (Royalties for Regions (RfR))	5,828	240	240	4,888	700	-	-
HVAC Replacement Tranche 3.....	7,749	100	100	5,288	2,361	-	-
Other Works in Progress							
Fleet and Equipment							
Election Commitment - Meth Border Force.....	5,645	3,799	1,115	1,846	-	-	-
Helicopter Replacement	44,924	5,327	4,460	4,958	34,639	-	-
Information and Communications Technology (ICT)							
and Radio Infrastructure							
Digital Policing - Mobility	7,187	3,796	2,374	3,391	-	-	-
National Criminal Intelligence System	3,888	2,044	2,044	1,844	-	-	-
Police Radio Network - Commonwealth Legislated							
Radio Frequency Change	11,214	10,689	885	525	-	-	-
Land and Buildings Infrastructure							
Armadale Courthouse and Police Complex	74,220	37,867	24,674	18,321	12,325	5,707	-
Election Commitment - Capel Police Station	5,257	4,957	1,800	300	-	-	-
Multi-functional Policing Facilities - HVAC							
Replacement Tranche 1 (RfR)	12,564	11,114	3,736	1,450	-	-	-
Office Space and Child Friendly Interview Rooms in							
Remote WA (Commonwealth)	3,654	1,773	500	1,881	-	-	-
Optus Stadium Deployment Centre	744	608	76	136	-	-	-
Westralia Square Accommodation.....	5,318	3,418	-	1,900	-	-	-
COMPLETED WORKS							
COVID-19 Response							
ICT and Radio Infrastructure - Electronic Tracking and							
Tracing Capability	4,554	4,554	1,712	-	-	-	-
Other Completed Works							
Fleet and Equipment							
Asset Equipment Management Program - 2018-2021	13,209	13,209	3,888	-	-	-	-
Royal Commission - Specialist Child Interview							
Recording Equipment	36	36	36	-	-	-	-
ICT and Radio Infrastructure							
ICT Optimisation Program 2017-2021	26,803	26,803	4,310	-	-	-	-
National Disability Insurance Worker Screening	560	560	560	-	-	-	-
Police Radio Network - Community Safety Network							
Regional Radio Network Replacement Program.....	55,527	55,527	227	-	-	-	-
State-wide CCTV Network	2,086	2,086	222	-	-	-	-
Land and Buildings Infrastructure							
Custodial Facilities Upgrade Program 2018-2021	10,712	10,712	3,156	-	-	-	-
Police Station Upgrade Program 2018-2021	18,603	18,603	7,732	-	-	-	-
Recognition of Investing Activities from Recurrent							
Funding 2020-21.....	8,375	8,375	8,375	-	-	-	-
RTTA							
Automatic Number Plate Recognition - Technology							
Refresh	96	96	96	-	-	-	-
Breath and Drug Bus Replacement	726	726	462	-	-	-	-
Expansion of Automated Traffic Enforcement Strategy	9,815	9,815	360	-	-	-	-
Speed Camera Replacement Program.....	14,831	14,831	3,869	-	-	-	-
NEW WORKS							
Election Commitments							
Fleet and Equipment - Mobile State Operations							
Command Centre (Vehicles)	3,500	-	-	500	2,500	500	-
Land and Buildings Infrastructure							
Baldivis Police Station	19,000	-	-	637	4,407	13,118	838
Forrestfield Police Station	22,000	-	-	2,568	6,488	11,820	1,124
Other New Works							
Fleet and Equipment - Asset Equipment Management							
Program							
2022-2024	25,815	-	-	8,555	8,630	8,630	-
2024-2028	7,200	-	-	-	-	-	7,200
ICT and Radio Infrastructure - Optimisation Program							
2022-2024	11,938	-	-	8,576	1,536	1,826	-
2024-2028	2,800	-	-	-	-	-	2,800

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Land and Buildings Infrastructure							
Additional Police Officer Infrastructure Program	1,516	-	-	716	800	-	-
Custodial Facilities Upgrade Program							
2022-2024	7,920	-	-	2,640	2,640	2,640	-
2024-2028	2,640	-	-	-	-	-	2,640
Police Station Upgrade Program							
2022-2024	9,194	-	-	3,960	3,960	1,274	-
2024-2028	3,960	-	-	-	-	-	3,960
RTTA - Breath and Drug Bus Replacement	1,200	-	-	600	600	-	-
Total Cost of Asset Investment Program	588,103	264,254	89,598	94,344	90,433	81,425	57,647
FUNDED BY							
Asset Sales			30	25	-	-	-
Capital Appropriation			76,843	28,939	43,778	71,009	47,647
Drawdowns from Royalties for Regions Fund			1,675	6,863	700	-	-
Drawdowns from the Holding Account			9,600	9,129	34,534	10,416	10,000
Funding Included in Department of Treasury - Digital Capability Fund			-	4,675	-	-	-
Internal Funds and Balances			(822)	39,396	11,421	-	-
Other			710	3,473	-	-	-
Other Grants and Subsidies			1,562	1,844	-	-	-
Total Funding			89,598	94,344	90,433	81,425	57,647

Financial Statements

Income Statement

Expenses

- The \$56.9 million increase in Total Cost of Services between the 2020-21 Budget and the 2021-22 Budget is mainly due to additional funding provided in 2021-22 for the 950 additional police officers (including 150 police officers for COVID-19 Responses) and 2021 election commitments, partly offset by the one-off funding provided for the Body Armour initiative and Road Safety Commission grants in 2020-21.

Income

- The increase of \$7.5 million in Total Income from the 2020-21 Estimated Actual to the 2021-22 Budget is mainly due to the forecast increase in regulatory fees and charges and a once-off allocation from the Department of Treasury relating to Commonwealth revenue under the National Partnership Agreement on COVID-19 Response.

Statement of Financial Position

- Total Assets are increasing over the forward estimates period, reflecting an increase in holding account receivables and the purchase of fixed assets under the approved AIP, partly offset by depreciation and the decrease in information, computer and telecommunications equipment leased.

Statement of Cashflows

- The net decrease in cash held of \$53 million in the 2021-22 Budget Estimate relative to the 2020-21 Estimated Actual is mainly due to utilisation of internal funds and balances for the AIP mainly as a result of carryovers from previous years.

INCOME STATEMENT (a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	1,133,758	1,158,034	1,181,811	1,205,650	1,249,015	1,291,479	1,317,654
Grants and subsidies ^(c)	70,308	81,077	75,179	58,745	57,516	60,944	57,910
Supplies and services	176,449	168,771	204,478	192,502	168,469	165,821	163,543
Accommodation	56,925	53,429	51,956	61,222	63,063	63,895	64,565
Depreciation and amortisation	95,860	95,980	95,980	96,661	102,316	100,795	100,749
Finance and interest costs	1,609	2,731	2,135	1,973	1,700	1,799	1,754
Other expenses	60,168	68,931	67,691	69,053	59,374	59,392	60,193
TOTAL COST OF SERVICES	1,595,077	1,628,953	1,679,230	1,685,806	1,701,453	1,744,125	1,766,368
Income							
Sale of goods and services	390	1,033	1,033	1,081	1,129	1,179	1,179
Regulatory fees and fines	18,185	18,373	18,373	23,680	24,995	26,208	26,626
Grants and subsidies	2,843	3,660	3,715	5,415	510	510	510
Other revenue	25,341	27,367	28,313	29,266	30,897	32,078	32,888
RTTA Revenue (Service Delivery Agreement)	96,681	93,592	98,951	98,490	99,334	99,334	99,334
Total Income	143,440	144,025	150,385	157,932	156,865	159,309	160,537
NET COST OF SERVICES ^(d)	1,451,637	1,484,928	1,528,845	1,527,874	1,544,588	1,584,816	1,605,831
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,408,552	1,422,213	1,471,778	1,483,045	1,512,901	1,556,814	1,581,897
Resources received free of charge	3,403	4,264	4,264	4,264	4,264	4,264	4,264
Royalties for Regions Fund:							
Regional Community Services Fund	15,559	18,972	17,411	18,586	18,586	19,195	18,586
Other revenues	6,957	7,232	9,334	10,173	6,524	6,524	6,124
TOTAL INCOME FROM STATE GOVERNMENT	1,434,471	1,452,681	1,502,787	1,516,068	1,542,275	1,586,797	1,610,871
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(17,166)	(32,247)	(26,058)	(11,806)	(2,313)	1,981	5,040

(a) Full audited financial statements are published in the Western Australia Police Force's Annual Report.

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 8,781, 9,138 and 9,490 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CCTV							
Mandurah War Memorial Fund	-	350	350	-	-	-	-
State Strategy	247	462	435	27	-	-	-
Community Safety and Crime Prevention							
Partnership Fund	1,084	1,250	1,216	1,450	1,250	1,250	1,250
Kalgoorlie CCTV	-	-	-	1,000	-	-	-
Local Projects Local Jobs Grant	50	124	20	104	-	-	-
Other Grants	883	-	-	-	-	-	-
Police and Community Youth Centres (PCYC)							
Carnarvon and Kununurra	1,198	1,169	550	1,252	-	-	-
Indigenous Advancement Strategy - West							
Kimberley Youth and Resilience Hub							
Project	1,286	-	-	-	-	-	-
Maintenance and Upgrades	305	5,595	461	5,134	-	-	-
Sustainability Funding	4,000	3,000	3,000	4,367	4,455	4,544	4,634
Road Safety Initiatives							
Government Organisations	58,577	65,914	65,914	41,899	48,662	51,920	48,715
Non-government Organisations	2,678	3,213	3,213	3,096	3,149	3,230	3,311
Small Commitments	-	-	20	416	-	-	-
TOTAL	70,308	81,077	75,179	58,745	57,516	60,944	57,910

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	48,087	18,946	61,612	9,990	9,390	9,390	9,390
Restricted cash.....	14,953	4,578	8,679	2,813	2,323	2,232	2,232
Restricted cash - RTTA.....	54,279	25,404	35,109	36,227	27,907	30,852	36,765
Holding account receivables.....	12,600	17,970	10,985	34,534	10,416	10,000	17,124
Receivables.....	12,617	12,617	12,617	12,617	12,617	12,617	12,617
Other.....	5,315	5,315	5,315	5,315	5,315	5,315	5,315
Assets held for sale.....	702	702	702	702	702	702	702
Total current assets.....	148,553	85,532	135,019	102,198	68,670	71,108	84,145
NON-CURRENT ASSETS							
Holding account receivables.....	624,617	705,627	712,612	774,739	866,639	957,434	1,041,059
Property, plant and equipment.....	1,026,529	1,121,987	1,055,328	1,073,793	1,093,449	1,109,445	1,105,933
Intangibles.....	51,490	46,538	50,839	56,436	49,796	45,458	41,177
Restricted cash.....	16,812	20,142	20,142	23,472	26,802	30,132	33,462
Total non-current assets.....	1,719,448	1,894,294	1,838,921	1,928,440	2,036,686	2,142,469	2,221,631
TOTAL ASSETS.....	1,868,001	1,979,826	1,973,940	2,030,638	2,105,356	2,213,577	2,305,776
CURRENT LIABILITIES							
Employee provisions.....	210,026	214,229	218,982	223,185	227,388	231,591	235,794
Payables.....	12,845	12,845	12,845	12,845	12,845	12,845	12,845
Borrowings and leases.....	28,298	28,750	30,340	30,632	25,630	27,560	24,940
Other.....	23,570	23,570	23,570	23,570	23,570	23,570	23,570
Total current liabilities.....	274,739	279,394	285,737	290,232	289,433	295,566	297,149
NON-CURRENT LIABILITIES							
Employee provisions.....	83,703	83,703	94,180	94,180	94,180	94,180	94,180
Borrowings and leases.....	34,435	44,498	31,731	22,390	20,056	13,204	15,159
Other.....	1,254	1,254	1,254	1,254	1,254	1,254	1,254
Total non-current liabilities.....	119,392	129,455	127,165	117,824	115,490	108,638	110,593
TOTAL LIABILITIES.....	394,131	408,849	412,902	408,056	404,923	404,204	407,742
EQUITY							
Contributed equity.....	898,789	1,028,143	1,012,015	1,085,365	1,165,529	1,272,488	1,356,109
Accumulated surplus/(deficit).....	254,566	222,319	228,508	216,702	214,389	216,370	221,410
Reserves.....	320,515	320,515	320,515	320,515	320,515	320,515	320,515
Total equity.....	1,473,870	1,570,977	1,561,038	1,622,582	1,700,433	1,809,373	1,898,034
TOTAL LIABILITIES AND EQUITY.....	1,868,001	1,979,826	1,973,940	2,030,638	2,105,356	2,213,577	2,305,776

(a) Full audited financial statements are published in the Western Australia Police Force's Annual Report.

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	1,313,066	1,326,233	1,375,798	1,386,384	1,410,585	1,456,019	1,481,148
Capital appropriation	72,876	122,122	111,551	64,367	79,464	106,959	83,621
Holding account drawdowns	21,466	9,600	9,600	10,985	34,534	10,416	10,000
Royalties for Regions Fund:							
Regional Community Services fund	15,559	18,972	17,411	18,586	18,586	19,195	18,586
Regional Infrastructure and Headworks fund	14,254	7,232	1,675	6,863	700	-	-
Receipts paid into Consolidated Account	-	-	-	(2,580)	-	-	-
Other	6,882	5,490	7,592	15,506	7,182	7,182	6,782
Net cash provided by State Government	1,444,103	1,489,649	1,523,627	1,500,111	1,551,051	1,599,771	1,600,137
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(1,109,041)	(1,153,831)	(1,150,683)	(1,201,447)	(1,244,812)	(1,287,276)	(1,313,451)
Grants and subsidies	(68,966)	(81,077)	(75,179)	(58,745)	(57,516)	(60,944)	(57,910)
Supplies and services	(172,398)	(166,862)	(193,438)	(190,699)	(166,547)	(163,899)	(161,621)
Accommodation	(55,874)	(53,029)	(51,556)	(61,222)	(63,063)	(63,895)	(64,565)
GST payments	(44,525)	(32,911)	(49,911)	(49,911)	(49,911)	(49,911)	(49,911)
Finance and interest costs	(1,972)	(2,731)	(2,135)	(1,973)	(1,700)	(1,799)	(1,754)
Other payments	(59,772)	(60,474)	(80,060)	(60,090)	(47,079)	(50,548)	(51,349)
Receipts ^(c)							
Regulatory fees and fines	18,126	18,373	18,373	23,680	24,995	26,208	26,626
Grants and subsidies	1,680	3,660	3,715	5,415	510	510	510
Sale of goods and services	1,514	2,033	2,033	1,081	1,129	1,179	1,179
GST receipts	43,200	32,911	49,911	49,911	49,911	49,911	49,911
Other receipts	23,267	21,607	22,553	22,106	23,737	24,918	25,728
RTTA receipts (Service Delivery Agreement)	96,681	93,592	98,951	98,490	99,334	99,334	99,334
Net cash from operating activities	(1,328,080)	(1,378,739)	(1,407,426)	(1,423,404)	(1,431,012)	(1,476,212)	(1,497,273)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets ^{(d) (e)}	(62,124)	(140,779)	(89,598)	(94,344)	(90,433)	(81,425)	(57,647)
Proceeds from sale of non-current assets	443	30	30	25	-	-	-
Net cash from investing activities	(61,681)	(140,749)	(89,568)	(94,319)	(90,433)	(81,425)	(57,647)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases	(36,104)	(35,222)	(35,222)	(35,428)	(35,686)	(35,950)	(35,974)
Net cash from financing activities	(36,104)	(35,222)	(35,222)	(35,428)	(35,686)	(35,950)	(35,974)
NET INCREASE/(DECREASE) IN CASH HELD	18,238	(65,061)	(8,589)	(53,040)	(6,080)	6,184	9,243
Cash assets at the beginning of the reporting period	115,893	134,131	134,131	125,542	72,502	66,422	72,606
Cash assets at the end of the reporting period	134,131	69,070	125,542	72,502	66,422	72,606	81,849

(a) Full audited financial statements are published in the Western Australia Police Force's Annual Report.

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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 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.

(d) The decrease in the 2020-21 Estimated Actual (\$51 million) largely reflects delays across a number of infrastructure projects, including the Armadale Courthouse and Police Complex and the refurbishment of police stations as part of the COVID-19 response.

(e) The decrease between the 2023-24 Forward Estimate and the 2024-25 Forward Estimate largely reflects that several infrastructure projects such as the Baldvis and Forrestfield police stations are expected to be completed in 2023-24.

NET APPROPRIATION DETERMINATION (a)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Regulatory Fees and Fines							
Departmental	7,916	8,830	8,830	10,094	10,271	10,476	10,684
Licenses	10,231	9,572	9,572	13,607	14,745	15,753	15,963
Grants and Subsidies							
Commonwealth - Other	1,585	3,451	3,716	5,416	511	511	511
Departmental	1,675	2,160	6,570	653	400	400	400
Sale of Goods and Services							
Departmental	1,904	2,560	2,153	2,608	2,656	2,706	2,706
GST Receipts							
GST Input Credits	40,523	27,523	44,523	47,211	47,211	47,211	47,211
GST Receipt on Sales	2,677	5,388	5,388	2,700	2,700	2,700	2,700
Other Receipts							
Commonwealth - Other	3,335	1,933	1,933	1,933	1,933	1,933	1,933
Departmental	24,823	22,657	21,492	33,477	27,037	28,218	28,628
TOTAL	94,669	84,074	104,177	117,699	107,464	109,908	110,736

(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

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
INCOME							
Fines							
Firearms Licensing Infringements	169	100	100	100	100	100	100
Minor Infringement Penalties	377	710	710	710	710	710	710
Other							
Administered Appropriation ^(a)	16,174	-	-	-	-	-	-
Sale of Lost, Stolen and Forfeited Property	664	600	600	600	600	600	600
TOTAL ADMINISTERED INCOME	17,384	1,410	1,410	1,410	1,410	1,410	1,410
EXPENSES							
Other							
All Other Expenses ^(b)	16,473	250	250	250	250	250	250
Receipts Paid into the Consolidated Account	911	1,160	1,160	1,160	1,160	1,160	1,160
TOTAL ADMINISTERED EXPENSES	17,384	1,410	1,410	1,410	1,410	1,410	1,410

(a) Represents funding for the Redress Scheme to recognise and support former police officers medically retired due to a work-related illness or injury.

(b) Includes additional expenditure of \$16.2 million relating to the payments associated with the Redress Scheme.

Division 28 Justice

Part 7 Community Safety

Appropriations, Expenses and Cash Assets ^(a)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 62 Net amount appropriated to deliver services	1,246,584	1,274,009	1,331,827	1,355,704	1,278,398	1,303,364	1,314,384
Amount Authorised by Other Statutes ^(b)							
- Children's Court of Western Australia Act 1988	431	405	430	406	407	408	413
- Criminal Injuries Compensation Act 2003 ...	45,891	31,817	68,548	31,817	31,817	31,817	31,817
- District Court of Western Australia Act 1969	13,465	13,531	13,858	14,580	15,638	16,889	18,191
- Judges' Salaries and Pensions Act 1950	11,484	10,836	10,909	11,962	12,696	13,613	14,598
- State Administrative Tribunal Act 2004	5,244	5,878	5,313	6,168	6,689	7,211	7,727
- Salaries and Allowances Act 1975	31,203	30,920	32,077	33,480	35,821	38,435	41,204
Total appropriations provided to deliver services	1,354,302	1,367,396	1,462,962	1,454,118	1,381,466	1,411,737	1,428,334
CAPITAL							
Item 130 Capital Appropriation	49,498	68,385	79,997	95,171	87,301	80,043	42,978
TOTAL APPROPRIATIONS	1,403,800	1,435,781	1,542,959	1,549,289	1,468,767	1,491,780	1,471,312
EXPENSES							
Total Cost of Services	1,579,732	1,648,186	1,745,313	1,728,457	1,656,391	1,693,777	1,705,809
Net Cost of Services ^{(c) (d)}	1,315,315	1,420,805	1,525,655	1,499,505	1,423,934	1,455,430	1,463,110
CASH ASSETS ^(e)	40,023	16,911	43,032	30,235	31,546	29,182	29,518

- (a) The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual have been recast, for comparability purposes, to account for Machinery of Government changes that took effect from 1 December 2020 (transfer of the Equal Opportunity Commission (EOC)) and to reflect the establishment of the State Solicitor's Office as an independent sub-department effective from 1 October 2021.
- (b) Excludes appropriation provided to the Department prior to the establishment of the State Solicitor's Office as an independent sub-department.
- (c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.
- (d) 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.
- (e) 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 Department's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Broome Aboriginal-led Family Violence Court	-	276	836	841	847
Bunbury Regional Prison Alcohol and Other Drug Services	-	-	103	2,864	2,973
Expansion of Restraining Orders Conferencing Pilot	-	396	1,368	1,377	1,388
Family and Domestic Violence Forensic Services	-	500	1,000	1,000	2,000
Family and Domestic Violence Program for Women in Prison	-	500	500	500	500
Legal Aid - Expansion of Restraining Orders Conferencing Pilot	-	-	812	815	823
Olabud Doogethu Halls Creek Justice Reinvestment Project	-	418	343	343	348
Western Desert Justice Program	-	498	500	502	-
COVID-19 Response					
Community Legal Services Demand	-	3,995	-	-	-
New Initiatives					
Bandyup Women's Prison Mental Health Facility	494	1,429	1,450	1,471	-
Central Pharmacy Expansion	-	-	-	160	160
Criminal Law (Mental Impairment) Bill 2021	278	757	25	25	25
Criminal Trial Facilities Business Case	-	493	-	-	-
Prison Services Evaluation	-	4,863	1,873	1,300	-
Western Australian Office of Crime Statistics and Research Grants	-	300	300	300	300
Ongoing Initiatives					
Acacia Prison Contract	1,827	(1,660)	(1,080)	(752)	-
Justice Reform Program	-	(4,518)	(4,931)	(1,600)	(300)
Justice Services Expenditure	29,000	77,686	70,927	127,413	74,645
Kimberley Juvenile Justice Strategy	-	2,355	2,758	-	-
Legal Aid					
Mental Health Court Diversion and Support Program	-	251	255	259	263
Services Expenditure	862	2,855	3,427	4,905	7,163
Mental Health Court Diversion and Support Program	-	1,081	1,100	1,120	1,139
National Redress Scheme	15,909	-	-	-	-
Regional Youth Services Expenditure	-	-	5,634	5,705	5,777
Other					
Copyright Payments on Behalf of the State	1,038	-	-	-	-
Criminal Injuries Compensation	36,731	-	-	-	-
Legal Aid					
Non-Government Human Services Sector Indexation Adjustment	-	(34)	(71)	(98)	20
State Criminal Indictable Matters	1,484	-	-	-	-
State Expensive Criminal Cases	4,185	-	-	-	-
State Family Matters	1,118	-	-	-	-
Non-Government Human Services Sector Indexation Adjustment	-	(320)	(514)	(647)	(228)
RiskCover Premiums	-	36,666	-	-	-
Special Acts Expenditure	408	-	-	-	-

Significant Issues Impacting the Agency

1. The Department continues to support the Government's legislative reform of the justice system with the passage and enactment of the *Criminal Law Amendment (Uncertain Dates) Act 2020* and urgent reform under the *Protection of Information (Entry Registration Information Relating to COVID-19 and Other Infectious Diseases) Act 2021*. Bills currently before Parliament include the Courts Legislation Amendment (Magistrates) Bill 2021, Statutes (Repeals and Minor Amendments) Bill 2021 and Animal Welfare and Trespass Legislation Amendment Bill 2021. In addition, the Department is also progressing a number of Bills for introduction or reintroduction, including the Criminal Law (Mental Impairment) Bill 2021, Criminal Law (Unlawful Consorting) Bill 2021, Evidence Bill 2021 and Criminal Appeals Amendment Bill 2021.
2. The Parliamentary Counsel's Office continues to provide drafting services in relation to the Government's legislative agenda, with additional resourcing allocated in the Budget to deliver on these priorities. A large number of significant drafting tasks giving effect to the Government's legislative and policy priorities across a diverse range of portfolios have been completed.

3. The Western Australian Office of Crime Statistics and Research (WACSAR) which was established in 2020 provides a cross-agency, evidence-based approach to criminal justice decision-making and policy development. WACSAR has commenced work to establish a non-statutory Advisory Board comprising representatives from the justice sector and university partners to provide strategic advice to WACSAR and support the administration of a new research grant fund.
4. The Department continues to prioritise its efforts to address the over-representation of Aboriginal people in the criminal justice system, with a focus on achieving Closing the Gap outcomes to reduce the incarceration rate of Aboriginal adults and youth. Key Department activities include work to establish an Aboriginal Justice Advisory Committee, delivery of the Department's Reconciliation Action Plan, continuation of the Kimberley Juvenile Justice Strategy and implementation of justice reform projects to reduce avoidable remand and increase sentencing flexibility.
5. As part of the Justice Reform Project, the Department, in partnership with Legal Aid Western Australia and the Aboriginal Legal Service Western Australia, has established a three year metropolitan pilot prison In-reach Legal Service and Bail Support Service. A regional Bail Support Service has also commenced in the Kimberley. These services assist the administration of justice by improving access to bail and improving community safety through the provision of practical support to assist offenders to comply with their bail conditions.
6. The Department is progressing the Kimberley Juvenile Justice Strategy through community-led initiatives including night patrols and place-based programs. In addition, a consultation process will be undertaken to co-design an on-country residential facility and a safe place facility targeted at young people who are living in Broome and are at-risk or involved in the justice system.
7. The Prison Services Evaluation (PSE) project continues to deliver reforms in publicly-run prisons that aim to improve prisoner outcomes, increase operational efficiency and improve safety and security. In support of these reforms, the Government has provided additional funding to replace savings measures introduced under the previous Government with more targeted initiatives identified under the PSE.
8. Preparation for a further 344-bed expansion at Casuarina Prison has commenced with a focus on providing accommodation and supporting infrastructure to manage male prisoners with complex needs including mental illness.
9. The opening of a dedicated mental health unit at Bandyup Women's Prison and the commencement of planning for the construction of a dedicated mental health unit at Casuarina Prison will strengthen the Department's efforts to enhance mental health services for prisoners.
10. Planning continues for the future replacement of Broome Regional Prison with a new larger facility to better meet future demand in the Kimberley region. Planning includes consultation with the Traditional Owners to identify a preferred site and development of a project definition plan.
11. The Department is building on improvements in security and stability at Banksia Hill Detention Centre with the care and rehabilitation of young people the top priority. A range of programs and services are delivered at Banksia Hill to address the health and emotional wellbeing of young persons, with the aim of reducing recidivism rates.
12. The Department continues to strengthen its efforts to break the cycle of alcohol and drug-related crime and support the Government's Methamphetamine Action Plan by delivering alcohol and other drug programs at two dedicated rehabilitation facilities at Wandoo Rehabilitation Prison for women and the Mallee Unit at Casuarina Prison.
13. The Commissioner for Victims of Crime continues to lead Western Australia's participation in the National Redress Scheme (the Scheme) for survivors of institutional child sexual abuse. The number of applications to the Scheme continues to increase and the team is responding to the recommendations of the two year review into the Scheme.
14. The Department will commence consultation and infrastructure development to expand the shuttle conferencing process for disputed Family Violence Restraining Orders following the introduction of the *Family Violence Legislation Reform Act 2020* to outer metropolitan and regional courts.

15. The Department will commence consultation and infrastructure development in order to establish an Aboriginal-led specialist Family Violence Court in Broome to improve family and domestic violence outcomes.
16. As part of the Justice Reform Project, the two year trial to electronically monitor high risk family and domestic violence offenders in the community aims to increase the safety for victims and the community. To support this trial, the Department continues to work closely with the relevant courts and the Western Australian Police Force to promote the uptake, target eligible offenders, provide effective and timely advice to judicial officers and offer appropriate support to victims.
17. The Department expects an increase in the number of court listings to continue in regional and metropolitan courts in Western Australia following the suspension of jury trials as a result of COVID-19 and the impacts from the Government's commitment to recruit additional police officers. This commitment extends to the flow-on impacts through the criminal court system and facilities with an allocation of additional operating resources to meet this increased demand. The Department is progressing the development of a two-phase business case addressing demand pressures in criminal jury courtrooms, located in the Perth CBD and metropolitan area.
18. The Department is experiencing an increase in the number of awards assessed under the *Criminal Injuries Compensation Act 2003* following a streamlining of end-to-end processes and the continuation of an additional assessor.
19. The ongoing increase in demand for the Office of the Public Advocate's statutory services has continued, with increasing numbers of referrals by the State Administrative Tribunal as a result of the ageing population and increasing numbers of people with intellectual disabilities or mental illness who require a guardian.
20. The Public Trustee has continued to experience increasing demand for its services, as well as an increase in the number of people referred by the State Administrative Tribunal to have their financial affairs managed.
21. Legal Aid Western Australia is working to further improve access to justice in regional and remote areas by using video technology to set up virtual offices in areas without Legal Aid Western Australia offices and by establishing Health Justice Partnerships with major hospitals and medical services to assist in connecting clients with wraparound services, including supporting those with mental health concerns and those experiencing family or domestic violence.
22. The economic impacts of COVID-19 associated with the ending of the various financial relief responses put in place by both the government and financial institutions, have increased demand for legal assistance in both family violence and civil law areas such as credit, debt and employment law.
23. As of 1 October 2021, the State Solicitor's Office (SSO) becomes a sub-department of the Department, implementing a recommendation of the Special Inquiry into Government Programs and Projects: Final Report and strengthening the independence of the SSO.

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 Department's services, the desired outcomes and the relevant Government Goal. 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
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	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 4. National Redress Scheme for Institutional Child Sexual Abuse
	Western Australian birth, death, marriage and change of name certificates are accurate and accessible.	5. Births, Deaths and Marriages
	Government receives quality and timely legislative drafting and publication services.	6. Services to Government
	The people of Western Australia have efficient and accessible avenues of redress under the relevant legislation.	7. Equal Opportunity Commission Services
	Equitable access to legal services and information.	8. Legal Aid Assistance
	A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system.	9. Adult Corrective Services 10. Youth Justice Services

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Court and Tribunal Services	400,126	388,218	421,478	399,410	408,990	421,345	431,976
2. Advocacy, Guardianship and Administration Services	8,964	9,057	10,091	12,178	12,203	13,446	14,603
3. Trustee Services.....	25,734	26,340	26,289	26,553	24,000	24,118	24,044
4. National Redress Scheme for Institutional Child Sexual Abuse	9,356	26,350	42,010	25,138	22,328	20,351	12,055
5. Births, Deaths and Marriages	7,580	9,168	7,069	9,009	8,996	9,442	9,424
6. Services to Government	19,147	24,473	21,168	27,030	27,673	28,243	24,582
7. Equal Opportunity Commission Services....	4,063	3,610	3,327	3,266	3,315	3,322	3,324
8. Legal Aid Assistance	53,381	105,026	117,587	116,864	116,786	120,581	120,480
9. Adult Corrective Services	955,590	958,823	997,013	1,006,128	930,217	949,515	959,782
10. Youth Justice Services	95,791	97,121	99,281	102,881	101,883	103,414	105,539
Total Cost of Services.....	1,579,732	1,648,186	1,745,313	1,728,457	1,656,391	1,693,777	1,705,809

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: An efficient, accessible court and tribunal system:					
Supreme Court - Criminal - time to trial	45 weeks	28 weeks	53 weeks	39 weeks	1
Supreme Court - Civil - time to finalise non-trial matters	24 weeks	19 weeks	25 weeks	19 weeks	2
District Court - Criminal - time to trial	45 weeks	32 weeks	54 weeks	32 weeks	3
State Administrative Tribunal - time to finalise	15 weeks	15 weeks	16 weeks	15 weeks	
Family Court of Western Australia - time to finalise non-trial matters	48 weeks	27 weeks	48 weeks	27 weeks	4
Magistrates Court - Criminal and Civil - time to trial	23 weeks	19 weeks	24 weeks	19 weeks	5
Coroner's Court - time to trial	86 weeks	128 weeks	140 weeks	128 weeks	
Fines Enforcement Registry - percentage of fines satisfied within 12 months:					
Fines and costs	32%	35%	32%	35%	
Infringements	51%	57%	50%	57%	6
Outcome: Trustee, guardianship and administration services are accessible to all Western Australians:					
Percentage of guardians of last resort allocated in one day	96%	95%	78%	95%	7
Percentage of Western Australian deceased estates administered by the Public Trustee	4.8%	4.0%	4.3%	4.0%	
Percentage of clients who have services provided by the Public Trustee under an operating subsidy	63%	60%	64%	60%	
Percentage of requests for information under the National Redress Scheme responded to within eight weeks	97%	50%	87%	90%	8
Outcome: Western Australian birth, death, marriage and change of name certificates are accurate and accessible:					
Percentage of certified certificates issued within two days	n/a	90%	87%	90%	
Extent to which registration source information is recorded error-free	n/a	97%	96%	97%	
Outcome: Government receives quality and timely legislative drafting and publication services:					
Extent to which legislation is drafted in a timely manner to effect the Government's legislative program	100%	95%	100%	95%	
Extent to which legislation is published in a timely manner	100%	98%	100%	98%	
Outcome: The people of Western Australia have efficient and accessible avenues of redress under the relevant legislation:					
Percentage of complaints finalised within 12 months ^(b)	96%	95%	91%	95%	
Outcome: Equitable access to legal services and information:					
Percentage of eligible applicants who receive a grant of legal aid	89%	85%	89%	86%	
Percentage of people who are provided with a duty lawyer service	20%	20%	20%	20%	
Percentage of people receiving an outcome from Infoline services	68%	69%	75%	77%	
Outcome: A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system:					
Adult:					
Number of escapes	5	nil	5	nil	9
Rate of return - offender programs	37.1%	39%	41.3%	39%	
Average out of cell hours	11.27	12	10.61	12	10
Rate of serious assault per 100 prisoners	1.31	<0.48	1.29	<0.48	11
Successful completion of community correction orders	64.9%	64%	69.3%	64%	
Youth:					
Number of escapes	nil	nil	nil	nil	
Rate of return to detention	53.4%	50%	44.3%	50%	12
Successful completion of community-based orders	58.6%	68%	63%	68%	

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

(b) The EOC transitioned from a standalone agency to be a part of the Department during 2020-21. The actual result for the previous financial year was reported in the EOC Annual Report. The estimated actual result for the current financial year is based on key performance indicator data for the full 2020-21 period, including the July to November 2020 period, prior to the transition, and December 2020 to June 2021 following the transition to the Department.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is higher than the 2020-21 Budget and 2021-22 Budget Target due to the Supreme Court primarily hearing homicide and related offences since January 2019, which are complex in nature and require lengthy trials.
2. The 2020-21 Estimated Actual is higher than the 2020-21 Budget and 2021-22 Budget Target due to a larger proportion of possession of property actions finalised administratively and by discontinuance. Further impacting the result was the moratorium on mortgage enforcement proceedings during the COVID-19 pandemic.
3. The 2020-21 Estimated Actual is higher than the 2020-21 Budget and 2021-22 Budget Target due to an increase in the criminal workload and the continuing impact of the suspension of jury trials from 16 March 2020 until 20 July 2020 due to COVID-19 restrictions. Further affecting the result was the increased complexity of cases, including multi-accused trials.
4. The 2020-21 Estimated Actual is higher than the 2020-21 Budget and 2021-22 Budget Target due to the long-term growth in the complexity and volume of final order parenting applications lodged, and the growth in the finalisation of these applications by court order or direction. Further impacting the Court's capacity to hear non-trial matters is the allocation of trial workload to magistrates to help address the delay to trial.
5. The 2020-21 Estimated Actual is higher than the 2020-21 Budget and 2021-22 Budget Target due to the sustained high proportion of matters proceeding to trial and an increase in the number of multi-day trials heard reflecting the greater complexity of matters before the Court. Further impacting the result was COVID-19 lockdowns where trials have been delayed as well as counsel and witnesses being unable to travel from interstate due to border closures.
6. The 2020-21 Estimated Actual is lower than the 2020-21 Budget and 2021-22 Budget Target due to the increasing average debt load per case, resulting in the reduction of clients' financial ability to finalise infringements within 12 months. The increasing percentage of infringements being included in formal payment arrangements has further impacted the result.
7. The 2020-21 Estimated Actual is lower than the 2020-21 Budget and 2021-22 Budget Target due to the ongoing and increasing demand for services of the Public Advocate which has resulted in higher overall workloads.
8. The 2020-21 Estimated Actual is higher than the 2020-21 Budget. A target of 50% was conservatively set based on an estimate of a large number of applications being received early in the operation of the National Redress Scheme. The number of applications received has not been as high as anticipated and agencies, through the coordination of the Redress Coordination Unit, have generally been able to respond to requests for information within the prescribed timeframes. The target has been revised and increased to 90% for 2021-22 to reflect efficiencies in processing applications and information and communications technology enhancements.
9. The 2020-21 Estimated Actual is higher than the 2020-21 Budget by five escapes. Each escape is investigated by the Department to identify factors that preceded or contributed to the escape so that the risk of further escapes can be minimised.
10. The 2020-21 Estimated Actual is lower than the 2020-21 Budget due to enhancements in the recording of regular unlock and lockup times at adult prison facilities.
11. The 2020-21 Estimated Actual exceeds the 2020-21 Budget. Managing a prisoner cohort is complex and assaults may be attributed to several factors. The rate of serious assault is highly variable due to the small number of incidents.
12. The 2020-21 Estimated Actual is lower than the 2020-21 Budget and the 2021-22 Budget Target. This reflects a decrease in the number of young people returning to detention relative to the number of young people exiting detention. This decrease is consistent with a general decline in the number of young people in contact with the criminal justice system.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	400,126	388,218	421,478	399,410	
Less Income ^(a)	100,646	109,035	105,156	113,603	
Net Cost of Service	299,480	279,183	316,322	285,807	
Employees (Full-Time Equivalents) ^(b)	1,226	1,247	1,247	1,260	
Efficiency Indicators ^(c)					
Supreme Court - Criminal - cost per case	\$184,259	\$263,354	\$194,179	\$232,841	1
Supreme Court - Civil - cost per case	\$12,613	\$18,893	\$14,859	\$16,169	2
Court of Appeal - cost per case	\$22,656	\$21,316	\$23,470	\$25,741	3
District Court - Criminal - cost per case	\$18,171	\$18,270	\$23,014	\$23,197	4
District Court - Civil - cost per case	\$4,257	\$4,131	\$2,584	\$2,681	5
State Administrative Tribunal - cost per case	\$4,257	\$3,995	\$3,747	\$3,717	
Family Court - cost per case	\$2,013	\$1,999	\$1,951	\$2,023	
Magistrates Court - Criminal - cost per case	\$808	\$735	\$950	\$853	6
Magistrates Court - Civil - cost per case	\$660	\$632	\$846	\$712	7
Coroner's Court - cost per case	\$5,809	\$5,840	\$7,001	\$6,364	8
Children's Court - Criminal - cost per case	\$662	\$574	\$1,035	\$644	9
Children's Court - Civil - cost per case	\$1,861	\$1,531	\$1,832	\$1,678	10
Fines Enforcement Registry - cost per enforcement	\$36	\$43	\$44	\$39	11

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

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

(c) 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 lodgments). 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 2020-21 Estimated Actual is lower than the 2020-21 Budget due to an increase in finalisations and reduction in costs following a review into the apportionments under the Outcome Based Management framework to reflect the implementation of the *Court Jurisdiction Legislation Amendment Act 2018*. The 2020-21 Estimated Actual is lower than the 2021-22 Budget Target due to the higher number of finalisations in 2020-21.
2. The 2020-21 Estimated Actual is lower than the 2020-21 Budget primarily due to a reduction in costs following a review into the apportionments under the Outcome Based Management framework.
3. The 2020-21 Estimated Actual is higher than the 2020-21 Budget due to a decrease in civil and criminal appeal finalisations.
4. The 2020-21 Estimated Actual is higher than the 2020-21 Budget due to a change in cost allocations between the Criminal and Civil Divisions of the District Court following a review into the apportionments under the Outcome Based Management framework.
5. The 2020-21 Estimated Actual is lower than the 2020-21 Budget due to a change in cost allocations between the Criminal and Civil Divisions of the District Court following a review into the apportionments under the Outcome Based Management framework.

6. The 2020-21 Estimated Actual is higher than the 2020-21 Budget and 2021-22 Budget Target primarily due to less finalisations resulting from a reduction in criminal lodgments, in part as a result of COVID-19 restrictions.
7. The 2020-21 Estimated Actual is higher than the 2020-21 Budget and 2021-22 Budget Target due to a significant reduction in Residential Tenancy lodgments as a result of the *Residential Tenancies (COVID-19 Response) Act 2020*, requiring mandatory conciliation for residential tenancy disputes.
8. The 2020-21 Estimated Actual is higher than the 2020-21 Budget and the 2021-22 Budget Target due to higher costs in forensic pathology services and an increase in body removals.
9. The 2020-21 Estimated Actual is higher than the 2020-21 Budget and 2021-22 Budget Target primarily due to increased Accused Costs. Further impacting the result are less finalisations as criminal lodgments declined in theft, burglary, illicit drug and public order offences, and property offences in part as a result of COVID-19 restrictions.
10. The 2020-21 Estimated Actual is higher than the 2020-21 Budget due to higher costs as a result of the Protection and Care Pilot Court.
11. The 2021-22 Budget Target is lower than the 2020-21 Estimated Actual due to an expected increase in lodgments, previously impacted by COVID-19 restrictions, by Western Australia Police Force and other prosecuting authorities.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 8,964	\$'000 9,057	\$'000 10,091	\$'000 12,178	
Less Income ^(a)	12	48	7	50	
Net Cost of Service	8,952	9,009	10,084	12,128	
Employees (Full-Time Equivalents)	63	66	66	89	
Efficiency Indicators					
Average cost of providing advocacy and guardianship services	\$1,560	\$1,387	\$1,573	\$1,695	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is higher than the 2020-21 Budget due to an increase in staff and associated costs during the year in response to the continuing demand for the services of the Office of the Public Advocate.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 25,734	\$'000 26,340	\$'000 26,289	\$'000 26,553	
Less Income	25,175	25,824	25,826	26,373	
Net Cost of Service	559	516	463	180	
Employees (Full-Time Equivalents)	182	186	186	185	
Efficiency Indicators					
Average cost per deceased estate administered.....	\$2,372	\$2,369	\$2,116	\$2,246	1
Average cost per trust managed	\$1,995	\$1,971	\$2,080	\$2,042	
Average cost per will prepared.....	\$829	\$676	\$674	\$559	2

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower than the 2020-21 Budget mainly due to a reduction of overall cost as a result of the review and reallocation of costs between the divisions within the Public Trustee Office.
2. The 2020-21 Estimated Actual is higher than the 2021-22 Budget Target due to a reduction of overall budget cost as a result of the review and reallocation of costs between the divisions within the Public Trustee Office.

4. National Redress Scheme for Institutional Child Sexual Abuse

The National Redress Scheme for Institutional Child Sexual Abuse (the Scheme) provides redress to survivors of institutional child sexual abuse. The Scheme:

- acknowledges that many children were sexually abused in Australian institutions;
- holds institutions accountable for this abuse; and
- helps people who have experienced institutional child sexual abuse gain access to counselling and psychological services, a direct personal response and a monetary payment.

This service relates to the administration of Western Australia's participation in the Scheme through the Redress Coordination Unit. The Redress Unit is responsible for the coordination of Requests for Information between the Commonwealth Redress Scheme Operator and the responsible government agencies and local governments, the facilitation of direct personal responses for all State and local government agencies, and Western Australia's Scheme payments to the Commonwealth.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 9,356	\$'000 26,350	\$'000 42,010	\$'000 25,138	
Less Income	nil	nil	nil	2	
Net Cost of Service	9,356	26,350	42,010	25,136	
Employees (Full-Time Equivalents)	8	8	8	10	
Efficiency Indicators					
Average cost per claim	\$67,795	\$91,493	\$55,790	\$57,657	1

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower than the 2020-21 Budget as the average payment for finalised claims was lower than expected due to Independent Decision Makers acting for the Commonwealth Scheme making lower payment determinations per application than expected and a higher than expected number of claims with prior payments.

5. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	7,580	9,168	7,069	9,009	
Less Income	7,322	7,872	7,454	7,670	
Net Cost of Service	258	1,296	(385)	1,339	
Employees (Full-Time Equivalents)	47	50	50	54	
Efficiency Indicators					
Average cost of registration services	\$1.78	\$2.12	\$1.61	\$2.02	1

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower than the 2020-21 Budget and the 2021-22 Budget Target mainly due to a reduction in building rental lease costs and delays in projects associated with the Western Australian Registration System.

6. Services to Government ^(a)

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	19,147	24,473	21,168	27,030	1
Less Income ^(b)	2,133	1,742	853	382	
Net Cost of Service	17,014	22,731	20,315	26,648	
Employees (Full-Time Equivalents)	104	104	96	108	1

- (a) In June 2021, Cabinet approved the establishment of the SSO as an independent sub-department of the Department under section 56 of the *Financial Management Act 2006*, effective from 1 October 2021. This change of status includes approval for the SSO to be a separate division within the estimates under section 56(1)(c)(i). The key efficiency indicator previously included under Services to Government will be reported within the SSO division of the estimates. An Outcome Based Management review process will occur during 2021-22 to develop a replacement key efficiency indicator for Services to Government.
- (b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower than the 2020-21 Budget and the 2021-22 Budget Target mainly due to timing delays.

7. Equal Opportunity Commission Services

The EOC provides an avenue of redress for unlawful discrimination through investigating and endeavouring to conciliate complaints that fall within the jurisdiction of the *Equal Opportunity Act 1984* (the Act) and other legislation administered by the Commissioner for Equal Opportunity, and performs the general functions set out in section 80 of the Act.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 4,063	\$'000 3,610	\$'000 3,327	\$'000 3,266	
Less Income	115	110	76	141	
Net Cost of Service	3,948	3,500	3,251	3,125	
Employees (Full-Time Equivalents)	21	20	20	20	
Efficiency Indicators					
Average cost per complaint handled ^(a)	\$2,760	\$2,500	\$1,689	\$2,336	1

- (a) The EOC transitioned from a standalone agency to be a part of the Department effective from 1 December 2020. The actual result for the previous financial year was reported in the EOC Annual Report. The estimated actual result for the current financial year is based on key performance indicator data for the full 2020-21 period, including the July to November 2020 period, prior to the transition, and December 2020 to June 2021 following the transition to the Department.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower than the 2020-21 Budget due to a higher overall number of complaints handled, resulting from a higher number of complaints received in the period and a higher number of complex complaints carried over from the previous financial year. In addition, there was a reduction in complaint handling expenses due to lower rent and other overheads. The 2021-22 Budget Target is higher than the 2020-21 Estimated Actual because it is expected there will be fewer complaints relative to 2020-21.

8. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	53,381	105,026	117,587	116,864	
Less Income	3,155	54,453	54,456	51,119	
Net Cost of Service	50,226	50,573	63,131	65,745	
Employees (Full-Time Equivalents)	312	348	329	404	1
Efficiency Indicators					
Average cost per legal representation	\$4,178	\$4,030	\$4,116	\$3,632	2
Average cost per legal information service	\$73	\$76	\$78	\$56	3
Average cost per legal advice	\$289	\$285	\$332	\$314	4
Average cost per application for a grant of legal aid processed	\$374	\$405	\$426	\$426	

Explanation of Significant Movements

(Notes)

1. The 2021-22 Budget Target is higher than the 2020-21 Estimated Actual mainly due to additional resources provided for the flow-on impacts of Government's commitment to recruiting additional police officers, Elders Rights legal services and legal assistance to clients affected by COVID-19.
2. The 2021-22 Budget Target is lower than the 2020-21 Estimated Actual mainly due to the exclusion of grants for some indictable matters funded by supplementary funding in 2020-21 which have a higher average cost. The other contributing factor is the inclusion of additional State family grants, for which the average cost is lower than the overall 2020-21 average.
3. The 2021-22 Budget Target is lower than the 2020-21 Estimated Actual due to the inclusion of referral service counts for the first time following a system enhancement. In previous key performance indicator reports, only the cost of referral services was included, but not the service counts. The 2020-21 Estimated Actual average cost per legal information services is \$58 per service if the number of referral services are included in the service counts.
4. The 2020-21 Estimated Actual is higher than the 2020-21 Budget mainly due to increased costs of duty lawyer services and the legal advice costs. The increase in Average cost per legal advice is explained by the impact of COVID-19 restrictions and general increase in the number of overall charges each client presents with, which requires longer appointments. Also, with the commencement of the Reducing Avoidable Remand project in January 2020, additional duty lawyer appearances and legal advice appointments have occurred that can be both complex and time-consuming. Legal Aid Western Australia expects the number of court appearances to return to the pre-COVID-19 level and therefore reflected a reduced 2021-22 Budget Target.

9. Adult Corrective Services

An adult offender system that:

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	955,590	958,823	997,013	1,006,127	
Less Income	100,118	27,734	25,122	28,612	
Net Cost of Service	855,472	931,089	971,891	977,515	
Employees (Full-Time Equivalents)	4,619	4,760	4,760	4,825	
Efficiency Indicators					
Cost per day of keeping an offender in custody	\$323	\$312	\$354	\$335	1
Cost per day of managing an offender through community supervision	\$35	\$36	\$36	\$39	

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is higher than the 2020-21 Budget due to a reduced average daily number of offenders managed in custody, compared to the budgeted number of adult offenders managed. The higher average cost relates to reduced economies of scale as a result of the lower average daily number of offenders managed in custody.

10. Youth Justice Services

An accessible and equitable juvenile offender system 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 95,791	\$'000 97,121	\$'000 99,281	\$'000 102,881	
Less Income ^(a)	25,741	563	708	1,000	
Net Cost of Service	70,050	96,558	98,573	101,881	
Employees (Full-Time Equivalents)	631	645	645	662	
Efficiency Indicators					
Cost per day of keeping a young person in detention	\$1,339	\$1,366	\$1,387	\$1,411	
Cost per day of managing a young person through community supervision	\$93	\$102	\$133	\$142	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is higher than the 2020-21 Budget due to a reduced average daily number of young people managed through community supervision compared to the budgeted number of young people. The higher average cost relates to reduced economies of scale as a result of the lower average daily number of young people managed through community supervision. Additionally, the 2021-22 Budget Target is higher than the 2020-21 Budget due to a lower forecast average daily number of young people managed through community supervision in 2021-22.

Asset Investment Program

1. To support the delivery of the Department's services, a total of \$94.6 million is budgeted to be spent on asset investment in 2021-22, which includes the following:
 - 1.1. \$55.2 million to construct and expand support buildings at Casuarina Prison Stage 2 for additional accommodation and will facilitate a further 344 beds;
 - 1.2. \$6.3 million to provide increased security and separation for the existing female precinct at Greenough Regional Prison;
 - 1.3. \$4.3 million for the asset replacements and upgrades at Acacia Prison according to the new contract;
 - 1.4. \$4.2 million to undertake building upgrades and replacements throughout the prison estate including a range of maintenance upgrades and mechanical, electrical and security obsolescence programs;
 - 1.5. \$3.5 million to provide building infrastructure and maintenance for adult custodial facilities;
 - 1.6. \$2.8 million to upgrade the security infrastructure and management systems at Casuarina Prison;
 - 1.7. \$1.8 million to provide a new case management system for the Family Court of Western Australia;
 - 1.8. \$1.7 million for the replacement of low value office equipment and minor fit-outs including the replacement of desktops and multifunctional devices;
 - 1.9. \$1.5 million for information and communications technology (ICT) upgrades;
 - 1.10. \$1.4 million for audiovisual facilities in court locations across metropolitan and regional areas;
 - 1.11. \$1.4 million to provide a specialist Family Violence Court in Broome to offer support to Aboriginal women who have experienced family violence;
 - 1.12. \$1.3 million for courts building infrastructure and maintenance state-wide including a range of minor repairs at metropolitan and regional courthouses; and
 - 1.13. \$1.1 million to undertake building and fit-out upgrades for Adult Community Corrections and Youth Justice Services office accommodation throughout various metropolitan and regional locations in Western Australia.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
Administrative							
Information Projects							
Corporate Information Management Systems.....	13,606	10,591	557	987	676	676	676
Digital Transformation Projects - Western Australian Registration System - Registry of Births, Deaths and Marriages	700	190	190	280	230	-	-
ICT Infrastructure Upgrade	32,973	27,824	1,522	1,465	1,228	1,228	1,228
Public Trustee - Management Accounting Trust Environment System Refresh.....	2,600	418	418	882	650	650	-
Physical Infrastructure							
Replacement Office and Other Equipment.....	15,390	8,494	2,407	1,724	1,724	1,724	1,724
Specialist Equipment	3,408	1,136	599	568	568	568	568
Community Corrections - Office Establishment and Refurbishment	6,515	2,909	564	1,104	834	834	834

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Courts							
Building Infrastructure and Maintenance	10,953	5,829	1,570	1,281	1,281	1,281	1,281
Court and Judicial Security	11,750	9,430	580	580	580	580	580
Court Audiovisual Maintenance and Enhancements	26,428	20,720	1,427	1,427	1,427	1,427	1,427
Integrated Case Management System Development for the Family Court of Western Australia	2,500	700	700	1,800	-	-	-
Supreme Court (Stirling Gardens) Building Upgrades ...	2,177	2,017	1,881	160	-	-	-
Custodial							
Adult Facilities	54,000	42,208	1,993	3,521	2,757	2,757	2,757
Building Upgrades and Replacement	91,173	76,774	3,186	4,157	3,414	3,414	3,414
Bunbury Regional Prison Expansion	25,404	25,176	2,287	228	-	-	-
Casuarina Prison Expansion - Stage 2	182,989	25,019	24,484	55,156	50,377	47,412	5,025
Custodial - Ligature Minimisation Program	1,500	500	500	500	500	-	-
Election Commitment - Methamphetamine Action Plan Drug Testing	600	336	205	132	132	-	-
Greenough Regional Prison - Female Unit Upgrade	12,347	6,091	5,702	6,256	-	-	-
Prison Industries - Mobile Plant	6,478	3,531	1,318	853	698	698	698
Regional Prison Planning	1,400	572	449	828	-	-	-
Security System Upgrade	3,273	210	197	2,763	300	-	-
Youth Facilities	6,021	4,453	177	521	349	349	349
COMPLETED WORKS							
COVID-19 Response							
Custodial - Bandyup Women's Prison - Subacute Mental Health Service	2,400	2,400	2,400	-	-	-	-
Other Completed Works							
Courts							
Fines Enforcement Reform	1,000	1,000	1,000	-	-	-	-
State Administrative Tribunal - Case Management System Upgrade	1,500	1,500	1,089	-	-	-	-
Custodial							
Alcohol and Other Drugs Rehabilitation Unit	93	93	93	-	-	-	-
Casuarina Prison Expansion - Stage 1	99,160	99,160	4,494	-	-	-	-
Custodial Infrastructure Program - Administered Equity	138,818	138,818	713	-	-	-	-
Wandoo Facility Infrastructure	9,584	9,584	455	-	-	-	-
NEW WORKS							
Election Commitments							
Broome Aboriginal-Led Specialist Family Violence Court	2,808	-	-	1,404	1,404	-	-
Bunbury Prison Alcohol and Other Drug Unit	3,386	-	-	-	2,370	1,016	-
Expansion of Restraining Orders Conferencing Pilot	1,000	-	-	500	500	-	-
Other New Works							
Administrative - High Risk Offenders Board	542	-	-	542	-	-	-
Courts - Criminal Law (Mental Impairment) Bill 2021 ICT Project	125	-	-	125	-	-	-
Custodial							
Acacia Prison Procurement Process	4,303	-	-	4,303	-	-	-
Central Pharmacy Expansion	1,598	-	-	598	1,000	-	-
Total Cost of Asset Investment Program	780,502	527,683	63,157	94,645	72,999	64,614	20,561
FUNDED BY							
Capital Appropriation			40,129	65,576	56,288	47,431	8,936
Drawdowns from Royalties for Regions Fund			-	1,404	3,774	1,016	-
Drawdowns from the Holding Account			11,625	11,625	11,625	11,625	11,625
Funding Included in Department of Treasury Administered Item			713	-	-	-	-
Internal Funds and Balances			10,690	16,040	1,312	4,542	-
Total Funding			63,157	94,645	72,999	64,614	20,561

Financial Statements

1. The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual have been recast, for comparability purposes, to account for Machinery of Government changes that took effect from 1 December 2020 (EOC) and to reflect the establishment of the SSO as an independent sub-department effective from 1 October 2021.

Income Statement

Expenses

2. The increase in Total Cost of Services between the 2020-21 Budget and the 2020-21 Estimated Actual (\$97.1 million or 6%) is mainly due to \$62 million of higher than expected Grants and subsidies, primarily Criminal Injuries Compensation and National Redress payments, and \$29 million of supplementary funding for employee expenses to ensure the sustainability of Corrective Services in 2020-21. Between the 2019-20 Actual and 2020-21 Estimated Actual employee expenses have increased by \$5 million.

Income

3. The decrease in Total Income between the 2020-21 Budget and the 2020-21 Estimated Actual (\$7.7 million or 3%) is mainly due to reduced court and Registry of Births, Deaths and Marriages fees as a result of impacts associated with the COVID-19 pandemic. The increase in Total Income between the 2020-21 Estimated Actual and the 2021-22 Budget Estimate (\$9.3 million or 4%) reflects an expected return to normal demand for service delivery.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	801,015	775,726	805,955	831,700	782,463	835,527	842,214
Grants and subsidies ^(c)	124,830	180,565	242,878	188,479	186,603	188,664	181,934
Supplies and services	345,313	363,177	366,601	369,428	383,968	381,309	384,551
Accommodation	95,718	95,651	96,626	96,276	97,060	97,862	98,505
Depreciation and amortisation	78,163	73,903	74,001	73,884	74,373	74,448	74,543
Finance and interest costs	37,184	34,710	34,131	32,987	31,722	29,458	29,857
Other expenses	97,509	124,454	125,121	135,703	100,202	86,509	94,205
TOTAL COST OF SERVICES	1,579,732	1,648,186	1,745,313	1,728,457	1,656,391	1,693,777	1,705,809
Income							
Sale of goods and services	31,542	32,925	34,062	36,278	37,324	38,132	38,797
Regulatory fees and fines	78,351	91,146	79,146	93,712	96,425	99,384	102,434
Grants and subsidies	18,026	69,525	71,995	66,969	66,128	66,979	67,665
Other revenue	131,803	29,135	29,805	27,343	27,930	29,202	29,153
Resources received free of charge Commonwealth	4,695	4,650	4,650	4,650	4,650	4,650	4,650
Total Income	264,417	227,381	219,658	228,952	232,457	238,347	242,699
NET COST OF SERVICES ^(d)	1,315,315	1,420,805	1,525,655	1,499,505	1,423,934	1,455,430	1,463,110
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,354,302	1,367,396	1,462,962	1,454,118	1,381,466	1,411,737	1,428,334
Resources received free of charge	4,310	3,867	3,867	3,867	3,867	3,867	3,867
Royalties for Regions Fund:							
Regional Community Services Fund	9,416	9,785	9,785	11,033	11,224	13,620	13,194
Other appropriations	-	6,375	-	-	-	-	-
Other revenues	15,023	32,880	48,789	31,615	28,746	26,725	18,234
TOTAL INCOME FROM STATE GOVERNMENT	1,383,051	1,420,303	1,525,403	1,500,633	1,425,303	1,455,949	1,463,629
SURPLUS/(DEFICIENCY) FOR THE PERIOD	67,736	(502)	(252)	1,128	1,369	519	519

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 7,213, 7,407 and 7,617 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Accused Costs Payments	4,636	1,379	1,379	1,379	1,379	1,379	1,379
Criminal Injuries Compensation Payments	43,814	31,817	68,548	31,817	31,817	31,817	31,817
Legal Aid Assistance Grant	53,446	104,486	114,443	111,949	112,408	116,403	118,809
National Redress Scheme	8,354	24,981	40,890	23,752	21,499	19,476	10,985
Other Grants, Subsidies and Transfer Payments	2,304	4,535	4,251	6,246	5,680	6,148	4,268
Prisoner Gratuity Payments	12,276	13,367	13,367	13,336	13,820	13,441	14,676
TOTAL	124,830	180,565	242,878	188,479	186,603	188,664	181,934

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	25,368	3,401	29,565	17,171	18,657	16,476	16,995
Restricted cash.....	4,767	2,989	3,217	2,989	2,989	2,989	2,989
Holding account receivables.....	11,625	11,625	12,315	11,625	11,625	11,625	11,625
Receivables.....	17,775	17,775	17,861	17,861	17,861	17,861	17,861
Other.....	10,488	10,488	10,522	10,522	10,522	10,522	10,522
Total current assets.....	70,023	46,278	73,480	60,168	61,654	59,473	59,992
NON-CURRENT ASSETS							
Holding account receivables.....	509,087	571,616	571,086	633,345	696,093	758,916	821,834
Property, plant and equipment.....	2,378,771	2,408,502	2,381,977	2,418,696	2,430,866	2,436,459	2,395,662
Intangibles.....	7,645	7,278	7,318	6,557	6,197	5,990	5,751
Restricted cash.....	9,888	10,521	10,250	10,075	9,900	9,717	9,534
Total non-current assets.....	2,905,391	2,997,917	2,970,631	3,068,673	3,143,056	3,211,082	3,232,781
TOTAL ASSETS	2,975,414	3,044,195	3,044,111	3,128,841	3,204,710	3,270,555	3,292,773
CURRENT LIABILITIES							
Employee provisions.....	156,440	157,065	157,063	156,814	157,256	157,698	157,515
Payables.....	89,252	90,890	90,786	92,424	93,236	94,453	94,453
Borrowings and leases.....	25,582	26,747	26,269	28,732	29,058	31,812	30,690
Other.....	266	266	266	266	266	266	266
Total current liabilities.....	271,540	274,968	274,384	278,236	279,816	284,229	282,924
NON-CURRENT LIABILITIES							
Employee provisions.....	32,604	32,604	32,834	32,834	32,834	32,834	32,834
Borrowings and leases.....	395,189	391,946	380,354	363,529	345,374	325,228	305,254
Total non-current liabilities.....	427,793	424,550	413,188	396,363	378,208	358,062	338,088
TOTAL LIABILITIES	699,333	699,518	687,572	674,599	658,024	642,291	621,012
EQUITY							
Contributed equity.....	2,338,910	2,408,008	2,419,363	2,515,938	2,607,013	2,688,072	2,731,050
Accumulated surplus/(deficit).....	(70,624)	(71,126)	(70,619)	(69,491)	(68,122)	(67,603)	(67,084)
Reserves.....	7,795	7,795	7,795	7,795	7,795	7,795	7,795
Total equity.....	2,276,081	2,344,677	2,356,539	2,454,242	2,546,686	2,628,264	2,671,761
TOTAL LIABILITIES AND EQUITY	2,975,414	3,044,195	3,044,111	3,128,841	3,204,710	3,270,555	3,292,773

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	1,282,231	1,293,493	1,389,059	1,380,232	1,307,093	1,337,289	1,353,791
Capital appropriation	49,498	68,385	79,997	95,171	87,301	80,043	42,978
Administered equity contribution.....	72,258	713	713	-	-	-	-
Holding account drawdowns.....	11,658	11,625	11,625	12,315	11,625	11,625	11,625
Royalties for Regions Fund:							
Regional Community Services Fund	9,416	9,785	9,785	11,033	11,224	13,620	13,194
Regional Infrastructure and Headworks Fund	11,458	-	-	1,404	3,774	1,016	-
Other.....	15,023	32,880	48,789	31,615	28,746	26,725	18,234
Administered appropriations	-	6,375	-	-	-	-	-
Net cash provided by State Government.....	1,451,542	1,423,256	1,539,968	1,531,770	1,449,763	1,470,318	1,439,822
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(775,456)	(775,136)	(805,548)	(831,982)	(782,056)	(835,120)	(842,431)
Grants and subsidies.....	(112,554)	(166,261)	(228,574)	(173,548)	(171,656)	(173,701)	(166,971)
Supplies and services	(375,832)	(362,622)	(366,184)	(368,874)	(383,415)	(378,809)	(382,051)
Accommodation	(91,023)	(91,001)	(91,976)	(91,626)	(92,410)	(91,334)	(91,977)
GST payments	(73,247)	(61,378)	(61,378)	(61,378)	(61,378)	(61,378)	(61,378)
Finance and interest costs.....	(37,184)	(32,050)	(31,471)	(31,189)	(30,926)	(29,458)	(29,857)
Other payments.....	(105,171)	(121,258)	(121,771)	(132,075)	(96,432)	(85,768)	(94,682)
Receipts (c)							
Regulatory fees and fines.....	79,389	91,146	79,146	93,712	96,425	99,384	102,434
Grants and subsidies.....	17,995	69,525	71,995	66,969	66,128	66,979	67,665
Sale of goods and services.....	31,608	32,323	33,374	35,661	36,691	37,483	38,148
GST receipts	71,772	61,378	61,378	61,378	61,378	61,378	61,378
Other receipts	14,700	15,433	16,103	13,030	13,616	14,888	14,839
Net cash from operating activities	(1,355,003)	(1,339,901)	(1,444,906)	(1,419,922)	(1,344,035)	(1,375,456)	(1,384,883)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(105,536)	(77,681)	(63,157)	(94,645)	(72,999)	(64,614)	(20,561)
Net cash from investing activities.....	(105,536)	(77,681)	(63,157)	(94,645)	(72,999)	(64,614)	(20,561)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(3,711)	(28,786)	(28,896)	(30,000)	(31,418)	(32,612)	(34,042)
Net cash from financing activities.....	(3,711)	(28,786)	(28,896)	(30,000)	(31,418)	(32,612)	(34,042)
NET INCREASE/(DECREASE) IN CASH HELD	(12,708)	(23,112)	3,009	(12,797)	1,311	(2,364)	336
Cash assets at the beginning of the reporting period	52,731	40,023	40,023	43,032	30,235	31,546	29,182
Cash assets at the end of the reporting period	40,023	16,911	43,032	30,235	31,546	29,182	29,518

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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.

NET APPROPRIATION DETERMINATION

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Regulatory Fees and Fines							
District Court Fees	7,590	8,193	8,013	8,439	8,608	8,866	8,866
Family Court Fees	6,626	6,871	6,720	7,200	7,406	7,628	7,628
Fines Enforcement Registry Fees.....	44,540	52,145	46,501	54,040	55,955	57,667	60,717
Jurors Infringement Fees.....	14	9	9	9	9	9	9
Magistrates Court Fees	8,129	10,074	7,353	9,909	10,082	10,427	10,427
Sheriff's Office Fees	345	303	296	309	315	324	324
State Administrative Tribunal Fees	671	886	867	913	931	950	950
Supreme Court Fees	11,474	12,665	9,387	12,893	13,119	13,512	13,512
Grants and Subsidies							
Commonwealth Grants	17,995	69,525	71,995	66,969	66,128	66,979	67,665
Departmental	285	479	479	479	479	479	479
Sale of Goods and Services							
Commissioner for Equal Opportunity	111	105	105	105	105	105	105
Other Receipts.....	161	229	229	288	568	568	568
Proceeds from Sale of Industry Goods	2,426	2,360	2,360	2,519	2,640	2,742	2,866
Public Trustee Contributions - Estate Fees and Other Revenue.....	21,604	21,799	21,799	24,761	25,229	25,759	26,300
Registry Births, Deaths and Marriages Fees....	7,307	7,830	7,830	7,989	8,149	8,309	8,309
GST Receipts							
GST Input Credits	67,209	56,861	56,861	56,861	56,861	56,861	56,861
GST Receipts on Sales	4,563	4,517	4,517	4,517	4,517	4,517	4,517
Other Receipts							
Public Trustee Contribution - Common Account Surplus Interest.....	3,559	3,642	3,642	1,700	2,100	2,100	2,100
Recoup of Building Disputes Revenue	1,902	1,200	1,200	1,200	1,200	1,200	1,200
Recoup of Criminal Injury Awards.....	1,667	1,776	1,776	1,776	1,776	1,776	1,776
Recoup of Employee Contributions - Housing Leased from Government Regional Officers' Housing.....	2,370	1,700	1,700	2,091	2,523	2,928	3,327
Recoup of Employee Contributions - Vehicles Leased from State Fleet.....	270	638	638	653	668	668	668
Recoup of Other Costs	5,583	7,788	8,254	7,133	6,214	7,082	6,634
Recoup of Prisoner Telephone Calls	2,747	4,122	4,122	4,122	4,122	4,122	4,122
Recoup of Residential Tenancy Payments	1,869	1,296	1,500	1,500	1,500	1,500	1,500
Recoup of Salary Costs	193	9	9	9	9	9	9
TOTAL	221,210	277,022	268,162	278,384	281,213	287,087	291,439

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
INCOME							
Other							
Confiscation of Assets.....	15,423	11,000	11,000	11,000	11,000	11,000	11,000
Infringements Penalties.....	11,367	9,902	9,902	9,902	9,902	9,902	9,902
Judicial Fines and Penalties.....	30,714	35,903	35,903	37,032	38,160	38,206	38,206
Other Revenue.....	1,913	742	742	742	742	742	742
Speed and Red Light Fines.....	18,054	16,606	17,002	22,021	22,728	22,728	22,728
TOTAL ADMINISTERED INCOME	77,471	74,153	74,549	80,697	82,532	82,578	82,578
EXPENSES							
Grants to Charitable and Other Public Bodies							
Grants Paid from the Confiscation							
Proceeds Account	1,743	2,248	2,248	4,000	4,000	4,000	4,000
Other							
Confiscation Expenses Paid from the							
Confiscation Proceeds Account.....	8,756	7,300	7,300	7,000	7,000	7,000	7,000
Other Expenses	88,570	2,188	2,188	736	736	736	736
Payment to Road Trauma Trust Account....	18,034	16,606	17,002	22,021	22,728	22,728	22,728
Receipts Paid into the Consolidated							
Account	42,046	45,811	45,811	46,940	48,068	48,114	48,114
TOTAL ADMINISTERED EXPENSES	159,149	74,153	74,549	80,697	82,532	82,578	82,578

Division 29 State Solicitor's Office

Part 7 Community Safety

Appropriations, Expenses and Cash Assets ^(a)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 62 Net amount appropriated to deliver services	-	-	-	9,476	-	-	-
Item 63 Net amount appropriated to deliver services	36,535	34,563	39,299	29,239	35,188	34,773	35,486
Amount Authorised by Other Statutes ^(b)							
- Solicitor General Act 1969	636	594	555	595	596	597	604
- Suitors' Fund Act 1964	23	31	31	31	31	31	31
- Salaries and Allowances Act 1975	3,300	3,340	3,340	3,388	3,400	3,400	3,400
Total appropriations provided to deliver services	40,494	38,528	43,225	42,729	39,215	38,801	39,521
CAPITAL							
Item 130 Capital Appropriation	-	-	-	34	-	-	-
Item 131 Capital Appropriation	-	-	135	101	135	135	135
TOTAL CAPITAL APPROPRIATIONS	-	-	135	135	135	135	135
TOTAL APPROPRIATIONS	40,494	38,528	43,360	42,864	39,350	38,936	39,656
EXPENSES							
Total Cost of Services	51,481	50,925	54,210	56,461	49,705	49,296	50,025
Net Cost of Services ^{(c) (d)}	50,388	49,800	53,755	55,546	48,790	48,381	49,110
CASH ASSETS ^(e)	864	864	1,084	966	1,149	1,332	1,515

(a) The 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Estimate have been recast, for comparability purposes, to account for Machinery of Government changes to reflect the establishment of the SSO as an independent sub-department effective from 1 October 2021.

(b) Includes appropriation provided to the Department of Justice prior to the establishment of the SSO as an independent sub-department.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(d) 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.

(e) 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 SSO's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COVID-19 Response					
COVID-19 Expenditure	-	2,332	-	-	-
New Initiative					
SSO Establishment	-	360	200	-	-
Ongoing Initiatives					
Civil Litigation - Institutional Abuse Claims	-	3,074	-	-	-
Mineralogy Litigation Costs	1,468	1,461	-	-	-
Mineralogy State Agreement Litigation Costs	-	815	964	-	-
Resolution of Native Title in the South West of Western Australia (Settlement)	383	738	-	-	-

Significant Issues Impacting the Agency

COVID-19 Response

1. The SSO continues to provide legal advice to Ministers, government agencies, the Chief Emergency Co-ordinator and the Chief Health Officer in response to the COVID-19 pandemic and all related emergency management measures.
2. The SSO, with the Solicitor General, successfully defended the State in proceedings commenced by Mr Clive Palmer and Mineralogy Pty Ltd in the High Court against the State, the Commissioner of Police and the State Emergency Co-ordinator alleging the Quarantine (Closing the Borders) Direction was not constitutional.

Other Significant Issues

3. As of 1 October 2021, the SSO becomes a sub-department of the Department of Justice. This implements a recommendation of the Special Inquiry into Government Programs and Projects: Final Report and strengthens the independence of the SSO as the principal legal adviser to the Attorney General, Cabinet Ministers and government agencies.
4. The *Civil Liability Legislation Amendment (Child Sexual Abuse Actions) Act 2018 (WA)* removed time limits for bringing a civil action for damages in child sexual abuse cases. The SSO manages all civil actions lodged by survivors of child sexual abuse against the State. To date more than 639 claims have been lodged and 194 claims settled.
5. Mr Clive Palmer and Mineralogy/International Minerals have challenged the constitutional validity of the *Iron Ore Processing (Mineralogy Pty Ltd) Agreement Amendment Act 2020 (WA)* and the High Court judgment is anticipated in late 2021.
6. The SSO continues to provide expert legal advice on strategic commercial matters including Metronet and other major transport infrastructure projects, the new Women and Babies Hospital and other hospital expansion projects.
7. The SSO is acting for the State in respect of the Native Title Compensation Claim filed by the Tjiwarl people for damage and loss of access to land as a result of acts by the State Government and mining companies. The matter is considered to be a test case for future Native Title claims.
8. The SSO is representing the State in a class action - *Mervyn Street v State of Western Australia* (WA Stolen Wages Class Action). The matter concerns the State's duties in respect of payment for work undertaken by Aboriginal people in Western Australia during 1936–1972.
9. Responsibility for the administration of the *High Risk Serious Offenders Act 2020* transferred from the Office of the Director of Public Prosecutions to the SSO on 1 January 2021. The State Solicitor is responsible for considering whether post-sentence detention orders should be sought from the Supreme Court if there is an unacceptable risk to the community and reoffending is likely.

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, the desired outcomes and the relevant Government Goal. 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
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Government receives quality and timely legal services.	1. Legal Services to Government

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Legal Services to Government	51,481	50,925	54,210	56,461	49,705	49,296	50,025
Total Cost of Services.....	51,481	50,925	54,210	56,461	49,705	49,296	50,025

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Government receives quality and timely legal services:					
Extent to which government agencies are satisfied with legal services.....	100%	95%	100%	95%	

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

Services and Key Efficiency Indicators

1. Legal Services to Government

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	51,481	50,925	54,210	56,461	
Less Income	1,093	1,125	455	915	1
Net Cost of Service	50,388	49,800	53,755	55,546	
Employees (Full-Time Equivalents)	232	244	252	257	
Efficiency Indicators					
Average cost per legal matter ^(a)	\$4,617	\$4,400	\$5,232	\$5,600	2

(a) This indicator is calculated by dividing the Total Cost of Service by the number of recorded matters.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower than the 2020-21 Budget due to lower than expected recoups of legal costs.
2. The increase in the average cost per legal matter from the 2020-21 Budget to the 2021 Estimated Actual is the result of higher costs associated with the Mineralogy Pty Ltd litigation reflecting the complexity of the case.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
NEW WORKS							
Legal Practice Systems	301	-	-	301	-	-	-
Total Cost of Asset Investment Program	301	-	-	301	-	-	-
FUNDED BY							
Internal Funds and Balances			-	301	-	-	-
Total Funding			-	301	-	-	-

Financial Statements

Income Statement

Expenses

1. The increase in Total Cost of Services between the 2020-21 Budget and the 2020-21 Estimated Actual (\$3.3 million or 6.5%) primarily reflects unbudgeted mesothelioma grants expenditure and Mineralogy litigation costs. The increase in Total Cost of Services between the 2020-21 Estimated Actual and the 2021-22 Budget Estimate (\$2.3 million or 4.2%) primarily reflects increased expenditure on civil litigation - Institutional Abuse claims and COVID-19 related legal advice.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	35,189	36,892	37,924	42,704	37,447	37,182	37,944
Grants and subsidies ^(c)	2,967	-	2,277	-	-	-	-
Supplies and services	5,667	5,876	6,052	4,953	3,919	3,836	3,844
Accommodation	6,499	6,509	6,493	6,490	6,489	6,489	6,490
Depreciation and amortisation	98	251	251	262	354	335	293
Finance and interest costs	-	17	17	17	17	17	17
Other expenses	1,061	1,380	1,196	2,035	1,479	1,437	1,437
TOTAL COST OF SERVICES	51,481	50,925	54,210	56,461	49,705	49,296	50,025
Income							
Other revenue	1,093	1,125	455	915	915	915	915
Total Income	1,093	1,125	455	915	915	915	915
NET COST OF SERVICES ^(d)	50,388	49,800	53,755	55,546	48,790	48,381	49,110
INCOME FROM STATE GOVERNMENT							
Service appropriations	40,494	38,528	43,225	42,729	39,215	38,801	39,521
Resources received free of charge	3,726	3,726	4,121	2,959	2,793	2,798	2,807
Other revenues	6,168	7,546	6,409	9,858	6,782	6,782	6,782
TOTAL INCOME FROM STATE GOVERNMENT	50,388	49,800	53,755	55,546	48,790	48,381	49,110

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 232, 252 and 257 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Ex-Gratia and Act of Grace Payments	1,217	-	46	-	-	-	-
Other Grants, Subsidies and Transfer Payments	1,750	-	2,231	-	-	-	-
TOTAL	2,967	-	2,277	-	-	-	-

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	521	521	470	169	169	169	169
Receivables.....	1,465	1,465	1,379	1,379	1,379	1,379	1,379
Other.....	78	78	44	44	44	44	44
Total current assets.....	2,064	2,064	1,893	1,592	1,592	1,592	1,592
NON-CURRENT ASSETS							
Holding account receivables.....	8,986	8,986	8,826	9,088	9,442	9,777	10,070
Property, plant and equipment.....	750	750	726	505	462	260	68
Intangibles.....	153	153	113	374	234	101	-
Restricted cash.....	343	343	614	797	980	1,163	1,346
Total non-current assets.....	10,232	10,232	10,279	10,764	11,118	11,301	11,484
TOTAL ASSETS	12,296	12,296	12,172	12,356	12,710	12,893	13,076
CURRENT LIABILITIES							
Employee provisions.....	7,570	7,570	7,572	7,756	7,939	8,122	8,305
Payables.....	65	65	169	169	169	169	169
Borrowings and leases.....	114	114	114	114	114	114	8
Total current liabilities.....	7,749	7,749	7,855	8,039	8,222	8,405	8,482
NON-CURRENT LIABILITIES							
Employee provisions.....	1,688	1,688	1,458	1,458	1,458	1,458	1,458
Borrowings and leases.....	398	398	263	128	164	29	-
Total non-current liabilities.....	2,086	2,086	1,721	1,586	1,622	1,487	1,458
TOTAL LIABILITIES	9,835	9,835	9,576	9,625	9,844	9,892	9,940
EQUITY							
Contributed equity.....	2,461	2,461	2,596	2,731	2,866	3,001	3,136
Total equity	2,461	2,461	2,596	2,731	2,866	3,001	3,136
TOTAL LIABILITIES AND EQUITY	12,296	12,296	12,172	12,356	12,710	12,893	13,076

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	40,396	38,277	42,974	42,467	38,861	38,466	39,228
Capital appropriation.....	-	-	135	135	135	135	135
Other.....	6,168	7,546	6,495	9,858	6,782	6,782	6,782
Net cash provided by State Government	46,564	45,823	49,604	52,460	45,778	45,383	46,145
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(35,189)	(36,892)	(37,741)	(42,522)	(37,264)	(36,999)	(37,762)
Grants and subsidies	(2,967)	-	(2,277)	-	-	-	-
Supplies and services.....	(1,941)	(2,150)	(1,793)	(1,994)	(1,126)	(1,038)	(1,038)
Accommodation.....	(6,499)	(6,509)	(6,493)	(6,490)	(6,489)	(6,489)	(6,489)
Finance and interest costs.....	-	(17)	(17)	(17)	(17)	(17)	(17)
Other payments	(1,061)	(1,380)	(1,383)	(2,034)	(1,479)	(1,437)	(1,436)
Receipts (c)							
Other receipts	1,093	1,125	455	915	915	915	915
Net cash from operating activities	(46,564)	(45,823)	(49,249)	(52,142)	(45,460)	(45,065)	(45,827)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	-	-	-	(301)	-	-	-
Net cash from investing activities	-	-	-	(301)	-	-	-
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	-	-	(135)	(135)	(135)	(135)	(135)
Net cash from financing activities	-	-	(135)	(135)	(135)	(135)	(135)
NET INCREASE/(DECREASE) IN CASH HELD.....	-	-	220	(118)	183	183	183
Cash assets at the beginning of the reporting period	864	864	864	1,084	966	1,149	1,332
Cash assets at the end of the reporting period	864	864	1,084	966	1,149	1,332	1,515

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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 SSO. 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)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Sale of Goods and Services							
State Solicitor Fees.....	5,544	6,782	5,645	6,782	6,782	6,782	6,782
Other Receipts							
Recoup of Legal Costs	800	800	229	800	800	800	800
Recoup of Other Costs	293	325	226	115	115	115	115
TOTAL	6,637	7,907	6,100	7,697	7,697	7,697	7,697

(a) The moneys received and retained are to be applied to the SSO as specified in the Budget Statements.

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
INCOME							
Other							
Land Acquisition.....	161,826	-	-	-	-	-	-
Other Revenue.....	17	-	-	-	-	-	-
Suitors' Fund.....	30	164	164	164	164	164	164
TOTAL ADMINISTERED INCOME	161,873	164	164	164	164	164	164
EXPENSES							
Other							
Other Expenses	17	-	-	-	-	-	-
Payment of Land Acquisition.....	157,631	-	-	-	-	-	-
Payment of Suitors' Fund.....	19	164	164	164	164	164	164
TOTAL ADMINISTERED EXPENSES	157,667	164	164	164	164	164	164

Legal Aid Commission of Western Australia

Part 7 Community Safety

Asset Investment Program

1. The Commission's Asset Investment Program (AIP) for 2021-22 is estimated at \$2.6 million, primarily comprising of a computer hardware and software replacement program and office fit-outs. The AIP will be funded from internal cash balances.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
Computer Hardware and Software Replacement Program	13,486	7,170	1,152	2,494	1,406	1,402	1,014
Office Refurbishment and Fit-Outs	3,823	3,500	1,239	123	-	-	200
Total Cost of Asset Investment Program	17,309	10,670	2,391	2,617	1,406	1,402	1,214
FUNDED BY							
Internal Funds and Balances			2,391	2,617	1,406	1,402	1,214
Total Funding			2,391	2,617	1,406	1,402	1,214

Division 30 Fire and Emergency Services

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 64 Net amount appropriated to deliver services	50,112	67,517	94,265	53,806	39,493	34,306	37,374
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	1,041	1,041	1,041	1,045	1,048	1,050	1,053
Total appropriations provided to deliver services	51,153	68,558	95,306	54,851	40,541	35,356	38,427
ADMINISTERED TRANSACTIONS							
Item 65 Amount provided for Administered Grants, Subsidies and Other Transfer Payments.....	244,347	85,000	85,000	166,960	92,000	60,700	45,000
CAPITAL							
Item 132 Capital Appropriation	-	2,493	2,540	6,850	20	1,620	10,920
TOTAL APPROPRIATIONS	295,500	156,051	182,846	228,661	132,561	97,676	94,347
EXPENSES							
Total Cost of Services	470,658	472,293	476,146	496,169	484,111	481,295	485,489
Net Cost of Services ^(a) ^(b)	59,694	104,434	100,909	108,776	67,030	50,524	38,529
CASH ASSETS ^(c)	84,368	39,232	84,113	33,401	23,646	30,996	55,712

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(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 Department's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Personal Protective Equipment	-	4,000	949	-	-
Regional Firefighters	-	2,917	4,293	5,934	4,625
Small Commitments	242	-	-	-	-
COVID-19 Response					
COVID-19 Response	309	-	-	-	-
New Initiatives					
Direct Brigades Alarm Monitoring Network - Business Case	-	250	-	-	-
Emergency Rescue Helicopter Service (ERHS) and Air Operations Facilities Replacement - Business Case	-	250	-	-	-
Severe Tropical Cyclone Seroja Enhanced State Recovery Structure	-	4,404	5,237	-	-
State Operational Support Fleet	-	-	115	392	703
Ongoing Initiatives					
Bushfire Mitigation Activity Fund	2,397	1,280	1,149	1,019	-
ERHS Funding	-	1,515	6,165	6,165	6,165
Indian Ocean Territories - Service Delivery Arrangements	406	-	-	-	-
Large Aerial Tanker and Lead Aircraft	2,443	-	-	-	-
Mapping of Bushfire Prone Areas	28	27	-	-	-
Other					
Bushfire Suppression and Natural Hazard Incidents	24,096	-	-	-	-
Indexation for Non-Salary Expenses	-	-	-	-	2,155
RiskCover Insurance Premiums	-	3,939	8,619	6,433	6,565
Critical Systems Upgrades	1,469	834	834	834	834
Western Australian Treasury Corporation Interest Projections	(500)	(684)	(491)	(407)	-

Significant Issues Impacting the Agency

Climate Change

1. The challenges posed by a changing climate means it is likely Western Australia will face more frequent and intense bushfires, storms, heatwaves and floods. The magnitude of these natural hazards will significantly impact communities and increase demands placed on emergency management personnel. The changing climate has increasingly brought the northern and southern fire seasons closer together, resulting in a greater likelihood of the Department responding to overlapping seasons with multiple significant emergencies. This reality underscores the need for the Department to be prepared to respond to emergencies and support community preparedness efforts State-wide. The Department's focus is to ensure emergency services are effectively equipped and trained for all hazards, assets are strategically located throughout the State, increased mitigation activities across the regions are appropriate and ongoing, and the State's emergency response assets and capabilities are continuously improved.

Recovery

2. As at the 30 June 2021, 19 disaster declarations were active across Western Australia, requiring significant recovery effort and coordination. The worst of these being the Wooroloo Bushfire in February 2021 and Severe Tropical Cyclone Seroja (STCS) in April 2021. Both disasters severely impacted communities and infrastructure across 16 local governments. Supporting the Department's recovery operations has necessitated significant whole-of-government collaboration and commitment, through sourcing of cross agency expertise and resources to bolster existing capability. Meeting the extraordinary demands of the disasters will require maximising recoups through Disaster Recovery Funding Arrangements Western Australia. Under the Commonwealth-State funding arrangements, multi-million-dollar packages of support have been agreed, with \$104.5 million allocated for STCS and \$80.2 million allocated for a number of natural disaster events, including the Wooroloo Bushfire, and flooding in Carnarvon.

Capacity to maintain Frontline Operations

3. To ensure the Department continues to provide an exemplary standard of emergency service response amid population growth and changing urban landscapes, the Government has committed to delivering:
 - 3.1. \$17.8 million to employ 36 additional career firefighters in regional Western Australia, and a \$1.2 million associated upgrade to the Kalgoorlie Career Fire and Rescue Service (CFRS) Station, increasing operational capacity in country areas;
 - 3.2. \$14.5 million for the construction of a new CFRS facility in the South East Metropolitan Region, one of the fastest-growing urban areas in the State; and
 - 3.3. \$4.9 million for replacement Personal Protective Equipment (PPE) for career and volunteer firefighters, enhancing the standard to meet future requirements.

Operational Fleet Capability

4. The State's emergency services responders require greater access to mobile water carrying vehicles, flood boats, and better frontline communications capability at strategic locations across the State as well as replacement of end-of-life assets. The current composition of the Department's high season fleet asset capability is limited to provide a comprehensive emergency response service to bushfire and other hazards across Western Australia. The implementation of an all hazards State Operational Support Fleet will provide the Department with greater control and flexibility in providing a timely and weighted response to major incidents and enhanced capability to conduct on-ground risk management activities, which are both critical in reducing the potential impact to the community and building resilience.

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 Department's services, the desired outcomes and the relevant Government Goal. 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
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Western Australian communities recognise and understand their local hazard risks and can effectively manage them.	1. Community Awareness, Education and Information Services
	A diverse team of volunteers and staff with a wide range of skills, who have access to development programs.	2. Health, Safety, Wellbeing and Training Services
	Risk is reduced and managed through innovation and continuous improvement across all hazards before, during and after emergencies.	3. Delivery of Frontline Services Before, During and After Incidents

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Community Awareness, Education and Information Services.....	11,992	10,829	11,209	10,465	10,759	10,828	10,987
2. Health, Safety, Wellbeing and Training Services.....	24,032	23,221	27,791	22,766	22,416	22,561	22,859
3. Delivery of Frontline Services Before, During and After Incidents	434,634	438,243	437,146	462,938	450,936	447,906	451,643
Total Cost of Services.....	470,658	472,293	476,146	496,169	484,111	481,295	485,489

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Western Australian communities recognise and understand their local hazard risks and can effectively manage them:					
Proportion of community members who recognise their local natural hazard risks and are prepared to take action.....	20%	20%	20%	20%	
Outcome: A diverse team of volunteers and staff with a wide range of skills, who have access to development programs:					
Proportions of scheduled operational courses delivered	72%	80%	82%	80%	
Outcome: Risk is reduced and managed through innovation and continuous improvement across all hazards before, during and after emergencies:					
Proportion of Level 3 incident impact statements completed and endorsed by the State Recovery Coordinator.....	100%	80%	100%	80%	1
Proportion of structure fire reports completed within specified timeframes....	88%	90%	86%	90%	
Proportion of natural hazard events which cause a significant impact on the community	20%	25%	67%	25%	2
Proportion of responses to Emergency Service Levy 1 and Emergency Service Levy 2 incidents within target timeframes	94%	90%	94%	90%	
Proportion of structure fires confined to object or room of origin	73%	72%	75%	72%	

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

Explanation of Significant Movements

(Notes)

1. This indicator measures the number of impact statements completed by all parties and endorsed by the State Recovery Coordinator within 60 days of the closure of an incident. The 2020-21 Estimated Actual is higher compared to the 2020-21 Budget and the 2021-22 Budget Target due to successful engagement with local governments and communities during Level 3 incidents shortening the process of impact statements completion.
2. In 2020-21 two of the year's three Level 3 events (Wooroloo bushfire and STCS) had a significant impact on the community and small business. The combination of the catastrophic fire conditions and the topography of the Wooroloo area made this bushfire fast moving and difficult to control resulting in the loss of 86 homes. The STCS crossed the coast in an area where cyclone rated construction codes are not required, resulting in more structural damage than is usually caused by a Category 3 cyclone with 48 homes lost and many more damaged.

Services and Key Efficiency Indicators

1. Community Awareness, Education and Information Services

Provision of generic and targeted awareness, education and information programs before an incident and emergency hazard information during an incident via social media, telephone call centre, television and radio interviews to increase community awareness of preventable and natural hazards and support their ability to take action.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	11,992	10,829	11,209	10,465	
Less Income ^(a)	11,629	7,013	7,101	7,393	1
Net Cost of Service	363	3,816	4,108	3,072	
Employees (Full-Time Equivalents)	39	37	37	37	
Efficiency Indicators					
Average cost per household to deliver education and awareness programs and emergency hazard information to the community	\$11.76	\$10.48	\$10.84	\$9.98	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- The 2020-21 Budget and the 2020-21 Estimated Actual is significantly lower compared to the 2019-20 Actual mainly due to less Emergency Services Levy (ESL) revenue being estimated and collected as a result of the freezing of the 2020-21 ESL rates (relative to 2019-20 rates) to assist with cost-of-living pressures and support households and businesses through the COVID-19 pandemic.

2. Health, Safety, Wellbeing and Training Services

Services provided to ensure that frontline emergency personnel, including volunteers, are not only trained and supported, to maintain their physical and mental health while providing safe and efficient services to the community.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	24,032	23,221	27,791	22,766	1
Less Income ^(a)	19,381	17,532	21,302	18,482	2
Net Cost of Service	4,651	5,689	6,489	4,284	
Employees (Full-Time Equivalents)	107	116	116	118	
Efficiency Indicators					
Average cost per population to deliver health, safety, wellbeing and training services.	\$9.03	\$8.60	\$10.39	\$8.45	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is higher compared to the 2020-21 Budget as a result of additional costs for the Western Australian Emergency Management Training Centre, including instructors for the trainee firefighter schools and training costs associated with achieving appropriate accreditation of firefighters.
2. The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget is the result of revised allocation of ESL revenue using the corporate allocation methodology due to additional costs of this service in 2020-21. The allocation of ESL revenue in the 2021-22 Budget Target does not include the impact of these additional once-off costs and has resulted in the decrease in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual.

3. Delivery of Frontline Services Before, During and After Incidents

Services provided by frontline personnel, including volunteers, to enable the community to prepare for, prevent where possible, respond to and recover from emergency incidents.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	434,634	438,243	437,146	462,938	1
Less Income ^(a)	379,954	343,314	346,834	361,518	2
Net Cost of Service	54,680	94,929	90,312	101,420	
Employees (Full-Time Equivalents)	1,545	1,590	1,591	1,634	3
Efficiency Indicators					
Average cost per population to deliver frontline services.	\$163.36	\$162.21	\$163.40	\$171.84	4

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2021-22 Budget Target is higher compared to the 2020-21 Estimated Actual predominantly reflecting the additional costs associated with an additional 36 country firefighters and the roll out of improved PPE for firefighters as part of the 2021 election commitments and other initiatives including support for the recovery effort after STCS.
2. The increase in the 2021-22 Budget Target compared to both the 2020-21 Budget and the 2020-21 Estimated Actual is due to additional funding provided for delivery of election commitments and growth in ESL revenue.
3. The 2021-22 Budget Target is higher compared to the 2020-21 Estimated Actual due to an additional 43 full-time equivalents as a result of an incremental increase in approved positions for the Bushfire Centre of Excellence, additional 36 country firefighters and a number of finite positions to support the recovery effort after STCS.
4. The 2021-22 Budget Target is higher compared to the 2020-21 Budget and the 2020-21 Estimated Actual primarily as a result of the implementation of the 2021 election commitments.

Asset Investment Program

1. The Department's Asset Investment Program (AIP) for 2021-22 totals \$55.7 million, comprising Works in Progress of \$53.3 million and New Works of \$2.4 million. The AIP is established in conjunction with the application of a resource-to-risk/fit-for-purpose model to determine the asset needs to effectively deliver emergency services throughout the State. Facility requirements are based on spatial planning linked to coverage areas, hazard types and response times. Prioritisation of new and replacement stations and facilities involves consideration of demographics, dwellings and traffic volumes. Replacement vehicles and new capabilities are developed through stakeholder engagement, changing technology, and implementing improvements in safety features through research and development and from outcomes of incident inquiries.
2. During 2020-21 the delivery of vehicle programs was significantly impacted by the COVID-19 pandemic with fleet design reviews, procurement processes and supply of critical components being substantially delayed. This resulted in the need to defer production of vehicles until 2021-22.
3. A review of the categories of the AIP vehicle program has resulted in the ten individual vehicle programs previously disclosed being consolidated into two key programs being Primary Fire and Emergency Fleet and Secondary Fire and Emergency Fleet. The new structure gives greater flexibility between different vehicle types.
4. An overview of the 2021-22 program is as follows:
 - 4.1. \$26.3 million has been provided for land and building works, comprising \$10.4 million for Facility Modifications (including \$1.2 million to update Kalgoorlie CFRS), \$2 million for the purchase of land for the new CFRS South East Metropolitan Fire Station, \$1.5 million for the completion of the Bushfire Centre of Excellence, CFRS Cockburn Fire Station and CFRS Kensington Fire Station, \$3.6 million for the Koolinup Emergency Service Centre, and \$8.9 million for the upgrades of Volunteer facilities;
 - 4.2. \$25.5 million for ongoing vehicle replacement programs in line with the Department's maintenance and serviceable life replacement strategies;
 - 4.3. \$2.9 million for plant and equipment works including \$400,000 for a Fixed Repeater Tower in Esperance, which will contribute to the enhanced bushfire management and volunteer capability in the Goldfields-Esperance region; and
 - 4.4. \$1 million for intangible assets, including \$700,000 for the upgrade and replacement of critical information and communications technology systems and \$300,000 for design costs associated with new vehicle development projects. These costs will be capitalised as an intangible asset in accordance with the Australian Accounting Standards.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Land and Building Works - Volunteer Fire and Rescue Service (VFRS)/Volunteer Fire and Emergency Service (VFES) Facilities Upgrades.....	7,000	407	407	5,002	1,591	-	-
Other Works In Progress							
Intangible Asset Development.....	2,127	1,037	1,037	990	100	-	-
Land and Building Works							
Bushfire Centre of Excellence	13,815	13,035	7,785	780	-	-	-
CFRS Cockburn Fire Station	10,858	10,495	7,843	363	-	-	-
CFRS Kensington Fire Station.....	7,752	7,372	5,272	380	-	-	-
Koolinup Emergency Service Centre in Collie	12,881	8,527	6,836	3,580	774	-	-
Facility Modifications.....	54,775	24,838	4,316	10,389	6,000	3,309	4,634
VFRS/VFES Upgrade and Replacement Program	22,823	2,777	1,246	3,855	4,164	2,665	1,362
Plant and Equipment Works - Equipment Replacement Program	27,590	15,047	2,464	2,543	2,000	2,000	2,000
Vehicle Programs							
Primary Fire and Emergency Fleet	110,884	24,424	9,096	22,906	17,542	20,628	17,878
Secondary Fire and Emergency Fleet	7,053	286	274	2,577	2,025	527	776
NEW WORKS							
Land and Building Works							
CFRS South East Metropolitan Fire Station	14,500	-	-	2,000	-	1,600	10,900
CFRS North Coastal Metropolitan Fire Station	2,500	-	-	-	2,500	-	-
Plant and Equipment Works - Fixed Repeater Tower (Esperance)	355	-	-	355	-	-	-
Total Cost of Asset Investment Program	294,913	108,245	46,576	55,720	36,696	30,729	37,550
FUNDED BY							
Asset Sales			756	-	-	403	420
Capital Appropriation.....			2,540	6,850	20	1,620	10,920
Drawdowns from Royalties for Regions Fund			8,825	1,794	774	-	-
Emergency Services Levy			29,191	4,050	12,417	23,203	26,210
Internal Funds and Balances.....			5,264	43,026	23,485	5,503	-
Total Funding.....			46,576	55,720	36,696	30,729	37,550

Financial Statements

Income Statement

Expenses

1. The 2021-22 Budget Estimate Total Cost of Services of \$496.2 million is forecast to increase by \$20 million compared to the 2020-21 Estimated Actual.
2. Changes in the Total Cost of Services in the 2021-22 Budget Estimate reflects the following:
 - 2.1. \$7 million for the 2021 election commitments including an additional 36 country firefighters and the roll-out of improved PPE for firefighters;
 - 2.2. \$6.4 million for other new and ongoing initiatives including support for the recovery effort after STCS, additional costs of the ERHS and for the development of business cases for the upgrade of the Direct Brigade Alarm System and replacement of facilities for ERHS and Air Operations;
 - 2.3. \$4 million to address cost pressures including RiskCover insurance premiums;
 - 2.4. \$30.1 million for projects delayed in 2020-21 and carried over to 2021-22 due to contracting and supply issues associated with the COVID-19 pandemic; and
 - 2.5. This is partially offset by \$27.5 million in significant unforeseen expenditure incurred in 2020-21, including response efforts for bushfire and natural hazard incidents and the COVID-19 pandemic.

Income

3. The increase in Total Income of \$12.2 million between the 2021-22 Budget Estimate and the 2020-21 Estimated Actual is primarily the result of an increase in ESL revenue. In 2020-21, ESL rates remained unchanged from the previous year, in line with the Government's policy to freeze household fees and charges. The lower ESL revenue was subsidised by additional appropriation. The increase in ESL revenue in the 2021-22 Budget Estimate is due to an increase in ESL rates by 4.3%.
4. Income from State Government of \$94.9 million in the 2021-22 Budget Estimate is forecast to decrease by \$35.8 million compared to the 2020-21 Estimated Actual, as a result of:
 - 4.1. \$52.7 million received in the prior financial year that is not budgeted for in 2021-22 associated with supplementary funding for unforeseen bushfire suppression and natural hazard incidents costs, and additional service appropriation required to meet an ESL revenue shortfall to support households and businesses through the COVID-19 pandemic; and
 - 4.2. partially offset by an increase in funding for the following initiatives: \$7 million for the 2021 election commitments; \$4 million for cost pressures, including the increase in RiskCover insurance premiums and \$5.9 million for new and ongoing initiatives, including support for the recovery effort after STCS.
5. The increase in Income from State Government in the 2020-21 Estimated Actual of \$28.1 million compared to the 2020-21 Budget is predominantly due to supplementary funding of \$25.7 million for bushfire suppression, natural hazard incidents and the COVID-19 pandemic response.

Statement of Financial Position

6. The 2021-22 Budget Estimate Total Assets are forecast to increase by \$55.5 million compared to the 2020-21 Estimated Actual primarily due to \$32.6 million increase in Property, plant and equipment, a \$66.5 million increase in leased assets and \$7.2 million increase in the Holding account receivables recognising depreciation for future asset replacement, which are partially offset by a \$50.7 million decrease in cash assets to fund the AIP and expenditure on projects delayed due to the COVID-19 pandemic.
7. The 2021-22 Budget Estimate Total Liabilities are forecast to increase by \$61.5 million primarily due to the renewal of existing service agreements for the ERHS in 2021-22, to be recognised as leases.

Statement of Cashflows

8. The increases in cashflows from service appropriations in the 2020-21 Estimated Actual compared to the 2020-21 Budget and the 2021-22 Budget Estimate is predominantly due to supplementary funding received for unforeseen costs associated with bushfire suppression, natural hazard incidents and the COVID-19 pandemic.
9. The increase of \$4.3 million in capital appropriation in the 2021-22 Budget Estimate compared to the 2020-21 Estimated Actual recognises additional funding of \$2.3 million for works on volunteer firefighters' facilities and \$2 million for the purchase of land for a new CFRS Fire Station in the South East Metropolitan Region.
10. The contribution from Royalties from Regions (RfR) has decreased in the 2021-22 Budget Estimate compared to the 2020-21 Estimated Actual as the construction of the Koolinup Emergency Services Centre in Collie is substantially complete. Additional RfR funding from 2021-22 primarily relates to funding for the upgrade of the CFRS Kalgoorlie Fire Station and an additional 36 country firefighters, as part of the 2021 election commitment.
11. Payments for the purchase of assets in the 2020-21 Estimated Actual is lower compared to the 2020-21 Budget by \$28 million, primarily as a result of underspends in building and vehicle programs linked to the COVID-19 pandemic.

INCOME STATEMENT (a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	236,479	228,174	237,044	241,022	242,858	243,264	244,838
Grants and subsidies ^(c)	48,198	70,265	48,714	79,551	63,589	63,276	65,335
Supplies and services	92,542	78,824	93,048	79,777	78,103	77,350	77,646
Accommodation	10,924	10,873	10,791	10,817	10,792	10,779	10,897
Depreciation and amortisation	41,138	43,674	44,404	40,977	41,794	40,873	41,206
Finance and interest costs	1,929	2,017	1,613	2,767	2,397	1,994	1,628
Other expenses	39,448	38,466	40,532	41,258	44,578	43,759	43,939
TOTAL COST OF SERVICES	470,658	472,293	476,146	496,169	484,111	481,295	485,489
Income							
Sale of goods and services	9,148	9,231	9,029	9,422	9,339	9,242	9,147
Emergency Services Levy	381,528	347,774	349,280	366,360	396,326	409,657	428,380
Grants and subsidies	10,956	7,800	10,468	7,233	6,985	6,985	4,479
Other revenue	9,332	3,054	6,460	4,378	4,431	4,887	4,954
Total Income	410,964	367,859	375,237	387,393	417,081	430,771	446,960
NET COST OF SERVICES ^(d)	59,694	104,434	100,909	108,776	67,030	50,524	38,529
INCOME FROM STATE GOVERNMENT							
Service appropriations	51,153	68,558	95,306	54,851	40,541	35,356	38,427
Resources received free of charge	1,514	2,273	1,500	2,273	2,273	2,273	2,273
Royalties for Regions Fund:							
Regional Community Services Fund	1,103	1,232	847	3,061	4,185	5,825	5,858
Other revenues	36,457	30,612	33,097	34,726	31,681	30,088	29,851
TOTAL INCOME FROM STATE GOVERNMENT	90,227	102,675	130,750	94,911	78,680	73,542	76,409
SURPLUS/(DEFICIENCY) FOR THE PERIOD	30,533	(1,759)	29,841	(13,865)	11,650	23,018	37,880

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 1,691, 1,744 and 1,789 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
All West Australians Reducing Emergencies							
Program	127	200	219	200	200	200	200
Australian Fire Danger Rating System	-	-	233	233	-	-	-
Chemistry Centre WA - Emergency Response							
Services	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Deputy Commissioner Operations Operational							
Efficiency Payment	895	914	910	914	928	928	928
Local Government							
Community Emergency Service Managers	2,361	2,619	2,371	2,646	2,713	2,713	2,713
Emergency Services Grants ^(a)	28,022	37,976	24,110	38,682	35,149	35,149	35,408
National Bushfire Mitigation Program	28	27	-	-	-	-	-
National Disaster Risk Reduction	-	850	-	2,506	2,506	2,506	5,012
Natural Disaster Resilience Program	691	1,431	300	711	357	186	-
Other	815	884	1,297	984	984	984	984
Prepared Communities	-	60	600	-	-	-	-
Private Brigade Subsidy	200	268	201	271	275	275	275
Rural Fire Division							
Bushfire Mitigation Activity Fund - ESL ^(b)	1,121	9,160	1,806	13,479	5,848	5,836	5,835
Bushfire Mitigation Activity Fund - RfR	4,250	1,271	3,642	1,280	1,149	1,019	-
Bushfire Risk Management Planning	1,315	1,388	2,306	1,409	1,409	1,409	1,409
Shire of Gingin	-	-	-	1,225	-	-	-
Shire of Trayning	-	-	-	515	-	-	-
Surf Life Saving Western Australia	1,381	1,381	1,381	1,381	1,381	1,381	1,381
Volunteer Fuel Card	553	1,070	533	1,000	1,000	1,000	1,000
Volunteer Marine Rescue Service ^(c)	4,939	9,266	7,305	10,615	8,190	8,190	8,690
TOTAL	48,198	70,265	48,714	79,551	63,589	63,276	65,335

- (a) The underspend on the 2020-21 Estimated Actual when compared to the 2020-21 Budget represents a delay in recognising \$13.9 million in grant expenditure. This is mainly associated with the delays experienced in granting firefighting appliances to local government. COVID-19 pandemic travel restrictions and supply chain impacts resulted in fleet design and construction delays, with funds expended on construction in 2020-21 (\$9.5 million) being recognised as inventory held for distribution until final commissioning of the appliances occur with local governments, at which point they are recognised as grants.
- (b) The 2020-21 Estimated Actual represents an underspend of \$7.4 million from 2020-21 Budget as a result of weather conditions, eligibility of local government to participate in the program and COVID-19 pandemic impacts, delaying mitigation works. A carryover is recognised in the 2021-22 Budget Estimate.
- (c) The underspend on the 2020-21 Estimated Actual when compared to the 2020-21 Budget, represents a delay in recognising \$2 million in capital grant expenditure to Volunteer Marine Rescue groups. The provision of vessels and vessel components for refits and new builds has been delayed due to the impacts of COVID-19 lockdowns. A carryover is recognised in the 2021-22 Budget Estimate.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	69,457	23,537	68,146	25,828	16,575	23,110	49,052
Restricted cash.....	12,213	12,997	12,213	3,819	3,317	4,132	2,906
Receivables.....	17,630	17,630	14,444	14,444	14,444	14,444	14,444
Other.....	9,350	9,350	19,095	19,095	19,095	19,095	19,095
Total current assets.....	108,650	63,514	113,898	63,186	53,431	60,781	85,497
NON-CURRENT ASSETS							
Holding account receivables.....	54,839	63,112	63,112	70,298	78,322	86,305	93,637
Property, plant and equipment.....	415,713	440,771	444,571	544,873	549,896	544,543	542,687
Intangibles.....	12,990	10,737	10,042	8,779	8,879	8,879	8,879
Restricted cash.....	2,698	2,698	3,754	3,754	3,754	3,754	3,754
Total non-current assets.....	486,240	517,318	521,479	627,704	640,851	643,481	648,957
TOTAL ASSETS.....	594,890	580,832	635,377	690,890	694,282	704,262	734,454
CURRENT LIABILITIES							
Employee provisions.....	33,122	33,598	33,438	33,126	34,388	35,164	35,288
Payables.....	12,038	12,038	7,391	4,777	4,001	3,877	3,753
Borrowings and leases.....	16,750	6,317	7,143	17,836	17,164	17,171	17,497
Other.....	270	270	231	231	231	231	231
Total current liabilities.....	62,180	52,223	48,203	55,970	55,784	56,443	56,769
NON-CURRENT LIABILITIES							
Employee provisions.....	12,339	12,345	12,189	12,189	12,189	12,189	12,189
Borrowings and leases.....	47,467	46,223	43,982	97,680	84,056	68,739	49,805
Total non-current liabilities.....	59,806	58,568	56,171	109,869	96,245	80,928	61,994
TOTAL LIABILITIES.....	121,986	110,791	104,374	165,839	152,029	137,371	118,763
EQUITY							
Contributed equity.....	361,067	359,963	372,432	380,345	381,139	382,759	393,679
Accumulated surplus/(deficit).....	60,646	58,887	90,487	76,622	88,272	111,290	149,170
Reserves.....	51,191	51,191	68,084	68,084	72,842	72,842	72,842
Total equity.....	472,904	470,041	531,003	525,051	542,253	566,891	615,691
TOTAL LIABILITIES AND EQUITY.....	594,890	580,832	635,377	690,890	694,282	704,262	734,454

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	42,880	60,285	87,033	47,665	32,517	27,373	31,095
Capital appropriation.....	-	2,493	2,540	6,850	20	1,620	10,920
Royalties for Regions Fund:							
Regional Community Services Fund.....	1,103	10,062	847	3,061	4,185	5,825	5,858
Regional Infrastructure and Headworks Fund	2,693	-	8,825	1,794	774	-	-
Other.....	36,457	30,612	32,836	34,726	31,681	30,088	29,851
Net cash provided by State Government	83,133	103,452	132,081	94,096	69,177	64,906	77,724
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(232,132)	(227,695)	(236,239)	(242,951)	(242,372)	(242,612)	(244,838)
Grants and subsidies	(49,807)	(70,265)	(55,527)	(79,551)	(60,831)	(63,276)	(65,335)
Supplies and services	(90,977)	(74,050)	(93,183)	(79,607)	(77,694)	(74,992)	(75,316)
Accommodation	(10,831)	(10,981)	(11,198)	(10,925)	(10,900)	(10,779)	(10,897)
GST payments	(23,362)	(18,794)	(21,270)	(18,794)	(18,794)	(18,794)	(18,794)
Finance and interest costs	(1,928)	(2,016)	(1,650)	(2,767)	(2,397)	(1,994)	(1,628)
Other payments	(44,630)	(38,697)	(46,832)	(41,787)	(45,230)	(43,756)	(43,940)
Receipts (c)							
Emergency Services Levy	379,435	347,774	350,215	366,360	396,326	409,657	428,380
Grants and subsidies	9,149	6,900	10,169	7,233	6,985	6,985	4,479
Sale of goods and services	9,142	10,131	11,013	10,322	9,339	9,242	9,147
GST receipts	23,542	18,794	21,687	18,794	18,794	18,794	18,794
Other receipts	4,973	2,856	5,678	3,280	3,541	3,584	3,634
Net cash from operating activities	(27,426)	(56,043)	(67,137)	(70,393)	(23,233)	(7,941)	3,686
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(33,485)	(74,583)	(46,576)	(55,720)	(36,696)	(30,729)	(37,550)
Proceeds from sale of non-current assets	1,391	-	756	-	-	403	420
Net cash from investing activities	(32,094)	(74,583)	(45,820)	(55,720)	(36,696)	(30,326)	(37,130)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(20,933)	(41,911)	(43,116)	(42,644)	(42,952)	(43,238)	(43,513)
Proceeds from borrowings	9,873	23,949	23,737	23,949	23,949	23,949	23,949
Net cash from financing activities	(11,060)	(17,962)	(19,379)	(18,695)	(19,003)	(19,289)	(19,564)
NET INCREASE/(DECREASE) IN CASH HELD.....	12,553	(45,136)	(255)	(50,712)	(9,755)	7,350	24,716
Cash assets at the beginning of the reporting period	71,815	84,368	84,368	84,113	33,401	23,646	30,996
Cash assets at the end of the reporting period	84,368	39,232	84,113	33,401	23,646	30,996	55,712

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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.

NET APPROPRIATION DETERMINATION

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Grants and Subsidies							
Commonwealth Grants ^(a)	5,001	2,790	5,639	2,818	2,818	2,818	2,818
National Partnership Agreements							
COVID-19 Response	-	-	-	248	-	-	-
National Disaster Risk Reduction	2,506	2,506	2,506	2,506	2,506	2,506	-
Provision of Fire Services	1,550	1,604	1,604	1,661	1,661	1,661	1,661
Other Grants ^(a)	4,121	-	1,485	3,570	3,923	1,019	-
Road Trauma Trust Grant	4,650	4,650	4,610	4,650	-	-	-
Sale of Goods and Services							
Sale of Goods and Services	1,781	-	4,336	900	-	-	-
GST Receipts							
GST Input Credits	20,930	17,544	19,932	17,544	17,544	17,544	17,544
GST Receipts on Sales	2,612	1,250	1,755	1,250	1,250	1,250	1,250
Other Receipts							
Other Sundry Receipts ^(a)	5,826	4,055	6,566	3,780	4,041	4,084	4,134
TOTAL	48,977	34,399	48,433	38,927	33,743	30,882	27,407

(a) The classification has been revised compared to previously published Budget Papers.

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
INCOME							
Other							
Appropriations ^(a)	244,347	85,000	85,000	166,960	92,000	60,700	45,000
TOTAL ADMINISTERED INCOME	244,347	85,000	85,000	166,960	92,000	60,700	45,000
EXPENSES							
Grants to Charitable and Other Public Bodies							
Western Australia Natural Disaster Relief and Recovery Arrangements	70,417	134,029	74,998	225,991	92,000	60,700	45,000
TOTAL ADMINISTERED EXPENSES	70,417	134,029	74,998	225,991	92,000	60,700	45,000

(a) The Disaster Recovery Funding Arrangements Western Australia are jointly funded by State and Commonwealth Governments and administered by the Department to provide assistance to the communities to recover from eligible natural disaster events. The 2021-22 Budget Estimate and forward estimates period include additional funding of \$104.5 million in recovery assistance packages for STCS and \$80.2 million for the replacement cost of public infrastructure as a result of a number of natural disaster events, including the Wooroloo bushfires and flooding in Carnarvon.

RURAL FIRE DIVISION

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Bushfire Centre of Excellence (BCoE) ^(a)							
Capital Costs	5,389	9,458	7,785	780	-	-	-
Operating Costs	2,364	3,266	3,408	5,571	5,801	5,801	5,801
Bushfire Risk Management ^(b)	14,111	20,005	14,290	23,633	15,981	15,849	14,829
Bushfire Technical Services	937	1,036	1,111	1,168	1,168	1,168	1,168
Land Use Planning	662	720	723	736	736	736	736
Office of Bushfire Risk Management	946	1,335	964	1,306	1,306	1,306	1,306
Rural Fire Executive	1,006	1,047	1,144	1,158	1,158	1,158	1,158
TOTAL RURAL FIRE DIVISION	25,415	36,867	29,425	34,352	26,150	26,018	24,998

(a) BCoE expenditure includes operating costs and capital works included in the Asset Investment Program.

(b) Detailed breakdown of expenditure for the Bushfire Risk Management directorate is shown in the table below.

BUSHFIRE RISK MANAGEMENT

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-22 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Local Government							
Mitigation Activity Fund (MAF) ESL Grants Program ^(a)	1,121	9,160	1,806	13,479	5,848	5,836	5,835
MAF RfR Grants Program ^(b)	4,250	1,271	3,642	1,280	1,149	1,019	-
Bushfire Risk Planning Coordinator Support Program	1,315	1,388	2,306	1,409	1,409	1,409	1,409
Department Mitigation Works							
Bushfire Awareness Campaign	1,000	1,000	1,000	1,010	1,020	1,030	1,030
Bushfire Risk Management Branch ^(c)	1,495	1,839	1,707	1,955	2,055	2,055	2,055
Memorandum of Understanding (MOU) Department of Education ^(d)	253	347	217	-	-	-	-
Unallocated Crown Land (UCL) ^(e)							
Department ESL Contribution	4,177	4,500	3,112	4,000	4,000	4,000	4,000
Department of Planning, Lands and Heritage (DPLH) Contribution	500	500	500	500	500	500	500
TOTAL BUSHFIRE RISK MANAGEMENT	14,111	20,005	14,290	23,633	15,981	15,849	14,829

(a) The 2020-21 Estimated Actual represents an underspend of \$7.4 million from 2020-21 Budget as a result of a number of factors including weather conditions, eligibility of local government to participate in the program and the COVID-19 pandemic impacting mitigation works. A carryover of these underspends has been provided for in the 2021-22 Budget Estimate.

(b) The Department administers bushfire mitigation activity grant funding on behalf of DPLH. The funding for this initiative is provided to DPLH from the RfR program. The table reflects the allocation of the funding to the Department based on estimates provided by DPLH.

(c) Includes three Bushfire Risk Management Officers that are part of the Bushfire Risk Management branch of the Rural Fire Division command.

(d) The MOU between the Department and Department of Education for the provision of bushfire risk services expired in June 2021 and a new MOU has not been finalised.

(e) The UCL budget is funded by DPLH and MAF ESL Grants program. The Department ESL contribution is estimated on an annual basis and transferred from grants program through the 2021-22 Mid-year Review process.

Division 31 Office of the Director of Public Prosecutions

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 66 Net amount appropriated to deliver services	38,390	39,407	39,215	42,785	44,449	47,464	51,816
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	3,315	3,763	3,763	3,325	3,340	3,369	3,391
Total appropriations provided to deliver services	41,705	43,170	42,978	46,110	47,789	50,833	55,207
CAPITAL							
Item 133 Capital Appropriation ^(a)	-	146	146	768	286	146	146
TOTAL APPROPRIATIONS	41,705	43,316	43,124	46,878	48,075	50,979	55,353
EXPENSES							
Total Cost of Services	48,455	49,676	53,028	51,672	53,690	56,976	61,350
Net Cost of Services ^{(b) (c)}	48,362	49,626	52,978	51,622	53,640	56,926	61,300
CASH ASSETS ^(d)	6,140	5,246	3,716	3,300	3,415	3,415	3,415

(a) Additional capital appropriation is provided to fund lease repayments and is not reflected in the Asset Investment Program table.

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(c) 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.

(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 Office's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
New Initiatives					
Major Crime and Complex Prosecutions	-	1,039	-	-	-
Office Accommodation Costs	-	461	761	1,045	1,317
Ongoing Initiatives					
Cost and Demand Pressures	644	453	324	627	3,890
Legal Information Service.....	-	305	-	-	-
Reclassification of Asset Investment to Recurrent Expense.....	508	433	483	161	-
Other					
2020-21 Estimated Actual Outturn	2,200	-	-	-	-

Significant Issues Impacting the Agency

1. The increasing number of complex prosecutions - particularly murder cases - originating from the State Crime Division of the Western Australia Police Force requires specialised brief-preparation processes to support the volume and sophistication of the evidence.
2. The indictable caseload managed by the Office is increasing and is projected to remain at an increased level across 2021-22 and the forward estimates period. Provisions have been made in the Budget and forward estimates period towards addressing this anticipated growth.
3. The Office anticipates further reforms to the criminal law in Western Australia over the forward estimates period that are likely to have a measurable impact on the indictable caseload. In addition to the commencement of new family violence offences in 2020-21, new offences accompanying the voluntary assisted dying laws and industrial manslaughter offences either will commence, or are expected to commence, in 2021-22.
4. In 2020-21, several lockdown periods resulting from the COVID-19 pandemic caused substantial disruptions to court proceedings, requiring trial re-listings and numerous procedural adjustments. Throughout these periods, resource and service demand pressures were sustained. The Office has received funding, underpinned by State population growth drivers, to address service demand pressure.
5. The Office successfully managed the transition of proceedings relating to dangerous sexual and violent offenders under the *High Risk Serious Offenders Act 2020* to the State Solicitor's Office from January 2021. The Office continues to be involved in these proceedings through its provision of information to the State Solicitor's Office relating to the offenders' predicated offences and prosecutions.
6. The Office continues to respond to the increasing use of technology in the criminal justice system, which is generating trends toward complex and resource-intensive prosecutions. Digitisation, automation and data collaboration are key initiatives that the Office will progress 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 Office's services, the desired outcomes and the relevant Government Goal. 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
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Criminal Prosecutions.....	44,966	46,426	49,298	48,422	50,440	53,726	58,100
2. Confiscation of Assets	3,489	3,250	3,730	3,250	3,250	3,250	3,250
Total Cost of Services.....	48,455	49,676	53,028	51,672	53,690	56,976	61,350

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 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	69.6%	85%	65.5%	85%	1
Establishing a case to answer	100%	98%	99.6%	98%	2
Convictions after trial.....	62.3%	50%	59.4%	50%	3
Application for a declaration of confiscations filed within four months of the drug trafficker declaration	16.9%	60%	10.7%	60%	4

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

Explanation of Significant Movements

(Notes)

1. The number of indictments filed within three months of committal did not meet the 85% target as a result of the impacts from the COVID-19 lockdowns and interruption of service delivery across the broader justice system. This caused delays in cases progressing to committal stage and adjournments of committal hearings. The Office will continue to progress this backlog of committals through the 2021-22 financial year.
2. Establishing a case to answer refers to the completed trials that do not have a Judge-directed acquittal recorded against all charges over total completed trials. The 2020-21 Estimated Actual exceeded the 2020-21 Budget and was driven by the Office's robust pre-trial review process, which effectively identified unsuitable cases prior to trial, resulting in appropriate action and allocation of prosecutorial effort.
3. The 2020-21 Estimated Actual exceeded the 2020-21 Budget, reflecting the consistent approach of the Office in assessing and preparing matters prior to trial, and effectively preparing and prosecuting trials.
4. The Office manages drug trafficker declarations which includes confiscated property, land and assets. The preparation of applications for confiscations in these matters is a highly complex process and requires significant liaison with numerous engagements throughout the process, including input from participants across the justice system and stakeholders with interests in these seized assets. The length of time taken along with the increased complexity and prosecution work effort has contributed to the 2020-21 Estimated Actual remaining lower than the 2020-21 Budget.

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 as well as in major regional locations.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 44,966	\$'000 46,426	\$'000 49,298	\$'000 48,422	
Less Income ^(a)	93	50	50	50	
Net Cost of Service	44,873	46,376	49,248	48,372	
Employees (Full-Time Equivalents)	252	283	284	324	1
Efficiency Indicators					
Cost per prosecution	\$14,771	\$15,000	\$16,462	\$15,000	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. Full-time equivalents from the 2020-21 Actual to the 2021-22 Budget Target will increase as a result of the increase in demand and the activity across the broader justice system.
2. The 2020-21 Estimated Actual for the Cost per prosecution exceeded the 2020-21 Budget as a result of: fewer indictable cases caused by COVID-19 interruptions across the broader justice system; case backlogs that the Office is required to manage; the sustained increase in case management complexity driven by the increase in the volume of digital evidence; the costs required to securely manage this material; and the increases in court trial days.

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 the property of declared drug traffickers. The cost to operate the Office's Confiscations team and to manage confiscations legal work is generally recouped from the Confiscation Proceeds Account established under the *Criminal Property Confiscation Act 2000*.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 3,489	\$'000 3,250	\$'000 3,730	\$'000 3,250	1
Less Income ^(a)	nil	nil	nil	nil	
Net Cost of Service	3,489	3,250	3,730	3,250	
Employees (Full-Time Equivalents)	16	16	16	16	
Efficiency Indicators					
Ratio of cost to return ^(b)	22.6%	25%	24.5%	25%	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

(b) The Ratio of cost to return is calculated by dividing the total Confiscations revenue collected by the total cost to operate the Office's Confiscations activity. The 2020-21 Estimated Actual is consistent with the planned ratio of cost to return expectations.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Services for the 2020-21 Estimated Actual is higher than the 2020-21 Budget by \$0.48 million as the Office responded to the demands of complex matters attributed to confiscations activity.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
Desktop Devices	1,433	583	300	250	225	125	250
Digital Transformation and Service Enhancement	692	503	-	-	-	-	189
Print and Photocopy Services	279	165	25	-	-	114	-
NEW WORKS							
Furniture and Fittings, Portable and Attractive Items, Including Dictation and Transcript Equipment	200	-	-	100	-	-	100
Strategic Asset Portfolio	2,189	-	-	2,014	175	-	-
Prosecution Services - Video Recording and Conferencing	200	-	-	-	-	200	-
Total Cost of Asset Investment Program	4,993	1,251	325	2,364	400	439	539
FUNDED BY							
Capital Appropriation			-	675	188	-	-
Drawdowns from the Holding Account			200	458	106	439	539
Internal Funds and Balances ^(a)			(899)	1,231	106	-	-
Other Grants and Subsidies			1,024	-	-	-	-
Total Funding			325	2,364	400	439	539

(a) 2020-21 Estimated Expenditure includes internal funds rollover to better align anticipated project cashflows.

Financial Statements

Income Statement

Expenses

1. The Total Cost of Services for the 2020-21 Estimated Actual is higher than the 2021-22 Budget Estimate as the Office responded to unavoidable service demand pressures to meet criminal prosecution caseloads whilst accommodating the significant interruptions across the broader justice pipeline caused by the COVID-19 lockdowns. The Total Cost of Services for the 2021-22 Budget Estimate increases by \$1.9 million compared to the 2020-21 Budget due to increased prosecutorial resources needed to address sector wide growth.

Income

2. The Other revenues in Income from State Government for the 2020-21 Estimated Actual is higher than the 2021-22 Budget Estimate by \$1.9 million represented by the distribution from the Confiscations Proceeds Account for exceeding the target collection levels.
3. The increase in Income from State Government between the 2020-21 Estimated Actual and the 2021-22 Budget Estimate is largely driven by the increase in service appropriation provided to address cost and demand pressures, prosecution of complex crime and corruption cases, and accommodation needs for the Office's increasing workforce.

Statement of Financial Position

4. Cash assets continue to decline from the 2019-20 Actual to below \$2.8 million in the 2021-22 Budget Estimate in an effort to operate within targeted cash limit measures in 2020-21 as the Office continues to maintain high-quality and responsive prosecution services through a period of significant disruption. Further, cash assets are expected to fund the Office's Asset Investment Program, resulting in the increase in Intangibles in the 2021-22 Budget Estimate.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	36,828	37,146	39,904	39,764	41,117	44,702	48,572
Supplies and services	3,738	2,794	4,042	3,135	3,222	2,955	2,845
Accommodation	4,292	4,254	4,254	4,410	4,943	5,018	5,294
Depreciation and amortisation	926	1,217	517	1,031	1,091	903	1,217
Finance and interest costs	9	13	13	19	21	19	19
Other expenses	2,662	4,252	4,298	3,313	3,296	3,379	3,403
TOTAL COST OF SERVICES	48,455	49,676	53,028	51,672	53,690	56,976	61,350
Income							
Other revenue	93	50	50	50	50	50	50
Total Income	93	50	50	50	50	50	50
NET COST OF SERVICES ^(c)	48,362	49,626	52,978	51,622	53,640	56,926	61,300
INCOME FROM STATE GOVERNMENT							
Service appropriations	41,705	43,170	42,978	46,110	47,789	50,833	55,207
Resources received free of charge	696	793	793	793	793	793	793
Other revenues	7,369	5,905	7,505	5,605	5,300	5,300	5,300
TOTAL INCOME FROM STATE GOVERNMENT	49,770	49,868	51,276	52,508	53,882	56,926	61,300
SURPLUS/(DEFICIENCY) FOR THE PERIOD	1,408	242	(1,702)	886	242	-	-

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 268, 300 and 340 respectively.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	5,611	4,717	3,187	2,771	2,886	2,886	2,886
Holding account receivables.....	400	1,000	258	150	439	539	539
Receivables.....	2,442	2,442	3,018	3,018	3,039	3,039	3,039
Other.....	180	180	180	180	180	180	180
Total current assets.....	8,633	8,339	6,643	6,119	6,544	6,644	6,644
NON-CURRENT ASSETS							
Holding account receivables.....	5,366	5,624	5,874	6,597	7,279	7,643	8,321
Property, plant and equipment.....	1,177	663	1,263	1,088	1,165	946	749
Intangibles.....	701	1,799	701	2,440	1,746	1,585	1,250
Restricted cash.....	529	529	529	529	529	529	529
Total non-current assets.....	7,773	8,615	8,367	10,654	10,719	10,703	10,849
TOTAL ASSETS.....	16,406	16,954	15,010	16,773	17,263	17,347	17,493
CURRENT LIABILITIES							
Employee provisions.....	7,138	6,902	6,902	6,666	6,312	6,312	6,312
Payables.....	581	649	649	764	764	764	764
Other.....	508	508	508	508	508	508	508
Total current liabilities.....	8,227	8,059	8,059	7,938	7,584	7,584	7,584
NON-CURRENT LIABILITIES							
Employee provisions.....	2,093	2,129	2,129	2,165	2,219	2,219	2,219
Borrowings and leases.....	318	410	410	404	366	304	304
Total non-current liabilities.....	2,411	2,539	2,539	2,569	2,585	2,523	2,523
TOTAL LIABILITIES.....	10,638	10,598	10,598	10,507	10,169	10,107	10,107
EQUITY							
Contributed equity.....	7,138	7,284	7,284	8,052	8,338	8,484	8,630
Accumulated surplus/(deficit).....	(1,370)	(1,128)	(3,072)	(2,186)	(1,944)	(1,944)	(1,944)
Other.....	-	200	200	400	700	700	700
Total equity.....	5,768	6,356	4,412	6,266	7,094	7,240	7,386
TOTAL LIABILITIES AND EQUITY.....	16,406	16,954	15,010	16,773	17,263	17,347	17,493

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	40,684	41,904	42,412	45,037	46,668	49,930	53,990
Capital appropriation	-	146	146	768	286	146	146
Holding account drawdowns.....	308	408	200	458	150	439	539
Other.....	5,308	5,905	6,929	5,605	5,300	5,300	5,300
Net cash provided by State Government.....	46,300	48,363	49,687	51,868	52,404	55,815	59,975
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(35,993)	(37,146)	(39,904)	(39,764)	(41,117)	(44,702)	(48,572)
Supplies and services	(2,145)	(1,303)	(2,551)	(1,644)	(1,730)	(1,664)	(1,554)
Accommodation	(4,307)	(4,254)	(4,254)	(4,410)	(4,943)	(5,018)	(5,294)
GST payments	(1,134)	(840)	(840)	(840)	(840)	(840)	(840)
Finance and interest costs.....	(9)	(13)	(13)	(19)	(21)	(19)	(19)
Other payments.....	(3,398)	(4,916)	(4,962)	(3,984)	(3,980)	(3,871)	(3,895)
Receipts (c)							
GST receipts	843	834	834	834	834	834	834
Other receipts	294	50	50	50	50	50	50
Net cash from operating activities	(45,849)	(47,588)	(51,640)	(49,777)	(51,747)	(55,230)	(59,290)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(1,009)	(1,523)	(325)	(2,364)	(400)	(439)	(539)
Net cash from investing activities.....	(1,009)	(1,523)	(325)	(2,364)	(400)	(439)	(539)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases	(178)	(146)	(146)	(143)	(142)	(146)	(146)
Net cash from financing activities.....	(178)	(146)	(146)	(143)	(142)	(146)	(146)
NET INCREASE/(DECREASE) IN CASH HELD	(736)	(894)	(2,424)	(416)	115	-	-
Cash assets at the beginning of the reporting period	6,876	6,140	6,140	3,716	3,300	3,415	3,415
Cash assets at the end of the reporting period	6,140	5,246	3,716	3,300	3,415	3,415	3,415

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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 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

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Grants and Subsidies							
Contribution from the Confiscation Proceeds Account.....	5,308	5,600	6,624	5,300	5,300	5,300	5,300
GST Receipts							
GST Input Credits.....	834	832	832	832	832	832	832
GST Receipts on Sales	9	2	2	2	2	2	2
Other Receipts							
Other Receipts.....	214	-	-	-	-	-	-
User Contributions, Charges and Fees							
Employee Contributions to Employee Vehicle Scheme.....	80	50	50	50	50	50	50
TOTAL	6,445	6,484	7,508	6,184	6,184	6,184	6,184

Division 32 Corruption and Crime Commission

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 67 Net amount appropriated to deliver services	26,473	26,882	26,831	27,351	27,387	27,824	28,128
Amount Authorised by Other Statutes - Corruption, Crime and Misconduct Act 2003.....	502	502	502	503	504	505	506
Total appropriations provided to deliver services	26,975	27,384	27,333	27,854	27,891	28,329	28,634
CAPITAL							
Item 134 Capital Appropriation ^(a)	241	243	268	219	215	249	208
TOTAL APPROPRIATIONS	27,216	27,627	27,601	28,073	28,106	28,578	28,842
EXPENSES							
Total Cost of Services	28,014	27,741	27,590	28,611	28,648	28,993	29,298
Net Cost of Services ^{(b) (c)}	27,791	27,701	27,550	28,571	28,608	28,953	29,258
CASH ASSETS ^(d)	9,257	9,080	9,729	9,551	9,373	9,195	9,017

(a) Additional capital appropriation is provided to fund lease repayments and is not reflected in the Asset Investment Program table.

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(c) 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.

(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 Commission's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
2021-22 Streamlined Budget Process Incentive Funding	-	254	-	-	-

Significant Issues Impacting the Agency

1. Legislation was passed in July 2018 to amend the *Criminal Property Confiscation Act 2000* and the *Corruption, Crime and Misconduct Act 2003* (the CCM Act) to grant the Commission powers to investigate, initiate and conduct civil confiscation proceedings relating to unexplained wealth. The Commission has engaged an independent reviewer to consider and report on the Commission's work during the preceding three years. The outcome of this review will inform future decisions regarding the continuance of the function and its ongoing resourcing requirements.
2. The Commission must assess every allegation of serious misconduct or police misconduct under section 32 of the CCM Act. There is a trend of increasing allegations being assessed, with 1,447 (25%) more allegations assessed during 2020-21 compared to the previous year. The Commission continues to explore opportunities for process improvement, to address the level of allegations and assess future resources.

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 Commission's services, the desired outcomes and the relevant Government Goal. 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
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Assessing All Allegations of Serious Misconduct Received	4,137	4,586	4,375	4,538	4,544	4,599	4,647
2. Investigating Allegations of Serious Misconduct	23,877	23,155	23,215	24,073	24,104	24,394	24,651
Total Cost of Services.....	28,014	27,741	27,590	28,611	28,648	28,993	29,298

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: The integrity of the public sector continuously improves and the incidence of misconduct is reduced:					
Number of allegations received	5,743	5,000	7,190	5,000	1
Allegations as a percentage of people employed within public authorities under the Commission's jurisdiction	2.9%	2.6%	3.6%	2.6%	2
Number of investigations	59	50	58	50	3
Number of reports published	43	40	33	40	4

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

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is higher than the 2020-21 Budget as a result of different factors, including increased awareness and confidence in the work of the Commission, increased reporting, continued liaison with public sector agencies and continuous improvement within the assessment process.
2. The 2020-21 Estimated Actual is higher than the 2020-21 Budget due to the increased number of allegations received.
3. The 2020-21 Estimated Actual is higher than the 2020-21 Budget due to an increase in the number of self-initiated serious misconduct investigations conducted under section 26 of *Corruption, Crime and Misconduct Act 2003*.
4. The 2020-21 Estimated Actual is lower than the 2020-21 Budget as a result of the more complicated nature and increasing complexity of investigations completed during the year.

Services and Key Efficiency Indicators

1. Assessing All Allegations of Serious Misconduct Received

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	4,137	4,586	4,375	4,538	
Less Income	7	5	5	6	
Net Cost of Service	4,130	4,581	4,370	4,532	
Employees (Full-Time Equivalents)	32	32	32	32	
Efficiency Indicators					
Percentage of assessments completed within 28 days	84%	80%	81%	80%	
Average cost of assessment	\$720	\$917	\$578	\$908	1

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower than the 2020-21 Budget due to an increase in the number of allegations received, which is offset by an underspend in overhead costs.

2. Investigating Allegations of Serious Misconduct

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	23,877	23,155	23,215	24,073	
Less Income ^(a)	216	35	35	34	
Net Cost of Service	23,661	23,120	23,180	24,039	
Employees (Full-Time Equivalents)	89	93	93	93	
Efficiency Indicators					
Percentage of investigations completed within 12 months	83%	80%	67%	80%	1
Average time (days) to complete an investigation into serious misconduct....	246	350	347	350	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower than the 2020-21 Budget due to the increased complexity and number of matters investigated by the Commission. Resources have been diverted from other investigative priorities to assist with unexplained wealth investigations and investigations relating to the Department of Communities which has negatively impacted on the time taken to complete matters.

Asset Investment Program

1. The Commission's Asset Investment Program provides for the replacement of business systems and equipment across the Budget and forward estimates period.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COMPLETED WORKS							
Office and Security Equipment - 2020-21 Program	60	60	60	-	-	-	-
Operations Support Equipment - 2020-21 Program	435	435	435	-	-	-	-
Technology and Business Support Systems 2020-21 Program	805	805	805	-	-	-	-
NEW WORKS							
Office and Security Equipment							
2021-22 Program	97	-	-	97	-	-	-
2022-23 Program	80	-	-	-	80	-	-
2023-24 Program	60	-	-	-	-	60	-
2024-25 Program	10	-	-	-	-	-	10
Operations Support Equipment							
2021-22 Program	398	-	-	398	-	-	-
2022-23 Program	925	-	-	-	925	-	-
2023-24 Program	775	-	-	-	-	775	-
2024-25 Program	740	-	-	-	-	-	740
Technology and Business Support Systems							
2021-22 Program	805	-	-	805	-	-	-
2022-23 Program	295	-	-	-	295	-	-
2023-24 Program	465	-	-	-	-	465	-
2024-25 Program	550	-	-	-	-	-	550
Total Cost of Asset Investment Program	6,500	1,300	1,300	1,300	1,300	1,300	1,300
FUNDED BY							
Drawdowns from the Holding Account			1,300	1,300	1,300	1,300	1,300
Total Funding			1,300	1,300	1,300	1,300	1,300

Financial Statements

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	18,449	18,789	18,789	18,883	19,107	19,337	19,560
Supplies and services	4,531	4,192	3,942	4,715	4,471	4,528	4,608
Accommodation	2,405	2,466	2,466	2,515	2,565	2,617	2,617
Depreciation and amortisation	1,708	1,433	1,543	1,766	1,764	1,760	1,759
Finance and interest costs	15	20	9	9	12	15	18
Other expenses	906	841	841	723	729	736	736
TOTAL COST OF SERVICES	28,014	27,741	27,590	28,611	28,648	28,993	29,298
Income							
Other revenue	223	40	40	40	40	40	40
Total Income	223	40	40	40	40	40	40
NET COST OF SERVICES ^(c)	27,791	27,701	27,550	28,571	28,608	28,953	29,258
INCOME FROM STATE GOVERNMENT							
Service appropriations	26,975	27,384	27,333	27,854	27,891	28,329	28,634
Resources received free of charge	25	75	475	475	475	475	475
Other revenues	40	-	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	27,040	27,459	27,808	28,329	28,366	28,804	29,109
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(751)	(242)	258	(242)	(242)	(149)	(149)

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 121, 125 and 125 respectively.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	8,997	8,755	9,404	9,161	8,918	8,675	8,432
Holding account receivables.....	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Receivables.....	319	319	319	319	319	319	319
Other.....	935	794	845	781	717	653	589
Total current assets.....	11,551	11,168	11,868	11,561	11,254	10,947	10,640
NON-CURRENT ASSETS							
Holding account receivables.....	15,410	15,543	15,503	15,969	16,433	16,986	17,538
Property, plant and equipment.....	3,206	3,406	3,228	2,791	2,555	2,308	2,003
Receivables.....	145	145	145	145	145	145	145
Intangibles.....	223	408	408	483	408	748	623
Restricted cash.....	260	325	325	390	455	520	585
Total non-current assets.....	19,244	19,827	19,609	19,778	19,996	20,707	20,894
TOTAL ASSETS	30,795	30,995	31,477	31,339	31,250	31,654	31,534
CURRENT LIABILITIES							
Employee provisions.....	3,463	3,556	3,463	3,463	3,463	3,463	3,463
Payables.....	154	64	154	154	154	154	154
Borrowings and leases	274	241	217	211	219	214	220
Other.....	191	191	191	191	191	191	191
Total current liabilities.....	4,082	4,052	4,025	4,019	4,027	4,022	4,028
NON-CURRENT LIABILITIES							
Employee provisions.....	956	955	956	956	956	956	956
Borrowings and leases	126	357	339	230	160	469	284
Total non-current liabilities.....	1,082	1,312	1,295	1,186	1,116	1,425	1,240
TOTAL LIABILITIES	5,164	5,364	5,320	5,205	5,143	5,447	5,268
EQUITY							
Contributed equity.....	12,466	13,808	12,734	12,953	13,168	13,417	13,625
Accumulated surplus/(deficit).....	13,165	11,823	13,423	13,181	12,939	12,790	12,641
Total equity	25,631	25,631	26,157	26,134	26,107	26,207	26,266
TOTAL LIABILITIES AND EQUITY	30,795	30,995	31,477	31,339	31,250	31,654	31,534

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	25,742	25,951	25,940	26,088	26,127	26,476	26,782
Capital appropriation.....	241	243	268	219	215	249	208
Holding account drawdowns.....	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Net cash provided by State Government	27,283	27,494	27,508	27,607	27,642	28,025	28,290
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(18,033)	(18,729)	(18,729)	(18,823)	(19,047)	(19,277)	(19,500)
Supplies and services.....	(4,745)	(4,184)	(3,534)	(4,307)	(4,063)	(4,120)	(4,200)
Accommodation.....	(2,431)	(2,466)	(2,466)	(2,515)	(2,565)	(2,617)	(2,617)
GST payments.....	(907)	(1,112)	(1,112)	(1,112)	(1,112)	(1,112)	(1,112)
Finance and interest costs.....	(15)	(20)	(19)	(9)	(11)	(53)	(17)
Other payments	(1,071)	(774)	(774)	(656)	(662)	(669)	(669)
Receipts							
GST receipts.....	873	1,116	1,116	1,116	1,116	1,116	1,116
Other receipts	383	40	40	40	40	40	40
Net cash from operating activities	(25,946)	(26,129)	(25,478)	(26,266)	(26,304)	(26,692)	(26,959)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(912)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)
Proceeds from sale of non-current assets	1	-	-	-	-	-	-
Net cash from investing activities	(911)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(256)	(243)	(258)	(219)	(216)	(211)	(209)
Net cash from financing activities	(256)	(243)	(258)	(219)	(216)	(211)	(209)
NET INCREASE/(DECREASE) IN CASH HELD.....	170	(178)	472	(178)	(178)	(178)	(178)
Cash assets at the beginning of the reporting period	9,087	9,258	9,257	9,729	9,551	9,373	9,195
Cash assets at the end of the reporting period	9,257	9,080	9,729	9,551	9,373	9,195	9,017

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

Division 33 Chemistry Centre (WA)

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 68 Net amount appropriated to deliver services	7,757	6,788	6,788	6,771	6,802	6,974	7,005
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	251	251	251	252	253	254	255
Total appropriations provided to deliver services	8,008	7,039	7,039	7,023	7,055	7,228	7,260
CAPITAL							
Item 135 Capital Appropriation	2,500	2,500	2,500	2,500	2,500	2,500	2,500
TOTAL APPROPRIATIONS	10,508	9,539	9,539	9,523	9,555	9,728	9,760
EXPENSES							
Total Cost of Services	29,997	28,678	28,283	30,109	30,948	31,899	32,682
Net Cost of Services ^{(a) (b)}	24,175	22,861	22,404	24,181	24,944	25,782	26,486
CASH ASSETS ^(c)	3,964	4,349	4,363	4,325	4,258	4,513	4,974

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(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 Centre's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Ongoing Initiatives					
2021-22 Streamlined Budget Process Incentive Funding.....	-	67	-	-	-
Additional Analytical Services for Western Australia Police Force	-	1,041	1,460	1,978	2,264
Other					
2020-21 Estimated Actual Outturn	(377)	-	-	-	-

Significant Issues Impacting the Agency

Keeping the State Safe

1. The Centre works closely with police, the justice system and emergency services to help keep the State safe.
 - 1.1. There is increased demand for forensic analysis following the introduction of a new 'poly' offence for driving while affected by a combination of alcohol and drugs, as well as ongoing expansion of illicit drug testing capabilities.
 - 1.2. The development of a world-leading fibre database and considerable expertise in the area of fibre analysis, which supported the successful prosecution of Bradley Robert Edwards, is being further expanded in relation to cold case reviews. New state-of-the-art instrumentation is providing enhanced resolution and sensitivity and supports a broader approach to forensic analysis when determining and interpreting the value of materials as evidence.
 - 1.3. Emergency Response (ER) staff were among the first responders to several alleged chemical threats. ER staff are on call 24/7 to support the Department of Fire and Emergency Services in responding to hazardous chemical, biological or radiological threats that may impact public safety, public health and critical infrastructure.

Supporting the State through Research and Innovation

2. The Centre continues to focus research and innovation efforts on applied and collaborative approaches to solve complex problems for the State's industrial, mining, agricultural, environmental and forensic sectors.
 - 2.1. The Centre is part of a collaborative research project into the risks of exposure to diesel particulate matter (DPM) - a known health hazard - in the mining industry. This research resulted in promoting a healthier workplace with a new workplace exposure standard for DPM applied to all Western Australian mines.
 - 2.2. As a partner in several Cooperative Research Centres (CRCs), including the CRC for Transformation in Mining Economies and the CRC for Future Battery Industries, the Centre is exploring opportunities for transformation beyond the life of mine operations and innovative approaches to support the growth of battery industries to power Western Australia's future.
 - 2.3. The Centre is examining the potential for hemp as a feed source for sheep as part of a research project led by the Department of Primary Industries and Regional Development in collaboration with Charles Sturt University in New South Wales. The project is examining the meat quality of sheep on a hemp diet, one of several projects being undertaken at the Centre to assist producers and manufacturers in emerging industries to value-add to their products.
 - 2.4. As part of the globally-significant scientific monitoring of Aboriginal rock art on Murujuga in the Burrup Peninsula, the Centre is providing specialist chemical analysis of air and water samples.
 - 2.5. The Centre's work in identifying 'designer drugs' is having an impact on emergency medicine research, through our involvement in the innovative Emerging Drugs Network of Australia project, a national program pioneered in Western Australia by the Centre and the Emergency Department of Royal Perth Hospital. The Centre's analysis is assisting medical specialists in the ongoing treatment of patients and has led to an early warning system to facilitate rapid and targeted harm reduction responses to help save lives and reduce the health impacts of illicit drug use in our community.
 - 2.6. The Centre's proteomics capabilities have developed unique methodologies to help determine cause of death in coronial cases. The Centre is the only laboratory in Australia to use a proteomic method capable of identifying the venom of 12 species of poisonous Australian snakes and the source of insulin. Research is being undertaken to examine how this work could be applied in the area of criminal justice.

Supporting Business Enterprise and Job Creation

3. The Centre provides high quality chemical analysis to support local, national and international business including:
 - 3.1. working with indigenous groups and others to analyse and identify components, and associated therapeutic benefits or potential industrial use, of essential oils;
 - 3.2. assisting producers to verify the authenticity of products, such as honey, eggs and pork, for domestic and export markets;
 - 3.3. monitoring pesticides and herbicides to ensure fruit and vegetables meet Australian standards and are fit for human consumption; and
 - 3.4. Therapeutic Goods Administration accredited certification testing for medicinal cannabis manufacturers.

Education and Collaboration

4. The Centre supports the State's commitment to increase participation in Science, Technology, Engineering and Mathematics education through postgraduate student supervision, school visits, guest lecturing, webinars, career expos, participation in science-related community events and other outreach activities.

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 Authority's services, the desired outcomes and the relevant Government Goal. 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
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Quality research and development.	1. Research and Development
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Quality scientific advice.	2. Commercial and Scientific Information and Advice
	Quality emergency response.	3. Emergency Response Management

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Research and Development	2,712	2,598	2,720	2,896	2,976	3,068	3,143
2. Commercial and Scientific Information and Advice.....	25,296	23,996	23,551	25,071	25,770	26,562	27,214
3. Emergency Response Management	1,989	2,084	2,012	2,142	2,202	2,269	2,325
Total Cost of Services.....	29,997	28,678	28,283	30,109	30,948	31,899	32,682

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Quality research and development:					
Client satisfaction	83%	80%	84%	80%	
Contribution to scientific forums	45	70	60	70	1
Outcome: Quality scientific advice:					
Client satisfaction	89%	85%	89%	85%	
Proficiency rating for the accredited services	94%	95%	88%	95%	
Outcome: Quality emergency response:					
Average mobilisation time for emergency response incidents.....	14 minutes	20 minutes	16 minutes	20 minutes	
Availability of emergency response workforce to meet agreed inter-agency requirements.....	100%	100%	100%	100%	

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

Explanation of Significant Movements

(Notes)

- The 2020-21 Estimated Actual contributions to scientific forums were 15 higher than the 2019-20 Actual and 10 lower than the 2020-21 Budget Target. The increase compared to the prior year is partly attributable to increased online outreach and scientific conferencing undertaken by the Centre. However, this has not fully offset the overall decline in opportunities presented by the ongoing COVID-19 related conditions.

Services and Key Efficiency Indicators

1. Research and Development

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 2,712	\$'000 2,598	\$'000 2,720	\$'000 2,896	
Less Income ^(a)	1,508	1,676	1,200	1,210	1
Net Cost of Service	1,204	922	1,520	1,686	
Employees (Full-Time Equivalents)	7	7	9	9	
Efficiency Indicators					
Publications per research and development full-time equivalent	3.0	4.2	3.3	4.2	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual Income was \$0.5 million lower than the 2020-21 Budget primarily due to a higher proportion of research funding originating from Government agencies and the deferral of some research projects due to COVID-19.
2. The 2020-21 Estimated Actual results were lower than the 2020-21 Budget primarily due to the cancellation or deferral of a number of research conferences and activities as a result of COVID-19.

2. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 25,296	\$'000 23,996	\$'000 23,551	\$'000 25,071	1
Less Income ^(a)	4,314	4,141	4,679	4,718	2
Net Cost of Service	20,982	19,855	18,872	20,353	
Employees (Full-Time Equivalents)	103	100	99	105	
Efficiency Indicators					
Average cost of providing commercial scientific information and advice per applicable full-time equivalent	\$242,000	\$240,000	\$240,000	\$243,000	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The \$1.7 million decrease in the 2020-21 Estimated Actual Total Cost of Service in comparison to the 2019-20 Actual is primarily attributable to a \$0.8 million drawdown from the Accommodation Sinking Fund (laboratory fitting replacements) and other one-off costs incurred in the prior year, as well as the deferral of some planned 2020-21 activities due to COVID-19 conditions.
2. The \$0.5 million increase in 2020-21 Estimated Actual Income over the 2020-21 Budget is attributable to improved trading conditions during the year.

3. Emergency Response Management

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	1,989	2,084	2,012	2,142	
Less Income ^(a)	nil	nil	nil	nil	
Net Cost of Service	1,989	2,084	2,012	2,142	
Employees (Full-Time Equivalents)	7	7	7	7	
Efficiency Indicators					
Average cost to maintain an emergency response capability per Western Australian	\$0.75	\$0.80	\$0.75	\$0.80	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Asset Investment Program

1. In 2021-22, the Asset Investment Program totals \$2.5 million to be spent on the acquisition of replacement key scientific equipment to ensure that the Centre continues to provide high quality specialised services across Government and non-government clients. In addition, some capital will continue to be invested to progress automation and innovation through the modernisation of the laboratory information management system.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COMPLETED WORKS							
Capital Equipment Replacement - 2020-21 Program	2,500	2,500	2,500	-	-	-	-
NEW WORKS							
Capital Equipment Replacement							
2021-22 Program	2,500	-	-	2,500	-	-	-
2022-23 Program	2,500	-	-	-	2,500	-	-
2023-24 Program	2,500	-	-	-	-	2,500	-
2024-25 Program	2,500	-	-	-	-	-	2,500
Total Cost of Asset Investment Program	12,500	2,500	2,500	2,500	2,500	2,500	2,500
FUNDED BY							
Capital Appropriation			2,500	2,500	2,500	2,500	2,500
Total Funding			2,500	2,500	2,500	2,500	2,500

Financial Statements

Income Statement

Expenses

1. The 2021-22 Budget Estimate for Total Cost of Services of \$30.1 million is \$1.8 million higher than the 2020-21 Estimated Actual and \$1.4 million higher than the 2020-21 Budget. The increase reflects the laboratory costs of servicing higher levels of Western Australia Police Force forensic activities and the undertaking of research and other activities that were deferred in 2020-21 due to the COVID-19 pandemic.

Income

2. The 2021-22 Budget Estimate for Total Income from State Government is \$1.1 million higher than the 2020-21 Budget primarily reflecting increased Western Australia Police Force funding for forensic activities.

Statement of Financial Position

3. Total assets are expected to increase by \$1.3 million between 2020-21 and 2021-22. This is primarily attributable to the replacement of key scientific equipment and software as outlined in the Asset Investment Program and ongoing contributions to the Accommodation Sinking Fund for future building works expected to be undertaken.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	15,566	14,906	14,962	15,743	16,173	16,675	17,083
Supplies and services	2,998	2,471	2,589	2,728	2,848	2,984	3,045
Accommodation	6,519	5,705	5,599	5,744	5,763	5,785	5,790
Depreciation and amortisation	1,708	2,033	2,025	2,065	2,270	2,435	2,694
Finance and interest costs	3	5	2	4	4	10	10
Other expenses	3,203	3,558	3,106	3,825	3,890	4,010	4,060
TOTAL COST OF SERVICES	29,997	28,678	28,283	30,109	30,948	31,899	32,682
Income							
Sale of goods and services	5,763	5,746	5,844	5,855	5,931	6,044	6,123
Other revenue	59	71	35	73	73	73	73
Total Income	5,822	5,817	5,879	5,928	6,004	6,117	6,196
NET COST OF SERVICES ^(c)	24,175	22,861	22,404	24,181	24,944	25,782	26,486
INCOME FROM STATE GOVERNMENT							
Service appropriations	8,008	7,039	7,039	7,023	7,055	7,228	7,260
Resources received free of charge	23	-	10	10	-	10	10
Other revenues	15,208	14,629	15,499	15,775	16,305	16,941	17,342
TOTAL INCOME FROM STATE GOVERNMENT	23,239	21,668	22,548	22,808	23,360	24,179	24,612
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(936)	(1,193)	144	(1,373)	(1,584)	(1,603)	(1,874)

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 137, 135 and 141 respectively.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	3,475	3,560	4,036	3,868	3,821	4,096	4,617
Restricted cash.....	489	789	327	457	437	417	357
Receivables.....	1,666	1,697	1,995	2,479	2,956	3,308	2,959
Other.....	182	182	660	660	760	770	770
Total current assets.....	5,812	6,228	7,018	7,464	7,974	8,591	8,703
NON-CURRENT ASSETS							
Property, plant and equipment.....	6,739	7,253	6,829	7,321	7,623	7,799	7,500
Intangibles.....	612	598	929	895	855	803	936
Other.....	3,443	3,838	3,661	4,059	4,458	4,857	5,256
Total non-current assets.....	10,794	11,689	11,419	12,275	12,936	13,459	13,692
TOTAL ASSETS.....	16,606	17,917	18,437	19,739	20,910	22,050	22,395
CURRENT LIABILITIES							
Employee provisions.....	2,579	2,579	2,684	2,684	2,684	2,684	2,684
Payables.....	578	527	254	254	254	254	254
Borrowings and leases.....	51	51	53	24	24	24	24
Other.....	1,282	1,282	923	1,053	1,233	1,363	1,000
Total current liabilities.....	4,490	4,439	3,914	4,015	4,195	4,325	3,962
NON-CURRENT LIABILITIES							
Employee provisions.....	1,477	1,477	1,239	1,239	1,239	1,239	1,239
Borrowings and leases.....	59	34	40	33	26	57	57
Other.....	36	36	36	36	36	36	36
Total non-current liabilities.....	1,572	1,547	1,315	1,308	1,301	1,332	1,332
TOTAL LIABILITIES.....	6,062	5,986	5,229	5,323	5,496	5,657	5,294
EQUITY							
Contributed equity.....	16,026	18,526	18,526	21,026	23,526	26,026	28,526
Accumulated surplus/(deficit).....	(5,482)	(6,595)	(5,318)	(6,610)	(8,112)	(9,633)	(11,425)
Total equity.....	10,544	11,931	13,208	14,416	15,414	16,393	17,101
TOTAL LIABILITIES AND EQUITY.....	16,606	17,917	18,437	19,739	20,910	22,050	22,395

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	8,008	7,039	7,039	7,023	7,055	7,228	7,260
Capital appropriation.....	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Other.....	15,392	14,629	15,521	15,675	16,074	16,830	17,164
Net cash provided by State Government	25,900	24,168	25,060	25,198	25,629	26,558	26,924
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(15,046)	(14,826)	(14,949)	(15,662)	(16,150)	(16,652)	(16,987)
Supplies and services.....	(3,022)	(2,522)	(2,640)	(2,728)	(2,888)	(2,994)	(3,132)
Accommodation.....	(6,610)	(5,937)	(6,291)	(5,977)	(5,972)	(5,991)	(5,996)
GST payments.....	(2,132)	(1,987)	(1,883)	(1,991)	(2,015)	(2,207)	(2,095)
Finance and interest costs.....	(3)	(5)	(2)	(4)	(4)	(10)	-
Other payments	(3,062)	(3,661)	(3,474)	(3,867)	(4,019)	(3,993)	(4,169)
Receipts							
Sale of goods and services.....	5,719	5,716	5,070	5,552	5,866	5,885	6,357
GST receipts.....	2,111	1,986	2,059	1,989	2,014	2,176	2,095
Other receipts.....	10	11	12	11	11	11	-
Net cash from operating activities	(22,035)	(21,225)	(22,098)	(22,677)	(23,157)	(23,775)	(23,927)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(2,514)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
Net cash from investing activities	(2,514)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(64)	(58)	(63)	(59)	(39)	(28)	(36)
Net cash from financing activities	(64)	(58)	(63)	(59)	(39)	(28)	(36)
NET INCREASE/(DECREASE) IN CASH HELD.....	1,287	385	399	(38)	(67)	255	461
Cash assets at the beginning of the reporting period	2,129	3,964	3,964	4,363	4,325	4,258	4,513
Net cash transferred to/from other agencies	548	-	-	-	-	-	-
Cash assets at the end of the reporting period	3,964	4,349	4,363	4,325	4,258	4,513	4,974

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

Division 34 **Office of the Inspector of Custodial Services**

Part 7 **Community Safety**

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 69 Net amount appropriated to deliver services	3,267	3,275	3,275	3,353	3,350	3,415	3,453
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	247	247	247	249	250	251	252
Total appropriations provided to deliver services	3,514	3,522	3,522	3,602	3,600	3,666	3,705
CAPITAL							
Item 136 Capital Appropriation	227	227	227	236	244	219	219
TOTAL APPROPRIATIONS	3,741	3,749	3,749	3,838	3,844	3,885	3,924
EXPENSES							
Total Cost of Services	3,388	3,609	3,609	3,689	3,687	3,753	3,792
Net Cost of Services (a) (b)	3,376	3,604	3,604	3,684	3,682	3,748	3,787
CASH ASSETS (c)	391	362	362	343	324	333	342

- (a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.
- (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 Office's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
2021-22 Streamlined Budget Process Incentive Funding.....	-	31	-	-	-

Significant Issues Impacting the Agency

1. Against the backdrop of the challenges presented by the COVID-19 pandemic, the Office continued to meet its statutory inspection obligations while ensuring the safety of staff, volunteers, and prison and detention centre prisoners.
2. In December 2017, the Commonwealth Government ratified the United Nations Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT). OPCAT requires Australia to establish a National Preventative Mechanism (NPM), which will require a network of designated NPMs for each state and territory. The Office has been nominated as one of the two NPMs for Western Australia.

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 Office's services, the desired outcomes and the relevant Government Goal. 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
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	The Parliament, Minister and other stakeholders are informed on the performance of custodial services.	1. Inspection and Review of Custodial Services

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Inspection and Review of Custodial Services.....	3,388	3,609	3,609	3,689	3,687	3,753	3,792
Total Cost of Services.....	3,388	3,609	3,609	3,689	3,687	3,753	3,792

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: The Parliament, Minister and other stakeholders are informed on the performance of custodial services:					
Number of recommendations made	57	100	91	100	1
Percentage of recommendations accepted	77%	80%	86%	80%	

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

Explanation of Significant Movements

(Notes)

1. The number of recommendations in the 2020-21 Estimated Actual is below the 2020-21 Budget because 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 given year and the complexity of each inspection.

Services and Key Efficiency Indicators

1. Inspection and Review of Custodial Services

Inspection of prisons, court custody centres and juvenile detention centres, coordination of the independent visitor service and review of custodial services.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 3,388	\$'000 3,609	\$'000 3,609	\$'000 3,689	
Less Income	12	5	5	5	
Net Cost of Service	3,376	3,604	3,604	3,684	
Employees (Full-Time Equivalents)	18	18	17	18	
Efficiency Indicators					
Average cost per report	\$323	\$245	\$341	\$245	1
Average cost per independent visitor service report	\$2	\$2	\$3	\$2	2
Average cost per liaison visit	\$9	\$10	\$9	\$10	3

Explanation of Significant Movements

(Notes)

1. The increase in the Average cost per report in the 2020-21 Estimated Actual compared to the 2020-21 Budget was the result of fewer reports being produced due to COVID-19 delays.
2. The increase in the Average cost per independent visitor service report in the 2020-21 Estimated Actual compared to the 2020-21 Budget was due to fewer reports being produced because of COVID-19 restrictions impacting entry to custodial facilities.
3. The decrease in the Average cost per liaison visit in the 2020-21 Estimated Actual compared to the 2020-21 Budget was the result of additional liaison visits being undertaken.

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,313	2,465	2,465	2,465	2,493	2,524	2,553
Supplies and services	581	440	440	525	503	510	520
Accommodation	323	86	86	88	89	89	89
Depreciation and amortisation	10	244	244	244	243	243	243
Finance and interest costs	1	21	21	14	5	31	31
Other expenses	160	353	353	353	354	356	356
TOTAL COST OF SERVICES	3,388	3,609	3,609	3,689	3,687	3,753	3,792
Income							
Other revenue	12	5	5	5	5	5	5
Total Income	12	5	5	5	5	5	5
NET COST OF SERVICES	3,376	3,604	3,604	3,684	3,682	3,748	3,787
INCOME FROM STATE GOVERNMENT							
Service appropriations	3,514	3,522	3,522	3,602	3,600	3,666	3,705
Resources received free of charge	91	88	88	88	88	88	88
TOTAL INCOME FROM STATE GOVERNMENT	3,605	3,610	3,610	3,690	3,688	3,754	3,793
SURPLUS/(DEFICIENCY) FOR THE PERIOD	229	6	6	6	6	6	6

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 18, 17 and 18 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	369	362	340	321	302	311	320
Holding account receivables.....	-	-	-	1	1	2	2
Receivables.....	29	29	29	29	29	29	29
Other.....	27	27	27	27	27	27	27
Total current assets.....	425	418	396	378	359	369	378
NON-CURRENT ASSETS							
Holding account receivables.....	397	660	660	923	1,186	1,421	1,657
Property, plant and equipment.....	23	(220)	6	21	22	33	33
Restricted cash.....	22	-	22	22	22	22	22
Other.....	-	227	-	-	-	-	-
Total non-current assets.....	442	667	688	966	1,230	1,476	1,712
TOTAL ASSETS.....	867	1,085	1,084	1,344	1,589	1,845	2,090
CURRENT LIABILITIES							
Employee provisions.....	535	535	535	535	535	535	535
Payables.....	69	62	62	65	68	71	91
Borrowings and leases.....	9	8	8	9	7	9	9
Other.....	62	62	62	62	62	62	62
Total current liabilities.....	675	667	667	671	672	677	697
NON-CURRENT LIABILITIES							
Employee provisions.....	64	64	64	64	64	64	64
Borrowings and leases.....	15	7	7	21	15	41	41
Total non-current liabilities.....	79	71	71	85	79	105	105
TOTAL LIABILITIES.....	754	738	738	756	751	782	802
EQUITY							
Contributed equity.....	501	728	728	964	1,208	1,427	1,646
Accumulated surplus/(deficit).....	(388)	(381)	(382)	(376)	(370)	(364)	(358)
Total equity.....	113	347	346	588	838	1,063	1,288
TOTAL LIABILITIES AND EQUITY.....	867	1,085	1,084	1,344	1,589	1,845	2,090

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	3,272	3,259	3,259	3,338	3,337	3,430	3,469
Capital appropriation.....	227	227	227	236	244	219	219
Net cash provided by State Government	3,499	3,486	3,486	3,574	3,581	3,649	3,688
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,480)	(2,465)	(2,465)	(2,465)	(2,493)	(2,524)	(2,553)
Supplies and services.....	(568)	(358)	(358)	(433)	(411)	(418)	(428)
Accommodation.....	(342)	(86)	(86)	(88)	(89)	(89)	(89)
GST payments.....	(103)	(42)	(42)	(42)	(42)	(42)	(42)
Finance and interest costs.....	(1)	(21)	(21)	(14)	(5)	(31)	(31)
Other payments.....	(160)	(354)	(354)	(354)	(355)	(357)	(357)
Receipts (c)							
GST receipts.....	106	42	42	42	42	42	42
Other receipts.....	186	5	5	5	5	5	5
Net cash from operating activities	(3,362)	(3,279)	(3,279)	(3,349)	(3,348)	(3,414)	(3,453)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	-	(236)	(236)	(244)	(252)	(226)	(226)
Net cash from financing activities	-	(236)	(236)	(244)	(252)	(226)	(226)
NET INCREASE/(DECREASE) IN CASH HELD.....	137	(29)	(29)	(19)	(19)	9	9
Cash assets at the beginning of the reporting period	254	391	391	362	343	324	333
Cash assets at the end of the reporting period	391	362	362	343	324	333	342

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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 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

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
GST Receipts							
GST Input Credits.....	106	42	42	42	42	42	42
Other Receipts							
Other Receipts.....	186	5	5	5	5	5	5
TOTAL	292	47	47	47	47	47	47

Division 35 Parliamentary Inspector of the Corruption and Crime Commission

Part 7 Community Safety

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 70 Net amount appropriated to deliver services	516	480	480	488	486	504	506
Amount Authorised by Other Statutes - Corruption and Crime Commission Act 2003.....	179	179	179	180	181	182	183
Total appropriations provided to deliver services	695	659	659	668	667	686	689
TOTAL APPROPRIATIONS	695	659	659	668	667	686	689
EXPENSES							
Total Cost of Services	644	809	809	810	809	828	831
Net Cost of Services (a) (b)	644	809	809	810	809	828	831
CASH ASSETS (c)	351	343	343	343	343	343	343

- (a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.
- (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 Office's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
2021-22 Streamlined Budget Process Incentive Funding.....	-	5	-	-	-

Significant Issues Impacting the Agency

- On 23 November 2020, Mr Matthew Zilko SC was appointed as Parliamentary Inspector of the Corruption and Crime Commission for a five year term. This appointment filled the vacancy left by the retirement of the late Hon Michael Murray AM QC on 31 March 2020. Both the Hon John Chaney SC and Mr Matthew Howard SC remain as acting Parliamentary Inspectors as required.

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 Office's services, the desired outcomes and the relevant Government Goal. 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 and Sustainable Finances: Responsible, achievable, affordable 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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations	644	809	809	810	809	828	831
Total Cost of Services.....	644	809	809	810	809	828	831

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 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 Office's Annual Report.

Services and Key Efficiency Indicators

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	644	809	809	810	
Less Income	nil	nil	nil	nil	
Net Cost of Service	644	809	809	810	
Employees (Full-Time Equivalents)	2	2	2	2	
Efficiency Indicators					
Average cost per investigation/case	\$10,005	\$8,668	\$5,056	\$5,500	1
Cost of audit function as a percentage of total cost of operations	13%	40%	35%	38%	2

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual (\$5,056) for the Average cost per investigation/case is 41.7% lower than the 2020-21 Budget (\$8,668) because there were a higher number of investigations/cases undertaken in 2020-21 than budgeted. The 2021-22 Budget Target (\$5,500) for the Average cost per investigation/case reflects that a similarly high number of investigations/cases is expected to be carried out in 2021-22.
2. The 2020-21 Estimated Actual (35%) for the Cost of audit function as a percentage of total cost of operations is lower than the 2020-21 Budget (40%) due to the higher number of investigations/cases undertaken in 2020-21 than budgeted, which meant that a greater proportion of the Office's resources were devoted to the investigation function than to the audit function.

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	326	455	455	457	460	464	468
Supplies and services	156	210	210	203	200	200	200
Accommodation	85	72	72	75	79	93	93
Depreciation and amortisation	32	32	32	32	32	32	30
Other expenses	45	40	40	43	38	39	40
TOTAL COST OF SERVICES	644	809	809	810	809	828	831
NET COST OF SERVICES ^(c)	644	809	809	810	809	828	831
INCOME FROM STATE GOVERNMENT							
Service appropriations	695	659	659	668	667	686	689
Resources received free of charge	140	142	142	142	142	142	142
TOTAL INCOME FROM STATE GOVERNMENT	835	801	801	810	809	828	831
SURPLUS/(DEFICIENCY) FOR THE PERIOD	191	(8)	(8)	-	-	-	-

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 2, 2 and 2 respectively.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	351	343	343	343	343	343	343
Receivables.....	2	2	2	2	2	2	2
Other.....	8	8	8	8	8	8	8
Total current assets.....	361	353	353	353	353	353	353
NON-CURRENT ASSETS							
Holding account receivables.....	259	291	291	323	355	387	417
Property, plant and equipment.....	158	126	126	94	62	30	-
Total non-current assets.....	417	417	417	417	417	417	417
TOTAL ASSETS	778	770	770	770	770	770	770
CURRENT LIABILITIES							
Employee provisions.....	74	74	74	74	74	74	74
Total current liabilities.....	74	74	74	74	74	74	74
EQUITY							
Contributed equity.....	160	160	160	160	160	160	160
Accumulated surplus/(deficit).....	544	536	536	536	536	536	536
Total equity	704	696	696	696	696	696	696
TOTAL LIABILITIES AND EQUITY	778	770	770	770	770	770	770

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	663	627	627	636	635	654	659
Net cash provided by State Government	663	627	627	636	635	654	659
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(654)	(455)	(455)	(457)	(460)	(464)	(468)
Supplies and services	(16)	(69)	(69)	(62)	(59)	(59)	(59)
Accommodation	(85)	(72)	(72)	(75)	(79)	(93)	(93)
GST payments	(14)	(16)	(16)	(16)	(16)	(16)	(16)
Other payments	(56)	(39)	(39)	(42)	(37)	(38)	(39)
Receipts (c)							
GST receipts	16	16	16	16	16	16	16
Net cash from operating activities	(809)	(635)	(635)	(636)	(635)	(654)	(659)
Cash assets at the beginning of the reporting period	497	351	351	343	343	343	343
Cash assets at the end of the reporting period	351	343	343	343	343	343	343

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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 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)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
GST Receipts							
GST Input Credits	16	16	16	16	16	16	16
TOTAL	16	16	16	16	16	16	16

(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

Introduction

The Community Services portfolio works with communities to support people with disabilities, vulnerable families, children and young people at risk and seniors. The portfolio particularly focuses on breaking disadvantage to improve lives and cultivating vibrant, inclusive communities through sport, culture and arts industries.

Summary of Recurrent and Asset Investment Expenditure

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Communities		
– Total Cost of Services	3,041,791	3,227,998
– Asset Investment Program	146,587	355,066
Keystart Housing Scheme Trust		
– Asset Investment Program	550	2,550
Local Government, Sport and Cultural Industries		
– Total Cost of Services	338,791	498,822
– Asset Investment Program	41,168	49,215
Western Australian Sports Centre Trust		
– Total Cost of Services	199,637	225,302
– Asset Investment Program	21,821	65,706
Western Australian Institute of Sport		
– Asset Investment Program	143	143

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Lotteries Commission		
– Asset Investment Program	2,135	6,309
Metropolitan Cemeteries Board		
– Asset Investment Program	4,320	9,329

Ministerial Responsibilities

Minister	Agency	Services
Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services	Communities	1. Community Services 2. Homelessness Support Services 3. Earlier Intervention and Family Support Services 4. Preventing and Responding to Family and Domestic Violence 5. Child Protection Assessments and Investigations 6. Care Arrangements and Support Services for Children in the Chief Executive Officer's Care
Minister for Disability Services; Fisheries; Innovation and ICT; Seniors and Ageing		
Minister for Emergency Services; Racing and Gaming; Small Business; Volunteering		
Minister for Water; Forestry; Youth		
Minister for Housing; Local Government	Communities	7. Rental Housing 8. Home Loans 9. Land and Housing Supply
Minister for Disability Services; Fisheries; Innovation and ICT; Seniors and Ageing	Communities	10. Supporting People with Disability to Access Services and Participation in Their Community 11. Living Supports and Care for People with Disability
Minister for Housing; Local Government	Keystart Housing Scheme Trust	n/a
Minister for Tourism; Culture and the Arts; Heritage	Local Government, Sport and Cultural Industries	1. Cultural and Arts Industry Support 3. Asset and Infrastructure Support Services to Client Agencies 6. Cultural Heritage Management and Conservation 7. Cultural Heritage Access and Community Engagement and Education 8. State Library Services 9. Public Library Services 10. Venue Management Services 11. Collections Management, Research and Conservation Services 12. Collections Effectively Documented and Digitised 13. Public Sites, Public Programs and Collections Accessed On-site 14. Online Access to Collections, Expertise and Programs 15. Museum Services to the Regions
Minister for Housing; Local Government	Local Government, Sport and Cultural Industries	2. Regulation and Support of Local Government
Minister for Emergency Services; Racing and Gaming; Small Business; Volunteering	Local Government, Sport and Cultural Industries	4. Regulation of the Gambling and Liquor Industries
Minister for Finance; Lands; Sport and Recreation; Citizenship and Multicultural Interests	Local Government, Sport and Cultural Industries	5. Sport and Recreation Industry Support
	Western Australian Sports Centre Trust	1. Deliver Training and Competition Facilities for High Performance Sport 2. Provision of Venues and Precincts Delivering Quality Sport and Entertainment Experiences
	Western Australian Institute of Sport	n/a
Premier; Treasurer; Minister for Public Sector Management; Federal-State Relations	Lotteries Commission	n/a
Minister for Housing; Local Government	Metropolitan Cemeteries Board	n/a

Division 36 Communities

Part 8 Community Services

Appropriations, Expenses and Cash Assets

	2019-20 Actual ^{(a) (b)} \$'000	2020-21 Budget ^(a) \$'000	2020-21 Estimated Actual ^(a) \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 71 Net amount appropriated to deliver services	1,771,908	1,830,364	1,866,946	1,955,111	1,975,055	2,023,919	2,052,754
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	492	492	492	493	494	494	494
Total appropriations provided to deliver services	1,772,400	1,830,856	1,867,438	1,955,604	1,975,549	2,024,413	2,053,248
CAPITAL							
Item 137 Capital Appropriation	28,080	182,129	182,129	165,962	173,634	147,321	102,770
TOTAL APPROPRIATIONS	1,800,480	2,012,985	2,049,567	2,121,566	2,149,183	2,171,734	2,156,018
EXPENSES							
Total Cost of Services	3,272,969	3,090,502	3,041,791	3,227,998	3,124,340	3,202,009	3,281,424
Net Cost of Services ^{(c) (d)}	2,435,716	2,361,678	2,400,660	2,595,466	2,469,758	2,504,745	2,571,838
CASH ASSETS ^(e)	408,821	322,433	233,999	194,514	88,408	73,254	236,814

- (a) The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual financial data has been recast and revised for comparative purposes due to Machinery of Government changes (which took effect from 1 July 2021) to transfer commercial land development functions from the Housing Authority to DevelopmentWA.
- (b) The 2019-20 Actual administered appropriation has been recast and revised due to the transfer of administrative support for the Anzac Day Trust to the Department of Jobs, Tourism, Science and Innovation from 1 July 2020.
- (c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.
- (d) 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.
- (e) 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 Department's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COVID-19 Response					
National Partnership Agreement on COVID-19 Domestic and Family Violence Responses	(904)	8,122	-	-	-
Social Housing Rent Freeze	-	2,353	-	-	-
State Welfare Incident Coordination Centre	1,443	3,162	-	-	-
Support for Pilbara Aboriginal Remote Communities (From Rio Tinto and Woodside)	350	-	-	-	-

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Access to Regional Childcare	-	483	1,431	1,432	1,433
Caring Dads Program	-	110	-	-	-
Elder Rights WA	-	1,000	1,000	1,000	1,000
Empowering Communities (Neighbourhood Centres)	-	-	1,370	1,400	1,430
Family and Domestic Violence (FDV) Initiatives					
Counselling Program for Young People	-	600	612	625	639
One-Stop Hubs	-	1,060	-	-	-
Pets in Crisis Support Program Expansion	-	195	259	456	386
Prevention Services	-	506	747	1,026	1,107
Rapid Rehousing Pilot	-	-	1,068	1,092	1,116
Respectful Relationships Expansion	-	68	721	741	760
Safe at Home Expansion	-	100	1,041	1,064	1,187
Safer Pathways Expansion	-	400	408	417	426
Subsidised Driving Lessons and Dental Services for Women Exiting Refugees	-	374	381	387	397
Training for First Responders	-	70	510	521	533
Grandcarers Support Scheme	-	1,500	1,529	1,563	1,602
Home Stretch Expansion	-	8,766	9,176	9,471	9,823
Local Government Homelessness Fund	-	1,500	1,500	1,500	1,500
Men's Shed					
Baldvis	50	1,000	-	-	-
Northern Suburbs	1,000	-	-	-	-
Perth Aboriginal Short Stay Accommodation Business Case	-	300	-	-	-
Safety and Security for Seniors Rebate	-	3,000	3,000	3,000	3,000
Scouts Hall - Tapping	-	3,000	-	-	-
Small Commitments	4,063	-	-	-	-
State Disability Strategy Initiatives					
Changing Places Network Expansion	-	500	1,500	-	-
Innovation Fund	-	1,250	1,250	1,250	1,250
Micro-Enterprise Support	-	500	-	-	-
Provision of All-Terrain Wheelchairs	-	100	-	-	-
Teenagers in Need of Crisis Accommodation Facility	-	820	836	854	876
Volunteering WA Digital Platform	-	100	45	15	15
New Initiatives					
Asset Maintenance Business Case	-	1,000	-	-	-
Boorloo Bidee Mia - Perth Homelessness Facility	715	7,298	5,679	4,341	-
Community Services Contracts Uplift	-	9,000	-	-	-
Connected Beginnings - Roebourne	400	736	736	-	-
Criminal Law (Mental Impairment) Bill 2021	54	161	-	-	-
Disaster Recovery Arrangements - Severe Tropical Cyclone Seroja	2,072	-	-	-	-
Kimberley Juvenile Justice Strategy	-	204	-	-	-
National Centre and WA Centre for the Prevention of Child Sexual Abuse	1,457	1,499	457	457	457
North West Aboriginal Housing Fund					
Jalbi Jiya (Your Home) Program	1,038	851	531	2,352	1,201
Yindjibarndi Ganallili Accommodation and Transitional Housing Program	60	4,818	1,223	84	84
Yura Yungi Employee Accommodation and Career Development Program	207	1,932	1,176	-	-
Office of Disability	-	3,756	3,778	3,074	2,812
Pioneer Park Homelessness Response	3,355	-	-	-	-
Safe Night Spaces - City of Perth Homelessness Centres	-	2,150	2,150	-	-
Social Housing Strategy ^(a)	(32,167)	(16,465)	(41,202)	165	54,506
Women's FDV Refuge Expansion in Peel and Kwinana	-	805	826	848	871
Wooroloo Fire Recovery	-	323	-	-	-
Ongoing Initiatives					
Aboriginal Community Connectors Program	-	6,841	7,208	-	-
Child Protection - Cost and Demand Growth	-	444	(2,898)	26,185	52,484
Civil Litigation Claims and National Redress Scheme Resourcing	3,182	2,102	-	-	-
Community Neighbourhood and Development Services	-	1,653	-	-	-
Extension of Service Agreements	-	15,532	-	-	-
Ministerial Youth Advisory Council	-	21	21	22	22
National Disability Insurance Scheme (NDIS) Worker Screening	(293)	221	269	263	-
National Housing and Homelessness Agreement	2,581	12,404	13,777	5,563	7,806
National Rental Affordability Scheme	619	394	(732)	11,097	9,016
Resolution of Native Title in the South West of Western Australia (Settlement)	(1,100)	13,734	10,282	10,282	10,282
Step Up/Step Down Facility - Broome	5,831	-	-	-	-
Other					
Disability Services (Including NDIS Contributions)	68,582	36,316	26,729	25,731	26,775
Government Regional Officer Housing	242	518	504	476	573
Housing Authority Outlook Update	25,642	(45,161)	(91,074)	(49,520)	(49,158)
METRONET Social and Affordable Housing and Jobs Package	(24,764)	(3,744)	(10,568)	(5,922)	(2,548)
Non-Government Human Services Sector Indexation	-	(1,049)	(1,110)	(1,212)	1,752
RiskCover Insurance Premiums	-	5,790	3,266	709	3,230
Voluntary Targeted Separation Scheme	33,241	-	-	-	-

(a) Recurrent spending changes only. The changes largely relate to non-cash expenditure from repurposing properties previously targeted for sale as social housing.

Significant Issues Impacting the Agency

1. The COVID-19 pandemic has had a significant impact on community members who are supported by the Department, including children and young people, seniors, small businesses, and people experiencing family and domestic violence (FDV), homelessness and unemployment. The full impact of the pandemic is still emerging. As Western Australia continues to progress through the pandemic and its recovery phase, vulnerable cohorts and welfare continue to be a focus. The Department is responsible for leading the State's social recovery from the COVID-19 pandemic and will continue to invest in vulnerable cohorts and services that support Western Australia's social recovery. Effective social recovery is essential for future community sustainability.
2. As a lead agency under the State Emergency Management Plan and the State Hazard Plan for Human Biosecurity, the Department is responsible for the support and coordination of emergency response and welfare services. The Department's State Welfare Incident Coordination Centre (SWICC) has coordinated the COVID-19 welfare response to date and will continue to refine, improve and anticipate responses to future outbreaks and other emergencies and natural disasters. In 2021-22, SWICC will receive an additional \$3.2 million on top of its existing emergency response funding to continue providing assistance and support at Perth Airport, quarantine hotels and the COVID-19 helpline.
3. The Department has experienced an increase in applications for social housing assistance. The total waitlist has grown to 17,320 in July 2021. While this is below the 20,000 to 23,000 on the waitlist during the last resources boom, the Government has committed more than \$2.1 billion for social housing over the forward estimates period, which is estimated to fund around 3,300 homes. The total commitment includes an additional \$750 million Social Housing Investment Fund which will substantially increase Western Australia's stock of social housing. This investment will deliver a pipeline of work across Western Australia of new houses, including modular and alternative builds to support manufacturing industries, and refurbishments to improve older houses.
4. Existing ageing dwellings form a high proportion of overall stock and investing to keep these homes up to standard is an important part of improved management of the Government's housing assets. Investment in housing in regional areas provides economic infrastructure by enabling people to live and work in the regions, providing essential services and facilitating regional growth. This funding commitment to housing will contribute to liveable communities across Western Australia, including through rapid building processes, using modular construction, and investing in regional renewal in Geraldton, Bunbury and Albany.
5. The Department is implementing modular and alternative construction processes to deliver housing as rapidly as possible, including:
 - 5.1. \$70.4 million for construction of 134 modular houses on Department-owned land in the regions over 2021-22 to 2022-23;
 - 5.2. Aboriginal Short Stay Accommodation facilities, which provide safe and suitable short-term accommodation for Aboriginal people who are travelling from remote communities to regional centres and the Perth metropolitan area to access services. As part of the Government's election commitments, \$39.3 million has been committed to construct a new Aboriginal Short Stay Accommodation facility in the Perth CBD, with the Department to receive \$6.3 million in 2021-22 for land acquisition and to plan and develop a detailed proposal for the facility;
 - 5.3. \$136.7 million to repurpose 404 properties previously flagged for sale from the METRONET Social and Affordable Housing and Jobs Package and affordable housing programs to social housing over 2020-21 to 2022-23. As with the initial announcement, the repurposed METRONET Package will maintain a focus on the delivery of houses and the creation of additional jobs to facilitate the delivery of those dwellings;
 - 5.4. \$6 million to retain and refurbish 120 properties that had previously been flagged for demolition; and
 - 5.5. \$6.1 million to repurpose 28 shared equity dwellings into social housing over 2021-22 and 2022-23.

6. In addition to increases in social housing capacity, and guided by All Paths Lead to a Home: Western Australia's 10 year Strategy on Homelessness, the Government is boosting its spending on homelessness intervention services, including:
 - 6.1. increasing the capacity of Common Ground facilities. In December 2019, the Government committed \$35 million for the design, planning and construction of two Common Ground facilities. These purpose-built facilities combine housing for low-income earners with tailored accommodation and support services to help adults who are sleeping rough or experiencing chronic homelessness, to break the cycle of homelessness. As part of the 2021-22 Budget, this amount has been increased to \$73.5 million to construct a 112-apartment facility in East Perth (\$45.4 million) and a 50 apartment facility in Mandurah (\$28.1 million);
 - 6.2. \$18 million for the delivery of Boorloo Bidee Mia (Perth Pathway to Housing), a transitional accommodation facility that will provide support for up to 100 adults who are sleeping rough, with tailored care plans for each resident, culturally informed responses where appropriate, and support to transition to more permanent accommodation;
 - 6.3. \$3.4 million for Youth Futures to establish a new crisis accommodation facility for teenagers in the northern suburbs of the Perth metropolitan area under the Teenagers in Need of Crisis Accommodation initiative; and
 - 6.4. \$6 million for a new Local Government Homelessness Fund to partner with local governments and co-fund homelessness intervention initiatives that are tailored to on-the-ground, location-specific needs.
7. Family and Domestic Violence (FDV) remains a significant issue which can contribute to homelessness. The Department, guided by Path to Safety: Western Australia's Strategy to Reduce FDV, will implement the Government's funding boost to help prevent FDV. This includes:
 - 7.1. \$3.4 million in additional operating costs to meet the expanded capacity of the FDV refuges in Peel and Kwinana;
 - 7.2. a commitment to establish two additional one-stop FDV hubs (one metropolitan and one regional), enhancing the coordination of services through the existing hubs. The Department will spend \$1.1 million in 2021-22 to finalise planning and leasing of premises for the future additional hubs;
 - 7.3. \$3.4 million to expand the Safe at Home program to support an additional 150 women and their children every year with support services, transitional accommodation and home security upgrades;
 - 7.4. \$3.4 million to develop an FDV primary prevention framework to guide prevention activities and support capacity building and training efforts;
 - 7.5. \$3.3 million on a Rapid Rehousing Pilot program, to support women and children to leave refuges, with improved access to the private rental market, including provision of bonds and subsidies;
 - 7.6. \$2.5 million to establish two FDV counselling programs (one metropolitan and one regional) for young people aged 12 to 18 years who have experienced FDV;
 - 7.7. \$2.3 million to expand the Respectful Relationships program to include sport and recreation clubs and organisations and continue the Teaching Support program, which provides professional learning, resources, and support to schools to implement respectful relationships and gender equality education from an early age;
 - 7.8. \$1.7 million to expand the Safer Pathways program into Mirrabooka and Midland, supporting additional women and children residing in public housing with tenancy support and specialist outreach support; and
 - 7.9. \$1.6 million for FDV training for first responders (such as ambulance officers and primary health care professionals) to support them to recognise and respond to suspected incidences of FDV.
8. The Department will deliver the Government's commitment to support the viability of regional childcare by providing \$4.8 million towards retaining childcare workers in the regions and establishing a sustainable model to support regional childcare. The package will help improve access to childcare in regions such as the Pilbara, Goldfields-Esperance, and the Kimberley, which have significant waiting lists, challenges attracting staff, a lack of suitable facilities and a need for support in governance and management.

9. With the transition of State disability service clients to the National Disability Insurance Scheme (NDIS) largely completed, the Department will continue to deliver the complementary A Western Australia for Everyone: State Disability Strategy 2020-2030, which will see investment of:
 - 9.1. \$13.4 million to establish an Office of Disability within the Department that will lead the State's strategic policy and stewardship functions for disability services. The Office will also coordinate the State's response to the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability;
 - 9.2. \$2 million to expand the Changing Places network, which provides secure, clean facilities for people with disability who need space and assistance to use the bathroom when out and about in the community;
 - 9.3. \$500,000 in seed grants to support the establishment of innovative micro-enterprises of people with disability, and to develop and implement a business mentoring initiative to support interested businesses to overcome their uncertainty in employing someone with disability; and
 - 9.4. \$100,000 for the provision of purpose-built, all-terrain wheelchairs at beaches and in national parks so visitors with mobility issues can explore the great outdoors.
10. In 2020-21, the Department recorded significant improvements in its child protection outcomes, which will remain a priority throughout 2021-22 and the forward estimates period.
 - 10.1. Over the past year, the total number of children in care has reduced from 5,498 to 5,344, a 2.8% reduction and the first reduction since 1997. The number of Aboriginal children in care reduced from 3,082 to 3,056, a reduction of 0.8%, which is the first reduction since 1996.
 - 10.2. Effectiveness of the Department's Earlier Intervention and Family Support services, comprising the Aboriginal In-home Support Service (AISS) and the Intensive Family Support Service (IFSS), found that referrals for keeping children safe at home resulted in 91% of children for AISS and 86% for IFSS not being in care 12 months later. The Department will continue to progress earlier intervention supports in 2021-22 and beyond, including co-designing a regional expansion and ongoing monitoring and evaluation of the services.
 - 10.3. The Department will deliver the \$37.2 million commitment to permanently establish the Home Stretch program to support young people who exit the State's child protection system at 18 years of age, until they turn 21 years of age. This expansion will offer young people transitioning from care enhanced access to the supports and services they need to succeed.
11. As part of facilitating access to quality services that enable active participation in the Western Australian community, the Department will deliver the Government's Safety and Security for Seniors Rebate, spending \$12 million to provide WA Seniors Card holders with up to \$400 for the purchase and installation of home security and safety equipment.
12. \$4 million will be provided to establish Elder Rights WA, a state-wide elder abuse advocacy service to combat elder abuse. The Department will work jointly with, and provide grant funding to, Legal Aid Western Australia to deliver this commitment.
13. The Department will provide \$175,000 in funding under the Volunteering Platform and Technology Improvement initiative, for a business case to scope, cost and explore benefits and improvements to Volunteering WA's volunteer database, including for the set-up and maintenance of an emergency volunteering platform.
14. In 2021-22, the Department will focus on implementing the recommendations of the Functional Review of corporate functions that was completed in 2020-21, with a particular focus on: further integration of non-frontline service delivery to enhance efficiency and effectiveness; rebalancing the focus between strategic and transactional activity across functions; and supporting greater agility across work areas to respond to changing responsibilities and expectations.

15. In line with reforms to improve public sector transparency and accountability, commercial land development functions transferred from the Department to DevelopmentWA as of 1 July 2021.
16. A State Commissioning Strategy for community services is being developed with the purpose of shaping a more coherent and holistic approach to delivering sustainable human and community service outcomes, incorporating five year agency-level plans. The Department's Agency Commissioning Plan is being developed and will outline an approach to commissioning over the next five years with an initial focus on key program areas where the majority of existing contracts are expiring between June and December 2022, including homelessness, out of home care and family and domestic violence services.

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

The Outcomes, Services and Key Performance Information reflect the Machinery of Government changes to transfer commercial land development functions from the Housing Authority to DevelopmentWA. Where practical, the 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual have been recast for comparative purposes.

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 Department'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
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Access to quality services that enables active participation in the Western Australian community by individuals and families.	1. Community Services
	Families and individuals experiencing family and domestic violence, homelessness or other crises are assisted to build their capabilities and be safe.	2. Homelessness Support Services 3. Earlier Intervention and Family Support Services 4. Preventing and Responding to FDV
	Children and young people needing protection are safe from abuse and harm.	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 and Support Services for Children in the CEO's Care
	Affordable housing options are available to eligible Western Australians.	7. Rental Housing 8. Home Loans 9. Land and Housing Supply
	Life is enhanced for people with disability in the Western Australian community.	10. Supporting People with Disability to Access Services and Participate in Their Community 11. Living Supports and Care for People with Disability

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Community Services.....	137,355	170,879	150,344	204,728	159,865	152,282	153,616
2. Homelessness Support Services.....	56,462	67,169	59,281	74,640	74,010	51,018	48,023
3. Earlier Intervention and Family Support Services.....	88,793	96,190	87,390	93,025	93,336	93,185	99,261
4. Preventing and Responding to Family and Domestic Violence.....	53,178	76,190	69,113	54,675	43,675	29,510	30,679
5. Child Protection Assessments and Investigations.....	91,657	91,454	85,784	109,139	105,849	115,941	125,716
6. Care Arrangements and Support Services for Children in the CEO's Care	466,032	429,585	474,211	481,121	489,105	521,354	543,854
7. Rental Housing	915,994	923,779	808,765	957,537	902,137	886,249	874,220
8. Home Loans	105,302	68,946	54,530	82,564	77,123	80,404	80,065
9. Land and Housing Supply.....	130,609	127,097	123,551	59,514	63,085	121,693	131,508
10. Supporting People with Disability to Access Services and Participate in Their Community	165,289	119,656	75,024	60,417	52,850	52,700	53,056
11. Living Supports and Care for People with Disability	451,154	311,752	168,066	130,400	117,025	116,828	118,069
12. NDIS Contributions ^(a)	611,144	607,805	885,732	920,238	946,280	980,845	1,023,357
Total Cost of Services.....	3,272,969	3,090,502	3,041,791	3,227,998	3,124,340	3,202,009	3,281,424

(a) Cash payments to the National Disability Insurance Agency (NDIA). Note that this reflects the State's cash contributions only. Other State Departments also provide in-kind contributions through existing services and programs.

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Access to quality services that enables active participation in the Western Australian community by individuals and families:					
Percentage of assessed early childhood education and care services that met or exceeded national standards.....	78%	75%	75%	75%	
The take-up rate of Seniors Card	93%	95%	95%	95%	
Proportion of Working with Children Cards issued within 30 days of lodgement where the applicant had no criminal record.....	98%	98%	98%	98%	
Proportion of decisions finalised within 60 days where the applicant for a Working with Children Card had a criminal record.....	96%	96%	98%	96%	
Outcome: Families and individuals experiencing FDV, homelessness or other crises are assisted to build their capabilities and be safe:					
Percentage of homelessness clients with some or all goals achieved at the completion of a homelessness service support period	85%	85%	88%	85%	
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	82%	90%	86%	90%	1
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.....	77%	80%	75%	80%	2
Outcome: Children and young people needing protection are safe from abuse and harm:					
Improved safety:					
Proportion of children not subject to a subsequent substantiation of harm within 12 months of a previous substantiation of harm	91%	95%	91%	95%	3
Proportion of children not subject to a substantiation of harm 12 months after an assessment of harm that was unsubstantiated	93%	95%	95%	95%	
Outcome: 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:					
Proportion of Aboriginal children in the CEO's care placed in accordance with the Aboriginal and Torres Strait Islander Child Placement Principle	66%	80%	66%	80%	4
Proportion of children in the CEO's care with comprehensive care planning undertaken within set timeframes	84%	90%	76%	90%	5
Outcome: Affordable housing options are available to eligible Western Australians:					
Responsiveness - total housing assistances provided relative to the public rental waiting list	1.15	1.03	0.64	0.55	6
Waiting times for accommodation - applicants housed:					
Average.....	94 weeks	95 weeks	102 weeks	103 weeks	6
Median	48 weeks	49 weeks	58 weeks	62 weeks	6
Outcome: Life is enhanced for people with disability in the Western Australian community:					
Proportion of quality evaluations which met national standards	n/a	n/a	n/a	n/a	7
Percentage of service users who achieved their individual plan outcomes	74%	74%	81%	80%	8
Proportion of the population in need who received services	n/a	n/a	n/a	n/a	7
Proportion of service users who achieved community participation outcomes.....	72%	72%	73%	73%	

(a) Further detail in support of the key effectiveness indicators is provided in the Annual Reports of the Department of Communities, the Disability Services Commission and the Housing Authority.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is an improvement on the 2019-20 Actual but lower than the 2021-22 Budget Target. Renewed focus on Earlier Intervention and Family Support strategies has shown promising outcomes in terms of preventing children coming into the Department's care. Accordingly, the 2021-22 Budget Target has been set in line with an aspirational target to aim for better than 2020-21 Estimated Actual results.
2. The 2020-21 Estimated Actual is 2% lower than the 2019-20 Actual, and 5% lower than the 2021-22 Budget Target. This result reflects the complex and repetitive nature of FDV in many families that has been exacerbated due to the impacts of the COVID-19 pandemic. The Department will continue to assess and refine its FDV responses to ensure these are effective and sustainable.
3. While the 2019-20 Actual and 2020-21 Estimated Actual results were equivalent, the 2021-22 Budget Target has been set with an aspirational target to aim for better than 2020-21 Estimated Actual results.
4. The 2020-21 Estimated Actual result is equivalent to the 2019-20 Actual and below the 2020-21 Budget. The result was consistent with the performance of other child protection jurisdictions nationally (64.3%), as reported in the Report on Government Services 2021. Performance against this indicator reflects its challenging nature. There are limited care arrangements with Aboriginal carers or relatives and there are complex factors that must be considered when making care arrangement decisions. The Department is working to increase the number of culturally appropriate care arrangement options for Aboriginal children in care. Government is also seeking to reinforce the placement principle through proposed amendments to the *Children and Community Services Act 2004*, to require consultations with Aboriginal Registered Organisations prior to arranging a placement for Aboriginal children.
5. The 2020-21 Estimated Actual to 2020-21 Budget variance was primarily influenced by the COVID-19 pandemic, staff recruitment and vacancy issues, complexity of children in care and challenges with convening care planning and engaging with all significant parties. The Department will continue to work towards achieving the 2021-22 Budget Target through ongoing focus on this key effectiveness indicator.
6. The Responsiveness - total housing assistances provided relative to the public rental waiting list key effectiveness indicator has shown a gradual downward trend from the 2019-20 Actual to the 2021-22 Budget Target, whilst the Waiting times for accommodation - applications housed key effectiveness indicators have shown an upwards trend from the 2019-20 Actual to the 2021-22 Budget Target. This trend is largely a result of private rental conditions remaining difficult for many households over the past two years, with rental listings reaching historic lows in May 2020. The Department's housing options have remained largely unchanged, but the Public Rental Waiting List has increased, primarily due to the tightening of the Western Australian housing market and impacts of the COVID-19 pandemic. Improvements in this ratio are expected in the near future, as more projects delivered through government housing stimulus measures come online.
7. Data for these indicators are collected from external disability service providers. Performance indicator data was not collected from these organisations in 2019-20 due to the impacts of the COVID-19 pandemic or in 2020-21 as the majority of State-funded clients and services had transitioned to the NDIS. Accordingly, the Department has been exempted from reporting on these indicators from 2019-20.
8. It had been predicted that 2020-21 plan outcomes would be negatively affected by the outbreak of the COVID-19 pandemic, with the expectation that Local Coordinators would experience difficulties meeting planning appointments and accessing providers. However, the 2020-21 Estimated Actual is higher than the 2020-21 Budget as continued focus on ensuring continuity of services during the COVID-19 pandemic resulted in plan outcomes remaining higher than expected. This is expected to continue in 2021-22.

Services and Key Efficiency Indicators

1. Community Services

Provision of community services across Western Australia: Working with Children checks to increase child safety, regulation and quality assurance of early education and care services, and delivery of benefits and concessions, including Seniors Card and other support services.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 137,355	\$'000 170,879	\$'000 150,344	\$'000 204,728	1
Less Income ^(a)	9,636	13,760	11,695	13,971	
Net Cost of Service	127,719	157,119	138,649	190,757	
Employees (Full-Time Equivalents)	273	298	299	384	2
Efficiency Indicators					
Average cost per licenced childcare service for regulation and support ^(b)	\$7,382	\$8,628	\$6,500	\$6,938	3
Average management cost per Seniors Card ^(c)	\$6.63	\$7.16	\$6.13	\$6.56	4
Average cost per Working with Children Card application processed ^(d)	\$36	\$35	\$29	\$32	5

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

(b) The number of licensed childcare services for regulation and support for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 1,238, 1,265, 1,280 and 1,380, respectively.

(c) The number of Seniors Card applications for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 398,296, 404,529, 404,094 and 422,679, respectively.

(d) The number of Working with Children Card applications for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 132,053, 142,000, 145,878 and 145,000, respectively.

Explanation of Significant Movements

(Notes)

1. The movement between the 2019-20 Actual and the 2020-21 Budget mostly reflects a reprofiling of Regional Reform Funding to deliver the Essential and Municipal Services Upgrade Program (EMSUP) in remote Aboriginal communities. The COVID-19 pandemic resulted in reduced access to remote communities in 2019-20, necessitating a reflow of grants into subsequent years. The 2020-21 Budget also includes additional expenditure for the State Welfare Incident Coordination Centre. The movement between the 2020-21 Estimated Actual and the 2021-22 Budget Target is mainly due to the further reprofiling of EMSUP funding and meeting various election commitments.
2. The increase between the 2020-21 Estimated Actual and the 2021-22 Budget Target is primarily due to additional resources required to manage the State's welfare emergency management response to the COVID-19 pandemic, the workload associated with civil litigation and associated information requests, and to administer worker screening for the NDIS.
3. The 2020-21 Estimated Actual was less than the 2020-21 Budget and 2019-20 Actual because of ongoing delays in the recruitment and training of assessors for the Early Childhood Regulatory Unit and lower operational expenditure due to COVID-19 travel restrictions.
4. The 2020-21 Estimated Actual is less than the 2020-21 Budget mainly due to delays in recruitment and reduced expenditure on supplies and services associated with a decrease in public events due to COVID-19 pandemic concerns/restrictions.
5. The Average cost per Working with Children Card application processed has remained relatively constant, with the drop in the 2020-21 Estimated Actual being due to a reduction in overhead costs associated with assessments.

2. Homelessness Support Services

A range of accommodation and related support services for individuals and families who are homeless or at risk of homelessness.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	56,462	67,169	59,281	74,640	1
Less Income ^(a)	25,862	26,289	26,691	28,441	
Net Cost of Service	30,600	40,880	32,590	46,199	
Employees (Full-Time Equivalents)	12	12	13	16	2
Efficiency Indicators					
Average cost per homelessness support service client ^(b)	\$3,271	\$3,883	\$3,294	\$4,147	3

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

(b) The number of clients for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 17,261, 17,300, 17,998 and 18,000, respectively.

Explanation of Significant Movements

(Notes)

1. The increase in the 2020-21 Budget compared to the 2019-20 Actual mainly reflects additional spending on homelessness services under the Housing and Homelessness Investment Package.
2. The increase in full-time equivalents (FTEs) from the 2020-21 Estimated Actual to the 2021-22 Budget Target reflects the Boorloo Bidee Mia homelessness service, the new transitional accommodation facility at 300 Wellington Street in the Perth CBD.
3. The decrease in cost between the 2020-21 Budget and 2020-21 Estimated Actual reflects 2020-21 Budget funding for the Housing First Homelessness Initiative and the Online Homelessness Services Portal not being fully expended in 2020-21 (since reprofiled to 2021-22). The increase in the 2021-22 Budget Target reflects additional spending associated with the City of Perth's homelessness program - Safe Night Spaces, the Boorloo Bidee Mia transitional accommodation facility and additional Commonwealth National Housing and Homelessness Agreement funding.

3. Earlier Intervention and Family Support Services

Earlier and more intense services to divert children and young people from the child protection system and prevent them from needing to enter care.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	88,793	96,190	87,390	93,025	
Less Income ^(a)	262	520	520	315	
Net Cost of Service	88,531	95,670	86,870	92,710	
Employees (Full-Time Equivalents)	348	363	357	365	
Efficiency Indicators					
Average cost per earlier intervention and family support case ^(b)	\$7,051	\$7,356	\$6,830	\$7,442	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

(b) The number of cases for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual, 2021-22 Budget Target are 12,727, 13,200, 12,796 and 12,500, respectively.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is below the 2020-21 Budget mainly due to COVID-19 restrictions significantly delaying the implementation of Target 120 programs, with unspent funds being recashflowed to later years. There is also additional Target 120 funding in 2021-22.

4. Preventing and Responding to Family and Domestic Violence

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 53,178	\$'000 76,190	\$'000 69,113	\$'000 54,675	1
Less Income ^(a)	23,201	23,106	30,617	21,288	
Net Cost of Service	29,977	53,084	38,496	33,387	
Employees (Full-Time Equivalents)	42	42	42	46	
Efficiency Indicators					
Average cost per family and domestic violence case ^(b)	\$3,387	\$4,980	\$4,569	\$3,507	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

(b) The number of cases for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 15,702, 15,300, 15,127 and 15,590, respectively.

Explanation of Significant Movements

(Notes)

1. The increase in the 2020-21 Budget compared to the 2019-20 Actual reflects the additional spending on FDV initiatives in response to the COVID-19 pandemic and additional Commonwealth funding through the National Partnership on COVID-19 Domestic and Family Violence Responses. The reduction in the 2021-22 Budget Target reflects the conclusion of COVID-19 Response initiatives and finalisation of additional and expanded refuge works.
2. The 2020-21 Budget reflects the introduction of several significant funding initiatives, increasing average costs. These include two additional Women's Refuges, two FDV One-Stop Hubs, the FDV Breathing Space Initiative, the Kimberley Family Violence Service and other FDV initiatives in response to the COVID-19 pandemic. Further one-off funding was also received in 2020-21 as part of the National Partnership on COVID-19 Domestic and Family Violence Responses. The lower 2020-21 Estimated Actual reflects that some delays were experienced with implementing COVID-19 Response initiatives and unspent funding in 2020-21 has been recashflowed to 2021-22.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 91,657	\$'000 91,454	\$'000 85,784	\$'000 109,139	1
Less Income ^(a)	692	1,088	1,088	782	
Net Cost of Service	90,965	90,366	84,696	108,357	
Employees (Full-Time Equivalents)	518	562	562	575	
Efficiency Indicators					
Average cost per child involved in child protection cases ^(b)	\$4,846	\$4,640	\$4,852	\$6,063	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

(b) The number of cases for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 19,202, 20,000, 17,679 and 18,000, respectively.

Explanation of Significant Movements

(Notes)

1. The 2021-22 Budget Target has an increase in the forecast Average cost per child involved in child protection cases and Total Cost of Service as a result of additional funding to meet demand for child protection services, funding for initiatives associated with the Royal Commission into Institutional Responses to Child Sexual Abuse and extra funding for community services contracts.

6. Care Arrangements and Support Services for Children in the CEO's Care

Provision of safe and stable care arrangements and other support services for the safety, support and wellbeing of children and young people in the care of the CEO.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	466,032	429,585	474,211	481,121	1
Less Income ^(a)	1,797	3,231	3,231	2,149	
Net Cost of Service	464,235	426,354	470,980	478,972	
Employees (Full-Time Equivalents)	1,537	1,590	1,589	1,614	
Efficiency Indicators					
Average cost per day of a foster care arrangement ^(b)	\$138	\$127	\$145	\$140	2
Average cost per day of a residential-based care arrangement ^(c)	\$1,807	\$1,775	\$1,976	\$2,088	3
Average cost per day of an exceptionally complex needs care arrangement ^(d)	\$1,947	\$1,499	\$1,922	\$1,618	4
Average cost per day of a secure care arrangement ^(e)	\$5,682	\$5,213	\$5,667	\$6,212	5
Average cost per day to plan for and support a child in the CEO's care ^(f)	\$67	\$57	\$68	\$68	6

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

(b) The number of days of foster care arrangements for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 1,705,544, 1,750,000, 1,662,621 and 1,700,000, respectively.

(c) The number of days of residential-based care arrangements for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 34,631, 35,000, 32,416 and 34,000, respectively.

(d) The number of days of exceptionally complex needs care arrangements for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 9,327, 9,500, 10,697 and 10,500, respectively.

(e) The number of days of secure care arrangements for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 1,077, 1,300, 1,056 and 1,100, respectively.

(f) The total number of days in the CEO's care for the 2019-20 Actual, 2020-21 Budget, 2020-21 Estimated Actual and 2021-22 Budget Target are 1,986,754, 2,050,000, 1,963,144 and 2,000,000, respectively.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual was higher than the 2020-21 Budget due to increased funding and expenditure to meet costs associated with civil litigation claims for historic child sexual abuse, and cost pressures relating to the Department's response to the COVID-19 pandemic.
2. The 2020-21 Estimated Actual is higher than the 2020-21 Budget mainly due to additional expenditure associated with children's subsidies and payments to providers for specialised fostering placements and a one off COVID-19 social recovery payment to carers associated with keeping children safe and healthy during the COVID-19 pandemic.
3. The 2020-21 Estimated Actual Average cost per day of a residential-based care arrangement was higher than the 2020-21 Budget, largely reflecting a reduced number of residential care-based days whilst unavoidable costs remained relatively consistent. During 2020-21, the number of children admitted into residential group homes was affected by the COVID-19 pandemic, particularly in rural parts of the State. In addition, the number of places in residential care is occasionally limited as a result of the need to appropriately care for the needs of individuals.
4. The 2019-20 Actual and 2020-21 Estimated Actual are both higher than the 2020-21 Budget and 2021-22 Budget Target which largely reflects a growing number of young people with increasingly complex needs. This has driven increased costs from placing individuals in interim arrangements while longer-term options are developed, and in providing suitable support services when dealing with the needs of the young person.
5. The 2020-21 Estimated Actual and the 2021-22 Budget Target Average cost per day of a secure care arrangement are higher than the 2020-21 Budget. This is primarily due to the capacity of the secure care centre being reduced in 2020-21 due to implementing safety precautions in response to the COVID-19 pandemic, and the centre continuing to incur unavoidable fixed costs. These factors adversely impacted the number of available care arrangement days in 2020-21 and with the COVID-19 pandemic ongoing, impacts are expected to continue in 2021-22.
6. The 2020-21 Estimated Actual is higher than the 2020-21 Budget mainly due to an increase in young people presenting with complex needs. This has driven a need for individuals to be placed in higher cost care arrangements and has increased special purpose case support costs.

7. Rental Housing

Provision of housing to eligible Western Australians through public housing, community housing managed properties, rental housing for key workers in regional Western Australia, Government Regional Officer Housing (GROH) and properties for remote Aboriginal communities.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	915,994	923,779	808,765	957,537	1
Less Income ^(a)	400,979	421,781	423,285	446,269	
Net Cost of Service	515,015	501,998	385,480	511,268	
Employees (Full-Time Equivalents)	1,540	1,561	1,504	1,483	
Efficiency Indicators					
Average operating cost per public rental property	\$17,715	\$17,070	\$15,058	\$18,109	1
Average operating cost per GROH rental property	\$14,784	\$15,227	\$13,345	\$12,844	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- During 2020-21, Western Australia experienced high demand in the residential construction market resulting in trade availability issues. As a result, some maintenance works have been reprofiled from 2020-21 to 2021-22.
- The reduced Average cost per GROH rental property in the 2020-21 Estimated Actual and the 2021-22 Budget Target compared to the 2020-21 Budget represents initiatives to minimise the attrition of GROH housing stock, resulting in lower non-cash expenditure from the disposal of GROH properties and higher GROH stock numbers.

8. Home Loans

Enabling the financing of home ownership for eligible applicants.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	105,302	68,946	54,530	82,564	1
Less Income ^(a)	6,072	5,504	5,863	5,598	
Net Cost of Service	99,230	63,442	48,667	76,966	
Employees (Full-Time Equivalents)	28	28	27	26	
Efficiency Indicators					
Average operating cost per current loan account	\$4,214	\$2,888	\$1,943	\$2,986	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease from the 2019-20 Actual to the 2020-21 Budget and 2020-21 Estimated Actual largely reflects lower financing costs which has lowered Keystart's costs of borrowings. The increase in the 2021-22 Budget Target reflects expected increases in borrowings to support more people into home ownership which combined with forecast increases in borrowing interest rates, is expected to result in increased borrowing costs.

9. Land and Housing Supply

Development of land for housing and the provision of housing for sale to the Western Australian housing market.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	130,609	127,097	123,551	59,514	1
Less Income ^(a)	89,246	120,499	86,533	24,685	1
Net Cost of Service	41,363	6,598	37,018	34,829	
Employees (Full-Time Equivalents)	124	124	118	115	
Efficiency Indicators					
Average operating cost per lot developed ^(b)	\$387,992	\$398,244	\$656,565	\$283,050	2
Average operating cost per property sold	\$44,380	\$25,929	\$20,137	\$16,354	3

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

(b) The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual financial data and methodology has been recast and revised for comparative purposes due to Machinery of Government changes (which took effect from 1 July 2021) to transfer commercial land development functions from the Housing Authority to DevelopmentWA. As a result, this efficiency indicator now only reflects dwelling unit equivalents rather than lots developed. This efficiency indicator is to be reviewed to better align with Communities' new operating model.

Explanation of Significant Movements

(Notes)

1. The decrease from the 2020-21 Estimated Actual to the 2021-22 Budget Target is mostly the result of repurposing properties previously flagged for sale under the Affordable Housing and METRONET Social and Affordable Housing and Jobs Package programs to social housing.
2. The increase in the Average operating cost per lot developed between 2020-21 Budget and 2020-21 Estimated Actual is largely due to the fixed nature of expenditure for the residual development functions remaining with the Department, and the number of dwellings delivered through these residual functions being lower than budgeted due to a ramp up in market activity.
3. The variance between the 2019-20 Actual and the 2020-21 Budget is largely attributable to softer market conditions in 2019-20. The variance between 2020-21 Budget and the 2020-21 Estimated Actual reflects the Department repurposing properties previously budgeted for sale as social housing to provide a quick to market option to relieve housing pressures faced by vulnerable households.

10. Supporting People with Disability to Access Services and Participate in Their Community

This service area assists people with disability to identify their personal goals and have choice and control in decision-making through a planning process and provides them with opportunities to develop their potential for full social independence through the use of supports and assistive technology.

	2019-20 Actual ^(a)	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	165,289	119,656	75,024	60,417	1
Less Income ^(b)	46,314	11,417	6,872	13,233	1
Net Cost of Service	118,975	108,239	68,152	47,184	
Employees (Full-Time Equivalents)	234	162	159	120	1, 2
Efficiency Indicators					
Proportion of individual plans commenced within the required timeframe	86%	86%	97%	93%	3
Average cost per service activity for community participation for people with disability	n/a	n/a	n/a	n/a	4

(a) The final 2019-20 Actual Income and 2019-20 Actual Net Cost of Service results differ from the 2019-20 Actual estimates in last year's Budget Papers due to a reclassification of National Disability Services Specific Purpose Payment revenue for NDIS participants (which was received from the Commonwealth and on-paid to the NDIA) to Service 12.

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- These costs exclude NDIS contributions paid to the NDIA. The movements between the 2019-20 Actual, the 2020-21 Budget, the 2020-21 Estimated Actual and the 2021-22 Budget Target reflect the continued transition of State clients to the Commonwealth-administered NDIS, which has resulted in reduced expenditure on State-administered disability service supports. This is reflected in the estimated variances for the Total Cost of Service, Income and FTEs.
- The decrease in FTEs between the 2019-20 Actual, the 2020-21 Budget, the 2020-21 Estimated Actual and the 2021-22 Budget Target reflect the impact of the transition to the NDIS. The number of FTEs is directly influenced by the intake of State-supported individuals to the Commonwealth-administered NDIS over the transition period.
- The 2020-21 Estimated Actual is higher than the 2020-21 Budget as, while it was initially predicted that the impact of the NDIS transition and the COVID-19 pandemic would reduce the timeliness of plans, the continued focus on ensuring continuity of services during transition has resulted in the timeliness of plans remaining very high. This is expected to continue, albeit to a lesser extent, in 2021-22.
- Data for these indicators are collected from external disability service providers. Performance indicator data was not collected from these organisations in 2019-20 due to the impacts of the COVID-19 pandemic or in 2020-21 as the majority of State-funded clients and services had transitioned to the NDIS. For these reasons, the Department has been exempted from reporting on these indicators from 2019-20 onwards.

11. Living Supports and Care for People with Disability

These services include a range of supported accommodation and community services that enable people with disability to live as independently as possible in their community with the support of general and specialised support and services.

	2019-20 Actual ^(a)	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	451,154	311,752	168,066	130,400	1
Less Income ^(b)	147,938	101,629	44,736	75,801	1
Net Cost of Service	303,216	210,123	123,330	54,599	
Employees (Full-Time Equivalents)	823	731	696	656	1, 2
Efficiency Indicators					
Average cost per service activity for community living support for people with disability	n/a	n/a	n/a	n/a	3
Average cost per service activity for independent living support for people with disability	n/a	n/a	n/a	n/a	3
Average cost per service activity for therapy and specialised care for people with disability	n/a	n/a	n/a	n/a	3
Average cost per service activity for residential services for people with disability	n/a	n/a	n/a	n/a	3

(a) The final 2019-20 Actual income and 2019-20 Actual Net Cost of Service results differ from the 2019-20 Actual estimates in last year's Budget Papers due to a reclassification of National Disability Services Specific Purpose Payment revenue for NDIS participants (which was received from the Commonwealth and on-paid to the NDIA) to Service 12.

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- These costs exclude NDIS contributions paid to the NDIA. The decreases between the 2019-20 Actual, the 2020-21 Budget, the 2020-21 Estimated Actual and the 2021-22 Budget Target are due to the impact of the transition of State clients to the Commonwealth-administered NDIS. Direct State expenditure on disability services is reduced as individuals transition to the NDIS, with associated funding and payments redirected to the NDIA. This is reflected in the estimated variances for the Total Cost of Service, Income and FTEs.
- The decrease in FTEs between the 2019-20 Actual, the 2020-21 Budget, the 2020-21 Estimated Actual and the 2021-22 Budget Target reflect the impacts of the transition to the Commonwealth-administered NDIS. The number of FTEs is directly influenced by the intake of State-supported individuals to the Commonwealth-administered NDIS over the transition period.
- Data for these indicators are collected from external disability service providers. Performance indicator data for 2019-20 was not collected from these organisations due to the impacts of the COVID-19 pandemic. In 2020-21, the majority of State-funded clients and services have transitioned to the NDIS. For these reasons, the Department has been exempted from reporting on these indicators from 2019-20 onwards.

Asset Investment Program

1. The Department's Asset Investment Program is \$1.3 billion from 2021-22 to 2024-25. Significant capital investments include:
 - 1.1. more than \$1.1 billion of capital investment from 2021-22 to 2024-25 to increase and renew public housing, homelessness, and crisis accommodation across Western Australia, including through the Government's Social Housing Economic Recovery Package, the Housing and Homelessness Investment Package, and the Social Housing Strategy Package, approved as part of the 2021-22 Budget; and
 - 1.2. \$97.2 million of capital investment from 2021-22 to 2024-25 into Government Regional Officer Housing (GROH).

	Estimated Total Cost ^(a) \$'000	Estimated Expenditure to 30-6-21 ^(a) \$'000	2020-21 Estimated Expenditure ^(a) \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
Broome Move to Town Program.....	12,277	11,228	-	1,049	-	-	-
Computer Hardware and Software Program	8,331	1,539	1,539	1,698	1,698	1,698	1,698
FDV Refuges							
Kwinana.....	5,481	4,354	3,320	1,127	-	-	-
Peel	5,649	4,348	3,014	1,301	-	-	-
Geraldton Aboriginal Short Stay Accommodation (ASSA) Facility	18,000	30	30	1,000	6,000	10,970	-
Goodstart Shared Equity Program	27,621	5,858	5,858	3,319	4,619	7,000	6,825
GROH Program.....	106,751	9,541	9,541	19,720	28,163	23,021	26,306
Housing and Homelessness Investment Package							
Common Ground							
Perth CBD.....	45,400	446	446	2,354	17,900	17,900	6,800
Mandurah.....	28,100	85	85	1,615	11,700	14,700	-
Land Acquisition	45,781	8,983	8,983	9,115	13,688	13,995	-
New Builds.....	88,047	6,201	6,169	29,478	42,084	10,284	-
Shared Equity.....	19,268	2,173	2,173	3,300	3,120	8,046	2,629
Land							
Acquisition Program.....	235,616	26,838	26,838	38,438	60,414	55,363	54,563
Redevelopment Program.....	10,395	356	356	4,094	3,181	2,764	-
Mental Healthcare Units	2,949	1,626	1,061	1,323	-	-	-
Minor Works Program.....	3,700	500	500	800	800	800	800
North West Aboriginal Housing Fund (NWAHF)							
East Kimberley Transitional Housing Project.....	32,306	26,755	10,077	5,551	-	-	-
Jalbi Jiya (Your Home) Program.....	7,355	7,280	7,280	75	-	-	-
Offices Program	11,449	315	315	6,217	1,639	1,639	1,639
Reconfiguration of Spinal Cord Injury Project.....	6,825	2,897	1,999	3,928	-	-	-
Social Housing							
Investment into New Social Housing	296,291	7,691	7,691	97,052	129,942	34,519	27,087
METRONET Social and Affordable Housing and Jobs Package	105,918	33,771	24,122	58,224	13,214	709	-
Crisis Accommodation Program	69,298	439	439	6,343	17,056	21,433	24,027
Disability Services Social Housing Program	26,124	20,286	849	1,685	4,153	-	-
Social Housing Economic Recovery Package (SHERP)							
Land Acquisition	27,519	1,834	1,834	1,834	9,171	14,680	-
New Builds.....	79,153	1,116	1,116	6,352	48,095	20,284	3,306
Refurbishments.....	101,775	8,120	8,120	28,510	43,595	21,550	-
Step Up/Step Down Mental Health Facilities							
Geraldton.....	4,154	4,020	3,795	134	-	-	-
Kalgoorlie.....	6,399	6,106	4,617	293	-	-	-
Karratha.....	7,202	257	64	5,645	1,300	-	-
West Pilbara Plan - Roebourne Refurbishments	3,080	2,800	-	280	-	-	-
COMPLETED WORKS							
Broome ASSA Facility	18,710	18,710	17	-	-	-	-
Bunbury Step Up/Step Down Mental Health Facility	3,864	3,864	54	-	-	-	-
NEW WORKS							
Affordable Housing Shared Equity Program.....	2,220	-	-	-	-	792	1,428
ASSA Facilities							
East Kimberley	20,000	-	-	1,000	2,500	16,500	-
Perth CBD	6,020	-	-	6,020	-	-	-
Hedland Transitional Housing Project (NWAHF).....	2,000	-	-	2,000	-	-	-
Holding Costs Program	687	-	-	242	197	124	124
Housing and Homelessness Investment Package							
Refurbishments.....	3,950	-	-	3,950	-	-	-
Regional Renewal Program.....	18,000	-	-	-	5,000	13,000	-
Total Cost of Asset Investment Program	1,523,665	230,367	142,302	355,066	469,229	311,771	157,232

	Estimated Total Cost ^(a) \$'000	Estimated Expenditure to 30-6-21 ^(a) \$'000	2020-21 Estimated Expenditure ^(a) \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
FUNDED BY							
Asset Sales			52,776	16,470	78,341	88,351	80,428
Borrowings			-	100,000	-	-	-
Capital Appropriation			175,394	147,667	166,819	140,509	95,891
Commonwealth Grants			-	-	8,000	-	-
Drawdowns from Royalties for Regions Fund			540	19	5,000	13,000	-
Drawdowns from the Holding Account			68	68	68	68	68
Funding Included in Department of Treasury Administered Item			-	-	21,600	32,600	6,800
Internal Funds and Balances			(176,515)	34,416	146,431	(66,331)	(146,988)
Other Grants and Subsidies			7,355	4,407	-	-	-
Other			82,684	52,019	42,970	103,574	121,033
Total Funding			142,302	355,066	469,229	311,771	157,232

(a) The Estimated Total Cost, Estimated Expenditure to 30-6-21 and 2020-21 Estimated Expenditure financial data has been recast and revised for comparative purposes due to Machinery of Government changes (which took effect from 1 July 2021) to transfer commercial land development functions from the Housing Authority to DevelopmentWA.

Financial Statements

1. The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual financial data has been recast and revised for comparative purposes due to Machinery of Government changes (which took effect from 1 July 2021) to transfer commercial land development functions from the Housing Authority to DevelopmentWA.

Income Statement

2. Total Income from State Government in 2021-22 Budget Estimate is expected to increase by 13.2% compared to 2020-21 Estimated Actual due to additional funding for the delivery and operation of social housing and remote communities, and increased NDIS contributions.

Statement of Cashflows

3. The Department's end-of-year cash position for the 2020-21 Estimated Actual decreased by 27.4% compared to the 2020-21 Budget, largely due to the Department not drawing down on its budgeted borrowings and utilising existing cash reserves to fund its operational activity.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	651,088	625,731	643,518	622,388	627,396	646,423	671,193
Grants and subsidies ^(c)	820,476	814,416	1,100,593	1,163,449	1,177,812	1,217,327	1,243,592
Supplies and services	980,617	890,869	656,840	668,862	598,776	620,365	643,155
Accommodation	279,050	323,194	229,730	307,635	268,474	268,026	272,807
Depreciation and amortisation	140,362	143,605	138,467	137,400	138,362	135,191	135,169
Finance and interest costs	115,868	88,595	56,464	64,514	64,699	62,998	62,800
Cost of land sold	1,768	3,784	187	-	-	-	-
Net assets transferred out	-	354	5,887	12,048	8,082	8,082	8,082
Other expenses	283,740	199,954	210,105	251,702	240,739	243,597	244,626
TOTAL COST OF SERVICES	3,272,969	3,090,502	3,041,791	3,227,998	3,124,340	3,202,009	3,281,424
Income							
Sale of goods and services	111,484	209,967	129,984	100,565	102,504	163,429	182,886
Regulatory fees and fines	119	-	-	-	-	-	-
Grants and subsidies	410,008	202,820	188,811	206,213	216,199	200,639	202,882
Interest revenue	1,972	4,742	4,742	4,736	4,722	4,708	4,708
Rent	269,220	274,342	248,402	282,598	291,345	299,319	299,241
Other revenue	44,450	36,953	69,192	38,420	39,812	29,169	19,869
Total Income	837,253	728,824	641,131	632,532	654,582	697,264	709,586
NET COST OF SERVICES ^(d)	2,435,716	2,361,678	2,400,660	2,595,466	2,469,758	2,504,745	2,571,838
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,772,400	1,830,856	1,867,438	1,955,604	1,975,549	2,024,413	2,053,248
Resources received free of charge	10,536	8,711	7,888	8,711	8,711	8,711	8,711
Royalties for Regions Fund:							
Regional Community Services Fund	71,657	84,218	83,637	129,661	127,597	128,490	128,582
Other appropriations	-	-	-	-	5,679	4,341	59,475
Interest revenue	82,270	52,807	21,819	38,258	41,109	41,111	40,914
Rent	82,853	75,614	76,743	85,097	86,389	87,557	88,945
Dividend contribution	62,708	88,233	140,018	120,987	125,207	117,987	120,462
Other revenues	23,774	61,119	49,343	205,558	123,376	63,358	48,410
TOTAL INCOME FROM STATE GOVERNMENT	2,106,198	2,201,558	2,246,886	2,543,876	2,493,617	2,475,968	2,548,747
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(329,518)	(160,120)	(153,774)	(51,590)	23,859	(28,777)	(23,091)

(a) Full audited financial statements are published in the Annual Reports for the Department of Communities, Disability Services Commission, and the Housing Authority.

(b) The FTEs for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 5,479, 5,366 and 5,400 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
COVID-19 Response							
COVID-19 Rent Freeze - Payments to Community Housing Organisations	-	-	-	2,353	-	-	-
COVID-19 Response	1,279	-	-	-	-	-	-
COVID-19 Welfare and Pandemic Response Grants (Rio Tinto and Woodside)	-	-	70	-	-	-	-
National Partnership on COVID-19 Domestic and Family Violence Responses	400	6,626	5,722	8,122	-	-	-
Election Commitments							
Access to Regional Childcare	-	-	-	383	1,431	1,432	1,433
Baldivis Men's Shed	-	-	50	1,000	-	-	-
Elder Rights WA	-	-	-	1,000	1,000	1,000	1,000
Grandcarers Support Scheme	-	-	-	1,500	1,529	1,563	1,602
Local Government Homelessness Fund	-	-	-	1,500	1,500	1,500	1,500
Micro-Enterprise Support	-	-	-	500	-	-	-
Northern Suburbs Men's Shed	-	-	1,000	-	-	-	-
Pets in Crisis Support Program Expansion	-	-	-	195	259	456	386
Prevention of FDV Services	-	-	-	-	-	260	266
Respectful Relationships Expansion	-	-	-	68	721	741	760
Safe at Home Expansion	-	-	-	-	1,041	1,064	1,187
Safety and Security for Seniors Rebate	-	-	-	3,000	3,000	3,000	3,000
Scouts Hall - Tapping	-	-	-	3,000	-	-	-
Small Commitments	-	-	4,063	-	-	-	-
Subsidised Driving Lessons and Dental for Women Exiting Refuge	-	-	-	227	231	235	241
Teenagers in Need of Crisis Accommodation Facility	-	-	-	820	836	854	876
Volunteering WA Digital Platform	-	-	-	-	30	-	-
Child Protection and Family Support							
Historical Institutional Abuse of Children	4,996	-	3,178	-	-	-	-
Other Child Protection Grants	433	550	550	550	550	550	550
Out-of-Home Care, Foster Carer and Family Support Grants	148,545	107,759	107,759	118,070	121,653	141,263	150,050
Target 120	411	4,279	1,668	3,741	3,782	-	-
Community Services							
Bereavement Assistance	855	705	705	705	705	705	705
Children in Care Initiatives	-	4,404	4,069	306	-	-	-
Community Gardens	71	100	100	100	100	100	100
Disaster Recovery Arrangements - Severe Tropical Cyclone Seroja	-	-	2,072	-	-	-	-
Empowered Youth Network	-	522	-	404	412	522	-
Financial Counselling	-	5,350	5,350	-	-	-	-
Grandcarers Support Grants	985	1,050	1,050	1,050	1,050	1,050	1,050
Hardship Utility Grant Scheme	4,551	10,000	10,000	10,000	10,000	10,000	10,000
Home Stretch Pilot Program	444	-	-	-	-	-	-
Men's Shed Sector Support	113	-	-	-	-	-	-
National Centre and WA Centre for the Prevention of Child Sexual Abuse	-	-	1,457	1,499	457	457	457
Pioneer Park Homelessness Response	-	-	2,458	-	-	-	-
Regional Community Child Care Development Fund	444	-	-	-	-	-	-
Social Support Coordinator	-	-	175	175	-	-	-
Wooroloo Fire Recovery	-	-	-	164	-	-	-
Disability Services							
Community Aids and Equipment Program	3,883	10,000	7,135	7,500	7,500	7,500	7,500
Individualised Disability Services	266	1,011	-	-	-	-	-
NDIS							
Contributions	611,144	607,805	885,732	920,238	946,281	980,846	1,023,358
Vocational Education and Training	5,331	11,685	11,685	5,393	2,081	-	-
Housing							
NWAHF - Ganallili Accommodation and Transitional Housing Project	-	-	40	4,734	1,139	-	-
Other Housing Grants	837	-	-	-	-	-	-
Resolution of Native Title in the South West of Western Australia (Settlement)	-	1,100	-	2,000	2,000	2,000	2,000
SHERP							
Maintenance	-	-	-	6,850	6,850	-	-
Refurbishments	-	-	-	-	16,887	25,040	4,659

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prevention of FDV							
Culturally Appropriate Services to FDV							
Victims	342	435	435	445	445	336	336
FDV							
Counselling - Peel.....	267	-	273	272	-	-	-
Initiatives.....	-	8,165	5,268	8,364	2,898	-	-
Support.....	248	186	186	186	186	186	186
Keeping Women Safe in Their Homes	-	-	737	737	-	-	-
Kimberley Family Violence Service	1,290	-	558	1,326	742	-	-
Marrin Bowa Dumbara Aboriginal FDV							
Services.....	809	-	823	-	-	-	-
Our Watch Program	122	129	129	129	129	129	129
Pets in Crisis	100	-	102	105	108	111	114
Respectful Relationships.....	455	273	273	277	168	168	168
Stopping Family Violence.....	374	-	-	-	-	-	-
Two FDV One-Stop Hubs.....	-	-	3,911	3,818	4,010	4,111	-
Homelessness							
City of Perth's Homelessness Program - Safe							
Night Spaces	-	-	-	2,150	2,150	-	-
Homeless Accommodation and Support							
Services Passages Resources Centre Peel	250	-	250	255	-	-	-
Living Independently for the First Time	260	-	260	260	-	-	-
Mobile Clinical Outreach Team	829	-	-	-	-	-	-
Tuart Place	-	-	330	165	-	-	-
Seniors							
Elder Abuse Prevention Initiatives.....	217	-	743	65	-	185	-
Seniors Cost of Living Rebates	24,116	25,868	25,868	27,456	27,407	27,407	27,407
Seniors Support Initiatives.....	-	430	430	-	-	-	-
Women							
Women's Grants.....	102	85	85	85	85	85	85
Women's Refuge Peel.....	-	-	1,093	1,677	1,740	1,791	1,807
Youth							
Youth Support Grants.....	571	650	650	650	650	650	650
Volunteering							
Volunteering Grants	31	30	30	30	30	30	30
Other							
Essential Municipal Services Upgrade	-	5,219	2,071	7,850	4,039	-	-
Other Grants.....	5,105	-	-	-	-	-	-
TOTAL	820,476	814,416	1,100,593	1,163,449	1,177,812	1,217,327	1,243,592

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	361,579	283,636	191,756	154,908	46,858	30,989	193,834
Restricted cash.....	41,065	30,751	34,977	30,434	30,434	30,434	30,434
Holding account receivables.....	68	68	68	68	68	68	68
Receivables.....	240,472	364,131	300,174	283,331	279,670	284,301	306,373
Loans and advances.....	1,237,160	677,598	927,160	1,005,854	997,932	990,936	980,580
Other.....	271,235	542,824	47,776	501,147	450,414	466,783	534,773
Assets held for sale.....	11,568	11,568	11,568	11,568	11,568	11,568	11,568
Total current assets.....	2,163,147	1,910,576	1,513,479	1,987,310	1,816,944	1,815,079	2,057,630
NON-CURRENT ASSETS							
Holding account receivables.....	203,557	225,584	220,085	242,461	264,432	286,384	308,316
Property, plant and equipment.....	11,653,885	11,588,778	11,389,682	11,518,664	11,644,618	11,585,873	11,449,275
Loans and advances.....	3,589,143	4,895,133	4,173,975	4,509,293	4,475,357	4,443,712	4,399,566
Receivables.....	21,882	82	82	82	82	82	82
Intangibles.....	22,293	17,441	13,981	9,641	4,630	(1,360)	(7,350)
Restricted cash.....	6,177	8,046	7,266	9,172	11,116	11,831	12,546
Other.....	160,859	209,898	10,953	179,768	338,946	444,660	389,202
Total non-current assets.....	15,657,796	16,944,962	15,816,024	16,469,081	16,739,181	16,771,182	16,551,637
TOTAL ASSETS.....	17,820,943	18,855,538	17,329,503	18,456,391	18,556,125	18,586,261	18,609,267
CURRENT LIABILITIES							
Employee provisions.....	142,799	144,333	139,830	141,809	143,788	145,767	147,746
Payables.....	62,061	62,071	124,482	123,422	119,612	107,976	108,976
Borrowings and leases.....	172,796	133,206	131,922	132,249	132,074	132,225	132,062
Other.....	250,710	219,471	138,414	155,388	153,070	157,549	171,076
Total current liabilities.....	628,366	559,081	534,648	552,868	548,544	543,517	559,860
NON-CURRENT LIABILITIES							
Employee provisions.....	28,967	28,967	28,967	28,967	28,967	28,967	28,967
Borrowings and leases.....	5,511,888	6,608,433	5,691,975	6,126,544	6,006,375	5,861,258	5,758,622
Other.....	59,079	60,481	60,481	68,047	68,184	84,318	107,139
Total non-current liabilities.....	5,599,934	6,697,881	5,781,423	6,223,558	6,103,526	5,974,543	5,894,728
TOTAL LIABILITIES.....	6,228,300	7,256,962	6,316,071	6,776,426	6,652,070	6,518,060	6,454,588
EQUITY ^(b)							
Contributed equity.....	2,181,550	2,287,753	1,735,475	2,409,206	2,609,441	2,802,362	2,911,932
Accumulated surplus/(deficit).....	3,068,853	2,966,625	2,953,496	2,946,298	2,970,157	2,941,380	2,918,289
Reserves.....	6,342,240	6,344,198	6,342,101	6,342,101	6,342,097	6,342,099	6,342,098
Other.....	-	-	(17,640)	(17,640)	(17,640)	(17,640)	(17,640)
Total equity.....	11,592,643	11,598,576	11,013,432	11,679,965	11,904,055	12,068,201	12,154,679
TOTAL LIABILITIES AND EQUITY.....	17,820,943	18,855,538	17,329,503	18,456,391	18,556,125	18,586,261	18,609,267

(a) Full audited financial statements are published in the Annual Reports for the Department of Communities, Disability Services Commission and the Housing Authority.

(b) The Department's commercial land development functions and assets transferred to DevelopmentWA on 1 July 2021, which has impacted the Department's recognition of equity in the 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual.

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	1,749,972	1,808,761	1,845,456	1,933,160	1,953,510	2,002,393	2,031,248
Capital appropriation	28,080	182,129	182,129	165,962	173,634	147,321	102,770
Administered equity contribution	-	-	-	-	21,600	32,600	6,800
Holding account drawdowns	68	68	5,454	68	68	68	68
Royalties for Regions Fund:							
Regional Community Services Fund	71,118	84,218	83,702	129,661	127,597	128,490	128,582
Regional Infrastructure and Headworks Fund	304	540	540	19	5,000	13,000	-
Rent receipts	81,275	75,614	76,743	85,097	86,389	87,557	88,945
Interest receipts	89,620	93,439	62,307	82,662	86,740	86,584	86,254
Dividend/State contributions received	60,657	63,075	62,708	140,018	120,986	125,207	117,987
Other	76,620	77,241	71,029	222,410	138,885	79,054	64,180
Administered appropriations	-	-	-	-	5,679	4,341	59,475
Net cash provided by State Government	2,157,714	2,385,085	2,390,068	2,759,057	2,720,088	2,706,615	2,686,309
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(639,345)	(625,068)	(647,357)	(621,376)	(626,384)	(645,411)	(670,181)
Grants and subsidies	(736,217)	(802,102)	(1,134,378)	(1,163,449)	(1,177,812)	(1,217,327)	(1,243,592)
Supplies and services	(937,741)	(1,021,835)	(657,119)	(694,286)	(655,078)	(644,586)	(631,996)
Accommodation	(279,250)	(334,279)	(240,815)	(318,738)	(279,355)	(278,907)	(283,688)
GST payments	(128,441)	(102,631)	(102,631)	(84,363)	(93,755)	(66,592)	(75,798)
Finance and interest costs	(120,725)	(89,064)	(57,681)	(64,805)	(64,661)	(63,022)	(62,800)
Other payments	(184,472)	(185,988)	(179,946)	(203,396)	(205,378)	(210,399)	(211,627)
Receipts (c)							
Regulatory fees and fines	119	-	-	-	-	-	-
Grants and subsidies	376,697	202,820	222,122	206,213	216,199	200,639	202,882
Sale of goods and services	127,093	209,966	129,981	100,409	102,349	163,275	182,732
GST receipts	132,055	102,631	102,631	84,363	93,755	66,592	75,798
Rent receipts	266,099	274,342	248,402	282,598	291,345	299,319	299,241
Interest receipts	1,036	55	55	49	35	21	21
Other receipts	39,714	37,540	61,084	36,059	29,845	21,738	20,092
Net cash from operating activities	(2,083,378)	(2,333,613)	(2,255,652)	(2,440,722)	(2,368,895)	(2,374,660)	(2,398,916)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(49,519)	(322,577)	(115,108)	(312,292)	(405,437)	(253,520)	(102,545)
Proceeds from sale of non-current assets	88,334	64,552	52,776	16,470	78,341	88,351	80,428
Net cash from investing activities	38,815	(258,025)	(62,332)	(295,822)	(327,096)	(165,169)	(22,117)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases	(1,403,924)	(1,280,684)	(1,285,269)	(1,045,447)	(1,179,703)	(1,296,940)	(1,151,716)
Other payments	(1,784,136)	(1,857,596)	(1,386,001)	(1,332,181)	(1,007,809)	(1,078,176)	(995,498)
Proceeds from borrowings	1,803,500	2,186,596	1,350,001	1,414,181	1,007,809	1,078,176	995,498
Other proceeds	1,270,491	1,075,000	1,075,000	900,000	1,049,500	1,115,000	1,050,000
Net cash from financing activities	(114,069)	123,316	(246,269)	(63,447)	(130,203)	(181,940)	(101,716)
NET INCREASE/(DECREASE) IN CASH HELD	(918)	(83,237)	(174,185)	(40,934)	(106,106)	(15,154)	163,560
Cash assets at the beginning of the reporting period	403,549	408,821	408,821	233,999	194,514	88,408	73,254
Net cash transferred to/from other agencies	6,190	(3,151)	(637)	1,449	-	-	-
Cash assets at the end of the reporting period	408,821	322,433	233,999	194,514	88,408	73,254	236,814

- (a) Full audited financial statements are published in the Annual Reports for the Department of Communities, Disability Services Commission and the Housing Authority.
- (b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.
- (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.

NET APPROPRIATION DETERMINATION (a) (b)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Grants and Subsidies							
Connected Beginnings - Roebourne	525	-	-	611	736	-	-
COVID-19 Welfare and Pandemic Response Grants (Rio Tinto and Woodside)	-	-	350	-	-	-	-
Disaster Recovery Arrangements - Severe Tropical Cyclone Seroja	-	-	2,072	-	-	-	-
Essential and Municipal Services Upgrade Program in Remote Aboriginal Communities	3,323	7,901	-	30,921	5,665	-	-
Financial Counselling	500	500	500	500	500	500	500
Kimberley Juvenile Justice Strategy	-	-	-	204	-	-	-
National Housing and Homelessness Agreement	44,653	45,375	46,070	49,104	50,360	40,537	41,072
National Initiatives Women's Safety Package	735	549	549	576	-	-	-
National Partnership on COVID-19 Response	-	-	-	21	-	-	-
National Partnership on COVID-19 Domestic and Family Violence Responses	3,635	3,391	10,609	-	-	-	-
Parenting Community Funding	513	522	522	534	-	-	-
Project Agreement for Family Law Information Sharing	296	301	301	305	-	-	-
Provision of Services on behalf of the Commonwealth in Respect of Indian Ocean Territories	477	599	599	599	599	599	599
Unaccompanied Humanitarian Minors	31	33	33	33	33	33	33
Western Australian Council of Social Service Sector Support Development	91	680	192	192	192	192	192
Wooroloo Fires Recovery Arrangement	-	-	-	323	-	-	-
Youth Supported Accommodation Assistance Program from Mental Health Commission	458	470	470	-	-	-	-
Sale of Goods and Services							
Adoptions Fees	103	93	93	93	93	93	93
Fines and Penalties	119	-	-	-	-	-	-
NDIS Worker Screening Fees	-	2,955	540	3,188	2,571	2,610	2,469
Other	22	616	616	-	-	-	-
Regulatory Fees and Services Rendered	519	612	612	612	612	612	612
Working with Children Screening Fees	8,008	8,848	8,848	9,023	9,202	9,202	9,202
GST Receipts							
GST Input Credits	43,001	42,385	42,385	42,039	41,033	40,609	42,748
GST Receipts on Sales	788	82	82	82	82	82	82
Other Receipts							
Other Receipts	3,096	4,086	4,804	3,640	4,077	4,193	4,307
TOTAL	110,893	119,998	120,247	142,600	115,755	99,262	101,909

(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 the Disability Services Commission are statutory authorities and excluded from the Net Appropriation Determination.

Keystart Housing Scheme Trust

Part 8 Community Services

Asset Investment Program

1. The Trust helps to ensure the provision of sustainable housing outcomes by assisting Western Australians into affordable home ownership.
2. To support the delivery of its key lending services, the Trust's Asset Investment Program totals \$5.9 million across the budget and forward estimates period and includes:
 - 2.1. an ongoing information and communications technology (ICT) development program;
 - 2.2. the replacement of the current broker portal with a third-party system; and
 - 2.3. the development and implementation of a software application for customers to regularly review and consider their ability to refinance.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
ICT Systems.....	16,350	12,950	550	550	550	1,150	1,150
NEW WORKS							
Broker Portal Replacement	1,500	-	-	1,500	-	-	-
Customer Application for Education and Refinancing	1,000	-	-	500	500	-	-
Total Cost of Asset Investment Program	18,850	12,950	550	2,550	1,050	1,150	1,150
FUNDED BY							
Internal Funds and Balances.....			550	2,550	1,050	1,150	1,150
Total Funding.....			550	2,550	1,050	1,150	1,150

Division 37 Local Government, Sport and Cultural Industries

Part 8 Community Services

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 72 Net amount appropriated to deliver services	108,377	151,554	281,340	187,633	203,595	138,256	128,157
Item 74 Art Gallery of Western Australia	8,256	8,497	8,497	8,458	8,424	8,569	8,712
Item 75 Contribution to Community Sporting and Recreation Facilities Fund ...	12,000	18,000	18,000	13,000	12,000	12,000	12,000
Item 76 Library Board of Western Australia ..	28,821	28,736	28,386	27,931	27,171	27,495	27,903
Item 77 Perth Theatre Trust	11,637	12,736	12,760	9,504	8,185	8,871	9,341
Item 78 Western Australian Museum	24,010	38,044	37,306	36,544	32,588	33,191	33,857
Amount Authorised by Other Statutes							
- Lotteries Commission Act 1990	35,922	29,252	37,200	33,924	35,072	35,202	35,380
- Salaries and Allowances Act 1975	634	634	634	636	641	643	648
Total appropriations provided to deliver services	229,657	287,453	424,123	317,630	327,676	264,227	255,998
ADMINISTERED TRANSACTIONS							
Item 73 Amount provided for Administered Grants, Subsidies and Other Transfer Payments	38,105	35,793	64,540	84,555	42,212	42,365	42,561
CAPITAL							
Item 138 Capital Appropriation ^(a)	88,346	30,490	29,984	22,981	60,783	85,730	55,319
Item 139 Art Gallery of Western Australia	1,211	218	1,718	518	218	218	218
Perth Theatre Trust	-	1,500	-	-	-	-	-
TOTAL APPROPRIATIONS	357,319	355,454	520,365	425,684	430,889	392,540	354,096
EXPENSES							
Total Cost of Services	334,485	366,877	338,791	498,822	434,015	364,521	318,495
Net Cost of Services ^{(b) (c)}	303,662	343,280	305,321	450,073	382,607	318,634	274,995
CASH ASSETS ^(d)	106,871	64,355	248,857	119,047	72,896	65,282	65,668

(a) Additional Capital Appropriation is provided to fund lease repayments and is not reflected in the Asset Investment Program table.

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(c) 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.

(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 Department's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Aboriginal Cultural Centre	-	2,500	2,500	-	-
Albany Surf Lifesaving Club	-	1,100	500	-	-
Annual Funding Boost for Grassroots Sporting Clubs	-	500	500	500	500
Arts Funding					
2021 Regional Exhibition Touring Boost	-	-	-	2,000	2,000
Contemporary Music Fund	-	750	750	750	750
Regional Arts and Cultural Investment Program	-	-	-	-	4,914
Screen Production Incentive Fund	-	5,000	5,000	5,000	5,000
WA Film Fund	-	-	-	-	4,000
Balcatta Football Club Amenities Upgrade	-	1,000	-	-	-
Bayswater Urban Forest	-	-	1,000	-	-
Better Beginnings Program					
Community Grants	-	225	225	225	225
Creative Learning Programs in Schools	-	2,000	2,000	2,000	2,000
Kimberley and Pilbara Expansion	200	200	200	200	200
Bunbury's South West Sports Centre Additional Indoor Multi-use Courts	-	1,000	5,000	2,000	-
Burtonia Gardens, Armadale, and Marseille Gardens, Piara Waters	-	1,500	-	-	-
Byford Nature Splash Park	-	1,340	-	-	-
Byford Skate Park Youth Precinct Stage 2	800	-	-	-	-
Calectasia Hall, Kingsley Extension and Upgrade	-	600	-	-	-
Canning Vale Regional Open Space and Sporting Complex	-	1,000	4,000	5,000	-
Charlottes Vineyard Pavilion - Upgrade	630	-	-	-	-
Chung Wah Association Community Centre	-	1,500	3,500	-	-
Clarkson All Abilities Play Space	-	1,250	1,350	-	-
Club Night Grant Program	-	2,500	2,500	2,500	2,500
Collie Recreation Ground Lighting	400	-	-	-	-
Craigie Leisure Centre Gymnasium Upgrade	-	1,000	1,900	-	-
East Fremantle Oval Redevelopment	-	2,000	13,000	5,000	-
Ellenbrook Community Hub	1,500	2,000	-	-	-
Feasibility Studies					
Northern Suburbs Community Hub	-	200	-	-	-
Ocean Pool at Bunbury's Back Beach	250	-	-	-	-
Fitzroy Crossing Town Oval	-	1,500	2,500	-	-
Forrestfield All Abilities Playground/s	-	1,000	-	-	-
Fremantle City Football Club - Women's Facilities Upgrade	600	-	-	-	-
Fremantle Pedestrian Crossing	-	45	-	-	-
Geraldton Indoor Sports Courts	-	2,000	-	-	-
Goldfields Banned Drinkers Register Trial and Liquor Reforms	-	1,379	1,141	-	-
Goodchild Park Upgrade Club Rooms	350	-	-	-	-
Guide Dogs WA Breeding Program	5,000	-	-	-	-
Hamer Park/Inglewood Oval Redevelopment	-	1,300	-	-	-
HBF Arena New Amenity Block	520	-	-	-	-
Heathridge Park Community and Sporting Facilities Upgrade	-	1,500	1,000	-	-
John Connell Sporting Reserve - Upgrade	625	-	-	-	-
Kalgoorlie Basketball Stadium Redevelopment	-	1,000	3,000	1,000	-
Kununurra Leisure Centre Aquatic Facility Redevelopment Contribution	-	1,500	4,000	500	-
Leschenault Leisure Centre Expansion	-	500	2,500	-	-
Maida Vale Reserve Pavilions	-	1,100	1,300	-	-
Mowanjum Community New Change Rooms	300	-	-	-	-
Multicultural Community Grants Program for Local Multicultural Groups	-	500	500	500	500
Port Hedland Sporting and Community Hub	-	5,000	5,000	-	-
Rickman Delawney Capital Works Package Contribution	500	-	-	-	-
Scott Reserve Facilities	-	2,000	-	-	-
Small Commitments	18,958	-	-	-	-
Sorrento Football Club Upgrade of Change Rooms, Improved Disability Access and New Lights	700	-	-	-	-
Sorrento Surf Life Saving Club	-	2,000	6,000	-	-
Southern River Youth Plaza	-	1,000	1,000	-	-
Turkich Parade Oval, Aveley Lighting Upgrades	300	-	-	-	-
Wanneroo Amateur Football Club Upgrades and Expansion	500	-	-	-	-
Wanneroo Recreation Centre Upgrade	-	1,500	3,500	-	-
Warmun Community Upgrades to Basketball Courts	-	1,000	1,350	-	-
Woodvale Skate Park Development	800	-	-	-	-

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
New Initiatives					
Art Gallery Simon Lee Foundation Institute of Asian Contemporary Art.....	60	150	150	150	150
Banned Drinkers Register Kimberley Trial	998	-	-	-	-
Culture and Arts Revealed	160	90	90	90	90
Good Faith Television Series Production Attraction Package.....	3,200	800	-	-	-
Lathlain Park Grandstand Redevelopment	2,000	2,000	-	-	-
Multicultural Advisory Council.....	-	38	38	38	38
Stephen Michael Foundation.....	200	200	-	-	-
Western Australian Response to Indian COVID-19 Crisis	2,000	-	-	-	-
Western Australian Response to Indonesian COVID-19 Crisis.....	-	2,000	-	-	-
Ongoing Initiatives					
Collie Mineworkers Memorial Pool Enclosure	500	-	-	-	-
Kimberley Aboriginal Law and Culture Centre	-	-	125	-	-
Kimberley Juvenile Justice Strategy	-	208	-	-	-
Review of the Cemeteries and Cremation Acts.....	-	75	-	-	-
Other					
Additional Resources for the Delivery of 2021 Election Commitments.....	-	367	-	-	-
Alexander Library Building Business Case Funding	400	-	-	-	-
Banned Drinkers Register Implementation	950	1,200	-	-	-
Business Case Funding for Assets in the Culture and Arts Portfolio.....	-	550	-	-	-
Government Office Accommodation Updates	91	121	153	186	219
Perth Casino Royal Commission Expenditure	568	933	-	-	-
Perth Cultural Centre Additional Security Services	-	205	208	212	216
Perth Cultural Centre Public Realm Funding	-	1,632	-	-	-
Perth Theatre Trust Payroll Tax	-	320	-	-	-
Revisions to Lotteries Commission Act 1990 Estimates.....	7,948	2,718	3,478	3,606	3,784
RiskCover Insurance Expense	-	(13)	202	-	-

Significant Issues Impacting the Agency

1. Suburbs and towns across Western Australia will benefit from \$136 million to build and upgrade community infrastructure, \$19 million to fund commitments to more than 420 sporting clubs, community and local arts groups.
2. In addition to the \$105 million investment to build a state-of-the-art film studio and screen production facility at Fremantle's Victoria Quay (as outlined in the Asset Investment Program), the Department will spend \$20 million for a screen production attraction fund to attract job-creating productions to Western Australia.
3. Several well accessed and successful initiatives will continue to be delivered to support Western Australian culture, arts and events industries. This includes the Getting the Show Back on the Road program, a vital initiative enabling event organisers to manage the risk of potential income lost due to COVID-19 impacts. The Department will also continue to deliver other programs that invest in Western Australia's cultural and arts sector, which have been extended as part of this Budget, including the Contemporary Music Fund to foster and support local bands and performers, the Regional Exhibition Touring Boost and the Regional Arts and Cultural Investment Program.
4. Following the release of the City of Perth Inquiry Report and the Local Government Act Review Panel Report in August 2020, the Department will progress significant reforms to shape the direction of the local government sector to ensure they are effective, transparent, accountable and engaged with their communities.
5. The Department is undertaking a combined review of the *Cemeteries Act 1986* and *Cremations Act 1929* (the Acts) in partnership with WA Health. The review will provide a clear path to reform the Acts and to develop a legislative framework that provides access to sensitive and dignified bereavement facilities and services that are in line with community expectations in their time of grief.
6. The Department will be implementing significant reforms to the *Dog Act 1976* to deliver the election commitment to stop puppy farming. This will include the development of a centralised registration system to capture registration details of all dogs in Western Australia.

7. Western Australia adopted a coordinated and collaborative cross-agency approach to progress the implementation of recommendations from the Royal Commission into Institutional Responses to Child Sexual Abuse. The Department is proactively working with peak industry bodies across its sectors to consult and advise on the potential impacts of proposed child safeguarding reforms.
8. The Department has been working proactively with the Office of the Auditor General (OAG) to address audit findings across a range of topics, including local government, financial and information systems. There will be a focus on governance practices in 2021-22 and resources will be allocated accordingly. The Department has outlined actions to mitigate risks associated with findings and will continue to work closely with the OAG on this aspect leading into the 2021-22 audit process.
9. The Perth Casino Royal Commission (the Royal Commission) was established in March 2021 to inquire into the suitability of Crown Perth to continue holding a casino gaming licence and to examine the State's regulatory framework. The Royal Commission delivered an interim report which was tabled in Parliament on 3 August 2021 and the final report is due by 4 March 2022. The outcomes and recommendations of the Royal Commission are likely to have a significant impact on the Department and the Gaming and Wagering Commission in relation to governance arrangements and legislative framework.
10. The Department will implement the election commitment of liquor reform by working with industry and other stakeholders to inform further amendments to the *Liquor Control Act 1988*. Building on the work done as part of the Small Business Friendly Approvals Program by the Small Business Development Corporation, the Department will also undertake a review of regulatory practices. Work will also be undertaken to identify an organisational structure that provides for a new focus on strategic risk identification and assessment, technology capacity, data analytics, education and prevention and audit.
11. Reforms to the governance of the State's arts and cultural assets include the Arts and Culture Trust Bill 2021, which has proposed powers to manage a range of venues, including outdoor spaces. This legislative reform, along with service delivery reforms, will provide a strategic focus on the management and maintenance of arts and cultural assets.
12. The Department is delivering a suite of major projects that support COVID-19 recovery areas of economy and infrastructure, social and regions and contribute to the community fabric of Western Australia. Projects in the delivery phase include the \$32.5 million State Football Centre scheduled for completion mid-2023 in time for the 2023 FIFA Women's World Cup and the \$15 million His Majesty's Theatre Stage 3 conserving the theatre's rich heritage fabric and maintaining its reputation as a world-class performing arts venue. Market conditions are creating a complex project delivery environment, with challenges in sourcing materials, access to labour hire and cost escalation. These factors remain critical considerations in the planning and delivery of the Department's Asset Investment Program.

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 Department's services, the desired outcomes and the relevant Government Goal. 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
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	A sustainable arts and culture sector that facilitates attendance and participation in arts and cultural activity.	1. Cultural and Arts Industry Support
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Local governments are supported to meet legislative requirements of the Local Government Act.	2. Regulation and Support of Local Government
	Efficient and effective asset and infrastructure support services to client agencies.	3. Asset and Infrastructure Support Services to Client Agencies
	Gambling and liquor industries operate responsibly in accordance with legislation.	4. Regulation of the Gambling and Liquor Industries
	A strong sport and recreation sector that facilitates participation.	5. Sport and Recreation Industry Support
	Western Australia's State Art Collection asset is developed, appropriately managed and preserved.	6. Cultural Heritage Management and Conservation
	Western Australia's State Art Collection and works of art on loan are accessible.	7. Cultural Heritage Access and Community Engagement and Education
	The Western Australian community has access to the State Library's collections, services and programs.	8. State Library Services
	The Western Australian community engages with public library collections, services and programs.	9. Public Library Support
	Effectively managed performing arts venues attracting optimal utilisation.	10. Venue Management Services
	Sustainable care and development of the State's Museum collections for the benefit of present and future generations.	11. Collections Management, Research and Conservation Services 12. Collections Effectively Documented and Digitised
	Enhance cultural identity and understanding by promoting and ensuring the widest possible use of Museum content and collections.	13. Public Sites, Public Programs and Collections Accessed On-site 14. Online Access to Collections, Expertise and Programs 15. Museum Services to the Regions

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Cultural and Arts Industry Support.....	47,692	77,785	64,322	101,346	74,304	68,289	68,443
2. Regulation and Support of Local Government.....	15,575	15,618	22,126	16,053	14,268	12,994	13,159
3. Asset and Infrastructure Support Services to Client Agencies.....	17,566	15,850	26,451	35,806	14,275	13,781	13,729
4. Regulation of the Gambling and Liquor Industries.....	17,757	18,604	19,148	23,922	21,158	20,500	23,008
5. Sport and Recreation Industry Support	91,841	133,113	97,721	211,955	205,203	141,954	91,189
6. Cultural Heritage Management and Conservation	959	822	1,086	1,049	1,064	1,081	1,091
7. Cultural Heritage Access and Community Engagement and Education	9,645	9,326	9,770	10,179	9,907	10,258	10,361
8. State Library Services.....	12,668	14,418	13,857	13,620	13,264	13,458	13,644
9. Public Library Support	65,336	18,425	17,708	17,405	16,951	17,197	17,436
10. Venue Management Services.....	24,565	18,255	20,885	19,710	18,345	19,031	19,629
11. Collections Management, Research and Conservation Services.....	9,184	9,164	9,226	9,245	8,761	8,897	9,057
12. Collections Effectively Documented and Digitised.....	1,622	1,622	1,628	1,601	1,517	1,540	1,568
13. Public Sites, Public Programs and Collections Accessed On-Site	12,055	26,184	26,365	28,394	26,911	27,329	27,822
14. Online Access to Collections, Expertise and Programs	703	723	955	951	901	915	931
15. Museum Services to the Regions	7,317	6,968	7,543	7,586	7,186	7,297	7,428
Total Cost of Services.....	334,485	366,877	338,791	498,822	434,015	364,521	318,495

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: A sustainable arts and culture sector that facilitates attendance and participation in arts and cultural activity:					
Ratio of Government funding to other income earned for funded arts and cultural organisations.....	1:4.5	1:2.7	1:4.7	1:3.7	1
Percentage of Western Australians attending or participating in an arts and cultural activity	74%	41%	73%	73%	2
Percentage of stakeholders who report that the Office of Multicultural Interests had a positive impact on the promotion and support of multiculturalism	90%	80%	94%	80%	3
Outcome: Local governments are supported to meet legislative requirements of the Local Government Act:					
Percentage of local governments where actions were taken in support of compliance with the legislative framework	n/a	40%	22%	20%	4
Outcome: Gambling and liquor industries operate responsibly in accordance with legislation:					
Percentage of audits and inspections that comply with requirements and statutory criteria	98%	95%	96%	95%	
Outcome: A strong sport and recreation sector that facilitates participation:					
Percentage of West Australians participating in organised sport and recreation.....	63%	56%	64%	56%	5
Outcome: Western Australia's State Art Collection asset is developed, appropriately managed and preserved:					
Percentage of collection stored to the required standard	96.7%	97%	99%	99%	
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	195,350	204,000	148,301	211,000	6
Total number of online visitors to website.....	144,250	160,000	136,537	160,000	7
Percentage of visitors satisfied with visit overall.....	80%	93%	75%	93%	8
Outcome: The Western Australian community has access to the State Library's collections, services and programs:					
Number of State Library accesses	10,010,737	8,920,990	9,349,466	9,619,290	
Percentage of visitors who are satisfied with State Library services	95.3%	90%	95%	95%	
Outcome: The Western Australian community engages with public library collections, services and programs:					
Percentage of Western Australians that are a member of a public library.....	37.2%	38.1%	38.2%	37.5%	
Outcome: Effectively managed performing arts venues attracting optimal utilisation:					
Attendance rate across principal performance spaces.....	394,928	300,000	283,962	350,000	9
Average subsidy per attendee for Perth Theatre Trust funded programs.....	\$5	\$5	\$2	\$3	10
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	18%	20%	18%	20%	11
Proportion of the State collection documented and digitised.....	29%	29%	27%	28%	
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:.....	1,814,517	2,511,078	3,703,729	3,381,083	12
Total number of visitors	576,063	961,239	972,118	981,083	
Total number of online visitors to website.....	1,238,454	1,549,837	2,731,611	2,400,000	13
Percentage of visitors to Museum sites satisfied with services	97%	97%	92%	92%	

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

Explanation of Significant Movements

(Notes)

1. The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to the funded organisations' income not declining by as much as expected over the year, plus the additional income received via the JobKeeper subsidy. The decrease in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is mainly due to the impact of COVID-19 pandemic restrictions on key events that resulted in reduced income, plus the cessation of JobKeeper.
2. The 2021-22 Budget Target is based upon the 2020-21 Estimated Actual result of 73%. The low 2020-21 Budget was conservative due to the estimated impact of the COVID-19 pandemic on the number of arts and cultural events that could be delivered.
3. The 2021-22 Budget Target remains set at 80% as an accepted standard and takes into account that factors outside the organisation's control can impact stakeholder satisfaction rates.
4. The 2020-21 Budget figure was set at 40% as the effectiveness measure had been changed and the impact of that change was not known. As the 2020-21 Estimated Actual was 22%, the 2021-22 Budget Target has been revised to 20%.
5. The 2021-22 Budget Target remains set at 56% as the baseline established in 2016 for the monitoring of participation rates of adults and children in sport and physical activities, both at State and national level using the AusPlay Survey.
6. The decrease in visitation in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to COVID-19 travel restrictions, the Art Gallery closures, capital works disruption and restricted programming from March 2021 and the closure of the main gallery from April 2021.
7. The decrease in online visitation in the 2020-21 Estimated Actual compared to the 2020-21 Budget is due to the partial closure of the gallery and its reduced programming offer, and the subsequent reduction in associated marketing, advertising and public relations driving online visitation.
8. The percentage of visitor satisfaction was lower in the 2020-21 Estimated Actual compared to the 2020-21 Budget due to the extensive and disruptive Asset Investment Program causing a reduced exhibition program, closed gallery spaces including the main Gallery building from April 2021, alternative entrances to the Gallery and noise pollution from the works program in gallery areas.
9. The decrease in attendance figures in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to the cancellation of events at Perth Theatre Trust venues due to the COVID-19 pandemic.
10. The decrease in the 2020-21 Estimated Actual subsidy per attendee compared to the 2020-21 Budget is mainly due to a higher number of programmed events that returned a profit when compared to last year.
11. The percentage of the collection accessible online in the 2020-21 Estimated Actual was below the 2020-21 Budget as staff planned to work on digitising collections and making them accessible online were utilised for the opening of the WA Museum Boola Bardip. The Western Australian Museum will accelerate the program to make the collection accessible online which explains the higher 2021-22 Budget Target.
12. The increase in the 2020-21 Estimated Actual is due to the opening of WA Museum Boola Bardip in the Perth Cultural Centre in November 2020 and the subsequent increase in visitors accessing the contents on display via the GoGo electronic application.
13. An online ballot system was organised to invite visitors to access the WA Museum Boola Bardip with a view to manage the flow of visitations which increased accesses on the website.

Services and Key Efficiency Indicators

1. Cultural and Arts Industry Support

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 47,692	\$'000 77,785	\$'000 64,322	\$'000 101,346	1
Less Income ^(a)	663	337	492	613	
Net Cost of Service	47,029	77,448	63,830	100,733	
Employees (Full-Time Equivalents)	73	79	87	86	
Efficiency Indicators					
Grants operations expense as a percentage of direct grants approved	7%	4%	6%	3%	2
Average cost per project to support and promote multiculturalism	\$98,467	\$92,816	\$107,531	\$119,660	3

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to underspends in grant programs, including a number of COVID-19 impacted programs and a delay in the finalisation of approval for the Good Faith Television Series Production Attraction Package. Carryovers and funding increases contribute to the increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual.
2. The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget and the 2021-22 Budget Target is mainly due to a decrease in total grants, as the cost of delivery of the grants is stable.
3. The increase in the 2021-22 Budget Target compared to the 2020-21 Budget and the 2020-21 Estimated Actual is mainly due to an increase in overheads.

2. Regulation and Support of Local Government

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 15,575	\$'000 15,618	\$'000 22,126	\$'000 16,053	1
Less Income ^(a)	391	265	2,779	3,548	2
Net Cost of Service	15,184	15,353	19,347	12,505	
Employees (Full-Time Equivalents)	55	50	58	52	
Efficiency Indicators					
Average cost per local government for regulation and support	\$108,411	\$109,051	\$73,810	\$83,000	3

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget and the 2021-22 Budget Target is mainly due to increased payments in respect of small election commitments, the Guide Dogs WA Breeding Program, and the reflow of the Stop Puppy Farming commitment.
2. The increase in Income in the 2020-21 Estimated Actual and the 2021-22 Budget Target compared to the 2020-21 Budget is mainly due to the recoup of costs from the City of Perth for the City of Perth Inquiry.
3. The decrease in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to the inclusion of Stop Puppy Farming grants in the calculation of average cost during the 2020-21 Budget.

3. Asset and Infrastructure Support Services to Client Agencies

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 17,566	\$'000 15,850	\$'000 26,451	\$'000 35,806	1
Less Income ^(a)	180	841	840	807	
Net Cost of Service	17,386	15,009	25,611	34,999	
Employees (Full-Time Equivalents)	22	32	34	35	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the 2020-21 Estimated Actual and the 2021-22 Budget Target compared to the 2020-21 Budget is mainly due to increased payments in respect of election commitments, and the carryover and the recashflow of various projects.

4. Regulation of the Gambling and Liquor Industries

Provision of services that ensure gambling and liquor industries operate responsibly in accordance with legislation.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 17,757	\$'000 18,604	\$'000 19,148	\$'000 23,922	1
Less Income ^(a)	7,732	6,797	8,026	8,345	2
Net Cost of Service	10,025	11,807	11,122	15,577	
Employees (Full-Time Equivalents)	101	112	104	115	
Efficiency Indicators					
Average cost of conducting inspections	\$760	\$1,017	\$1,018	\$1,495	3
Average cost of determining applications	\$489	\$509	\$448	\$748	4

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is mainly due to costs associated with the Perth Casino Royal Commission and the Banned Drinkers Register.
2. The increase in Income in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to revenue allocation to support the implementation of the Banned Drinkers Register.
3. The increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is mainly due to the increase in the cost of services and a decrease in the number of inspections targeted.
4. The increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is mainly due to the increase in the cost of services as noted above.

5. Sport and Recreation Industry Support

Provide support to maintain a strong sport and recreation sector that facilitates participation.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	91,841	133,113	97,721	211,955	1
Less Income ^(a)	3,596	4,124	6,021	14,412	2
Net Cost of Service	88,245	128,989	91,700	197,543	
Employees (Full-Time Equivalents)	150	145	141	147	
Efficiency Indicators					
Average cost of providing support services to sector/funded organisations	\$14,983	\$9,378	\$3,389	\$2,120	3
Grants operations expense as a percentage of direct grants approved	2%	1%	1%	1%	
Average cost per recreation camp experience	\$63	\$73	\$52	\$59	4

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is mainly due to a combination of Government initiatives including election commitments, carryovers, COVID-19 Response (including Lotterywest Back to Sport and KidSport vouchers), additional Royalties for Regions funding and Community Sport and Recreation Facilities Funding.
2. The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to lower budgeted camps revenue during COVID-19. The increase in the 2021-22 Budget Target compared to the 2020-21 Actual is due to Commonwealth funding for the Perth City Deal.
3. The decrease in average cost between the 2020-21 Estimated Actual and the 2021-22 Budget Target is due to a decrease in service delivery cost, together with a slight increase in the number of funded organisations anticipated to be provided with support in 2021-22.
4. The decrease in the 2020-21 Estimated Actual and the 2021-22 Budget Target compared to the 2020-21 Budget is primarily due to the return to full operation of the Recreation Camps post the COVID-19 operating restrictions experienced in 2019-20. The 2020-21 Budget Target reflected the Phase 4 COVID-19 Recovery operating restrictions evident at the time of the 2020-21 Budget. The increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is due to an anticipated increase in the total service cost for Recreation Camps program and service delivery in 2021-22, due to additional budgeted salary costs and associated corporate overheads.

6. Cultural Heritage Management and Conservation

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

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 959	\$'000 822	\$'000 1,086	\$'000 1,049	1
Less Income	nil	nil	nil	nil	
Net Cost of Service	959	822	1,086	1,049	
Employees (Full-Time Equivalents)	4	4	5	5	
Efficiency Indicators					
Average cost of managing the collection per art gallery object.....	\$52.80	\$52.93	\$58.45	\$55.88	2

Explanation of Significant Movements

(Notes)

1. The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to the increased staff resources and costs of valuation and offsite storage.
2. The increase in the average cost of managing the collection in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to increased valuation and offsite storage costs.

7. 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*.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 9,645	\$'000 9,326	\$'000 9,770	\$'000 10,179	1
Less Income ^(a)	5,674	1,562	2,246	2,656	
Net Cost of Service	3,971	7,764	7,524	7,523	
Employees (Full-Time Equivalents)	47	47	47	50	
Efficiency Indicators					
Average cost of art gallery services per art gallery access.....	\$28.40	\$25.21	\$35.70	\$27.44	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget is due to revaluation gains on share investments, work of art donations, bequests, franking credits and dividends received. Revaluation gains are not included in the 2021-22 Budget Target.
2. The increase in the average cost per access in the 2020-21 Estimated Actual compared to the 2020-21 Budget and the 2021-22 Budget Target is mainly due to decreased gallery access as a result of COVID-19 lockdowns and restrictions related to the elevated roof top and ground floor renovations.

8. State Library Services

Ensuring that the community has equitable access to the State Library's collections, services and programs.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	12,668	14,418	13,857	13,620	
Less Income ^(a)	708	791	509	539	
Net Cost of Service	11,960	13,627	13,348	13,081	
Employees (Full-Time Equivalents)	117	115	106	117	
Efficiency Indicators					
Average cost per State Library access	\$1.27	\$1.62	\$1.66	\$1.42	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The reduction in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is mainly due to the increased target for the number of State Library accesses both in person and online.

9. Public Library Support

Supporting local governments in providing public library collections, services and programs.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	65,336	18,425	17,708	17,405	
Less Income ^(a)	821	917	651	584	
Net Cost of Service	64,515	17,508	17,057	16,821	
Employees (Full-Time Equivalents)	22	22	20	20	
Efficiency Indicators					
Average cost of Government support for public library services per public library member	\$67.10	\$18.42	\$16.51	\$17.47	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The reduction in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to lower actual expenditures incurred.

10. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 24,565	\$'000 18,255	\$'000 20,885	\$'000 19,710	
Less Income ^(a)	7,433	4,076	6,668	8,733	
Net Cost of Service	17,132	14,179	14,217	10,977	
Employees (Full-Time Equivalents)	95	95	120	120	1
Efficiency Indicators					
Average cost per attendee	\$62.21	\$60.85	\$77.20	\$56.31	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in FTE in the 2020-21 Estimated Actual and the 2021-22 Budget Target compared to the 2020-21 Budget is due to an increase in activities to more normal levels.
2. The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to an increase in building maintenance expenditure in 2020-21 as some maintenance works scheduled for 2021-22 were brought forward to take advantage of the venue closures due to the COVID-19 pandemic.

11. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 9,184	\$'000 9,164	\$'000 9,226	\$'000 9,245	
Less Income ^(a)	731	678	631	726	1
Net Cost of Service	8,453	8,486	8,595	8,519	
Employees (Full-Time Equivalents)	63	63	59	63	
Efficiency Indicators					
Average cost per object of managing the museum collection.....	\$1.11	\$1.11	\$1.13	\$1.16	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in Income in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is mainly due to additional grant research projects secured by the Western Australian Museum Boola Bardip.

12. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 1,622	\$'000 1,622	\$'000 1,628	\$'000 1,601	
Less Income ^(a)	129	119	112	131	1
Net Cost of Service	1,493	1,503	1,516	1,470	
Employees (Full-Time Equivalents)	12	12	11	12	
Efficiency Indicators					
Average cost per object of documenting and digitising the state collection	\$0.68	\$0.67	\$0.74	\$0.74	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- The increase in Income in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is mainly due to additional grant research projects secured by the Western Australian Museum Boola Bardip.

13. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 12,055	\$'000 26,184	\$'000 26,365	\$'000 28,394	
Less Income ^(a)	2,090	2,610	3,882	7,045	1
Net Cost of Service	9,965	23,574	22,483	21,349	
Employees (Full-Time Equivalents)	84	127	112	127	2
Efficiency Indicators					
Average cost of museum services per museum access	\$35.96	\$37.30	\$38.18	\$38.18	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- The increase in Income in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual and the 2020-21 Budget is mainly due to the opening of the WA Museum Boola Bardip in the Perth Cultural Centre in November 2020 and additional ticketed exhibitions planned in 2021-22.
- The number of FTEs in the 2020-21 Estimated Actual is lower than the 2020-21 Budget and the 2021-22 Budget Target as recruitment levels were lower than anticipated. It is expected that these positions will be filled in 2021-22.

14. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	703	723	955	951	1
Less Income ^(a)	12	nil	20	nil	
Net Cost of Service	691	723	935	951	
Employees (Full-Time Equivalents)	7	7	6	7	
Efficiency Indicators					
Average cost of museum services per museum access	\$0.29	\$0.30	\$0.33	\$0.34	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to increased expenditure to make the collections accessible online through the WA Museum Boola Bardip electronic applications.

15. 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	7,317	6,968	7,543	7,586	1
Less Income ^(a)	663	480	593	610	
Net Cost of Service	6,654	6,488	6,950	6,976	
Employees (Full-Time Equivalents)	27	31	24	31	
Efficiency Indicators					
Average cost per access	\$30.33	\$26.87	\$29.62	\$30.40	

Explanation of Significant Movements

(Notes)

- The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget is mainly due to additional funding received to operate the Gwoonwardu Mia Cultural Centre in Carnarvon and increased shop sales in regional sites.

Asset Investment Program

1. The Department's Asset Investment Program includes the following new major projects:
 - 1.1. an amount of \$105 million over 2021-22 to 2024-25 for due diligence activities planning and construction of a state-of-the-art film studio and screen production facility at Victoria Quay in Fremantle; and
 - 1.2. an amount of \$45 million over 2023-24 and 2024-25 for project planning and initial works to establish an Aboriginal Cultural Centre located near the Derbarl Yerrigan (Swan River).
2. To support the delivery of the Department's services, other asset investment to be delivered in 2021-22 will include the following:
 - 2.1. \$15.1 million for the finalisation of building and exhibition works of the new WA Museum Boola Bardip;
 - 2.2. \$9 million for His Majesty's Theatre Restoration and Upgrade Stage 3;
 - 2.3. \$11.5 million for the State Football Centre;
 - 2.4. \$3.4 million to complete the Spinnaker Accommodation Project at Ern Halliday Recreation Camp and to finalise works at Woodman Point and Bickley;
 - 2.5. \$1.5 million for the Perth Cultural Centre;
 - 2.6. \$1.2 million for library materials for the State Reference Library;
 - 2.7. \$1 million for the Perth Concert Hall Redevelopment;
 - 2.8. \$1 million for the Perth Rectangular Stadium; and
 - 2.9. \$0.5 million for the Western Australian Centralised Registration System as part of the Stop Puppy Farming initiative.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Perth Concert Hall Redevelopment	30,000	121	121	1,000	14,279	14,600	-
Perth Theatre Trust – His Majesty's Theatre – Restoration and Upgrade Stage 3	15,000	523	523	8,977	5,500	-	-
Recreation Camps Revitalisation	4,900	1,500	1,500	3,400	-	-	-
Other Works in Progress							
Ground Floor Works – Art Gallery of Western Australia ...	1,800	1,500	1,500	300	-	-	-
Perth Rectangular Stadium	94,162	93,180	-	982	-	-	-
State Football (Soccer) Centre	32,500	1,766	1,766	11,484	19,090	160	-
WA Museum Boola Bardip	395,173	380,081	23,550	15,092	-	-	-
COMPLETED WORKS							
Art Gallery of Western Australia							
Art Acquisition – 2020-21 Program	643	643	643	-	-	-	-
Elevate 2020 Rooftop Activation	9,914	9,914	9,300	-	-	-	-
Recreation Camps – 2020-21 Program	160	160	160	-	-	-	-
State Library of Western Australia – State Reference Library Materials – 2020-21 Program	1,487	1,487	1,487	-	-	-	-
Tuart College – Fit-out Works	1,853	1,853	618	-	-	-	-
NEW WORKS							
Art Gallery of Western Australia – Art Acquisition							
2021-22 Program	218	-	-	218	-	-	-
2022-23 Program	218	-	-	-	218	-	-
2023-24 Program	218	-	-	-	-	218	-
2024-25 Program	218	-	-	-	-	-	218
Election Commitments							
Aboriginal Cultural Centre	45,000	-	-	-	-	10,000	35,000
Screen Production Facility	104,971	-	-	4,371	20,600	60,000	20,000
Perth Cultural Centre	19,000	-	-	1,500	12,000	5,500	-
Recreation Camps							
2021-22 Program	160	-	-	160	-	-	-
2022-23 Program	160	-	-	-	160	-	-
2023-24 Program	160	-	-	-	-	160	-
2024-25 Program	160	-	-	-	-	-	160
State Library of Western Australia - State Reference Library Materials							
2021-22 Program	1,225	-	-	1,225	-	-	-
2022-23 Program	1,225	-	-	-	1,225	-	-
2023-24 Program	1,225	-	-	-	-	1,225	-
2024-25 Program	1,225	-	-	-	-	-	1,225
Western Australian Centralised Registration System	906	-	-	506	250	150	-
Total Cost of Asset Investment Program	763,881	492,728	41,168	49,215	73,322	92,013	56,603
FUNDED BY							
Capital Appropriation			31,388	23,186	60,687	85,628	55,218
Drawdowns from the Holding Account			1,385	1,385	1,385	1,385	1,385
Internal Funds and Balances			7,395	15,644	-	-	-
Commonwealth Grants			1,000	9,000	11,250	5,000	-
Total Funding			41,168	49,215	73,322	92,013	56,603

Financial Statements

Income Statement

Expenses

1. The Department's Total Cost of Services in the 2021-22 Budget Estimate increases by \$160 million compared to the 2020-21 Estimated Actual mainly due to the 2021 State election commitments (\$56 million) and the carryover of unspent funding from 2020-21 (\$90 million).
2. The Total Cost of Services in the 2022-23 and 2023-24 Budget Estimates decreases by \$65 million and \$69 million respectively due to the timing of payments associated with the implementation of 2021 election commitments in the respective years.

Income

3. The increased income of \$15.3 million in the 2021-22 Budget Estimate compared to the 2020-21 Estimated Actual is mainly due to the anticipated reinstatement of lost revenue during the COVID-19 pandemic partially offset by a reduction in State Revenue following the application of Treasurer's instruction 1102: *Statements of Comprehensive Income*.

Statement of Financial Position

4. Total Current Assets decrease by \$130 million in the 2021-22 Budget Estimate compared to the 2020-21 Estimated Actual mainly due to the drawdown of Cash Reserves to deliver projects and programs following approved carryover adjustments.

Statement of Cashflows

5. Service Appropriations reduce by \$107 million in the 2021-22 Budget Estimate compared to the 2020-21 Estimated Actual mainly due to the impact of election commitments funded in 2020-21.
6. Capital appropriation reduces by \$8 million in the 2021-22 Budget Estimate compared to the 2020-21 Estimated Actual mainly due to the WA Museum Boola Bardip nearing completion and delays anticipated in other projects.
7. Other Cashflows from State Government reduce by \$10 million in the 2021-22 Budget Estimate compared to the 2020-21 Estimated Actual mainly due to Lotterywest COVID-19 Relief Funding received in 2020-21 for Artists in Residency and Kidsport.
8. Net Cash from Operating Activities decreases by \$141 million in the 2021-22 Budget Estimate compared to the 2020-21 Estimated Actual mainly due to Grants and Subsidies payments to deliver election commitments.
9. Net Cash from Investing Activities increases by \$8 million in the 2021-22 Budget Estimate compared to the 2020-21 Estimated Actual due to reduced Capital Appropriation and the reprioritisation of capital projects.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	96,570	100,961	99,581	110,355	106,952	108,117	110,106
Grants and subsidies ^(c)	133,846	176,626	147,014	286,887	237,506	133,348	114,520
Supplies and services	30,244	32,784	33,948	37,605	30,587	31,301	33,821
Accommodation	20,278	24,669	24,024	28,280	26,780	26,878	27,180
Depreciation and amortisation	27,252	23,023	22,682	23,338	23,245	23,659	24,064
Finance and interest costs	19	35	30	34	38	33	33
Other expenses	26,276	8,779	11,512	12,323	8,907	41,185	8,771
TOTAL COST OF SERVICES	334,485	366,877	338,791	498,822	434,015	364,521	318,495
Income							
Sale of goods and services	12,901	8,948	14,328	20,721	23,566	23,942	24,483
Regulatory fees and fines	2,940	6,683	6,683	6,854	8,936	9,110	11,181
Grants and subsidies	2,115	3,340	3,412	11,763	13,915	7,790	2,790
Other revenue	12,867	4,626	9,047	9,411	4,991	5,045	5,046
Total Income	30,823	23,597	33,470	48,749	51,408	45,887	43,500
NET COST OF SERVICES ^(d)	303,662	343,280	305,321	450,073	382,607	318,634	274,995
INCOME FROM STATE GOVERNMENT							
Service appropriations	229,657	287,453	424,123	317,630	327,676	264,227	255,998
Resources received free of charge	1,009	1,334	1,334	1,334	1,334	1,334	1,334
Royalties for Regions Fund:							
Regional Community Services Fund	14,968	21,128	16,401	19,043	12,466	11,716	11,716
Regional Infrastructure and Headworks Fund	-	-	-	16	140	140	140
Other revenues	1,019	16,580	16,911	7,005	6,184	6,192	6,282
TOTAL INCOME FROM STATE GOVERNMENT	246,653	326,495	458,769	345,028	347,800	283,609	275,470
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(57,009)	(16,785)	153,448	(105,045)	(34,807)	(35,025)	475

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 879, 934 and 987 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Aboriginal Cultural Centre	-	-	-	2,500	2,500	-	-
Albany							
Motorplex Complex	-	5,500	-	5,500	-	-	-
Surf Lifesaving Club	-	-	-	1,100	500	-	-
Alkimos Swimming Pool	-	500	500	500	4,000	5,000	-
All Abilities							
Play Space in Clarkson	-	-	-	1,250	1,350	-	-
Playground/s – Forrestfield	-	-	-	1,000	-	-	-
Arts							
Lotteries Account	15,849	17,818	15,192	23,162	17,536	17,601	17,690
Projects and Programs	9,090	14,450	11,150	15,857	12,557	12,557	12,557
Aveley Football Club Lighting Upgrade	-	-	-	300	-	-	-
Balcatta Football Club Amenities Upgrade	-	-	-	1,000	-	-	-
Baldivis Indoor Recreation Centre	-	500	1,000	8,500	500	-	-
Bayswater Urban Forrest	-	-	-	-	1,000	-	-
Beach Emergency Numbering System	98	345	92	218	311	-	-
Better Beginnings Program Community Grants	-	-	-	225	225	225	225
Broome Multi-purpose Outdoor Courts	1,800	140	140	-	-	-	-
Bunbury							
Hands Oval Rebuild	-	250	-	3,000	2,000	-	-
Indoor Basketball Courts	-	-	-	1,000	5,000	2,000	-
Upgrades to Hay Park	1,250	100	-	100	-	-	-
Burtonia and Marseille Gardens Recreation							
Space	-	-	-	1,500	-	-	-
Byford							
Nature Splash Park	-	-	-	1,340	-	-	-
Skate Park	-	-	-	800	-	-	-
Calectasia Hall Extension and Upgrade	-	-	-	600	-	-	-
Canning Vale Regional Open Space	-	-	-	1,000	4,000	5,000	-
Capital Works Funding for Culturally and Linguistically Diverse Community							
Association Facilities	-	3,000	1,500	1,500	-	-	-
Charlotte's Vineyard Sports Pavilion	-	-	-	630	-	-	-
Chung Wah Association Community Centre	-	-	-	1,500	3,500	-	-
Collie Mineworkers Memorial Pool Enclosure	-	1,850	1,000	850	-	-	-
Commitment to Aboriginal Youth Wellbeing							
Connecting to Country	-	450	450	450	450	-	-
Community Grants	478	560	560	560	560	560	560
Community Languages Program	1,138	1,113	1,113	1,113	1,113	1,113	1,113
Community Sporting and Recreation Facilities Fund	12,517	18,340	14,340	16,471	11,471	11,471	11,471
Companion Animal Shelters	200	200	200	200	200	200	200
Contemporary Arts	568	-	-	-	-	-	-
Contemporary Music Fund	1,034	1,450	685	2,015	750	750	750
COVID-19 Crisis							
Indian	-	-	2,000	-	-	-	-
Indonesian	-	-	-	2,000	-	-	-
COVID-19 Stimulus Package	-	79	79	-	-	-	-
Craigie Leisure Centre Gymnasium Upgrades	-	-	-	1,000	1,900	-	-
Creative Learning Program	-	-	-	1,772	1,769	1,766	1,763
Dalyellup Multipurpose Centre Youth Facility and Library	-	500	500	1,000	6,500	-	-
Donnybrook and Districts Sporting and Recreation Precinct	-	250	250	2,500	3,250	-	-
East Fremantle Oval Precinct	-	-	-	2,000	13,000	5,000	-
Eaton Bowling Club Upgrade	1,950	1,000	-	1,000	-	-	-
Ellenbrook							
Community Hub	-	-	1,500	2,000	-	-	-
Recreation Centre	-	5,000	-	5,000	-	-	-
Youth Support Centre	-	500	-	1,360	500	-	-
Female Changingroom Fund	-	-	-	500	500	500	500
Fitzroy Crossing Town Oval	-	-	-	1,500	2,500	-	-
FORM Touring Art Exhibition	370	-	-	-	-	-	-
Fremantle City Football Club	-	-	-	600	-	-	-
Fremantle Pedestrian Crossing	-	-	-	45	-	-	-
Geraldton Basketball Stadium Upgrade	-	-	-	2,000	-	-	-
Getting the Show Back on the Road	-	9,000	2,650	6,122	-	-	-
Good Faith Television Series	-	-	-	4,000	-	-	-
Goodchild Reserve Clubrooms Upgrade	-	-	-	350	-	-	-
Grants to Multicultural Groups	-	-	-	500	500	500	500
Guide Dogs WA	-	-	-	5,000	-	-	-
Harmer Park/Inglewood Oval Redevelopment	-	-	-	1,300	-	-	-
HBF Arena Public Amenity Block	-	-	-	520	-	-	-

	2019-20	2020-21	2020-21 Estimated	2021-22 Budget	2022-23 Forward	2023-24 Forward	2024-25 Forward
	Actual \$'000	Budget \$'000	Actual \$'000	Estimate \$'000	Estimate \$'000	Estimate \$'000	Estimate \$'000
Heathridge Park	-	-	-	1,500	1,000	-	-
Holocaust Museum.....	-	500	2,000	3,500	500	-	-
Industry Support	-	1,893	1,893	-	-	-	-
John Connell Sporting Reserve Upgrades	-	-	-	625	-	-	-
Kalgoorlie							
Basketball Redevelopment.....	-	-	-	1,000	3,000	1,000	-
Motorsports Precinct.....	-	1,000	-	950	1,000	-	-
Kidsport	2,364	6,624	3,424	7,824	4,624	4,624	4,624
Kiernan Park Recreation Precinct	-	500	1,500	5,500	13,000	-	-
Kimberley Aboriginal Law and Cultural Centre							
Jaluru.....	125	125	-	125	125	-	-
Kingsway Regional Sporting Complex	-	2,667	150	2,517	-	-	-
Kununurra							
Leisure Centre Redevelopment	-	-	-	1,500	4,000	500	-
Water Playground.....	-	3,200	1,500	1,700	-	-	-
Lathlain Park	1,400	-	-	-	-	-	-
Leschenault Leisure Centre Expansion	-	-	-	500	2,500	-	-
Lighting at Collie Recreation Ground,							
Princep St.....	-	-	-	400	-	-	-
Lighting Project Club Night Program	-	-	-	2,500	2,500	2,500	2,500
Local Projects Local Jobs Program	1,402	1,205	955	250	-	-	-
Lotterywest							
Back to Sport COVID-19 Relief Program.....	-	5,000	563	4,112	-	-	-
Creative Communities COVID-19 Recovery							
Program	-	5,000	1,007	3,697	-	-	-
Madeley Youth Centre.....	-	500	250	2,500	250	-	-
Maida Vale Reserve Pavillions.....	-	-	-	1,100	1,300	-	-
Mowanjum Community.....	-	-	-	300	-	-	-
Other Cultural Programs ^(a)	421	444	444	422	444	444	444
Other Initiatives	450	446	446	401	401	401	401
Partnership Acceptance Learning Sharing ^(a)	611	695	695	695	695	695	695
Perth Football Grandstand	-	-	2,000	2,000	-	-	-
Port Hedland Sporting and Community Hub.....	-	-	-	5,000	5,000	-	-
Public Library							
Materials (Local Governments).....	43,343	8,347	647	16,047	8,347	8,347	8,347
Strategy (Regional Subsidies)	48	140	140	140	140	140	140
Ray Owen Reserve	-	1,000	200	2,200	2,600	-	-
Regional Arts and Cultural Investment							
Program.....	3,089	4,760	6,343	4,900	4,680	4,680	4,680
Regional Athlete Support Program.....	877	1,000	884	1,100	1,146	-	-
Regional Collections Development Program	80	250	70	430	-	-	-
Regional Exhibition Touring Boost	1,356	1,750	2,035	1,750	1,750	2,000	2,000
Rickman Delawney Capital Works Package.....	-	-	-	500	-	-	-
Rockingham Aqua Jetty Stage 2	-	500	500	2,500	6,500	500	-
Scott Reserve Inclusive New Room Facilities.....	-	-	-	2,000	-	-	-
Screen Production Incentive Fund	-	-	-	4,679	4,675	4,672	4,669
Small Commitments	-	-	18,958	-	-	-	-
Sorrento							
Football Club.....	-	-	-	700	-	-	-
Surf Life Saving Club	-	-	-	2,000	6,000	-	-
Sports Lotteries Account	16,643	19,628	19,602	20,962	17,536	17,601	17,690
State Sporting Infrastructure Fund	1,285	4,000	3,200	3,800	2,000	2,000	2,000
Stephen Michael Foundation.....	-	-	200	200	-	-	-
Stop Puppy Farming – Transition Package	-	1,000	-	1,000	-	-	-
Visibility Grant ^(a)	185	185	185	185	185	185	185
WA Film Fund.....	-	4,000	4,000	4,000	4,000	4,000	4,000
WACA Ground Redevelopment.....	-	2,000	3,000	10,000	17,000	-	-
Wanneroo							
Amateur Football Club	-	-	-	500	-	-	-
Recreation Centre Upgrade	-	-	-	1,500	3,500	-	-
Warmun Community.....	-	-	-	1,000	1,350	-	-
Warradale Community Centre Expansion	-	600	550	50	-	-	-
Western Australian Football Commission and							
Football West Relocation.....	150	206	206	-	-	-	-
Western Australian Football Commission.....	11,257	11,800	11,800	12,100	12,400	12,400	12,400
Western Australian Institute of Sport	2,418	2,416	2,416	2,416	2,416	2,416	2,416
Western Australian Music Industry Association	-	350	350	-	-	-	-
Woodvale/Kingsley Skatepark.....	-	-	-	800	-	-	-
Youth Plaza	-	-	-	1,000	1,000	-	-
TOTAL	133,846	176,626	147,014	286,887	237,506	133,348	114,520

(a) Previously reported under Other Cultural Programs.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	47,454	21,264	189,374	80,220	35,270	27,270	27,270
Restricted cash.....	52,438	35,739	52,132	31,101	29,519	29,519	29,519
Holding account receivables.....	1,385	1,385	1,385	1,385	1,385	1,385	1,385
Receivables.....	5,709	5,976	5,698	5,698	5,698	5,698	5,698
Other.....	2,132	6,662	2,132	2,132	2,132	2,132	2,132
Total current assets.....	109,118	71,026	250,721	120,536	74,004	66,004	66,004
NON-CURRENT ASSETS							
Holding account receivables.....	157,712	179,350	178,988	200,962	222,822	245,096	267,775
Property, plant and equipment.....	1,601,577	1,656,876	1,636,100	1,673,766	1,737,442	1,773,455	1,828,317
Intangibles.....	849	690	184	-	-	91	-
Restricted cash.....	1,412	1,785	1,784	2,159	2,540	2,926	3,312
Other.....	12,524	12,524	12,524	12,524	12,524	12,524	12,524
Total non-current assets.....	1,774,074	1,851,225	1,829,580	1,889,411	1,975,328	2,034,092	2,111,928
TOTAL ASSETS	1,883,192	1,922,251	2,080,301	2,009,947	2,049,332	2,100,096	2,177,932
CURRENT LIABILITIES							
Employee provisions.....	18,127	18,276	18,133	18,133	18,133	18,133	18,133
Payables.....	3,328	475	475	-	-	-	-
Borrowings and leases.....	278	139	271	282	271	282	270
Other.....	6,343	5,528	6,339	6,339	6,339	6,339	6,339
Total current liabilities.....	28,076	24,418	25,218	24,754	24,743	24,754	24,742
NON-CURRENT LIABILITIES							
Employee provisions.....	5,238	5,607	5,610	5,985	6,366	6,752	7,138
Borrowings and leases.....	468	524	415	459	422	288	154
Other.....	17	17	17	17	17	17	17
Total non-current liabilities.....	5,723	6,148	6,042	6,461	6,805	7,057	7,309
TOTAL LIABILITIES	33,799	30,566	31,260	31,215	31,548	31,811	32,051
EQUITY							
Contributed equity.....	934,931	967,390	966,684	990,183	1,051,184	1,137,132	1,192,669
Accumulated surplus/(deficit) ^(b)	446,493	393,061	598,844	493,324	458,042	422,542	422,542
Reserves.....	467,969	531,234	483,513	495,225	508,558	508,611	530,670
Total equity	1,849,393	1,891,685	2,049,041	1,978,732	2,017,784	2,068,285	2,145,881
TOTAL LIABILITIES AND EQUITY	1,883,192	1,922,251	2,080,301	2,009,947	2,049,332	2,100,096	2,177,932

(a) Full audited financial statements are published in the Department'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 the derecognition of the Alexander Library Building from the asset register and bequests and donated works of art income being transferred to reserves in the Statement of Financial Position (\$475,000) in the years from 2020-21 to 2024-25. The amount transferred from reserves in 2019-20 was \$42,517,000.

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	207,784	264,430	401,462	294,271	304,431	240,568	231,934
Capital appropriation.....	89,557	32,208	31,702	23,499	61,001	85,948	55,537
Holding account drawdowns.....	9,777	1,385	1,385	1,385	1,385	1,385	1,385
Royalties for Regions Fund:							
Regional Community Services Fund.....	15,682	21,128	16,401	19,043	12,466	11,716	11,716
Regional Infrastructure and Headworks Fund	-	-	-	16	140	140	140
Other.....	1,170	16,580	16,911	7,005	6,184	6,192	6,282
Net cash provided by State Government	323,970	335,731	467,861	345,219	385,607	345,949	306,994
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(91,186)	(100,465)	(99,085)	(109,980)	(106,571)	(107,731)	(109,720)
Grants and subsidies	(99,491)	(176,626)	(147,018)	(286,887)	(237,506)	(133,348)	(114,520)
Supplies and services.....	(29,151)	(32,057)	(33,221)	(35,757)	(29,318)	(30,019)	(32,529)
Accommodation.....	(20,015)	(24,668)	(24,023)	(28,280)	(26,780)	(26,878)	(27,180)
GST payments.....	(23,956)	(32,121)	(31,850)	(28,564)	(30,303)	(22,989)	(19,874)
Finance and interest costs.....	(1)	(35)	(30)	(34)	(38)	(33)	(33)
Other payments.....	(17,981)	(8,764)	(11,497)	(13,312)	(9,317)	(9,108)	(9,204)
Receipts (c)							
Regulatory fees and fines.....	6,090	3,683	3,683	6,854	8,936	9,110	11,181
Grants and subsidies.....	2,515	3,340	3,412	11,763	13,915	7,790	2,790
Sale of goods and services.....	11,623	8,910	14,290	20,721	23,566	23,942	24,483
GST receipts.....	24,578	32,132	31,861	28,564	30,303	22,989	19,874
Other receipts	10,327	4,664	9,085	9,411	4,991	5,045	5,046
Net cash from operating activities.....	(226,648)	(322,007)	(284,393)	(425,501)	(358,122)	(261,230)	(249,686)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(113,809)	(56,007)	(41,168)	(49,215)	(73,322)	(92,013)	(56,603)
Net cash from investing activities	(113,809)	(56,007)	(41,168)	(49,215)	(73,322)	(92,013)	(56,603)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(663)	(233)	(314)	(313)	(314)	(320)	(319)
Net cash from financing activities	(663)	(233)	(314)	(313)	(314)	(320)	(319)
NET INCREASE/(DECREASE) IN CASH HELD.....	(17,150)	(42,516)	141,986	(129,810)	(46,151)	(7,614)	386
Cash assets at the beginning of the reporting period	123,996	106,871	106,871	248,857	119,047	72,896	65,282
Net cash transferred to/from other agencies	25	-	-	-	-	-	-
Cash assets at the end of the reporting period	106,871	64,355	248,857	119,047	72,896	65,282	65,668

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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.

NET APPROPRIATION DETERMINATION (a) (b)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Regulatory Fees and Fines							
Liquor Fees Revenue	2,940	6,682	6,682	6,853	7,028	7,208	9,286
Grants and Subsidies							
Direct Grants and Subsidies Receipts	295	11,928	10,409	647	364	364	364
Provision of Services to the Commonwealth....	542	916	1,711	9,641	11,891	5,641	641
Sale of Goods and Services							
Revenue Received for the Provision of Accommodation and Recreation Programs ..	3,156	2,246	4,177	4,888	4,921	4,993	5,091
Other.....	162	6,930	1,418	5,407	4,442	4,484	4,647
Provision of Services to the Racing and Gaming Industries.....	4,911	4,269	4,528	4,528	4,528	4,528	4,618
GST Receipts							
GST Input Credits.....	22,808	30,859	30,501	25,646	27,487	21,230	18,043
GST Receipts on Sales	1,770	1,273	1,360	2,918	2,816	1,759	1,831
Other Receipts							
Other Receipts.....	783	5,061	5,626	810	823	831	831
Rental Income	188	1,145	907	1,090	877	875	877
TOTAL	37,555	71,309	67,319	62,428	65,177	51,913	46,229

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

(b) The Art Gallery of Western Australia, Perth Theatre Trust, Library Board of Western Australia and the Western Australia Museum are Statutory Authorities and as a result are excluded from the Net Appropriation Determination.

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
INCOME							
Taxation							
Casino Tax.....	39,742	41,000	51,500	51,500	53,000	54,000	54,000
Other							
Appropriation (a).....	37,252	34,933	63,680	83,695	41,344	41,488	41,684
Combat Sports Commission Appropriation ...	853	860	860	860	868	877	877
Revenue - Other	80	-	-	-	-	-	-
TOTAL ADMINISTERED INCOME	77,927	76,793	116,040	136,055	95,212	96,365	96,561
EXPENSES							
Grants to Charitable and Other Public Bodies							
Grants to Individuals Problem Gambling.....	500	500	500	500	500	500	500
Land Tax Assistance for Landlords.....	575	14,425	1,925	-	-	-	-
Subsidies and Concessions							
Subsidies to Gambling and Betting Agencies and Bookmakers.....	36,177	34,433	47,489	39,581	40,844	40,988	41,184
Other							
Combat Sports Commission Expenditure	853	860	860	860	868	877	877
Receipts Paid into the Consolidated Account	50,517	51,000	51,500	74,000	53,000	54,000	54,000
Rugby WA Loan.....	-	-	-	1,015	-	-	-
Small Business Cyclone Seroja Grants Scheme	-	-	740	120	-	-	-
Small Business Lockdown Assistance Grants Program.....	-	-	10,052	47,378	-	-	-
TOTAL ADMINISTERED EXPENSES	88,622	101,218	113,066	163,454	95,212	96,365	96,561

(a) Includes Appropriation for Administration of Small Business Cyclone Seroja Grants Scheme and Small Business Lockdown Assistance Grants Program.

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 engaged in the conduct of cultural activities in the State.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	952	3,064	3,064	10,662
Receipts:				
Appropriations ^(a)	17,961	14,626	19,007	16,962
	18,913	17,690	22,071	27,624
Payments	15,849	17,690	11,409	23,624
CLOSING BALANCE	3,064	-	10,662	4,000

(a) 2020-21 Appropriations include \$0.4 million received for 2019-20.

COMMUNITY SPORTING AND RECREATION FACILITIES SPECIAL PURPOSE ACCOUNT

Account Purpose: The Fund 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.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	1,840	1,328	1,328	8,923
Receipts:				
Appropriations	12,000	18,000	18,000	13,000
Other	11	-	-	-
	13,851	19,328	19,328	21,923
Payments	12,523	18,000	10,405	15,000
CLOSING BALANCE	1,328	1,328	8,923	6,923

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(4) 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.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	3,762	5,077	5,077	7,237
Receipts:				
Appropriations ^(a)	17,961	14,626	19,007	16,962
Other	(3)	-	24	-
	21,720	19,703	24,108	24,199
Payments	16,643	17,690	16,871	19,800
CLOSING BALANCE	5,077	2,013	7,237	4,399

(a) 2020-21 Appropriations include \$0.4 million received from 2019-20.

LOGUE BROOK RECREATION OFFSET TRUST ACCOUNT ^(a)

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.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	42	22	22	-
Receipts:				
Other	4	-	1	-
	46	22	23	-
Payments	24	22	23	-
CLOSING BALANCE.....	22	-	-	-

(a) Logue Brook Recreation Offset Trust Account was settled in 2020-21 and is not expected to continue operations in 2021-22 and forward years.

Division 38 Western Australian Sports Centre Trust

Part 8 Community Services

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 79 Net amount appropriated to deliver services	116,649	120,183	112,450	102,204	85,330	75,808	75,504
Total appropriations provided to deliver services	116,649	120,183	112,450	102,204	85,330	75,808	75,504
CAPITAL							
Item 140 Capital Appropriation ^(a)	13,520	17,924	25,745	28,906	32,826	22,930	23,923
TOTAL APPROPRIATIONS ^(b)	130,169	138,107	138,195	131,110	118,156	98,738	99,427
EXPENSES							
Total Cost of Services	238,859	212,108	199,637	225,302	255,564	246,111	245,811
Net Cost of Services ^{(c) (d)}	88,441	117,419	116,555	102,944	88,477	78,883	78,579
CASH ASSETS ^(e)	59,858	56,320	57,899	45,505	43,404	41,376	38,718

(a) Additional Capital Appropriation is provided to fund lease repayments and is not reflected in the Asset Investment Program.

(b) The Total Appropriations profile reflects impacts arising from COVID-19 with a progressive anticipation of recovery.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(d) 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.

(e) 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 Western Australian Sports Centre Trust's (VenuesWest's) Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
New Initiative					
HBF Park - Stadium Expenditure to Facilitate the 2023 FIFA Women's World Cup.....	-	5,336	10,000	390	390
Ongoing Initiatives					
Optus Stadium Revised Financial Forecast.....	-	(25,381)	-	-	-
Perth Motorplex Operator Funding	862	830	-	-	-
RAC Arena Revised Financial Forecast	-	(11,846)	-	-	-
Reduction in Expenditures Due to COVID-19 Impact on Activities.....	(5,591)	-	-	-	-
Update to Optus Stadium Design, Build, Finance and Maintain Contract Loan Repayments.....	(7,730)	(7,960)	(8,127)	(8,190)	-
Other					
2021-22 Tariffs, Fees and Charges.....	-	153	156	181	185

Significant Issues Impacting the Agency

1. The COVID-19 pandemic continues to present major challenges globally and is expected to substantially impact on the sport and entertainment industries in Western Australia throughout 2021-22. Continued flexibility and careful management will be required to implement the changing requirements applicable to the business including at times, event cancellations and rescheduling at short notice. The financial impact of the pandemic on VenuesWest's key hirers in sport and entertainment will need to be closely monitored.
2. The low unemployment rate in Western Australia, combined with the volatility of the live event industry, has impacted on the supply chain with casual shift acceptance rates down to 40% at times, as reliable and regular work has been hard to achieve. It will remain a challenge to scale the casual workforces up and down through the financial year and for the industry to then rebuild and acquire skills lost to alternative employers e.g., sound, lighting and video technicians; transport; logistics; rigging; and venue support services including catering and security.
3. The Government's significant investment in economic infrastructure projects as part of the State's COVID-19 Response has delivered additional funds for VenuesWest's capital works program. Venue upgrades and works over the next two financial years will deliver multiple projects including further investment into HBF Park for upgrades and temporary overlay to meet FIFA requirements to be a host venue for the 2023 FIFA Women's World Cup, and a new dry diving training centre at HBF Stadium as well as upgrades to amenities at several venues, including shared toilet facilities and air conditioning.
4. Construction of the rooftop attraction at Optus Stadium will deliver on the State's vision of a safe and accessible rooftop experience for all ages and abilities. This new and unique attraction will provide exhilarating experiences, and visitors and residents of Perth are expected to attend and take in the amazing views of our city and Swan River through to the hills.
5. Security remains a key aspect of delivering great venue experiences in an ever-changing environment and in addition to continually working with the Western Australia Police Force and other essential service providers, VenuesWest has commenced a program of infrastructure upgrades across its higher-profile venues to mitigate security threats. The organisational capacity and capability to prepare, react and recover from any public safety incident continues to be prominent. Regular monitoring of national threat levels and strong relationships with relevant security agencies will continue to be essential.

6. The findings from a full asset condition assessment audit of the portfolio are being utilised to prioritise VenuesWest's capital investment planning over the short, medium and longer term. This work, in conjunction with master planning, will guide VenuesWest's decisions across its large portfolio of State assets at various stages in their lifecycle. The condition of assets is critical to enable the generation of commercial revenues, whilst meeting world-class training and competition standards and planning for asset maintenance and renewal.
7. The integration of the physical and digital customer experiences continues with technology demands as customers embrace on-demand technology consumption, fan engagement and interactions using augmented reality, social media and interactive digital installations as well as delivery of services that seamlessly enhance the live event experience. The capacity for venues to generate new revenue streams as a result of improved technologies must be balanced with the need to manage cyber security threats.
8. Consumer concerns relating to the ticket resale market are expected to be addressed through the passing of new legislation and consumer education regarding the practices of scalpers which include utilisation of sophisticated software to bypass computer security systems to purchase large numbers of tickets. This practice has been the bane of the industry and it has necessarily driven the cost of greater monitoring efforts to minimise the detrimental impact on genuine fans who may miss out or pay hugely inflated prices for events.

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 VenuesWest's services, the desired outcomes and the relevant Government Goal. 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
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Sustainable, accessible and profitable State assets delivering sport, recreation and entertainment opportunities for Western Australians.	<ol style="list-style-type: none"> 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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Deliver Training and Competition Facilities for High Performance Sport.....	158,067	137,930	126,412	155,032	172,379	168,439	168,015
2. Provision of Venues and Precincts Delivering Quality Sport and Entertainment Experiences.....	80,792	74,178	73,225	70,270	83,185	77,672	77,796
Total Cost of Services.....	238,859	212,108	199,637	225,302	255,564	246,111	245,811

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 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.....	89%	89%	89%	89%	
High performance sport user satisfaction	90%	90%	92%	90%	
Level of patronage.....	4.1 million	3.2 million	4.2 million	4.5 million	1
Customer satisfaction.....	89%	90%	92%	90%	

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

Explanation of Significant Movements

(Notes)

- Changes to anticipated levels of patronage is explained by initial uncertainties of the impact of the COVID-19 pandemic on national and international travel which would have acted to prevent hosting of events at premium venues. Once the extent of the COVID-19 pandemic impacts on venue patronage was determined with more certainty, the levels were subsequently revised upwards reflecting the uplift in local market activity.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 158,067	\$'000 137,930	\$'000 126,412	\$'000 155,032	1
Less Income ^(a)	99,523	48,452	52,472	88,345	1
Net Cost of Service	58,544	89,478	73,940	66,687	
Employees (Full-Time Equivalents)	255	245	245	293	
Efficiency Indicators					
The subsidy VenuesWest provides to high performance sport and training competition ^(b)	65%	75%	56%	60%	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

(b) The calculation of the subsidy VenuesWest provides to high performance sport and training competition has been updated to exclude depreciation costs from the Total Cost of Service to align with the basis on which appropriation funding is provided.

Explanation of Significant Movements

(Notes)

- Numbers reflect the financial consequences of operating in a COVID-19 impacted environment with full recovery to pre-COVID-19 activity anticipated from 2022-23.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	80,792	74,178	73,225	70,270	
Less Income	50,895	46,237	30,610	34,013	
Net Cost of Service	29,897	27,941	42,615	36,257	
Employees (Full-Time Equivalents)	239	253	253	269	
Efficiency Indicators					
Commercial expense ratio	80%	68%	65%	82%	

Asset Investment Program

1. The Asset Investment Program for 2021-22 provides for the following significant expenditures:
 - 1.1. \$23.5 million to finalise the Optus Stadium construction contract;
 - 1.2. \$4.5 million to commence capital works at HBF Park Stadium in anticipation of hosting the 2023 FIFA Women's World Cup;
 - 1.3. \$3.8 million to replace the athletics track and other minor works at the WA Athletics Stadium;
 - 1.4. \$4.8 million to upgrade or replace technology infrastructure including ticketing management systems at Optus Stadium; and
 - 1.5. \$3.6 million on security infrastructure initiatives at Optus Stadium, HBF Park and RAC Arena.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Additional Upgrades and Maintenance.....	3,000	692	692	2,308	-	-	-
HBF Park.....	1,660	150	150	1,510	-	-	-
HBF Stadium.....	3,250	200	200	3,050	-	-	-
Optus Stadium - Additional Turf	1,000	500	-	500	-	-	-
Shade at Outdoor Pools	350	25	25	325	-	-	-
Other Works in Progress							
Capital Upgrades and Maintenance							
2020-21 Program.....	11,110	6,558	6,558	4,552	-	-	-
Optus Stadium							
Rooftop Climb Additional Funding.....	3,297	3,100	3,100	197	-	-	-
Computers and Office Equipment	24,312	4,241	751	4,773	4,510	3,266	7,522
Perth Motorplex Upgrades.....	1,708	1,685	467	23	-	-	-
Security Infrastructure Upgrades.....	11,517	4,356	1,536	3,550	-	3,611	-
WA Athletics Stadium.....	5,208	892	46	3,828	106	382	-
COMPLETED WORKS							
Capital Upgrades and Maintenance							
2018-19 Program.....	10,957	10,957	2,435	-	-	-	-
2019-20 Program.....	8,327	8,327	1,186	-	-	-	-
Optus Stadium Rooftop Climb Works.....	5,455	5,455	4,675	-	-	-	-
NEW WORKS							
COVID-19 Response							
Lighting Upgrades (HBF Stadium and HBF Arena).....	1,500	-	-	1,500	-	-	-
Other New Works							
Capital Upgrades and Maintenance							
2021-22 Program.....	10,110	-	-	10,110	-	-	-
2022-23 Program.....	10,110	-	-	-	10,110	-	-
2023-24 Program.....	13,165	-	-	-	-	13,165	-
2024-25 Program.....	10,110	-	-	-	-	-	10,110
HBF Park - Stadium Modifications to Host 2023 FIFA							
Women's World Cup	19,480	-	-	4,480	15,000	-	-
RAC Arena - Commercial Product Innovation	1,500	-	-	1,500	-	-	-
Optus Stadium Building Cost Finalisation.....	23,500	-	-	23,500	-	-	-
Total Cost of Asset Investment Program	180,626	47,138	21,821	65,706	29,726	20,424	17,632
FUNDED BY							
Capital Appropriation.....			18,987	21,984	25,867	16,289	12,932
Drawdowns from the Holding Account			4,700	6,200	4,700	4,700	4,700
Funding Included in Department of Treasury - Major							
State Infrastructure ^(a)			-	22,469	-	-	-
Internal Funds and Balances ^(b)			(1,866)	15,053	(841)	(565)	-
Total Funding.....			21,821	65,706	29,726	20,424	17,632

(a) Attributable to the settlement of the Optus Stadium contract dispute.

(b) Carryover of prior year capital funding and offsetting income for project initiatives.

Financial Statements

Income Statement

Expenses

1. The COVID-19 environment has had consequential impacts on operating activities across the venues. Reductions to expenses from the 2019-20 Actual to the 2020-21 Estimated Actual reflect variable cost savings due to limitations to operating activities. Changes to Supplies and services between the 2020-21 Budget and 2020-21 Estimated Actual is a function of revised assumptions during this period.
2. A notable change from the 2019-20 Actual and 2020-21 Budget to the 2020-21 Estimated Actual is the \$7.7 million saving on Finance and interest costs following the Optus Stadium lease refinancing initiative undertaken in March 2020.
3. The 2021-22 Budget Estimate contains assumptions on the continuing impact of COVID-19 at venues including the limited ability to host concerts but with unrestricted capacity for other sports events. For years beyond 2021-22 it is not anticipated that COVID-19 will significantly influence operating activities.

Income

4. The impact of COVID-19 has had significant implications for the higher profile venues. The ability to host international performers for concert events has been severely limited due to the pandemic. Consequently, revenues at both Optus Stadium and RAC Arena are reduced from the prior year. User charges and fees have also fallen due to periods of lockdowns impacting health and fitness venues.
5. Whilst a disruptive current environment has acted to reduce revenues compared to prior periods, the variable nature of the majority of costs means that the Net Cost of Services has remained consistent between the 2020-21 Budget and 2020-21 Estimated Actual. The 2021-22 Budget Estimate contains assumptions that consider the continuing impact of COVID-19 at venues including the limited ability to host concerts but with unrestricted capacity for other sports events. From 2022-23 it is anticipated that there will be a return to a pre-COVID-19 operating model to limit reliance on service appropriations from Government to fund VenuesWest.

Statement of Cashflows

6. Net cash provided by State Government is increased in the 2021-22 Budget Estimate compared to the 2020-21 Budget due to funding provided to finalise settlement of the Optus Stadium build contract.
7. Receipts in the 2021-22 Budget Estimate reflect continuing COVID-19 impact assumptions before resuming to pre-COVID-19 levels of activity in subsequent years.
8. Variable components of cash payments in the 2021-22 Budget Estimate are moderated by the restriction to activity resulting from the COVID-19 operating environment.
9. Cash outflows in excess of inflows in the 2021-22 Budget Estimate are being met by cash balances held.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	48,969	44,916	43,383	49,321	55,866	56,173	56,458
Grants and subsidies ^(c)	16	-	-	-	-	-	-
Supplies and services	59,813	44,029	40,910	60,069	75,708	75,736	75,736
Accommodation	12,329	9,094	9,094	9,948	11,572	11,859	11,859
Depreciation and amortisation	73,735	71,933	71,924	71,921	71,921	72,014	72,014
Finance and interest costs	27,299	26,910	19,177	18,767	18,340	17,934	17,325
Other expenses	16,698	15,226	15,149	15,276	22,157	12,395	12,419
TOTAL COST OF SERVICES	238,859	212,108	199,637	225,302	255,564	246,111	245,811
Income							
Sale of goods and services	99,919	75,231	63,624	99,433	124,246	124,387	124,391
Grants and subsidies	1,526	-	-	-	-	-	-
Other revenue	48,973	19,458	19,458	22,925	42,841	42,841	42,841
Total Income	150,418	94,689	83,082	122,358	167,087	167,228	167,232
NET COST OF SERVICES ^(d)	88,441	117,419	116,555	102,944	88,477	78,883	78,579
INCOME FROM STATE GOVERNMENT							
Service appropriations	116,649	120,183	112,450	102,204	85,330	75,808	75,504
Other revenues	493	226	226	3,348	154	430	430
TOTAL INCOME FROM STATE GOVERNMENT	117,142	120,409	112,676	105,552	85,484	76,238	75,934
SURPLUS/(DEFICIENCY) FOR THE PERIOD	28,701	2,990	(3,879)	2,608	(2,993)	(2,645)	(2,645)

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 494, 498 and 562 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Contracted Costs Paid in Relation to Sponsorship Arrangements	16	-	-	-	-	-	-
TOTAL	16	-	-	-	-	-	-

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CURRENT ASSETS							
Cash assets ^(b)	58,964	55,426	57,005	44,611	42,510	40,482	37,824
Restricted cash	894	894	894	894	894	894	894
Holding account receivables	4,700	4,700	4,700	6,200	6,200	6,200	6,200
Receivables	10,592	7,121	10,592	10,592	10,592	10,592	10,592
Other	3,316	11,183	3,316	3,316	3,316	3,316	3,316
Total current assets	78,466	79,324	76,507	65,613	63,512	61,484	58,826
NON-CURRENT ASSETS							
Holding account receivables ^(c)	278,930	346,100	346,100	410,270	477,440	544,678	611,308
Property, plant and equipment	1,809,947	1,760,505	1,755,437	1,742,114	1,690,966	1,639,470	1,585,683
Intangibles	1,566	1,566	1,566	1,566	1,566	1,566	1,566
Total non-current assets	2,090,443	2,108,171	2,103,103	2,153,950	2,169,972	2,185,714	2,198,557
TOTAL ASSETS	2,168,909	2,187,495	2,179,610	2,219,563	2,233,484	2,247,198	2,257,383
CURRENT LIABILITIES							
Employee provisions	4,773	4,697	4,773	4,773	4,773	4,773	4,773
Payables	1,679	4,999	1,679	1,679	1,679	1,679	1,679
Borrowings and leases	7,774	8,372	8,377	9,861	12,455	19,593	19,596
Other	30,462	30,538	30,462	30,462	30,462	30,462	30,462
Total current liabilities	44,688	48,606	45,291	46,775	49,369	56,507	56,510
NON-CURRENT LIABILITIES							
Employee provisions	1,685	1,685	1,685	1,685	1,685	1,685	1,685
Borrowings and leases ^(d)	354,272	351,676	346,880	338,463	328,897	315,032	303,936
Total non-current liabilities	355,957	353,361	348,565	340,148	330,582	316,717	305,621
TOTAL LIABILITIES	400,645	401,967	393,856	386,923	379,951	373,224	362,131
EQUITY							
Contributed equity	1,597,350	1,615,362	1,623,183	1,674,646	1,707,568	1,730,654	1,754,577
Accumulated surplus/(deficit)	97,772	101,488	93,893	96,501	93,508	90,863	88,218
Reserves	73,142	68,678	68,678	61,493	52,457	52,457	52,457
Total equity	1,768,264	1,785,528	1,785,754	1,832,640	1,853,533	1,873,974	1,895,252
TOTAL LIABILITIES AND EQUITY	2,168,909	2,187,495	2,179,610	2,219,563	2,233,484	2,247,198	2,257,383

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

(b) Reductions to service appropriations received from State Government in 2021-22 combined with expenditure of carried over capital appropriations is anticipated to reduce cash assets held at 30 June 2022 by \$12.4 million.

(c) The Holding account receivable reflects incremental depreciation cost reimbursed through the Treasury held receivable.

(d) Borrowings and leases reduce in accordance with capital repayments scheduled for the Optus lease arrangement.

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	49,750	48,313	40,580	30,334	13,460	3,870	4,174
Capital appropriation.....	13,520	17,924	25,745	28,906	32,826	22,930	23,923
Holding account drawdowns.....	4,700	4,700	4,700	6,200	4,700	4,700	4,700
Other.....	533	226	226	25,817	154	430	430
Net cash provided by State Government	68,503	71,163	71,251	91,257	51,140	31,930	33,227
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(50,376)	(44,916)	(43,383)	(49,321)	(55,866)	(56,173)	(56,458)
Supplies and services.....	(66,151)	(42,635)	(39,516)	(58,766)	(74,400)	(74,428)	(75,116)
Accommodation.....	(12,329)	(9,122)	(9,122)	(9,977)	(11,601)	(11,991)	(11,991)
GST payments.....	(19,350)	(1,460)	(1,460)	(1,460)	(1,460)	(1,460)	(1,460)
Finance and interest costs.....	(27,295)	(26,909)	(19,176)	(18,766)	(18,340)	(17,928)	(17,304)
Other payments ^(c)	(21,806)	(16,593)	(16,516)	(16,551)	(23,436)	(13,601)	(13,625)
Receipts							
Sale of goods and services.....	54,873	63,171	51,564	117,955	139,961	140,102	140,106
GST receipts.....	17,313	1,460	1,460	1,460	1,460	1,460	1,460
Other receipts ^(d)	31,374	31,518	31,518	4,403	27,126	27,126	27,126
Net cash from operating activities.....	(93,747)	(45,486)	(44,631)	(31,023)	(16,556)	(6,893)	(7,262)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(15,738)	(26,897)	(21,821)	(65,706)	(29,726)	(20,424)	(17,632)
Net cash from investing activities	(15,738)	(26,897)	(21,821)	(65,706)	(29,726)	(20,424)	(17,632)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(7,663)	(1,968)	(6,758)	(6,922)	(6,959)	(6,641)	(10,991)
Net cash from financing activities	(7,663)	(1,968)	(6,758)	(6,922)	(6,959)	(6,641)	(10,991)
NET INCREASE/(DECREASE) IN CASH HELD.....	(48,645)	(3,188)	(1,959)	(12,394)	(2,101)	(2,028)	(2,658)
Cash assets at the beginning of the reporting period	108,512	59,508	59,858	57,899	45,505	43,404	41,376
Net cash transferred to/from other agencies	(9)	-	-	-	-	-	-
Cash assets at the end of the reporting period	59,858	56,320	57,899	45,505	43,404	41,376	38,718

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(c) Includes payroll tax, advertising and promotion, operating lease payments, insurance premiums, recharged and rebated expenses and event costs.

(d) Includes sponsorship income, supplier rights, volume rebates, recoveries, commissions, event revenues and tours.

Western Australian Institute of Sport

Part 8 Community Services

Asset Investment Program

1. The 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 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - 2020-21 Program	143	143	143	-	-	-	-
NEW WORKS							
Asset Replacement							
2021-22 Program.....	143	-	-	143	-	-	-
2022-23 Program.....	143	-	-	-	143	-	-
2023-24 Program.....	143	-	-	-	-	143	-
2024-25 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

1. Over the forward estimates period, Lotterywest will invest:

- 1.1. \$2.6 million developing business operating systems, \$2.1 million in maintaining and enhancing gaming products and services, and \$15 million on renewal of the central gaming system;
- 1.2. \$6.2 million maintaining and replacing information and communications technology infrastructure, core systems and environments;
- 1.3. \$1.7 million to replace the existing grants management system with a contemporary solution that can integrate grant systems for Lotterywest and Healthway; and
- 1.4. \$1.2 million to renew and maintain plant and equipment, including voice communications.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
Business System Program	2,652	26	26	1,226	450	500	450
Gaming System Program	3,028	928	750	800	800	250	250
Information and Communications Technology Infrastructure Programs	9,713	3,555	1,231	2,558	1,050	850	1,700
Plant and Equipment Program	1,328	128	128	200	450	250	300
NEW WORKS							
Gaming System Renewal	15,000	-	-	-	-	5,000	10,000
Grant System Renewal	1,675	-	-	1,525	150	-	-
Total Cost of Asset Investment Program	33,396	4,637	2,135	6,309	2,900	6,850	12,700
FUNDED BY							
Internal Funds and Balances			2,135	6,309	2,900	6,850	12,700
Total Funding			2,135	6,309	2,900	6,850	12,700

Metropolitan Cemeteries Board

Part 8 Community Services

Asset Investment Program

1. The Board's Asset Investment Program (AIP) totals \$38.3 million over the forward estimates period and continues to provide for quality public cemetery services to meet increasing community expectations and demand. The AIP supports the Board's strategic goal to ensure the State's metropolitan cemetery system remains financially sustainable.
2. In 2021-22, the AIP totals \$9.3 million and is focused on upgrading critical cremator equipment, continued investment in improving key business information systems, and cemetery grounds development for burial and memorial services, including the infrastructure upgrades of amenities on all sites.
3. Across the forward estimates period, the AIP provides for new building works for mausoleum assets in Fremantle, the replacement of cremators, ongoing programs to update information and communications technology, and other cemetery capital works. These works support the delivery of the Board's essential services and improve access to the State's metropolitan cemeteries for the benefit of the community, industry and Government.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COMPLETED WORKS							
Building and Infrastructure - 2020-21 Program.....	1,949	1,949	1,949	-	-	-	-
Burials, Entombments and Memorials - 2020-21 Program....	636	636	636	-	-	-	-
Cremators - 2020-21 Program.....	395	395	395	-	-	-	-
Fleet, Plant and Equipment - 2020-21 Program	1,340	1,340	1,340	-	-	-	-
NEW WORKS							
Building and Infrastructure							
2021-22 Program.....	3,479	-	-	3,479	-	-	-
2022-23 Program.....	5,514	-	-	-	5,514	-	-
2023-24 Program.....	7,205	-	-	-	-	7,205	-
2024-25 Program.....	7,540	-	-	-	-	-	7,540
Burials, Entombments and Memorials							
2021-22 Program.....	1,110	-	-	1,110	-	-	-
2022-23 Program.....	744	-	-	-	744	-	-
2023-24 Program.....	1,075	-	-	-	-	1,075	-
2024-25 Program.....	747	-	-	-	-	-	747
Cremators							
2021-22 Program.....	3,350	-	-	3,350	-	-	-
2022-23 Program.....	1,875	-	-	-	1,875	-	-
Fleet, Plant and Equipment							
2021-22 Program.....	1,390	-	-	1,390	-	-	-
2022-23 Program.....	1,520	-	-	-	1,520	-	-
2023-24 Program.....	1,373	-	-	-	-	1,373	-
2024-25 Program.....	1,366	-	-	-	-	-	1,366
Total Cost of Asset Investment Program	42,608	4,320	4,320	9,329	9,653	9,653	9,653
FUNDED BY							
Internal Funds and Balances.....			4,320	9,329	9,653	9,653	9,653
Total Funding.....			4,320	9,329	9,653	9,653	9,653

Part 9

Transport

Introduction

The Transport portfolio delivers an accessible, reliable and safe transport system across all modes of transport, including road, rail, bus, ferry, freight, shipping, boating, cycling and active transport. It ensures an integrated transport network that facilitates economic and regional development, and focuses on long-term planning and investment in transport infrastructure for the State's future.

Summary of Recurrent and Asset Investment Expenditure

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Transport		
– Total Cost of Services	456,038	562,908
– Asset Investment Program	31,477	48,217
Commissioner of Main Roads		
– Total Cost of Services	1,287,551	1,376,722
– Asset Investment Program	1,448,842	1,587,689
Public Transport Authority of Western Australia		
– Total Cost of Services	1,718,627	1,907,810
– Asset Investment Program	1,159,988	1,585,800
METRONET Projects Under Development		
– Asset Investment Program	-	85,641
Fremantle Port Authority		
– Asset Investment Program	13,938	75,107

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Kimberley Ports Authority		
– Asset Investment Program	4,262	2,736
Mid West Ports Authority		
– Asset Investment Program	9,216	21,377
Pilbara Ports Authority		
– Asset Investment Program	31,347	140,542
Southern Ports Authority		
– Asset Investment Program	12,583	29,247

Ministerial Responsibilities

Minister	Agency	Services
Minister for Transport; Planning; Ports	Transport	<ol style="list-style-type: none"> 1. Strategic Transport Policy and Integrated Planning 2. Driver and Vehicle Services 3. Maritime 4. On-demand Transport
	Commissioner of Main Roads	<ol style="list-style-type: none"> 1. Infrastructure for State Development 2. Road Safety 3. Infrastructure for Community Access 4. Road System Management 5. Road Efficiency Improvements 6. Road Network Maintenance
	Public Transport Authority of Western Australia	<ol style="list-style-type: none"> 1. Metropolitan and Regional Passenger Services 2. Country Passenger Rail and Road Coach Services 3. Regional School Bus Services 4. Rail Corridor and Residual Freight Issues Management
	METRONET Projects Under Development	n/a
	Fremantle Port Authority	n/a
	Kimberley Ports Authority	n/a
	Mid West Ports Authority	n/a
	Pilbara Ports Authority	n/a
	Southern Ports Authority	n/a

Division 39 Transport

Part 9 Transport

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 80 Net amount appropriated to deliver services	225,256	96,817	107,107	87,505	94,273	70,211	50,347
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	894	894	894	896	899	901	903
Total appropriations provided to deliver services	226,150	97,711	108,001	88,401	95,172	71,112	51,250
ADMINISTERED TRANSACTIONS							
Item 81 Western Australian Coastal Shipping Commission.....	100	100	100	100	100	100	100
CAPITAL							
Item 141 Capital Appropriation ^(a)	15,122	37,952	32,763	426,020	36,702	22,227	21,828
TOTAL APPROPRIATIONS	241,372	135,763	140,864	514,521	131,974	93,439	73,178
EXPENSES							
Total Cost of Services	559,997	477,568	456,038	562,908	572,112	541,175	526,799
Net Cost of Services ^{(b) (c)}	256,061	187,233	164,751	215,691	175,767	151,698	141,289
CASH ASSETS ^(d)	201,399	216,179	261,715	630,502	501,893	385,741	319,611

- (a) The significant increase in Capital Appropriation in the 2021-22 Budget is primarily due to the establishment of a new Westport Special Purpose Account to be administered by the Department.
- (b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.
- (c) 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.
- (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 Department's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Cycling Package.....	-	5,335	6,214	5,055	56
Drummond Cove Coastal Erosion Project and Boat Launching Facility	-	204	389	1,091	1,523
METRONET					
North-East Rapid Transit Feasibility Study	-	500	1,500	3,000	-
Wanneroo Activity Corridor.....	-	100	900	-	-
Regional Airfare Zone Cap for Regional Residents.....	(2,435)	(815)	6,600	6,497	6,418
COVID-19 Response					
COVID-19 Information Call Centre	2,122	1,420	-	-	-
New Initiatives					
Barrack Square - Jetty 1 Replacement (Planning)	-	250	-	-	-
Carnarvon One-Mile Jetty - Partial Demolition of Jetty	-	4,200	-	-	-
Improve Access and Equity for Learner Drivers Pilot	-	4,900	-	-	-
Kalgoorlie Rail Realignment	-	-	1,500	1,000	-
Kenwick Intermodal Terminal Development	-	-	10,000	-	-
National Disability Insurance Scheme Worker Screening Unit	332	559	492	501	501
National Partnership Agreement for Recreational Fishing and Camping Facilities.....	-	795	795	-	-
Transfer to Department of Primary Industries and Regional Development for the Australian Underwater Discovery Centre.....	-	(9,500)	-	-	-
Transfers to Public Transport Authority					
CAT Bus Service Expansion Trial.....	-	3,142	2,120	1,082	-
Purple CAT Bus Service	-	1,917	2,883	2,941	3,000
Tunnel Monitoring System	-	4,200	4,200	200	200
Western Australia Agricultural Supply Chain Improvements ^(a)	-	10,000	50,000	59,000	59,000
Vehicle Immobilisation, Vehicle Removal and Detention.....	289	600	608	616	616
Ongoing Initiatives					
Coastal Erosion Hotspots (CoastWA) ^(b)	-	3,098	4,505	2,684	2,396
METRONET - Program Management Costs	1,658	2,192	3,383	3,933	1,189
Westport Project Staff - Transfer to Department of Primary Industries and Regional Development	50	3,703	(175)	(4,609)	-
Other					
Coastal Adaptation - Capital to Recurrent	3,150	1,850	-	-	-
Connecting Schools Grant Program.....	15	-	-	-	-
Country Age Pension Fuel Card.....	(1,500)	-	-	-	-
Government Office Accommodation.....	(62)	(54)	(44)	(34)	(4)
Indian Ocean Territories Revised Funding Arrangements.....	231	231	231	231	231
Regional Workers Incentives Allowance.....	(50)	-	-	-	-
Soldiers Road Shared Path - Capital to Recurrent	2,000	1,000	-	-	-
Speed Enforcement Administration Costs.....	-	(423)	(423)	(423)	(423)
2021-22 Tariffs, Fees and Charges.....	-	11,099	164	989	12,712
Taxi User Subsidy Scheme and Taxi User Co-Payment	1,743	-	-	-	-
Transfer of Wyndham, Derby and Yampi Sound Ports to Kimberley Ports Authority	-	(3,532)	(3,528)	(3,476)	(3,476)

(a) Includes \$827,000 to be retained by the Department to support the assessment of projects considered for funding through the program.

(b) Includes \$4 million transferred from the Department of Planning, Lands and Heritage.

Significant Issues Impacting the Agency

Coastal Protection

1. CoastWA will facilitate the management of coastal erosion hotspots along the Western Australian coastline and includes the provision of grants to local governments for this purpose. The Department will spend an additional \$12.7 million over 2021-22 to 2024-25 on the assessment of hotspots and data acquisition.

Freight

2. The Department is planning and implementing initiatives to improve the performance of the metropolitan freight network, enhance the utilisation of rail for freight, manage environmental and social externalities, and future proof the network for freight requirements, in the context of a future transition to a new container port in Kwinana.
3. The Department is working with industry to improve the competitiveness of rail for carrying containers in and out of Fremantle Port's Inner Harbour. The current rail subsidy is \$50 per twenty-foot equivalent unit container.
4. The Department continues to work with industry and the community to identify and deliver rail, intermodal and road infrastructure projects that will enhance supply chains in regional Western Australia.

Western Australia Agricultural Supply Chain Improvements

5. The Department will work with Transport Portfolio agencies on the Western Australia Agricultural Supply Chain Improvements Program. This program targets rail and road upgrades to improve the performance of the freight network. The program considers freight (with a key focus on grain) pathways to port across the Wheatbelt, Mid-West, Great Southern and Goldfields-Esperance regions.

Regional Airfare Zone Cap for Regional Residents

6. The Government is committed to make regional flights more affordable. A total of \$19.8 million (partially offset by \$3.5 million which has been internally reprioritised) will be spent over 2021-22 to 2024-25 to provide a two-zone airfare cap for regional residents. Under the scheme, residents of regional communities less than 1,000 km driving distance from Perth will pay no more than \$199 one-way, and those over 1,000 km driving distance a maximum of \$299 one-way.

Cycling Package

7. The Government has allocated an additional \$16.7 million over 2021-22 to 2024-25 to provide grants to local governments to improve the cycling network. Key projects include expanding and upgrading the Hillarys cycle network, Geraldton cycling network, Railway Avenue (Kelmescott), Rosedale Road Shared Path, Koondoola-Wanneroo Bike Path, and Gngara Shared Path.

Maritime

8. The Department will spend \$4.2 million in 2021-22 to remove a section of the Carnarvon One-Mile Jetty that was irreparably damaged due to Severe Tropical Cyclone Seroja. The damaged sections and debris present a risk to marine safety and will be removed in 2021-22.

COVID-19 Response

9. The Department will continue to operate the COVID-19 Information Call Centre for 2021-22 on behalf of the Western Australia Police Force.

Westport

10. The Westport Office is progressing a business case for a new port in Kwinana, which will unlock Western Australia's economic growth, deliver local jobs and opportunities in the southern suburbs and support the evolution of Fremantle. The Westport Office will work closely with stakeholders to ensure its outcomes complement the new economic and land-use development opportunities being pursued through the Western Trade Coast and Future of Fremantle initiatives.
11. The Department will also administer the new Westport Special Purpose Account. The initial funding of \$400 million will accelerate enabling works and strategically secure land over the forward estimates period for future Westport port and freight-related uses.

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 Department's services, the desired outcomes and the relevant Government Goal. 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
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Integrated transport systems that facilitate economic development.	1. Strategic Transport Policy and Integrated Planning
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Vehicles and road users that meet established vehicle standards, driver competencies and identify requirements to deliver safe vehicles, safe drivers and secure identities.	2. Driver and Vehicle Services
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	An accessible and safe transport system.	3. Maritime 4. On-demand Transport

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Strategic Transport Policy and Integrated Planning.....	109,617	122,299	100,400	189,502	224,580	188,296	162,668
2. Driver and Vehicle Services.....	202,427	221,460	222,100	233,917	219,007	225,256	236,934
3. Maritime.....	97,894	101,610	99,609	112,056	101,108	99,934	99,441
4. On-demand Transport	150,059	32,199	33,929	27,433	27,417	27,689	27,756
Total Cost of Services.....	559,997	477,568	456,038	562,908	572,112	541,175	526,799

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 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	20%	20.3%	18.4%	20%	1
Percentage of regional Local Government Areas (LGAs) that have access to regular public transport air services between the LGA and Perth	91.4%	91.4%	91.4%	91.4%	
Outcome: Vehicles and road users that meet established vehicle standards, driver competencies and identify requirements to deliver safe vehicles, safe drivers and secure identities:					
Percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles)	93.5%	100%	97.3%	100%	
Percentage of driver licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers)	96.8%	100%	99.8%	100%	
Percentage of identity credentials compliant with the required standard of biometric quality	n/a	93%	99.5%	93%	
Outcome: An accessible and safe transport system:					
Percentage of wheelchair accessible vehicle taxi journeys carrying passengers in wheelchairs which meet the waiting time standard	98.5%	95%	98.4%	95%	
Percentage of time maritime infrastructure is fit for purpose when required	99%	99.7%	98.6%	99.9%	
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels	10.2	10	11.8	11	2
Percentage of audited authorised on-demand booking services compliant with safety requirements	n/a	45%	24%	60%	3

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

Explanation of Significant Movements**(Notes)**

1. The variance between the 2020-21 Budget and the 2020-21 Estimated Actual was due to the impact of COVID-19 on the decrease in rail container volumes to and from Fremantle Port, and a delay to the Kewdale Freight Terminal becoming operational.
2. The variance between the 2020-21 Budget and the 2020-21 Estimated Actual was due to increased boating activity and congestion on Western Australian waters as a result of COVID-19, which resulted in an increase in minor incidents.
3. The variance between the 2020-21 Budget and the 2020-21 Estimated Actual was due to a significant impact on travel patterns and business models across Western Australia as a result of COVID-19, which resulted in a lower number of audits initiated.

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 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	109,617	122,299	100,400	189,502	1, 2
Less Income ^(a)	56,158	51,190	51,190	80,243	1
Net Cost of Service	53,459	71,109	49,210	109,259	
Employees (Full-Time Equivalents)	141	179	152	190	1
Efficiency Indicators					
Average cost per hour for strategic policy development and integrated transport planning	n/a	\$150	\$133	\$143	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service, Income and Full-Time Equivalents (FTEs) between the 2020-21 Estimated Actual and the 2021-22 Budget is primarily attributable to the work being undertaken for the Perth City Deal Project, including the Causeway Cyclist and Pedestrian Bridge, grants to local governments to improve the cycling network, introduction of the Purple CAT Bus Service, a new project to improve the performance of the grain freight network in the agricultural regions of Western Australia and progressing a business case to consider a new port in Kwinana.
2. The decrease in the Total Cost of Service between the 2020-21 Budget and the 2020-21 Estimated Actual is due to project carryovers including the Perth City Deal, Principal Shared Path Program, Westport project and funding allocated to regional aviation projects.

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 Commonwealth and Government requirements, examining motor vehicles for compliance with those standards and registering and transferring compliant motor vehicles;
- setting standards and requirements for the enrolment and management of driver's licences and identity credentials, in accordance with Government legislation and national identity, and security and privacy policies;
- assessing driver competency, issuing and renewing driver's licences in accordance with Commonwealth and 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 202,427	\$'000 221,460	\$'000 222,100	\$'000 233,917	1
Less Income ^(a)	179,165	181,663	181,894	193,377	1
Net Cost of Service	23,262	39,797	40,206	40,540	
Employees (Full-Time Equivalents)	963	940	1,013	1,034	1
Efficiency Indicators					
Average cost per vehicle and driver transaction	\$17	\$19	\$19	\$19	
Average cost per vehicle inspection performed by vehicle examination centres	\$120	\$118	\$118	\$204	2
Average cost per vehicle inspection delivered through Authorised Inspection Stations	\$142	\$135	\$122	\$160	3
Average cost per driver assessment	\$114	\$99	\$96	\$106	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service, Income and FTEs from the 2020-21 Estimated Actual to the 2021-22 Budget Target is primarily attributable to the cost of operating the COVID-19 Information Call Centre and the pilot program to help young people in regional Western Australia gain their driver's licence.
2. The increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is due to a change in the classification of costs.
3. The increase in the 2021-22 Budget Target compared to the 2020-21 Estimated Actual is due to an increase in Authorised Inspection Station service fees.

3. Maritime

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

- licensing and registration of recreational vessels, moorings, jetties, ferries, recreational skippers and marine pilots;
- regulation and administration of marine operations, including on-water compliance and marine safety education;
- planning, building and managing new and existing land and water-based facilities for the use of the community as well as recreational and commercial vessel owners;
- provision of coastal engineering advice and solutions for new and existing land and water-based maritime facilities;
- provision of oceanographic, cartographic and geographic information; and
- marine protection through a hazard management response team.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	97,894	101,610	99,609	112,056	1
Less Income ^(a)	65,569	53,232	53,854	67,322	1
Net Cost of Service	32,325	48,378	45,755	44,734	
Employees (Full-Time Equivalents)	233	237	244	248	1
Efficiency Indicators					
Average cost per day per maritime infrastructure asset managed	\$91	\$89	\$91	\$105	2
Average cost per private recreational vessel registration	\$157	\$140	\$131	\$151	3
Cost to maintain marine pollution response preparedness per registered vessel	\$40	\$35	\$33	\$33	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service, Income and FTEs between the 2020-21 Estimated Actual and the 2021-22 Budget Target is primarily attributable to the removal of a section of the Carnarvon One-mile Jetty damaged by Severe Tropical Cyclone Seroja and the management of coastal erosion hotspots along the Western Australian coastline.
2. The increase between the 2020-21 Estimated Actual and the 2021-22 Budget Target is primarily due to the increase in asset repair and maintenance and dredging costs.
3. The increase between the 2020-21 Estimated Actual and the 2021-22 Budget Target is primarily due to the realignment of repairs and maintenance expenses.

4. 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;
- authorising on-demand booking services;
- administering subsidies for taxi users, student and pensioner travel schemes; and
- investigating complaints from on-demand transport patrons, operators and drivers.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 150,059	\$'000 32,199	\$'000 33,929	\$'000 27,433	1
Less Income ^(a)	3,044	4,250	4,349	6,275	2
Net Cost of Service	147,015	27,949	29,580	21,158	
Employees (Full-Time Equivalents)	55	57	52	54	
Efficiency Indicators					
Cost per on-demand transport authorisation	\$260	\$107	\$184	\$202	3

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service in the 2021-22 Budget Target compared to the 2020-21 Budget and the 2020-21 Estimated Actual is primarily due to \$6 million of assistance given to regional taxi licence holders in 2020-21.
2. The increase in Income in the 2021-22 Budget Target compared to the 2020-21 Budget and the 2020-21 Estimated Actual is due to the 12 month fee waiver for Passenger Transport Vehicles in 2020-21 as part of the On-demand Taxi Industry COVID-19 Relief Package.
3. The increase in the 2021-22 Budget Target compared to the 2020-21 Budget and the 2020-21 Estimated Actual is due to a significant reduction in transaction volumes for Passenger Transport Driver Authorisations as amendments to legislation have removed the requirement for some 'F' extension holders (for example teachers and volunteers) to apply for the authorisation.

Asset Investment Program

1. The Department's Asset Investment Program for 2021-22 is \$48.2 million. Major projects are summarised below.

Election Commitment

Broome Boating Facility

2. The Department has progressed the planning and design work required before constructing a new boating facility at Broome's Entrance Point. The project will improve marine infrastructure and safety. The planned works include four sheltered boat ramp lanes, two finger jetties, expanded parking for 160 trailers and 60 cars, tour coach access and a detached breakwater. The Government has provisioned \$36.3 million over 2022-23 to 2024-25, pending confirmation of a third-party contribution for the remaining funding.

COVID-19 Response

Albany Waterfront Marina - Toll Place Services and Lighting Upgrades

3. The Department has identified an opportunity to attract new business to the Albany Waterfront Marina. Extension of critical services such as power, water, sewer and communications promotes further development within the harbour and enables third-party development through commercial leases. In addition, the Department upgraded street lighting along Toll Place with new poles and energy-efficient LED lights during 2020-21, reducing ongoing operating and maintenance costs. Throughout 2021-22, the Department will continue to work with the proponent to develop a suitable detailed design for the services extension and complete the works.

Carnarvon Fascine Entrance

4. With ongoing limitations to vessel access through the Carnarvon Fascine, a solution to relocate selected vessels to the Carnarvon Boat Harbour will be implemented. Construction of new floating pens to accommodate these relocated vessels will restore access to the ocean while a long-term solution for the Carnarvon Fascine is further investigated. A contract for the design and construction of new boat pens within Carnarvon Boat Harbour was awarded on 21 July 2021, with works progressing over a seven month period.

Geraldton - Fast Speed Ferry Jetty

5. The construction of a new ferry jetty and associated landside infrastructure off the Geraldton Port's eastern breakwater and an additional floating pontoon within the Batavia Coast Marina was identified to support charter vessels, providing marine tourism opportunities along the Batavia Coast and to the Abrolhos Islands.

Fremantle Fishing Boat Harbour and Commercial Precinct - Replacement of Electrical Infrastructure

6. The Department is responsible for providing and maintaining both medium and low voltage electrical infrastructure within the Fremantle Fishing Boat Harbour. This infrastructure currently supplies all public areas and facilities as well as a multitude of commercial tenancies. This project will replace the ageing electrical infrastructure, resulting in significant safety and reliability benefits. Throughout 2021-22, the Department will commence stakeholder engagement and detailed design with most of the construction works to occur in off-peak periods (winter) commencing from late 2021-22 with completion in 2023-24.

Hillarys Boat Harbour - Jetties F, G, H and J

7. As part of an ongoing program of metropolitan jetty replacements, the Department will replace the last original remaining floating jetties at Hillarys Boat Harbour, Jetties F, G, H and J. The existing jetties will be progressively replaced with modern floating pens of a standard similar to other recently completed jetty replacements at the harbour. In 2021-22, a design and construct contract will be released to public tender, with works commencing in a staged approach.

Redevelopment of Woodman Point Jetty

8. This project involves the replacement of the deteriorated recreational jetty located at Woodman Point, which is now over 80 years old. The jetty is one of Perth's most popular recreational fishing spots and a very popular underwater diving destination. The Department will remove the old jetty deck while retaining the below water structure to preserve the important marine biota and dive amenity. A new jetty will be constructed to enable continued safe recreational access for the community to the waters of Cockburn Sound. Throughout 2021-22, further public consultation will occur before selecting the replacement option and proceeding with a detailed design.

Others*Emu Point Boat Harbour - Jetty B Remediation*

9. Jetty B at Emu Point was originally constructed in 1971 and has been in service for 50 years. The jetty currently provides berthing and mooring facilities for recreation vessels ranging from 12 metres to 15 metres. The Department will undertake a \$1 million refurbishment of Jetty B in 2021-22 to restore full access to the jetty, and mooring facilities.

Onslow (Beadon Creek) Maritime Facility

10. The Shire of Ashburton and the Department will undertake an \$8.5 million project to deliver a new community boating precinct within the Onslow (Beadon Creek) Maritime Facility. The Department will deliver Stage 1 on the Shire's behalf, including a new relocated two-lane boat ramp, dredged basin, rock revetments, and minor landside works, greatly improving the boat launching experience in Onslow. Stage 1 works will be completed in 2021-22.

Maritime Facilities Program

11. This program comprises asset replacement and additional public maritime infrastructure throughout the State to meet current and future boating requirements. Significant projects being delivered throughout 2021-22 include the continuation of improvements at Two Rocks Marina with the demolition of the two end of life service depot buildings, upgrade of services including firefighting and improvements to public amenity through landscaping works and public toilets in the southern boat launching precinct.

Navigational Aids Program

12. The Department is responsible for managing 1,400 navigational aids throughout State waters and has an annual program to install, replace or upgrade end of life assets to maintain boating navigational safety. In 2021-22, various navigational aids that have reached the end of life will be replaced.

Driver and Vehicle Services Reform Program

13. 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.

Information and Communications Infrastructure

14. This program undertakes development, expansion and ongoing maintenance of information and communications infrastructure and applications for the effective and sustainable delivery of the Department's services as well as shared projects on behalf of the Department of Planning, Lands and Heritage, and other partners. The Department is transitioning to cloud computing services, including virtual servers, storage and database administration.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Maritime							
Albany Waterfront Marina	400	153	153	247	-	-	-
Carnarvon Fascine Entrance	2,500	62	62	2,438	-	-	-
Fremantle Fishing Boat Harbour and Commercial Precinct - Replacement of Electrical Infrastructure	5,900	30	30	2,239	2,541	1,085	5
Hillarys Boat Harbour - Jetties F, G, H, and J	6,800	7	7	2,043	4,000	750	-
Redevelopment of Woodman Point Jetty	9,690	181	181	2,509	7,000	-	-
Other Works in Progress							
Driver and Vehicle Services - ServiceWA Pilot	1,803	1,782	508	21	-	-	-
Maritime							
Onslow (Beadon Creek) Maritime Facility	8,455	500	500	7,905	50	-	-
Vessel and Vehicle Replacement Program - 2020-21 Program	530	332	332	198	-	-	-
COMPLETED WORKS							
Business Information Systems - Information and Communications Infrastructure - 2020-21 Program							
Corporate - Accommodation and Refurbishment 2020-21 Program	690	690	690	-	-	-	-
Driver and Vehicle Services							
Intergovernmental Agreement on Identity Matching Services	2,543	2,543	1,191	-	-	-	-
Reform Program - 2020-21 Program	4,427	4,427	4,427	-	-	-	-
Maritime							
Facilities Program - 2020-21 Program	10,531	10,531	10,531	-	-	-	-
Marine Oil Pollution Response Equipment 2020-21 Program	131	131	131	-	-	-	-
Navigational Aids Program - 2020-21 Program	686	686	686	-	-	-	-
Transforming Bunbury's Waterfront - Stage 2 (Jetty Road)	9,877	9,877	1,645	-	-	-	-
Minor Works - 2020-21 Program	1,072	1,072	1,072	-	-	-	-
On-demand Transport - Business System Enhancement ...	14,300	14,300	3,685	-	-	-	-
NEW WORKS							
Election Commitments							
Maritime - Broome Boating Facility	36,306	-	-	-	596	16,218	19,492
COVID-19 Response							
Maritime - Geraldton - Fast Speed Ferry Jetty	3,400	-	-	3,400	-	-	-
Other New Works							
Business Information Systems - Information and Communications Infrastructure							
2021-22 Program	6,011	-	-	6,011	-	-	-
2022-23 Program	5,825	-	-	-	5,825	-	-
2023-24 Program	5,825	-	-	-	-	5,825	-
2024-25 Program	6,525	-	-	-	-	-	6,525
Corporate - Accommodation and Refurbishment							
2021-22 Program	1,122	-	-	1,122	-	-	-
2022-23 Program	818	-	-	-	818	-	-
2023-24 Program	818	-	-	-	-	818	-
2024-25 Program	818	-	-	-	-	-	818
Driver and Vehicle Services - Reform Program							
2021-22 Program	4,850	-	-	4,850	-	-	-
2022-23 Program	6,600	-	-	-	6,600	-	-
2023-24 Program	3,200	-	-	-	-	3,200	-
2024-25 Program	3,200	-	-	-	-	-	3,200
Maritime							
Emu Point Boat Harbour - Jetty B Remediation	1,038	-	-	1,038	-	-	-
Marine Oil Pollution Response Equipment							
2021-22 Program	169	-	-	169	-	-	-
2022-23 program	150	-	-	-	150	-	-
2023-24 Program	150	-	-	-	-	150	-
2024-25 Program	200	-	-	-	-	-	200
Facilities Program							
2021-22 Program	11,249	-	-	11,249	-	-	-
2022-23 Program	9,030	-	-	-	9,030	-	-
2023-24 Program	9,030	-	-	-	-	9,030	-
2024-25 Program	9,180	-	-	-	-	-	9,180
Navigational Aids Program							
2021-22 Program	1,799	-	-	1,799	-	-	-
2022-23 Program	431	-	-	-	431	-	-
2023-24 Program	431	-	-	-	-	431	-
2024-25 Program	912	-	-	-	-	-	912

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Vessel and Vehicle Replacement Program							
2021-22 Program	530	-	-	530	-	-	-
2022-23 Program	530	-	-	-	530	-	-
2023-24 Program	530	-	-	-	-	530	-
2024-25 Program	580	-	-	-	-	-	580
Minor Works							
2021-22 Program	449	-	-	449	-	-	-
2022-23 Program	408	-	-	-	408	-	-
2023-24 Program	408	-	-	-	-	408	-
2024-25 Program	408	-	-	-	-	-	408
Total Cost of Asset Investment Program	218,911	52,950	31,477	48,217	37,979	38,445	41,320
FUNDED BY							
Capital Appropriation			32,763	26,020	36,702	22,227	21,828
Drawdowns from Royalties for Regions Fund			-	1,038	-	-	-
Funding Included in Department of Treasury Administered Item			-	-	596	16,218	19,492
Internal Funds and Balances			(6,618)	14,159	631	-	-
Other			2,370	-	-	-	-
Other Grants and Subsidies			2,962	7,000	50	-	-
Total Funding			31,477	48,217	37,979	38,445	41,320

Financial Statements

Income Statement

Expenses

1. Total Cost of Services in the 2021-22 Budget Estimate is projected to increase by \$106.9 million compared to the 2020-21 Estimated Actual. This is mainly due to the work being carried out for the Perth City Deal including the Causeway Cyclist and Pedestrian Bridge, grants to local governments to improve the cycling network, introduction of the Purple CAT Bus Service, commencing the pilot program to improve access and equity for learner drivers in regional Western Australia, the removal of a section of the Carnarvon One-mile Jetty damaged by Severe Tropical Cyclone Seroja, the commencement of the Western Australia Agricultural Supply Chain Improvement Program and progressing a business case to consider a new port in Kwinana.

Income

2. Total Income in the 2021-22 Budget is projected to increase by \$55.9 million compared to the 2020-21 Estimated Actual. This is mainly due to an increase in Grants and subsidies representing the Commonwealth contribution for the Perth City Deal and towards improving the agricultural supply chain in Western Australia.

Statement of Financial Position

3. Total Assets are expected to increase by \$401.1 million between 2020-21 Estimated Actual and 2021-22 Budget Estimate. This primarily reflects the establishment of a new \$400 million Special Purpose Account (SPA) to be administered by the Department for the purchase of priority industrial lots and road corridor land for the Westport project.

Statement of Cashflows

4. The increase in cash balances of \$368.8 million between the 2021-22 Budget and the 2020-21 Estimated Actual is primarily due to the establishment of a \$400 million SPA offset by an increase in Asset Investment Program by \$16.8 million.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	144,332	156,685	159,670	164,376	163,906	162,492	160,582
Grants and subsidies ^(c)	213,990	134,885	119,978	183,295	164,807	127,621	115,028
Supplies and services	81,813	97,676	88,627	128,931	157,777	159,303	159,754
Accommodation	27,098	26,797	26,735	28,975	29,440	29,764	29,919
Depreciation and amortisation	24,090	25,317	25,229	25,398	25,502	25,552	25,098
Finance and interest costs	114	195	157	152	132	102	98
Other expenses	68,560	36,013	35,642	31,781	30,548	36,341	36,320
TOTAL COST OF SERVICES	559,997	477,568	456,038	562,908	572,112	541,175	526,799
Income							
Sale of goods and services	75	1	23,190	26,992	27,443	27,982	28,403
Regulatory fees and fines	216,855	217,811	167,500	177,271	174,865	178,233	188,034
Grants and subsidies	1,260	922	2,558	32,771	77,176	66,653	51,153
Taxation	55,699	51,180	77,618	83,842	88,101	89,635	90,910
Other revenue	30,047	20,421	20,421	26,341	28,760	26,974	27,010
Total Income	303,936	290,335	291,287	347,217	396,345	389,477	385,510
NET COST OF SERVICES ^(d)	256,061	187,233	164,751	215,691	175,767	151,698	141,289
INCOME FROM STATE GOVERNMENT							
Service appropriations	226,150	97,711	108,001	88,401	95,172	71,112	51,250
Resources received free of charge	1,958	1,989	1,989	1,989	1,989	1,989	1,989
Royalties for Regions Fund:							
Regional Community Services Fund	32,552	33,286	30,591	36,950	37,740	47,339	47,692
Other revenues	46,885	63,738	65,350	65,987	72,248	62,256	71,320
TOTAL INCOME FROM STATE GOVERNMENT	307,545	196,724	205,931	193,327	207,149	182,696	172,251
SURPLUS/(DEFICIENCY) FOR THE PERIOD	51,484	9,491	41,180	(22,364)	31,382	30,998	30,962

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

(b) The FTE for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 1,392, 1,461 and 1,526 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Active Traffic Management.....	2,250	2,250	2,250	2,250	2,250	2,250	2,250
Australian Maritime Safety Authority	239	-	-	-	-	-	-
Aviation (Public Air Route) Subsidies	375	4,605	733	3,530	500	500	500
Bicycle Boulevards (Safe Active Streets Program).....	1,520	4,403	3,203	4,200	-	-	-
Coastal Projects and Zone Management	1,050	1,057	2,324	6,825	4,487	3,885	4,086
Community Police	1,629	1,300	1,300	1,300	1,300	1,300	1,300
Country Age Pension Fuel Card Scheme.....	26,332	27,549	26,579	27,553	27,612	27,563	27,563
Fare Subsidies (Pensioners)	1,129	1,589	1,589	1,589	1,589	1,589	1,589
Fremantle Container Rail Subsidy.....	5,871	7,136	7,136	8,334	8,569	8,709	8,956
Improve Access and Equity for Learner Drivers Pilot.....	-	-	-	4,700	-	-	-
Kenwick Intermodal Terminal Development	-	-	-	-	10,000	-	-
Local Projects Local Jobs.....	154	120	120	-	-	-	-
Marine Communications.....	685	670	670	670	670	670	670
Multi-purpose Taxi - Vehicle Modification Grant	222	345	240	450	345	345	345
National Partnership Agreement for Recreational Fishing and Camping Facilities.....	-	-	-	795	795	-	-
National Transport Reforms	321	328	328	336	345	354	354
On-demand Transport Industry COVID-19 Relief Measures.....	1,630	6,000	6,000	-	-	-	-
On-demand Transport Reform - Voluntary Taxi Plate Buy-back Scheme	118,163	-	-	-	-	-	-
Other Grants and Subsidies	559	324	217	277	282	282	283
Perth City Deal CBD Transport Plan	-	7,218	-	41,218	35,434	14,400	-
Port of Wyndham.....	2,726	2,600	2,600	-	-	-	-
Public Transport Authority							
CAT Bus Services.....	15,412	15,292	15,292	18,434	17,412	16,374	15,292
Purple CAT Bus Service	-	-	-	1,917	2,883	2,941	3,000
Recreational Boat Facilities	1,336	3,951	2,719	3,097	1,500	1,500	1,500
Regional Airfare Zone Cap for Regional Residents.....	-	-	-	-	6,245	6,235	6,221
Regional Airport Development Scheme	1,164	2,583	483	3,932	1,935	1,935	1,935
Regional Aviation Support - COVID-19 Economic Response.....	774	2,226	817	-	-	-	-
Regional Taxi Transition Fund.....	2,770	-	-	-	-	-	-
Student Fare Concessions	1,156	1,241	1,241	1,241	1,241	1,241	1,241
Taxi User Co-Payment	3,001	1,959	2,959	1,959	1,959	1,959	1,959
Taxi User Subsidy Scheme	9,786	8,826	9,569	8,826	8,826	8,826	8,826
Tunnel Monitoring System.....	-	-	-	4,200	4,200	200	200
Western Australian Bicycle Network (including Principal Shared Path Program)	13,736	31,313	31,609	35,662	24,428	24,563	26,958
TOTAL	213,990	134,885	119,978	183,295	164,807	127,621	115,028

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	59,998	40,774	76,040	45,369	42,593	39,697	33,527
Restricted cash.....	139,260	172,723	182,993	581,791	455,448	341,712	281,274
Holding account receivables.....	-	3,900	3,900	3,900	3,900	3,900	3,900
Receivables.....	10,579	10,579	10,579	10,579	10,579	10,579	10,579
Other.....	4,762	4,762	4,762	4,762	4,762	4,762	4,762
Total current assets.....	214,599	232,738	278,274	646,401	517,282	400,650	334,042
NON-CURRENT ASSETS							
Holding account receivables.....	276,738	297,095	297,141	317,681	338,295	358,920	379,495
Property, plant and equipment.....	456,252	488,632	468,070	480,708	487,359	501,965	521,024
Intangibles.....	38,198	37,383	37,383	36,471	35,558	34,645	33,732
Restricted cash.....	2,141	2,682	2,682	3,342	3,852	4,332	4,810
Total non-current assets.....	773,329	825,792	805,276	838,202	865,064	899,862	939,061
TOTAL ASSETS.....	987,928	1,058,530	1,083,550	1,484,603	1,382,346	1,300,512	1,273,103
CURRENT LIABILITIES							
Employee provisions.....	24,405	28,661	28,661	29,017	29,373	29,729	30,085
Payables.....	21,960	21,960	21,960	21,960	21,960	21,960	21,960
Borrowings and leases.....	2,081	2,081	2,109	11,640	2,109	2,180	2,109
Other.....	4,902	4,902	4,902	4,902	1,902	1,902	1,902
Total current liabilities.....	53,348	57,604	57,632	67,519	55,344	55,771	56,056
NON-CURRENT LIABILITIES							
Employee provisions.....	6,782	6,782	6,782	6,782	6,782	6,782	6,782
Borrowings and leases.....	2,477	6,380	4,795	4,535	2,973	1,269	1,293
Total non-current liabilities.....	9,259	13,162	11,577	11,317	9,755	8,051	8,075
TOTAL LIABILITIES.....	62,607	70,766	69,209	78,836	65,099	63,822	64,131
EQUITY							
Contributed equity.....	534,902	587,854	582,665	996,455	876,553	764,998	706,318
Accumulated surplus/(deficit).....	386,534	396,025	427,714	405,350	436,732	467,730	498,692
Reserves.....	3,885	3,885	3,962	3,962	3,962	3,962	3,962
Total equity.....	925,321	987,764	1,014,341	1,405,767	1,317,247	1,236,690	1,208,972
TOTAL LIABILITIES AND EQUITY.....	987,928	1,058,530	1,083,550	1,484,603	1,382,346	1,300,512	1,273,103

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	205,703	73,454	83,698	67,861	74,558	50,487	30,675
Capital appropriation.....	15,122	37,952	32,763	426,020	36,702	22,227	21,828
Administered equity contribution.....	2,920	15,000	15,000	-	596	16,218	19,492
Royalties for Regions Fund:							
Regional Community Services Fund.....	32,552	33,286	30,591	36,950	37,740	47,339	47,692
Regional Infrastructure and Headworks Fund	6,173	-	-	1,038	-	-	-
Receipts paid into Consolidated Account	(3,879)	-	-	-	(7,200)	-	-
Other.....	45,947	63,738	65,350	66,039	71,406	61,592	69,512
Net cash provided by State Government	304,538	223,430	227,402	597,908	213,802	197,863	189,199
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(140,562)	(152,429)	(155,414)	(164,020)	(163,550)	(162,136)	(160,226)
Grants and subsidies	(212,571)	(134,885)	(119,978)	(183,295)	(164,807)	(127,621)	(115,028)
Supplies and services	(78,060)	(94,293)	(85,221)	(125,323)	(154,154)	(155,609)	(156,220)
Accommodation	(27,255)	(26,797)	(26,735)	(28,975)	(29,440)	(29,764)	(29,919)
GST payments	(25,359)	(26,706)	(26,706)	(26,706)	(26,706)	(26,706)	(26,706)
Finance and interest costs	-	(195)	(157)	(152)	(132)	(102)	(98)
Other payments	(66,328)	(37,407)	(37,059)	(33,400)	(32,182)	(38,046)	(37,865)
Receipts (c)							
Regulatory fees and fines	216,136	217,811	167,500	177,271	173,165	178,233	188,034
Grants and subsidies	1,231	922	2,558	32,771	77,176	66,653	51,153
Sale of goods and services.....	75	1	23,190	26,940	28,285	28,646	30,211
Taxation	56,542	51,180	77,618	83,842	88,101	89,635	90,910
GST receipts	25,138	26,706	26,706	26,706	26,706	26,706	26,706
Other receipts	24,646	20,421	20,421	26,341	27,460	26,974	27,010
Net cash from operating activities	(226,367)	(155,671)	(133,277)	(188,000)	(150,078)	(123,137)	(112,038)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(32,917)	(50,513)	(31,477)	(48,217)	(37,979)	(38,445)	(41,320)
Proceeds from sale of non-current assets	49	-	-	-	7,500	-	-
Net cash from investing activities	(32,868)	(50,513)	(31,477)	(48,217)	(30,479)	(38,445)	(41,320)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(2,372)	(2,466)	(2,332)	(2,364)	(11,854)	(2,433)	(1,971)
Other payments	-	-	-	-	(150,000)	(150,000)	(100,000)
Proceeds from borrowings	-	-	-	9,460	-	-	-
Net cash from financing activities	(2,372)	(2,466)	(2,332)	7,096	(161,854)	(152,433)	(101,971)
NET INCREASE/(DECREASE) IN CASH HELD.....	42,931	14,780	60,316	368,787	(128,609)	(116,152)	(66,130)
Cash assets at the beginning of the reporting period	158,475	201,399	201,399	261,715	630,502	501,893	385,741
Net cash transferred to/from other agencies	(7)	-	-	-	-	-	-
Cash assets at the end of the reporting period	201,399	216,179	261,715	630,502	501,893	385,741	319,611

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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.

NET APPROPRIATION DETERMINATION

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Regulatory Fees and Fines							
Boat Registration Fees	20,162	18,745	18,745	21,491	21,641	22,069	22,069
Jetty Licences and Coastal Facility Fees	13,554	12,377	11,693	11,770	12,577	12,783	12,783
Motor Drivers Licence Fees	72,478	71,566	71,566	74,390	72,374	74,627	82,449
Motor Vehicle Inspection Fees ^(a)	18,899	19,867	-	-	-	-	-
Motor Vehicle Recording Fee	54,769	55,984	55,984	58,358	50,053	51,719	53,447
On-demand Transport Fees	2,902	4,338	4,338	6,211	10,238	10,613	10,763
Other Driver and Vehicle Services Fees	6,290	6,727	3,405	3,659	4,364	4,505	4,605
Other Marine Safety Fees	1,262	1,768	1,768	1,391	1,917	1,917	1,917
Grants and Subsidies							
Grants and Contributions Received	14,965	30,632	31,603	62,622	112,611	90,943	83,357
Sale of Goods and Services							
Sale of Goods and Services ^(a)	27,321	28,047	51,391	56,550	59,058	60,709	62,274
Taxation							
Motor Vehicle Plate Fees ^(b)	16,466	16,088	16,088	16,421	16,631	16,842	17,079
Motor Vehicle Transfer Fees ^(b)	9,354	10,351	10,351	11,322	11,445	11,567	11,688
Perth Parking Levy	56,542	51,180	51,180	56,099	60,026	61,226	62,144
GST Receipts							
GST Input Credits	17,481	18,825	18,825	18,825	18,825	18,825	18,825
GST Receipts on Sales	7,657	7,881	7,881	7,881	7,881	7,881	7,881
Other Receipts							
Interest Revenue	239	296	296	296	296	296	296
Other Revenue	9,136	7,346	7,346	9,957	10,764	10,284	10,326
Rents and Leases	15,894	12,775	12,775	16,720	17,037	17,037	17,037
Service Delivery Agreement	4,344	5,986	8,108	5,947	4,561	4,596	4,596
TOTAL	369,715	380,779	383,343	439,910	492,299	478,439	483,536

(a) Per advice from the ABS Motor Vehicle Inspection fees were reclassified to a Sale of Goods and Services.

(b) Per advice from the ABS Motor Plate Fees and Motor Vehicle Transfer Fees were reclassified from Regulatory Fees and Fines to Taxation Revenue.

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME							
Taxation							
Motor Vehicle Licence Fees	997,191	1,010,449	1,047,948	1,090,188	1,144,605	1,203,991	1,266,984
On-demand Transport Levy	41,130	29,500	38,500	39,000	4,957	-	-
Fines							
Final Demand Fees	2,174	2,508	2,508	2,256	2,256	2,256	2,256
Other Fines	23,342	23,028	23,028	23,028	23,028	23,028	23,028
Plate and Transfer Infringements	8,184	8,235	8,235	8,586	8,553	8,559	8,529
Speed and Red Light Fines	78,666	76,985	81,948	76,468	76,605	76,605	76,605
Other							
Appropriation	100	100	100	100	100	100	100
Off-road Vehicle Fees	85	120	120	103	137	185	278
TOTAL ADMINISTERED INCOME	1,150,872	1,150,925	1,202,387	1,239,729	1,260,241	1,314,724	1,377,780
EXPENSES							
Statutory Authorities							
Western Australian Coastal Shipping Commission	100	100	100	100	100	100	100
Other							
Payments to Consolidated Account	1,442,736	1,073,720	1,120,219	1,163,058	1,183,399	1,237,834	1,300,797
Payments to Off-road Vehicle Trust Account	85	120	120	103	137	185	278
Payments to Road Trauma Trust Account	78,666	76,985	81,948	76,468	76,605	76,605	76,605
TOTAL ADMINISTERED EXPENSES	1,521,587	1,150,925	1,202,387	1,239,729	1,260,241	1,314,724	1,377,780

Division 40 Commissioner of Main Roads

Part 9 Transport

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 82 Net amount appropriated to deliver services	348,089	368,402	368,402	404,042	392,482	371,641	384,341
Amount Authorised by Other Statutes							
- Road Traffic (Administration) Act 2008	747,593	764,651	669,729	806,660	748,095	771,476	870,575
- Salaries and Allowances Act 1975	425	425	425	426	427	428	429
Total appropriations provided to deliver services	1,096,107	1,133,478	1,038,556	1,211,128	1,141,004	1,143,545	1,255,345
CAPITAL							
Item 142 Capital Appropriation	-	10,400	72,400	107,923	75,688	69,718	117,488
Road Traffic (Administration) Act 2008	258,509	247,625	387,757	291,028	404,010	440,014	403,909
TOTAL APPROPRIATIONS	1,354,616	1,391,503	1,498,713	1,610,079	1,620,702	1,653,277	1,776,742
EXPENSES							
Total Cost of Services	1,244,099	1,431,671	1,287,551	1,376,722	1,265,339	1,310,056	1,399,407
Net Cost of Services (a) (b) (c)	458,281	393,848	(1,229,815)	311,434	(26,010)	154,753	674,641
CASH ASSETS (d)	305,414	235,042	465,588	512,187	585,672	580,001	583,572

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(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 the Net Cost of Services includes all sources of non-Government receipts, the value of both road assets transferred in and Commonwealth funding is included as an offset to the Total Cost of Services. This can result in a negative Net Cost of Services in some years.

(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 Main Roads' Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Flynn Drive Upgrade	-	-	20,000	-	-
Green Street and Scarborough Beach Road Intersection Upgrade	-	-	5,500	-	-
Kargotich Road Upgrade	-	9,300	-	-	-
Metropolitan Intersection and Black Spot Program	-	14,192	250	2,500	-
Orton Road Upgrade	-	4,100	-	-	-
Shady Hills Access Road	1,900	-	-	-	-
Small Commitments	580	-	-	-	-
Soldiers Road Upgrade	-	4,600	-	-	-
Truck Rest Stops	-	1,250	1,250	1,250	1,250

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
New Initiatives					
2020 Commonwealth Stimulus.....	-	-	-	12,000	88,000
METRONET Precincts - High Wycombe and Redcliffe Stations - Transfer to Department of Planning, Lands and Heritage.....	-	875	5,465	-	-
Ongoing Initiatives					
Event Traffic Management - Transfer from Public Transport Authority.....	-	1,650	1,650	1,650	1,650
Western Australia Natural Disaster Relief and Recovery Arrangements Update.....	3,950	29,200	-	-	-
Other					
Bridges Renewal Program.....	389	3,531	-	-	-
Heavy Vehicle Safety and Productivity Program	(318)	(1,406)	-	-	-
Motor Vehicle Licence Fee Revenue Update	-	4,645	3,108	1,102	4,913
Operational Expenditure - Recurrent to Capital.....	(110,267)	(45,000)	(35,500)	(1,440)	-
Sundry Debtor Works Update - Solomon Road.....	(35,000)	-	-	-	-

Significant Issues Impacting the Agency

1. Main Roads, along with the Transport portfolio partners, continues to play a key role in the COVID-19 response with an unprecedented level of investment in road and rail construction projects, together with procurement initiatives designed to create more opportunities for local jobs, businesses and the economy.
2. As the Western Australian economy rebounds from the initial COVID-19 impacts experienced in 2020, the focus of stimulating the economy has turned to creating a sustainable pipeline of infrastructure investments. Main Roads has consulted with the civil construction industry and established a pipeline of works which will build confidence within the construction sector, grow the sector and create jobs.
3. Main Roads continues to ensure social outcomes are achieved through the delivery of its services, which in turn has an important positive economic impact. Significant progress has been made to increase the number of Aboriginal employment and business opportunities across the civil construction industry. Main Roads continues to work with industry to identify ways to ensure that a sustainable and long-term industry is realised, creating a skilled diverse workforce and enabling Aboriginal businesses to support an ongoing program of works.
4. Whilst the application of Safe System principles through the Road Safety Management System reduces the likelihood and severity of crashes on Western Australia's roads, the length and dispersed nature of the State's roads continues to be a challenge. To help meet this challenge, having successfully secured Commonwealth funding for the Regional Road Safety Program, \$196.6 million has been committed in 2021-22. This will be invested in low-cost treatments including shoulder sealing and audible edge lines. This, together with other safety and road infrastructure investments will contribute to the achievement of State and national road trauma reduction targets.
5. Congestion has a significant impact on the State's productivity, safety, health and environment. Congestion affects all road users, including private vehicles, buses, pedestrians/cyclists and freight. Through the Road Network Operations Centre, performance data is used to improve planning and real-time operations, supporting informed decision-making. Through initiatives such as Smart Freeways, new technology, smarter operations and targeted works, the focus remains on reducing the impact of congestion by optimising the use of existing assets.
6. Following the decision to ban the export of certain waste materials, work continues to identify and utilise waste materials in infrastructure projects. The use of waste materials such as tyres and glass are being trialled while research continues to explore opportunities to use other waste products such as plastics. Main Roads is working with the Commonwealth, State and Territory Governments on the potential to use recycled materials on a range of projects with national guidelines and model specifications being considered. This work is part of the sustainability strategic focus area to assist with the transition to a low carbon and climate resilient economy.

7. Main Roads continues to monitor potential transport developments related to emerging future vehicles and technology. Collaboration at State, national and international levels is ongoing to understand the possibilities and implications on the road network and the broader integrated land transport system. Predicting when the impact of these technologies will reach critical mass is a significant issue for urban and transport planners internationally.
8. The identification of new skills and capabilities to meet future growth and needs is evolving as new technologies and approaches are developed. Work is being undertaken to identify critical functions and roles that are required over the next five years which will be used to identify and develop appropriate training to upskill current and future employees. This work builds on identifying opportunities to develop an Aboriginal road construction skills base and capability. Nationally, work to address skills shortages and emerging capabilities continues.

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 Main Roads' services, the desired outcomes and the relevant Government Goal. 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
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Facilitate economic and regional development.	1. Infrastructure for State Development
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	A safe road environment.	2. Road Safety
	Improved community access and roadside amenity.	3. Infrastructure for Community Access
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Reliable and efficient movement of people and goods.	4. Road System Management 5. Road Efficiency Improvements
	A well-maintained road network.	6. Road Network Maintenance

Total Cost of Services - Reconciliation to Service Summary Table

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Total Cost of Services	1,244,099	1,431,671	1,287,551	1,376,722	1,265,339	1,310,056	1,399,407
<i>Add:</i>							
Road Infrastructure Capital Works ^(a)	1,256,024	1,432,622	1,448,842	1,587,689	1,874,776	1,745,372	1,107,530
<i>Less:</i>							
Local Government Network Expenditure							
Disaster Recovery on Local Government							
Roads ^(b)	(38,595)	(46,641)	(9,493)	-	-	-	-
Major Works on Local Government							
Roads ^(c)	(36,704)	-	-	-	-	-	-
State Road Funds to Local Government							
Agreement	(184,775)	(229,598)	(183,921)	(263,715)	(236,122)	(240,798)	(253,397)
Non-cash Expenditure							
Road Infrastructure Depreciation ^(d)	(396,589)	(437,151)	(437,151)	(443,291)	(444,857)	(444,116)	(444,116)
Road Transfers and Retirements ^(e)	(100,612)	(35,840)	(35,840)	(11,404)	(7,443)	(24,178)	(24,178)
Adjusted Total Cost of Services	1,742,848	2,115,063	2,069,988	2,246,001	2,451,693	2,346,336	1,785,246

(a) Road Infrastructure Capital Works reflects road works expenditure capitalised to infrastructure which is not reflected in the Income Statement in accordance with AASB 1055: *Budgetary Reporting*.

(b) Natural Disaster Expenditure on Local Government Roads occurring after 2019-20 will now be recouped by local governments directly from the Department of Fire and Emergency Services. The 2020-21 figure reflects the finalisation of claims prior to the change.

(c) Given the changing nature of works undertaken on local roads (larger projects with direct management), this adjustment has not been made post 2019-20. These works will be reflected in Main Roads' Total Cost of Services.

(d) Road Infrastructure Depreciation includes amortisation of intangibles.

(e) 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.

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Infrastructure for State Development	452,001	352,837	360,188	251,312	260,520	520,421	422,816
2. Road Safety ^(a)	159,688	314,150	397,647	452,586	337,034	214,609	118,438
3. Infrastructure for Community Access	27,274	225,727	113,216	205,166	211,500	140,846	269,127
4. Road System Management	166,006	168,054	165,846	157,426	145,036	145,498	130,409
5. Road Efficiency Improvements ^(b)	550,910	659,906	626,329	728,333	1,072,122	875,967	454,237
6. Road Network Maintenance ^(c)	386,969	394,389	406,762	451,178	425,481	448,995	390,219
Adjusted Total Cost of Services	1,742,848	2,115,063	2,069,988	2,246,001	2,451,693	2,346,336	1,785,246

(a) The increase in Road Safety funding since the 2019-20 Actual is mainly due to the Regional State Road Safety Program, jointly funded by the Commonwealth.

(b) The increase in Road Efficiency Improvements in the 2022-23 Forward Estimate is mainly due to the construction of the Bunbury Outer Ring Road and Great Eastern Highway Bypass.

(c) Variations in Road Network Maintenance expenditure is primarily due to natural disaster repairs on the State network, third party funded works and bridge works.

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Facilitate economic and regional development:					
Return on construction expenditure.....	4.3	4.18	3.17	2.78	1
Outcome: A safe road environment:					
Community satisfaction with road safety	92%	90%	93%	90%	
Blackspot location indicator	7.33	7.30	7.22	7.18	
Outcome: Improved community access and roadside amenity:					
Percentage of the year that 100% of the Main Roads' State road network is available	89%	95%	84%	95%	2
Community satisfaction with cycleways and pedestrian facilities	91%	90%	89%	90%	
Outcome: Reliable and efficient movement of people and goods:					
Community satisfaction	90%	90%	92%	90%	
Road network permitted for use by heavy freight vehicles:					
B-Doubles 27.5m	98%	97%	98%	97%	
Double road trains 27.5m	97%	97%	98%	97%	
Double road trains 36.5m	81%	80%	82%	80%	
Triple road trains 53.5m	45%	45%	45%	45%	
Network configuration - roads.....	93%	92%	93%	92%	
Network configuration - bridges:					
Strength	94%	94%	94%	94%	
Width	96%	96%	96%	96%	
Outcome: A well maintained road network:					
Smooth travel exposure.....	n/a	97%	98%	n/a	3
Community satisfaction with road maintenance	86%	90%	89%	90%	
Preventative maintenance indicator	85%	85%	87%	85%	

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

Explanation of Significant Movements

(Notes)

1. The result is behind target in the 2020-21 Estimated Actual with an expenditure weighted average result of 3.17 against the target of 4.18. This difference is due to increased scope of works and unforeseen risks materialising in a small number of projects resulting in a change to the basis on which the target was established.
2. The 2020-21 Estimated Actual of 84% is below the 2020-21 Budget of 95%, primarily due to major bushfires in the Leeman and Red Gully areas, Severe Tropical Cyclone Seroja and flooding events across the Pilbara and Kimberley regions during the wet season.
3. 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 data used for this reporting on a biennial basis.

Services and Key Efficiency Indicators

1. Infrastructure for State Development

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	452,001	352,837	360,188	251,312	1
Less Income	366,011	256,159	281,622	186,028	2
Net Cost of Service	85,990	96,678	78,566	65,284	
Employees (Full-Time Equivalents)	127	137	132	140	3
Efficiency Indicators					
Percentage of projects completed on time	100%	90%	83%	90%	
Percentage of projects completed on budget	100%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

1. The reduction in Total Cost of Service between the 2020-21 Estimated Actual and 2021-22 Budget is mainly due to the Armadale Road Bridge works, which is expected to be completed in 2021-22.
2. The Income values move in line with the contributions from the Commonwealth Government for road projects.
3. The increase in full-time equivalents (FTEs) from the 2020-21 Estimated Actual to the 2021-22 Budget relates to Main Roads employing staff directly rather than through ongoing contractual arrangements. This process is anticipated to extend over the next two years.

2. Road Safety

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	159,688	314,150	397,647	452,586	1
Less Income	73,795	193,633	291,906	272,835	2
Net Cost of Service	85,893	120,517	105,741	179,751	
Employees (Full-Time Equivalents)	57	61	59	62	
Efficiency Indicators					
Percentage of projects completed on budget	100%	90%	95%	90%	
Percentage of projects completed on time	87%	90%	64%	90%	3

Explanation of Significant Movements

(Notes)

1. The increase in the Total Cost of Service between the 2020-21 Estimated Actual and the 2021-22 Budget Target is mainly due to work on Great Eastern Highway and the State component of the Safer Road Program.
2. The increase in Income between the 2019-20 Actual and future years is mainly due to the Commonwealth contribution towards the Regional State Road Safety Program.
3. The reduction in percentage of projects completed on time between the 2020-21 Budget and the 2020-21 Estimated Actual is mainly due to inclement weather conditions and reviewing contractor claims.

3. Infrastructure for Community Access

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	27,274	225,727	113,216	205,166	1
Less Income	8,386	183,167	97,495	182,636	1
Net Cost of Service	18,888	42,560	15,721	22,530	
Employees (Full-Time Equivalents)	31	34	33	35	
Efficiency Indicators					
Percentage of projects completed on time	nil	90%	100%	90%	
Percentage of projects completed on budget	100%	90%	100%	90%	

Explanation of Significant Movements

(Notes)

1. The movement between Budget years relates to payments made for METRONET road related works. With the income consisting mainly of grants for Main Roads works on METRONET road related projects with other income relating to the Principal Shared Path program funded via the Department of Transport.

4. Road System Management

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	166,006	168,054	165,846	157,426	
Less Income	2,224	2,248	3,077	2,250	
Net Cost of Service	163,782	165,806	162,769	155,176	
Employees (Full-Time Equivalents)	626	672	649	687	1
Efficiency Indicators					
Average cost of network management per million vehicle kilometres travelled	\$6,427	\$4,539	\$5,200	\$5,450	

Explanation of Significant Movements

(Notes)

1. The reduction in FTEs from the 2020-21 Budget to the 2020-21 Estimated Actual is due mainly to a delay in finalising trainee and cadet programs, which are expected to be completed in 2021-22.

5. Road Efficiency Improvements

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	550,910	659,906	626,329	728,333	1
Less Income	345,202	503,323	377,220	560,304	1
Net Cost of Service	205,708	156,583	249,109	168,029	
Employees (Full-Time Equivalents)	105	112	108	115	
Efficiency Indicators					
Percentage of projects completed on time	77%	90%	72%	90%	2
Percentage of projects completed on budget	100%	90%	97%	90%	

Explanation of Significant Movements

(Notes)

1. Movement in Income and Net Cost of Service is mainly due to the flow and timing of Commonwealth funding. Initial project works are funded by the State whilst Commonwealth milestone payments are being finalised.
2. The reduction in percentage of projects completed on time between the 2020-21 Budget and the 2020-21 Estimated Actual is mainly due to inclement weather conditions and reviewing contractor claims.

6. Road Network Maintenance

The objective of this service 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	386,969	394,389	406,762	451,178	
Less Income	82,255	87,340	88,394	76,598	
Net Cost of Service	304,714	307,049	318,368	374,580	
Employees (Full-Time Equivalents)	160	172	166	176	
Efficiency Indicators					
Average cost of road network maintenance per lane kilometre of network.....	\$7,757	\$8,800	\$8,121	\$7,900	

Asset Investment Program

- Investment to ensure the strategic maintenance and expansion of the State's largest asset, the road network, is crucial to meet the needs of the community, industry and stakeholders. Main Roads continues to collaborate with Transport portfolio partners to deliver multi-modal transport solutions that improve safety and efficiency, create new jobs and support the growth of the Western Australian economy.
- Main Roads' Asset Investment Program for 2021-22 is \$1.6 billion. Major new works include the below projects:

Great Eastern Highway - Coates Gully, Walgoolan to Southern Cross and Ghooli to Benari

- As the only major heavy vehicle route between Perth and Kalgoorlie, Great Eastern Highway is a critical road corridor to support Western Australia's major agricultural and mining activity across the southern portion of the State.
- The program of works includes a road realignment of Great Eastern Highway between El Caballo and Bakers Hill with eastbound and westbound passing lanes, intersection improvements, widening, overlay and replacement of four bridges with new culverts, improvements to drainage and property access and relocation of rest areas. The investment will improve road safety, reduce vehicle operating costs for road users and improve freight efficiency.

Great Northern Highway - Marble Bar Road Upgrade

- The existing unsealed section of Marble Bar Road is not capable of undertaking the ore haulage task between McPhee and Roy Hill due to deficiencies in pavement, road closure periods, safety, and geometry. The proposed scope of work is a fit-for-purpose upgrade of Marble Bar Road between McPhee Creek and Roy Hill to support quad semi-trailer haulage under Main Roads' Western Australian Performance Based Scheme with 24 hour, 7 day a week operations.
- Upgrading Marble Bar Road opens further mine construction along with mining-based employment and Aboriginal business opportunities. Increased investment and employment have the potential to facilitate the provision of additional infrastructure in Nullagine, lifting the amenity within and services available in the town. The combination of improved access to Nullagine through the road upgrade and economic synergy with the Roy Hill campsite and workforce is expected to transform the town's long-term outlook.

Nellie Springs to Sally Downs Well and Arthur Creek (Great Northern Highway)

- 2.5. As Great Northern Highway is the only sealed road between the Port of Broome and the Port of Wyndham, the link is relied upon by mining and agricultural operations, which use the port for both exports and the import of fuel and equipment. Local communities depend on the road for access to fuel, supplies and essential services.
- 2.6. The project scope includes the upgrade of Great Northern Highway from Halls Creek to Kununurra by replacing a single lane bridge with a two-lane bridge at Arthur Creek and replacement of four floodways with bridges. The upgrades will improve road safety and community access along the link.

Indian Ocean Drive - Jurien Bay to Brand Highway

- 2.7. The coast between Jurien Bay and Dongara is home to a large fishing and lime sand industry. In recent years its popularity as a tourist destination has increased since the connection of Indian Ocean Drive between Lancelin and Cervantes. The route has seen significant increases in traffic volumes as it provides enhanced accessibility and separation from heavy vehicles on Brand Highway.
- 2.8. The proposed scope of work will include widening and minor realignments and overtaking lanes. The upgrades will continue the road safety work already delivered along this route.

Mandurah Estuary Bridge Duplication

- 2.9. Mandurah Estuary Bridge currently is a three-lane bridge (two westbound lanes and one eastbound lane), that forms the primary connection between Halls Head and the southern area of Mandurah. Mandurah Road on either side of the bridge is a four-lane dual carriageway standard, hence northbound traffic is required to merge into one lane on approach to cross the bridge.
- 2.10. The proposed scope of work includes building an additional bridge next to the existing Mandurah Estuary Bridge to ease traffic congestion. The bridge would have the same configuration as the existing bridge. It will reduce congestion and travel time, improve reliability of journey, reduce road closures, enhance access and freight capacity, efficiency and productivity, and improve road safety in line with the Driving Change - Road Safety Strategy for Western Australia 2020-2030.

Perth Airport Precinct - Northern Access

- 2.11. The Airport North Precinct will continue to be developed as an integrated mix of industrial, commercial, aviation service and logistics land use. Kalamunda Road is planned to be realigned through the precinct with new internal roads constructed to support future development. The Great Eastern Highway Bypass and Kalamunda Road intersection is under increasing pressure from current and future development in the surrounding area, especially within the airport precinct. The proposed scope will include the interchange upgrade at Great Eastern Highway Bypass and Kalamunda Road and replace the ageing road bridge over rail with a four-lane bridge.

Regional State Road Safety Program

- 2.12. Single vehicle lane departure crashes on the rural high-speed State roads are the largest contributor to death and serious injuries in regional Western Australia. Main Roads has developed a low-cost methodology to optimise the safety performance by modifying the carriageways for the rural high-speed network. This approach makes no change to the existing formation width but converts the unsealed shoulders to a fully sealed shoulder and focuses on maximising the seal width to improve road safety.

Reid Highway Altone Road and Daviot Road / Drumpellier Drive Grade Separations

- 2.13. Together with Roe Highway, Kwinana Freeway and Mitchell Freeway, Reid Highway forms part of a freight ring road within the Perth metropolitan area and is part of the Urban National Land Transport Network. Traffic includes a high proportion of heavy vehicles as part of a network connecting industrial areas including Malaga, Kewdale, Forresterfield and Welshpool.
- 2.14. With the completion of NorthLink WA, the majority of Reid Highway is now grade separated, with Erindale Road (western end, near Mitchell Freeway), Altone Road and Daviot Road/Drumpellier Drive, West Swan Road and Reid Highway/Roe Highway/Great Northern Highway the remaining intersections requiring grade separation. The scope includes grade separated interchanges at Altone Road and Daviot Road/Drumpellier Drive over Reid Highway and upgrades to the Principal Shared Path. It will reduce congestion and improve travel times, efficiency and network reliability and access to the Swan Valley tourism and viticulture precinct.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Albany Highway - Olga Road - Albany Highway and Kelvin Road Intersection Upgrade	6,000	2,000	2,000	4,000	-	-	-
Department of Transport - Principal Shared Path Causeway Cyclist and Pedestrian Bridge	49,750	1,500	1,500	19,500	14,500	14,250	-
Great Eastern Highway - Eastlink - Planning	20,000	3,140	2,939	3,000	4,000	5,111	4,749
Intersection Upgrades - Main and Royal Streets	3,000	300	300	2,700	-	-	-
Kwinana Beach Road (Patterson Road to CBH Group Terminal) - Pavement Reconstruction	5,000	2,500	2,500	2,500	-	-	-
Metropolitan Amenity Walls	10,000	1,000	1,000	9,000	-	-	-
Mitchell Freeway (Hepburn Avenue to Warwick Road) Amenity Wall and Principal Shared Path	6,000	600	600	5,400	-	-	-
Other Works in Progress							
Brand Highway - Muchea to Gingin Pavement Rehabilitation and Widening	25,000	180	180	8,000	8,000	8,820	-
Bridge Renewal Program Round 5 - Commonwealth	8,938	469	469	6,469	2,000	-	-
Bussell Highway Duplication Stage 1 and Stage 2	85,000	15,346	15,346	20,000	30,000	19,654	-
Department of Transport - Principal Shared Path Program	122,474	52,064	29,421	16,500	22,710	11,900	19,300
Election Commitments							
Albany Ring Road	175,000	60,837	51,500	58,892	41,110	14,161	-
Armada Road Bridge - North Lake Road Flyover	259,000	237,246	124,662	21,754	-	-	-
Bunbury Outer Ring Road - Stages 2 and 3	852,000	139,013	68,181	180,000	280,000	212,168	30,000
Coolgardie-Esperance Highway Widening, Overlay and Reconstruction (Emu Rocks)	52,000	12,805	11,501	25,000	14,195	-	-
Leach Highway - Carrington Street to Stirling Highway	76,000	59,616	34,807	15,811	573	-	-
Manuwarra Red Dog Highway - Stages 3 and 4	380,000	101,716	20,943	22,500	47,500	100,000	108,284
South Coast Highway - Upgrade between Albany and Jerramungup - Stage 1	30,000	28,906	15,577	1,094	-	-	-
Wanneroo Road Joondalup Drive - Grade Separated Interchange	62,000	50,000	5,521	12,000	-	-	-
Ocean Reef Road Grade Separation	73,400	71,277	6,332	1,265	638	110	110
Exmouth Roads Package							
Minilya to Exmouth	14,000	7,367	7,367	6,633	-	-	-
Yardie Creek	6,000	104	104	1,000	4,896	-	-
Freight Vehicle Productivity Improvements Program	50,000	1,000	1,000	10,000	10,000	10,000	10,000
Gibb River Road - Derby - Gibb River - Wyndham Improve Formation and Gravel	123,825	87,893	9,043	8,785	9,049	10,049	8,049
Goldfields Highway - Wiluna to Meekatharra Construct and Seal Priority Sections	20,000	95	95	5,000	5,000	5,000	4,905
Great Eastern Highway - Old Northam Road Upgrade	14,375	1,403	1,044	12,351	621	-	-
Great Northern Highway							
Apple Street Intersection Upgrade	14,000	3,087	2,932	6,809	4,104	-	-
Bindoon Bypass - Construct New Alignment	275,000	31,594	31,594	15,000	15,000	15,000	50,000
Newman to Katherine Corridor - Broome to Kununurra Upgrade Stage 1	25,800	4,480	4,146	5,000	16,320	-	-
Port Hedland Airport Deviation	36,000	3,421	3,421	10,000	15,000	7,579	-
Heavy Vehicle Safety and Productivity Program							
Commonwealth	14,406	1,000	1,000	7,000	6,406	-	-
Leach Highway and Welshpool Road Grade Separated Interchange	136,000	19,314	18,114	73,000	35,000	8,686	-
Mitchell Freeway							
Hester Avenue to Romeo Road - Extension	232,000	26,327	16,293	30,000	99,000	66,000	10,673
Stephenson Avenue	138,567	14,374	14,374	15,000	40,000	50,000	19,193
Northern Australia Roads and Beef Roads Programs							
Great Northern Highway - Ord River	98,140	49,714	16,574	4,000	20,178	24,248	-
Pinjarra Heavy Haulage Deviation - Stage 1	27,500	1,086	905	1,000	6,000	16,000	3,414
Queen Victoria Street - Swan River Crossings (Fremantle Road and Rail Bridge) - Construct New Bridges	230,000	10,582	9,114	25,000	50,000	100,000	39,418
Rail Crossing Program	25,000	5,000	5,000	5,000	5,000	5,000	5,000
Regional Road Safety Program							
Regional State Road Safety Improvement Program	120,000	100,000	100,000	20,000	-	-	-
Road Safety Program Western Australia	355,000	158,375	158,375	196,625	-	-	-
Reid Highway - Erindale Road - Project Development for Grade Separation	2,500	254	254	1,359	887	-	-
Reseal Program - Capitalisation of Reseal Program	778,803	482,115	88,202	72,540	74,716	74,716	74,716
Road Safety Commission							
LED School Zone Lights	67,929	51,929	5,022	2,000	5,000	5,000	4,000
Metropolitan Intersections Crash Program	91,397	58,797	9,981	1,000	9,300	12,300	10,000
Regional Road Safety Improvements ^(a)	204,600	184,600	9,381	-	-	-	20,000
Rural Intersection Advanced Warning Signs	1,211	1,151	942	60	-	-	-
Wheatbelt Safety Review Program - Great Eastern Highway and Great Southern Highway	59,463	22,966	-	18,483	18,014	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Roe Highway - Great Eastern Highway Bypass Including Abernethy Road.....	320,000	6,558	6,541	20,000	70,000	80,000	80,000
Safer Roads and Bridges Program.....	499,392	338,246	49,416	39,400	40,582	40,582	40,582
Smart Freeways							
Hodges Drive to Hepburn Avenue Widening							
Southbound.....	76,000	9,045	8,413	40,000	26,955	-	-
Transforming Freeways - Mitchell Freeway Corridor	140,000	2,781	2,781	30,000	40,000	21,219	-
Thomas Road							
Kwinana Freeway to Nicholson Road Upgrade	38,000	4,636	4,636	18,000	15,364	-	-
METRONET - Byford Rail Extension - Thomas Road							
Bridge.....	51,961	3,999	3,999	39,600	8,362	-	-
Thomas and Anketell Roads Freight Upgrade							
Stages 1 and 2 Planning.....	5,000	700	700	700	1,000	2,600	-
Thomas Road and Nicholson Road Oakford	28,000	1,500	1,010	17,000	6,500	3,000	-
Tonkin Highway Corridor Upgrades							
Tonkin Highway Gap; Grade Separations at Hale, Welshpool and Kelvin Roads; and Stage 3 Extension.....	1,391,000	77,451	67,332	156,500	256,000	388,142	245,000
Wanneroo Road - Morley Drive Intersection Upgrade.....	20,000	5,961	5,384	14,039	-	-	-
COMPLETED WORKS							
COVID-19 Response							
Great Northern Highway - Bidyadanga Internal Roads	6,000	6,000	6,000	-	-	-	-
Other Completed Works							
Buildings and Equipment - 2020-21 Program.....	21,936	21,936	21,936	-	-	-	-
Capitalised Operational Costs - 2020-21 Program	68,116	68,116	68,116	-	-	-	-
Coolgardie - Esperance Highway - Esperance Port Access	117,346	117,346	1,311	-	-	-	-
Election Commitments							
Reid Highway - Altone Road to West Swan Road							
Construction of Dual Carriageway	70,000	70,000	8,579	-	-	-	-
Roe Highway - Kalamunda Road - Grade Separated							
Interchange	86,000	86,000	51,912	-	-	-	-
Great Eastern Highway - Coates Gully Bridge	3,000	3,000	3,000	-	-	-	-
Great Northern Highway - Muchea to Wubin Stage 2	347,241	347,241	21,629	-	-	-	-
Kwinana Freeway							
Manning Road - On-ramp Construction	35,000	35,000	6,323	-	-	-	-
Russell Road to Roe Highway - Widening Northbound							
Lanes	49,000	49,000	11,835	-	-	-	-
Minor Works (includes Black Spot and Urgent Minor							
Works) - 2020-21 Program	149,396	149,396	149,396	-	-	-	-
Mitchell Freeway - Hutton Road to Cedric Street							
Northbound Widening	15,000	15,000	4,302	-	-	-	-
National Highway Upgrade Program	40,441	40,441	4,457	-	-	-	-
Perth Children's Hospital - Kings Park Link Bridge.....	6,300	6,300	6,000	-	-	-	-
Rail Crossing Program - Koodaideri Road over Rail Bridge.....	8,700	8,700	8,700	-	-	-	-
Regional Road Safety Package.....	55,250	55,250	576	-	-	-	-
Road Safety Commission - Safety Review - Indian							
Ocean Drive.....	23,000	23,000	2,150	-	-	-	-
South Western Highway - Donnybrook to Greenbushes.....	23,692	23,692	5,852	-	-	-	-
Toodyay Road - Jingaling Brook-Toodyay Road							
Widening.....	7,000	7,000	7,000	-	-	-	-
NEW WORKS							
Election Commitments							
Bob Hawke Pedestrian Crossing.....	600	-	-	600	-	-	-
Leach Highway - Fifth Avenue Rossmoyne.....	5,000	-	-	5,000	-	-	-
Old Coast Road - Mandurah Estuary Bridge Duplication	110,000	-	-	3,000	15,000	80,000	12,000
Regional Black Spot Program	14,799	-	-	4,933	4,933	4,933	-
Regional Road Safety Program - Safety Program.....	194,000	-	-	-	177,500	16,500	-
COVID-19 Response							
Stock Road Bridge Replacement	7,000	-	-	500	6,500	-	-
Other New Works							
Albany Highway - Kelmscott to Williams Pavement							
Rehabilitation and Hotham River Bridge Replacement.....	25,000	-	-	9,070	12,500	-	-
Buildings and Equipment							
2021-22 Program.....	20,215	-	-	20,215	-	-	-
2022-23 Program.....	20,821	-	-	-	20,821	-	-
2023-24 Program.....	20,821	-	-	-	-	20,821	-
2024-25 Program.....	20,821	-	-	-	-	-	20,821
Capitalised Operational Costs							
2021-22 Program.....	85,668	-	-	85,668	-	-	-
2022-23 Program.....	88,088	-	-	-	88,088	-	-
2023-24 Program.....	88,969	-	-	-	-	88,969	-
2024-25 Program.....	90,062	-	-	-	-	-	90,062
Graham Farmer Freeway - Orrong Road Expressway							
Graham Farmer Freeway to Leach Highway Planning	20,000	-	-	1,000	4,000	5,000	5,000

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Great Eastern Highway - Coates Gully, Walgoolan to Southern Cross and Ghooli to Benari	250,000	-	-	1,000	30,000	14,000	14,000
Great Northern Highway Marble Bar Road Upgrade.....	120,000	-	-	30,000	60,000	30,000	-
Nellie Springs to Sally Downs Well and Arthur Creek....	60,000	-	-	-	5,000	5,000	10,000
Indian Ocean Drive - Jurien Bay to Brand Highway	55,000	-	-	1,000	15,000	15,000	2,000
METRONET - Caledonian Avenue Level Crossing Closure	15,000	-	-	1,900	3,700	6,400	3,000
Minor Works (includes Black Spot and Urgent Minor Works) 2021-22 Program.....	44,534	-	-	44,534	-	-	-
2022-23 Program.....	23,254	-	-	-	23,254	-	-
2023-24 Program.....	23,254	-	-	-	-	23,254	-
2024-25 Program.....	23,254	-	-	-	-	-	23,254
Perth Airport Precinct - Northern Access.....	170,000	-	-	1,000	1,000	5,000	15,000
Reid Highway Altone Road and Daviot Road/Drumpellier Drive Grade Separations.....	225,000	-	-	6,000	22,000	90,000	90,000
West Swan and Reid Highway Interchange.....	175,000	-	-	-	-	-	5,000
Toodyay Road Upgrade - Dryandra to Toodyay.....	80,000	-	-	-	1,000	4,000	20,000
Wanneroo Road Duplication - Dunstan Road to Romeo Road.....	15,200	-	-	-	-	5,200	10,000
Wheatbelt Timber Bridge Replacement.....	14,000	-	-	9,000	5,000	-	-
Total Cost of Asset Investment Program	11,269,209	3,751,838	1,448,842	1,587,689	1,874,776	1,745,372	1,107,530
FUNDED BY							
Capital Appropriation.....			460,157	398,951	479,698	509,732	521,397
Commonwealth Grants.....			886,870	879,001	1,124,745	997,644	530,802
Drawdowns from Royalties for Regions Fund			17,807	59,092	50,433	62,641	14,200
Internal Funds and Balances.....			(23,106)	105,601	23,059	53,582	(12,169)
Other			49,152	102,534	148,091	70,073	19,300
Other Grants and Subsidies			57,962	42,510	48,750	51,700	34,000
Total Funding.....			1,448,842	1,587,689	1,874,776	1,745,372	1,107,530

(a) A total of \$20 million in 2021-22 has been reallocated to the Regional State Road Safety Improvement Program and \$40 million over 2022-23 to 2023-24 has been reallocated to the Regional Road Safety - Safety Program.

Financial Statements

Income Statement

Expenses

1. Movement in Supplies and services is in line with the recurrent works that Main Roads delivers. Delivery of some major works on the local road network has added to the expenditure under this category, including works on the Outback Highway, Duncan and Gordon Downs Roads and the Broome-Cape Leveque Road.
2. The movement in Other expenses is significantly influenced by the value of retired non-current fixed assets and road transfers. Future retirements are yet to be confirmed.
3. The movement in the Sale of goods and services is mainly due to movements in third party works. During the year, works are added to the program as confirmation is received from those third parties.

Income

4. The major component of Grants and subsidies income is via contributions for works projects by the Commonwealth. Differences in income year versus construction year is mainly due to the timing of milestone payments.
5. Other revenue was significantly higher in the 2020-21 Estimated Actual than the 2020-21 Budget due mainly to net assets transferred in (roads being transferred from the care and control of local government(s) to Main Roads).
6. Income from State Government primarily reflects funding being provided from motor vehicle licence fee revenues.

Statement of Financial Position

7. Cash assets in the 2020-21 Estimated Actual is higher than the 2020-21 Budget mainly due to Commonwealth milestone payments, including a forward cash component.
8. Restricted cash includes funds for METRONET road-related works, previously received GST equalisation payments and specific funding received in advance for maintenance works from third parties (mostly mining companies).
9. Receivables fluctuate with the works program and are influenced by payment cycles.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	68,053	70,996	70,996	71,548	72,286	73,191	74,070
Grants and subsidies ^(c)	232,275	306,526	301,828	307,089	235,173	207,346	248,127
Supplies and services	400,033	543,517	404,095	506,181	467,829	522,982	570,253
Accommodation	16,523	19,287	19,287	19,327	19,652	19,928	20,158
Depreciation and amortisation	396,589	437,151	437,151	443,291	444,857	444,116	444,116
Finance and interest costs	194	257	257	277	273	264	264
Other expenses	130,432	53,937	53,937	29,009	25,269	42,229	42,419
TOTAL COST OF SERVICES	1,244,099	1,431,671	1,287,551	1,376,722	1,265,339	1,310,056	1,399,407
Income							
Sale of goods and services	65,677	49,670	18,869	49,812	57,406	52,771	23,556
Grants and subsidies	667,088	975,227	1,069,217	966,151	1,221,017	1,089,606	688,284
Other revenue ^(d)	53,053	12,926	1,429,280	49,325	12,926	12,926	12,926
Total Income	785,818	1,037,823	2,517,366	1,065,288	1,291,349	1,155,303	724,766
NET COST OF SERVICES ^{(e) (f)}	458,281	393,848	(1,229,815)	311,434	(26,010)	154,753	674,641
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,096,107	1,133,478	1,038,556	1,211,128	1,141,004	1,143,545	1,255,345
Resources received free of charge	-	2,700	2,700	2,700	2,700	2,700	2,700
Royalties for Regions Fund:							
Regional Community Services Fund	15,682	22,889	20,883	14,102	6,575	6,575	11,662
Regional Infrastructure and Headworks Fund	-	3,780	10,897	14,055	-	-	-
Other revenues	164,602	234,688	161,824	237,428	168,849	99,044	59,786
TOTAL INCOME FROM STATE GOVERNMENT	1,276,391	1,397,535	1,234,860	1,479,413	1,319,128	1,251,864	1,329,493
SURPLUS/(DEFICIENCY) FOR THE PERIOD	818,110	1,003,687	2,464,675	1,167,979	1,345,138	1,097,111	654,852

(a) Full audited financial statements are published in Main Road's Annual Report.

(b) The FTEs for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 1,106, 1,147 and 1,215 respectively.

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

(d) Other revenue includes net assets transferred in (roads being transferred from the care and control of local government(s) to Main Roads).

(e) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

(f) As the Net Cost of Services includes all sources of non-State Government receipts, both the value of road assets transferred in and Commonwealth funding is included as an offset to the Total Cost of Services. This can result in a negative Net Cost of Services in some years.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual ^(a)	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Aglime Route.....	5,184	1,340	-	-	-	-	-
Bridges Renewal Program Round Three.....	-	-	1,069	5,531	2,000	-	-
Department of Transport Cycling Grants.....	5,340	5,340	5,340	5,340	5,340	5,340	5,340
Election Commitments.....	8,698	4,833	2,480	34,692	25,750	2,500	-
Heavy Vehicle Safety and Productivity Program.....	-	-	3,714	2,797	2,000	-	-
Local Government Commodity Freight Routes.....	8,707	1,293	-	-	-	-	-
Local Road Grants and Subsidies.....	118,057	154,485	155,467	143,846	141,535	115,632	141,731
METRONET Related Works.....	29,570	89,740	80,911	93,841	13,503	45,318	-
Other.....	191	500	1,163	663	500	500	500
Principal Shared Paths.....	-	11,451	10,771	5,768	30,905	12,556	12,556
Road Assets Transferred.....	13,685	-	-	-	-	-	-
Stephenson Avenue Extension.....	2,776	37,216	10,346	13,311	-	-	-
Western Australia Natural Disaster Relief and Recovery Arrangements Funding Applied to the Local Government Road Network ^(b)	38,595	-	29,567	-	-	-	-
Wheatbelt Secondary Freight Routes.....	1,472	328	1,000	1,300	13,640	25,500	88,000
TOTAL	232,275	306,526	301,828	307,089	235,173	207,346	248,127

(a) Based on preliminary report data for 2020-21. Some aggregates may be adjusted for annual report information finalised after agency Budget Statements were prepared.

(b) Western Australia Natural Disaster Relief and Recovery Arrangements is no longer administered by Main Roads.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	91,219	117,340	294,154	361,598	328,613	237,748	205,022
Restricted cash.....	214,195	117,702	171,434	150,589	257,059	342,253	378,550
Receivables.....	101,605	96,219	96,219	95,513	94,807	95,101	95,395
Other.....	60,770	60,770	60,770	60,770	60,770	60,770	60,770
Assets held for sale.....	4,717	4,717	4,717	4,717	4,717	4,717	4,717
Total current assets.....	472,506	396,748	627,294	673,187	745,966	740,589	744,454
NON-CURRENT ASSETS							
Holding account receivables.....	3,142,901	3,511,303	3,511,303	3,879,023	4,244,105	4,609,196	4,974,287
Property, plant and equipment.....	46,059,359	47,696,277	49,128,851	51,759,489	54,046,670	56,374,240	58,063,968
Receivables.....	189	189	189	189	189	189	189
Intangibles.....	15,787	14,083	14,083	12,635	11,368	10,101	8,834
Other.....	7,460	7,460	7,460	7,460	7,460	7,460	7,460
Total non-current assets.....	49,225,696	51,229,312	52,661,886	55,658,796	58,309,792	61,001,186	63,054,738
TOTAL ASSETS	49,698,202	51,626,060	53,289,180	56,331,983	59,055,758	61,741,775	63,799,192
CURRENT LIABILITIES							
Employee provisions.....	41,565	42,185	42,185	44,025	49,925	49,925	49,925
Payables.....	9,130	10,183	10,183	11,236	12,289	13,342	14,395
Borrowings and leases.....	2,560	2,438	2,438	2,645	2,526	2,469	2,412
Other.....	447,563	448,957	448,957	450,792	452,627	454,462	456,297
Total current liabilities.....	500,818	503,763	503,763	508,698	517,367	520,198	523,029
NON-CURRENT LIABILITIES							
Employee provisions.....	5,426	5,465	5,465	5,625	6,725	6,725	6,725
Borrowings and leases.....	7,337	6,384	6,384	6,231	4,813	3,956	3,099
Other.....	52	52	52	52	52	52	52
Total non-current liabilities.....	12,815	11,901	11,901	11,908	11,590	10,733	9,876
TOTAL LIABILITIES	513,633	515,664	515,664	520,606	528,957	530,931	532,905
EQUITY							
Contributed equity.....	5,730,847	6,006,679	6,208,811	6,649,350	7,179,481	7,719,141	8,072,460
Accumulated surplus/(deficit).....	15,709,576	16,713,263	18,174,251	19,342,230	20,687,368	21,784,479	22,439,331
Reserves.....	27,744,152	28,390,460	28,390,460	29,819,803	30,659,958	31,707,230	32,754,502
Other.....	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Total equity.....	49,184,569	51,110,396	52,773,516	55,811,377	58,526,801	61,210,844	63,266,287
TOTAL LIABILITIES AND EQUITY	49,698,202	51,626,060	53,289,180	56,331,983	59,055,758	61,741,775	63,799,192

(a) Full audited financial statements are published in Main Roads' Annual Report.

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	748,018	765,076	670,154	843,408	775,922	778,454	890,254
Capital appropriation.....	258,509	258,025	460,157	398,951	479,698	509,732	521,397
Holding account drawdowns.....	31,065	-	-	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund.....	15,682	22,889	20,883	14,102	6,575	6,575	11,662
Regional Infrastructure and Headworks Fund	28,207	21,587	28,704	73,147	50,433	62,641	14,200
Other.....	263,989	238,400	165,536	238,320	169,741	102,936	59,678
Net cash provided by State Government	1,345,470	1,305,977	1,345,434	1,567,928	1,482,369	1,460,338	1,497,191
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(63,938)	(70,337)	(70,337)	(69,548)	(65,286)	(73,191)	(74,070)
Grants and subsidies	(237,881)	(312,166)	(307,468)	(307,089)	(235,173)	(211,346)	(248,127)
Supplies and services.....	(400,271)	(563,694)	(424,272)	(526,409)	(482,447)	(515,578)	(562,849)
Accommodation.....	(17,004)	(23,287)	(23,287)	(23,327)	(23,652)	(23,983)	(24,213)
GST payments.....	(169,826)	(147,054)	(147,054)	(147,054)	(147,054)	(147,054)	(147,054)
Finance and interest costs.....	-	(257)	(257)	(277)	(273)	(264)	(264)
Other payments.....	(12,708)	(15,892)	(15,892)	(15,389)	(15,610)	(15,802)	(15,992)
Receipts							
Grants and subsidies	498,525	974,786	1,068,776	966,151	1,221,017	1,089,606	688,284
Sale of goods and services.....	46,483	54,539	23,738	47,181	54,775	50,140	20,925
GST receipts.....	166,572	146,808	146,808	146,808	146,808	146,808	146,808
Other receipts	18,682	15,607	15,607	15,607	15,607	15,607	15,607
Net cash from operating activities	(171,366)	59,053	266,362	86,654	468,712	314,943	(200,945)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(1,256,024)	(1,432,622)	(1,448,842)	(1,587,689)	(1,874,776)	(1,745,372)	(1,107,530)
Other payments	-	-	-	(17,504)	-	(32,713)	(182,278)
Proceeds from sale of non-current assets	5,830	-	-	-	-	-	-
Net cash from investing activities	(1,250,194)	(1,432,622)	(1,448,842)	(1,605,193)	(1,874,776)	(1,778,085)	(1,289,808)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(3,145)	(2,780)	(2,780)	(2,790)	(2,820)	(2,867)	(2,867)
Net cash from financing activities	(3,145)	(2,780)	(2,780)	(2,790)	(2,820)	(2,867)	(2,867)
NET INCREASE/(DECREASE) IN CASH HELD.....	(79,235)	(70,372)	160,174	46,599	73,485	(5,671)	3,571
Cash assets at the beginning of the reporting period.....	385,762	305,414	305,414	465,588	512,187	585,672	580,001
Net cash transferred to/from other agencies	(1,113)	-	-	-	-	-	-
Cash assets at the end of the reporting period	305,414	235,042	465,588	512,187	585,672	580,001	583,572

(a) Full audited financial statements are published in Main Roads' Annual Report.

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
INCOME							
Taxation							
Permits - Oversize Vehicles and Loads	8,920	7,500	9,538	7,500	7,500	7,500	7,500
TOTAL ADMINISTERED INCOME	8,920	7,500	9,538	7,500	7,500	7,500	7,500
EXPENSES							
Grants to Charitable and Other Public Bodies							
Receipts Paid into the Consolidated Account	8,920	7,500	9,538	7,500	7,500	7,500	7,500
TOTAL ADMINISTERED EXPENSES	8,920	7,500	9,538	7,500	7,500	7,500	7,500

Division 41 Public Transport Authority of Western Australia

Part 9 Transport

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	359	359	359	360	361	362	362
Total appropriations provided to deliver services	359	359	359	360	361	362	362
CAPITAL							
Item 143 Capital Appropriation	618,472	727,199	457,234	591,261	1,126,072	1,003,662	662,626
Item 144 Capital Appropriation METRONET Projects Under Development	-	378,493	150,862	66,637	383,931	469,736	237,560
TOTAL APPROPRIATIONS	618,831	1,106,051	608,455	658,258	1,510,364	1,473,760	900,548
EXPENSES							
Total Cost of Services	1,601,767	1,799,450	1,718,627	1,907,810	1,864,419	1,891,223	1,847,037
Net Cost of Services (a) (b)	1,381,762	1,574,421	1,528,849	1,654,574	1,598,513	1,614,586	1,555,758
CASH ASSETS (c)	748,617	615,561	699,801	306,223	172,306	115,348	111,853

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(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 Authority's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
METRONET Greenwood Station Multi-Storey Car Park	-	-	-	-	546
Small Commitments - Bus Shelter Upgrades	300	-	-	-	-
Transperth 2 Zone Fare Cap	-	120	-	-	-
COVID-19 Response					
Additional Cleaning and Transport of Passengers in Hotel Quarantine.....	15,577	5,787	-	-	-
Reduced Optus Stadium Special Events.....	(663)	-	-	-	-
New Initiatives					
CAT Bus Service Extension Trial	-	1,042	2,120	1,082	-
Perth to Bunbury Faster Rail Corridor Investigation	-	1,350	3,050	3,000	-
Purple CAT Bus Service.....	-	709	1,442	1,471	1,500

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Ongoing Initiatives					
Transperth Bus Services	-	2,097	10,291	18,822	21,464
Update to Operating Costs for the Forrestfield-Airport Link	(36,126)	(20,981)	(5,089)	(7,345)	(4,877)
Update to Operating Costs for the Yanchep Rail Extension	(1,093)	(1,806)	(2,262)	(11,466)	(11,059)
Other					
Audit Fees	19	19	19	21	21
Externally Funded Services and Works	1,924	8,398	8,509	625	625
METRONET					
Community Assets Program	5,225	16,275	-	-	-
Rail Network Growth	341	2,071	2,093	2,115	2,138
Public Transport Cost and Funding Forecast	542	811	5,086	14,188	25,237
Radio Systems Replacement Operating Costs	(1,675)	(3,880)	(3,880)	(3,880)	(3,880)
Revised Interest Expenses	(4,180)	(9,885)	(11,382)	(12,049)	(8,698)
RiskCover Insurance Premiums	1,168	1,479	1,765	2,030	2,833
Transfer of Event Traffic Management Costs to Main Roads	-	(1,650)	(1,650)	(1,650)	(1,650)
Tunnel Monitoring System	-	200	200	200	200

Significant Issues Impacting the Agency

1. METRONET will transform Perth's public transport network. In 2021-22, the Denny Avenue Level Crossing Removal and Mandurah Station Multi-Storey Car Park will be completed, with construction on the Morley-Ellenbrook Line, Thornlie-Cockburn Link, Yanchep Rail Extension and Bayswater Station continuing. Additionally, Lakelands Station will commence construction, with the new Midland Station, Byford Rail Extension and Victoria Park-Canning Level Crossing Removal projects all expected to achieve contract award in 2021. The Authority will also progress planning on the new Greenwood Station Multi-Storey Car Park.
2. The opening of the Forrestfield-Airport Link is another key part of the METRONET plan, creating a 20 minute direct link between the eastern foothills and the Perth CBD. Tracklaying is complete and station works at High Wycombe, Airport Central and Redcliffe have progressed to final fit-out.
3. The urban rail network is serviced by 330 railcars. The Authority's budget includes funding for an additional 246 railcars: 102 for the METRONET expansion and an additional 144 new railcars to replace the A-Series fleet. The Authority has worked closely with the manufacturer to maximise local content, creating local jobs and strengthening the local economy. The Bellevue Railcar Assembly Facility has been completed with construction work on the maintenance facility in Bellevue to commence this year.
4. With a fleet of over 1,753 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, maintaining rigorous maintenance standards and through a rolling bus replacement program. The bus body and interior are manufactured in Perth and continue to support jobs for approximately 160 workers per annum throughout the supply chain.
5. The COVID-19 pandemic has adversely impacted patronage on the public transport system. Daily patronage dropped sharply in March 2020, but by July 2020 was recovering, albeit with declines when temporary restrictions were implemented. Further improvement is expected to continue in 2021-22. Recovery from the initial reduction in patronage caused by the COVID-19 pandemic has been the fastest of any public transport provider in Australia.
6. Public transport is an essential service to the community and the Authority continues to have extensive and well-practised emergency management procedures and processes, including well-developed pandemic strategies.
7. Safe access to the Authority's many stations and bus ports 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 patrons. Further measures are in place to meet specific needs of the very large crowds that result from special events such as football games and concerts.
8. The Purple CAT Bus Service, a new free bus service, will be introduced in 2022 and will link the Elizabeth Quay Bus Station, West Perth, QEII Medical Centre and the University of Western Australia, at an additional cost of \$5.6 million over 2021-22 to 2024-25.

9. The provision of safe and cost-effective public transport services to regional Western Australia remains a priority for Government. Despite experiencing a decline in inter-regional patronage as a result of the COVID-19 pandemic, more than 294,000 trips were made on Transwa services in 2020-21 and improvements towards pre-COVID-19 levels are expected in 2021-22. Accordingly, the Authority continues to invest in Transwa services and to look for opportunities to enhance the service. This investment in our towns and regions includes the purchase of a new Australind railcar fleet, which will be operational in 2023, and completion this year of safety improvements at level crossings along the South West Main Line.

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 Authority's services, the desired outcomes and the relevant Government Goal. 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
Growing Our Communities: Protecting our environment with thriving suburbs and 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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Metropolitan and Regional Passenger Services.....	1,197,418	1,383,307	1,316,264	1,498,846	1,475,717	1,518,793	1,489,023
2. Country Passenger Rail and Road Coach Services.....	52,018	55,233	54,202	53,777	54,977	56,930	57,243
3. Regional School Bus Services.....	130,824	131,087	132,636	130,624	130,292	132,949	134,678
4. Rail Corridor and Residual Freight Issues Management.....	221,507	229,823	215,525	224,563	203,433	182,551	166,093
Total Cost of Services.....	1,601,767	1,799,450	1,718,627	1,907,810	1,864,419	1,891,223	1,847,037

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Accessible, reliable and safe public transport system:					
Use of public transport - passengers per service kilometre:					
Metropolitan bus services	0.97	0.97	0.87	0.96	1
Metropolitan train services	2.31	2.3	2.15	2.49	1
Metropolitan ferry services	11.25	10.06	10.33	10.62	
Intra-town regional bus services	0.653	0.67	0.635	0.675	
Country passenger rail services	0.161	0.176	0.148	0.172	2
Country passenger road coach services	0.051	0.055	0.045	0.059	2
Inter-town country bus services	0.012	0.013	0.012	0.013	
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	83%	85%	83%	85%	
Trains arriving within four minutes of scheduled time	96%	95%	95%	95%	
Ferries arriving within three minutes of scheduled time	95%	96%	98%	96%	
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time	53%	80%	47%	80%	3
Australind arriving within 10 minutes of scheduled time	86%	90%	80%	90%	3
MerredinLink arriving within 10 minutes of scheduled time	71%	90%	71%	90%	3
AvonLink arriving within 10 minutes of scheduled time	89%	90%	96%	90%	
Road coaches arriving within 10 minutes of scheduled time	98%	95%	97%	95%	
Satisfaction with school bus availability at arrival/departure time:	99%	99%	100%	99%	
Level of overall customer satisfaction - customer satisfaction index:					
Metropolitan bus services	91%	89%	94%	90%	
Metropolitan train services	94%	92%	94%	92%	
Metropolitan ferry services	100%	99%	100%	99%	
Country passenger rail and road coach services	n/a	92%	89%	92%	4
Customer perception of safety - independent external surveys:					
Train station - daytime	98%	96%	98%	96%	
On-board train - daytime	97%	97%	98%	97%	
Train station - nighttime	69%	70%	77%	70%	
On-board train - nighttime	74%	76%	78%	76%	
Bus station - daytime	98%	98%	98%	98%	
On-board bus - daytime	99%	99%	99%	99%	
Bus station - nighttime	76%	75%	82%	75%	5
On-board bus - nighttime	82%	82%	86%	82%	
Level of notifiable safety occurrences - notifiable occurrences:					
Category A occurrences per million passenger boardings	0.40	0.27	0.83	0.41	
Category A occurrences per million train kilometres	0.85	0.69	1.64	0.93	
Category B occurrences per million passenger boardings	36.04	19.85	45.47	25.87	
Category B occurrences per million train kilometres	76.74	49.57	89.2	59.24	
Regional school bus services: notifiable occurrences (accidents) reported each school year	15	19	14	19	6
Return on construction expenditure	1.6	1.7	1.5	1.6	
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 Authority's Annual Report.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is lower compared to the 2020-21 Budget due to the impact of the COVID-19 pandemic continuing to reduce patronage. The 2021-22 Budget Target is based on an improved patronage forecast from continued recovery, the introduction of the 2 zone fare cap and the commissioning of the Forrestfield-Airport Link.
2. The 2020-21 Estimated Actual is lower compared to the 2020-21 Budget due to the impact of the COVID-19 pandemic and associated regional travel restrictions. The increase in the 2021-22 Budget Target is based on improved patronage as demand for regional travel increases.
3. The 2020-21 Estimated Actual for the service reliability of the Prospector, MerredinLink and Australind (which travel on the leased freight network) has reduced compared to the 2020-21 Budget due to a number of delays associated with crossings and track-related issues as a result of maintenance work undertaken by Arc Infrastructure.
4. Due to COVID-19 restrictions, the level of overall customer satisfaction survey in 2019-20 could not be conducted, and therefore the 2019-20 Actual is not available. The Authority received an exemption from the key effectiveness indicator reporting requirement for the 2019-20 year.
5. The 2020-21 Estimated Actual result is an equal all-time high and firmly above the 2020-21 Budget. This result is largely due to significant perception improvements for services in the Kalamunda Contract Area, and on the Circle Route services.
6. The 2020-21 Estimated Actual is lower compared to the 2020-21 Budget due to continued efforts by the Authority and school bus drivers in recognising the importance of adopting a safe system approach to road safety.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	1,197,418	1,383,307	1,316,264	1,498,846	1
Less Income ^(a)	190,819	196,036	162,303	216,882	2
Net Cost of Service	1,006,599	1,187,271	1,153,961	1,281,964	
Employees (Full-Time Equivalents)	1,628	1,758	1,686	1,923	3
Efficiency Indicators					
Average cost per passenger kilometre:					
Transperth bus operations	\$1.56	\$1.58	\$1.66	\$1.50	4
Transperth train operations	\$0.76	\$0.97	\$0.91	\$0.78	4
Transperth ferry operations	\$2.07	\$1.92	\$1.85	\$1.81	
Average cost per 1,000 place kilometres - intra-town regional bus services	\$83.43	\$89.20	\$86.14	\$86.43	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2021-22 Budget Target is forecast to increase by \$182.6 million (13.9%) from the 2020-21 Estimated Actual largely due to increased annual METRONET Operating Costs (\$151.7 million) and the Public Transport Cost and Funding Forecast revision costs (\$30 million).
2. Income in the 2021-22 Budget Target is forecast to increase by \$54.6 million (33.6%) from the 2020-21 Estimated Actual. The increase is mainly attributable to increased Transperth fare revenue (\$31.1 million), and reduced prior year revenue associated with measures responding to the COVID-19 pandemic including: Optus Stadium concessions (\$9.1 million); advertising and service contribution (\$8.9 million); and waived parking fees (\$7.9 million).
3. The 2021-22 Budget Target is forecast to increase due to additional operational staff to support METRONET growth and delivery.
4. The 2021-22 Budget Target is based on improved patronage forecast from COVID-19 recovery, the introduction of the 2 zone fare cap and the commissioning of the Forrestfield-Airport Link.

2. Country Passenger Rail and Road Coach Services

Provision of customer-focused, safe and cost-effective passenger transport to regional communities.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 52,018	\$'000 55,233	\$'000 54,202	\$'000 53,777	
Less Income	9,360	10,575	9,045	10,745	1
Net Cost of Service	42,658	44,658	45,157	43,032	
Employees (Full-Time Equivalents)	137	140	150	154	2
Efficiency Indicators					
Average cost per passenger kilometre:					
Transwa rail	\$0.67	\$0.63	\$0.66	\$0.54	3
Transwa road coaches	\$0.37	\$0.32	\$0.42	\$0.35	3
Average cost per 1,000 place kilometres - inter-town country bus services ...	\$16.73	\$18.96	\$15.28	\$15.69	

Explanation of Significant Movements

(Notes)

1. The Income in the 2021-22 Budget Target is forecast to increase by \$1.7 million (18.8%) from the 2020-21 Estimated Actual, which is mainly attributable to the implementation of the Route Rationalisation Strategy, which aims to enhance services to encourage greater patronage.
2. The 2021-22 Budget Target is higher than the 2020-21 Estimated Actual as a result of bringing the contract on-train services staff in-house.
3. The 2021-22 Budget Target is lower than the 2020-21 Estimated Actual predominantly due to the lifting of travel restrictions affecting Transwa services.

3. Regional School Bus Services

Provision of regional school bus transport to Western Australian school students.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 130,824	\$'000 131,087	\$'000 132,636	\$'000 130,624	1
Less Income ^(a)	26	nil	nil	nil	
Net Cost of Service	130,798	131,087	132,636	130,624	
Employees (Full-Time Equivalents)	36	37	39	38	
Efficiency Indicators					
Average cost per contracted kilometre - school bus services	\$3.81	\$3.82	\$3.98	\$3.88	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2021-22 Budget Target is forecast to decrease by \$2 million (1.5%) from the 2020-21 Estimated Actual due to the reduced need for some service costs associated with the initial response to the COVID-19 pandemic.

4. Rail Corridor and Residual Freight Issues Management

Managing the rail freight corridor and infrastructure leased to the private sector and associated freight transport issues.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 221,507	\$'000 229,823	\$'000 215,525	\$'000 224,563	1
Less Income ^(a)	19,800	18,418	18,430	25,609	
Net Cost of Service	201,707	211,405	197,095	198,954	
Employees (Full-Time Equivalents)	27	28	25	28	
Efficiency Indicators					
Total cost of managing the rail freight corridor and residual freight issues	\$221,507	\$229,823	\$215,525	\$224,563	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in the 2021-22 Budget Target is forecast to increase by \$9 million (4.2%) from the 2020-21 Estimated Actual due largely to increased depreciation expense (\$11.7 million) and the Public Transport Cost and Funding Forecast revision (\$4.6 million). This was offset by a decrease in costs due to the reduced need for some costs associated with the initial response to the COVID-19 pandemic (\$9.7 million).

Asset Investment Program

SmartRider System Asset Replacement and Technology Update

1. \$57.8 million has been allocated to replace SmartRider system assets and update the technology used by the system. In 2021-22 an estimated \$15.1 million will be expended to introduce new ticketing systems that will also allow the use of contemporary contactless payment methods.

Stirling Bus Interchange

2. \$90 million will be spent to construct an expanded Stirling Bus Interchange over the Joondalup Line and the Mitchell Freeway at Stirling Train Station with construction to commence in 2021. In 2021-22, an estimated \$33 million will be expended on the project.

METRONET

Forrestfield-Airport Link

3. Three new stations are being built as part of the Forrestfield-Airport Link: Redcliffe Station, Airport Central Station and High Wycombe Station. As part of the \$1.9 billion project, the Authority has made upgrades to Claremont Station, including associated rail turnback facilities. With track laying finalised, an estimated \$353.5 million will be spent in 2021-22 on the completion of rail installation, station works and the multi-storey carpark at High Wycombe.

Bayswater Station

4. \$227.2 million has been allocated to the new Bayswater Station to accommodate the Forrestfield-Airport Link service and the Morley-Ellenbrook Line. An estimated \$54.1 million will be spent in 2021-22.

Morley-Ellenbrook Line

5. \$1.1 billion will be spent on the 21-kilometre Morley-Ellenbrook Line from Bayswater Station to Ellenbrook. The project will deliver five new stations at Morley, Noranda, Malaga, Whiteman Park and Ellenbrook. An estimated \$150.6 million will be spent in 2021-22 on completion of design and progression of construction works.

Thornlie-Cockburn Link

6. \$716.1 million has been allocated to the extension of the Thornlie Line to Cockburn Station on the Mandurah Line. The total cost includes the construction of two new stations at Nicholson Road and Ranford Road, with park and ride facilities and bus interchanges. A total of \$140.8 million is planned to be spent in 2021-22.

Yanchep Rail Extension

7. \$431.7 million will be invested to extend the Joondalup rail line by 14.5 kilometres from Butler to Yanchep. An additional \$100 million will be spent by the Western Australian Planning Commission (WAPC). The total cost includes the construction of three new stations at Yanchep, Eglinton and Alkimos, with bus interchanges and park and ride facilities. In 2021-22, a total of \$116.7 million is to be spent, consisting of \$70 million by the WAPC and \$46.7 million by the Authority.

Lakelands Station

8. \$72 million has been allocated to a new station at Lakelands on the Mandurah Line. Works include a new station building, car park and bus-rail interchange. In 2021-22, \$23.5 million will be spent on enabling works and main construction.

Level Crossing Removal Program

9. \$109.8 million has been allocated to complete the removal of the level crossing at Denny Avenue (Kelmscott) and to allow for planning the future removal of additional level crossings at Caledonian Avenue (Maylands) and Victoria Park-Canning. The level crossing at Denny Avenue was replaced with an underpass at Davis Road in April 2021. An estimated \$15.5 million will be spent in 2021-22 to complete the project.

Victoria Park-Canning Level Crossing Removal

10. This project involves expenditure of \$415 million on the Victoria Park-Canning Level Crossing Removal (formerly the Inner Armadale Line Level Crossing Removal) to remove three rail level crossings at Mint Street, Oats Street and Welshpool Road. Additionally, two new elevated stations will be provided at Carlisle and Oats Street. Further funds are allocated in the Provision for METRONET Projects Under Development for the removal of the level crossings at Hamilton and Wharf Streets, with new elevated stations at Queens Park and Cannington. In 2021-22, an estimated \$91.9 million will be spent to progress the project to contract award and to continue the relocation of utility services.

Mandurah Station Multi-Storey Car Park

11. \$32.1 million has been allocated to construct a 800-bay multi-storey car park at Mandurah Station. In 2021-22, an estimated \$14.5 million will be spent to complete the project.

Greenwood Station Multi-Storey Car Park

12. \$38 million has been allocated to the construction of an up to 700-bay multi-storey car park at Greenwood Station. In 2021-22, an estimated \$0.7 million will be spent on planning the project.

Rail Line Planning

13. \$121.2 million has been allocated to undertake planning and procurement of a number of METRONET projects. An estimated \$38.1 million will be spent in 2021-22.

New Stations and Existing Station Upgrades

14. \$82.3 million has been allocated to new stations and upgrading existing stations. \$34.2 million of this will be spent on planning and preliminaries for new stations on the Mandurah Line and the relocation of Midland Station. The remaining \$48.1 million will provide for upgrading existing train stations to improve disability access, CCTV, lighting, station access and pathways. In 2021-22, an estimated \$24.1 million will be spent to complete the procurement process to facilitate contract award for the new Midland Station, as well as continuing upgrades to existing train stations.

High Capacity Signalling Program of Works

15. \$449 million will be spent to replace the existing Transperth rail network signalling system and allow for increased service frequencies to meet forecast rail demand under long-term planning. The program of works includes the Radio System Replacement, the Public Transport Operations Control Centre and the Train Control and Signalling projects. This represents a portion of a program of works that will continue over a number of years. In 2021-22, an estimated \$52.2 million will be spent on procurement and the commencement of design and enabling works.

Railcar Acquisition and Railcar Replacement

16. \$1.2 billion will be spent to procure 246 new Transperth railcars. These railcars will provide for METRONET projects (102 railcars) and replacement of the A-Series railcars (144 railcars). The new railcars will be six-car sets, which provide additional passenger capacity compared to sets currently in operation. Following the completion of the Bellevue Railcar Assembly Facility in 2020-21, an estimated \$206.9 million will be spent in 2021-22.

COVID-19 Response - Targeted Disability Access Station Upgrades - Cannington, Gosnells and Kelmscott Stations

17. \$8 million has been allocated to upgrade rail stations at Cannington, Gosnells and Kelmscott to ensure compliance with the *Disability Discrimination Act 1992 (Cth)*. In 2021-22, an estimated \$3.2 million will be expended to complete the project.

Australind Train Service - Rail Future Fund

18. \$54.7 million has been allocated to purchase a new Australind railcar fleet with an estimated \$6.8 million to be spent in 2021-22.

CAT Bus Service Extension

19. \$2.6 million will be spent in 2021-22 to expand the existing CAT bus network, including \$2.1 million to extend the Blue and Red services to include Kings Park and Matagarup Bridge and \$0.5 million to create a dedicated service that will travel between the University of Western Australia, the Queen Elizabeth II Medical Centre and the Perth CBD.

Tunnel Monitoring System

20. \$8 million will be spent on the purchase and installation of tunnel monitoring equipment to protect the Authority's underground assets. In 2021-22, \$4 million is estimated to be spent on planning and procurement for the project.

Western Australia Agricultural Supply Chain Improvements

21. \$199.2 million will be spent on Agricultural Supply Chain Improvements to improve the performance of the grain freight network in the Wheatbelt, Great Southern, Mid West and Goldfields-Esperance regions. This includes upgrades to increase rail freight loading capacity at four key locations at a total cost of \$22 million. In 2021-22, \$21.8 million is estimated to be spent on the rail upgrade for cross-section improvements, rail terminal upgrades and agricultural freight transport corridor improvements.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
South West Main Line Level Crossings Safety Upgrade Opportunities	7,000	1,500	1,500	5,500	-	-	-
Targeted Disability Access Station Upgrades							
Cannington, Gosnells and Kelmscott Stations	8,000	4,760	4,760	3,240	-	-	-
Other Works in Progress							
Bus Infrastructure Program							
Bus Priority Projects in Progress	2,750	1,041	1,041	1,709	-	-	-
SmartRider System Asset Replacement and Technology Update	57,821	17,548	1,430	15,083	22,940	2,250	-
Stirling Bus Interchange	90,000	1,000	1,000	33,000	56,000	-	-
Business Support Upgrades in Progress	86,185	71,224	10,360	9,646	5,315	-	-
Common Infrastructure Program - Minor Capital Works Program in Progress	4,039	1,800	1,800	2,239	-	-	-
Major Projects							
Future Urban Railcar Procurement	253,861	226,192	37,476	27,669	-	-	-
Optus Stadium Transport Project	354,740	354,622	126	118	-	-	-
METRONET							
Bayswater Station (Forrestfield-Airport Link Services and Morley-Ellenbrook Line Forward Works)	227,160	59,875	44,081	54,136	94,351	18,798	-
Forrestfield-Airport Link	1,861,000	1,507,533	301,609	353,467	-	-	-
High Capacity Signalling - Program of Works	448,986	32,020	9,565	52,165	152,732	96,986	57,025
Lakelands Station	72,000	6,377	5,121	23,529	31,477	10,617	-
Level Crossing Removal Program	109,808	94,350	85,240	15,458	-	-	-
Level Crossing Removal - Victoria Park - Canning (Inner Armadale)	415,000	20,617	20,617	91,860	124,281	124,222	54,020
Mandurah Station - Multi-Storey Car Park	32,085	17,615	17,050	14,470	-	-	-
Morley-Ellenbrook Line Delivery	1,123,194	53,963	53,963	150,648	313,937	331,781	272,865
New Stations and Existing Station Upgrades	82,280	27,045	6,391	24,143	9,196	10,617	7,514
Rail Line Planning	121,247	79,956	41,490	38,115	1,178	1,243	755
Railcar Acquisition	473,344	79,206	44,926	91,151	63,338	70,398	80,019
Railcar Replacement	749,332	191,162	127,231	115,775	102,940	18,000	15,735
Thornlie-Cockburn Link	716,050	245,116	170,231	140,761	142,975	145,163	42,035
Yanchep Rail Extension	431,716	151,675	87,718	46,687	144,247	89,107	-
New Bus Replacement in Progress	613,419	72,180	41,099	102,408	17,739	36,364	38,967
Operational Business Support Systems Program							
Business Support Upgrades	19,657	3,443	3,443	6,550	5,420	4,244	-
CCTV Program	14,454	3,837	2,492	1,316	5,335	3,758	208
Rail Infrastructure Program							
Kwinana and Mitchell Freeway Barrier Upgrades	57,250	100	100	14,900	19,110	23,140	-
Rail Infrastructure in Progress	365,985	125,095	17,635	83,904	79,406	37,599	32,411
Resilience Package	59,877	51,623	5,019	8,254	-	-	-
Rail Stations Program - Lifts and Escalators Upgrades and Replacements							
	7,329	294	294	5,790	1,245	-	-
Railcar Program - Rail Futures Fund (Australind Railcar Replacement)							
	54,667	8,130	5,420	6,774	19,960	19,803	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COMPLETED WORKS							
COVID-19 Response							
Solar Panels for 60 Bus and Rail Stations.....	1,800	1,800	1,800	-	-	-	-
Other Completed Works							
Bus Infrastructure Program - Bus Priority Projects	19,861	19,861	1,278	-	-	-	-
Bus Replacement Program	324,828	324,828	2,324	-	-	-	-
Common Infrastructure Program - Minor Capital Works Program	12,347	12,347	2,493	-	-	-	-
Major Projects - Perth City Link	573,376	573,376	1,418	-	-	-	-
Parking Facilities Program.....	2,436	2,436	47	-	-	-	-
Rail Stations Program							
Lifts and Escalators Upgrades and Replacements	36,480	36,480	286	-	-	-	-
Election Commitment - Rail Futures Fund - Upgrade to Cookernup and North Dandalup Train Stations and Completion of Yarloop.....	1,483	1,483	10	-	-	-	-
Vessel Replacement Program	2,419	2,419	104	-	-	-	-
NEW WORKS							
Bus Infrastructure Program - CAT Bus Infrastructure	2,600	-	-	2,600	-	-	-
Common Infrastructure Program - Minor Capital Works Program	13,057	-	-	2,557	3,500	3,500	3,500
Freight Program							
Freight Rail Upgrades.....	20,000	-	-	-	20,000	-	-
Grain Freight Upgrades	22,000	-	-	12,000	10,000	-	-
Western Australia Agricultural Supply Chain Improvements	177,173	-	-	9,798	49,795	58,791	58,789
METRONET - Greenwood Station Multi-Storey Car Park...	38,000	-	-	670	4,350	22,996	9,984
Operational Business Support Systems - CCTV Program	12,451	-	-	-	-	3,000	9,451
Parking Facilities Upgrades.....	12,634	-	-	4,634	2,000	2,000	2,000
Rail Infrastructure Program							
Rail Infrastructure New Program.....	160,732	-	-	9,076	12,981	55,753	40,974
Tunnel Monitoring System	8,000	-	-	4,000	4,000	-	-
Total Cost of Asset Investment Program	10,361,913	4,485,929	1,159,988	1,585,800	1,519,748	1,190,130	726,252
Loans and Other Repayments.....			175,534	127,436	133,397	135,157	136,264
Total.....	10,361,913	4,485,929	1,335,522	1,713,236	1,653,145	1,325,287	862,516
FUNDED BY							
Borrowings			506,964	528,912	190,371	105,194	84,192
Capital Appropriation			502,466	401,095	697,655	617,386	448,413
Capital Appropriation - Other (Land Sales Proceeds)			5,310	2,162	9,326	4,341	12,433
Capital Appropriation - Sourced from Commonwealth			98,820	188,004	419,091	381,935	201,780
Drawdowns from Royalties for Regions Fund			13,306	23,539	25,096	-	-
Drawdowns from the Holding Account			95,671	86,696	97,230	56,364	53,414
Funding Included in Department of Treasury - Major State Infrastructure			126	118	-	-	-
Internal Funds and Balances.....			26,667	372,751	132,543	55,958	3,495
Other			3,990	8,725	54,792	54,768	55,789
Other Grants and Subsidies			82,202	101,234	27,041	49,341	3,000
Total Funding.....			1,335,522	1,713,236	1,653,145	1,325,287	862,516

Financial Statements

Income Statement

Expenses

1. The Total Cost of Services in the 2021-22 Budget Estimate is forecast to increase by \$189.2 million (11%) from the 2020-21 Estimated Actual. The net increase is mainly due to:
 - 1.1. METRONET operating costs (\$153.6 million);
 - 1.2. the Public Transport Cost and Funding Forecast revision (\$36.1 million); and
 - 1.3. increased depreciation expense (\$22.2 million).
2. This was offset by a decrease in expenditure due to a reduced need for some service costs associated with the initial response to the COVID-19 pandemic (\$22.2 million).

Income

3. The Total Income in the 2021-22 Budget Estimate is forecast to increase by \$63.5 million (33.4%) from the 2020-21 Estimated Actual. This is mainly attributable to:
 - 3.1. increased Transperth fare revenue (\$31.1 million); and
 - 3.2. the reduction in prior year revenue associated with the COVID-19 pandemic following response measures including: Optus Stadium concessions (\$9.1 million); advertising, catering and service contributions (\$9 million); and waived parking fees (\$7.9 million).
4. This is offset by a decrease due to deferral of Commonwealth revenue for the Platform and Signalling Upgrade Program business case to 2022-23 (\$0.5 million).

Statement of Financial Position

5. The Total equity in the 2021-22 Budget Estimate is forecast to increase by \$250.1 million from the 2020-21 Estimated Actual. This comprises a projected increase in Total Assets of \$625.5 million and an increase in Total Liabilities of \$375.4 million.
6. The Authority's statement shows accumulated deficits across the forward estimates period because 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.

Statement of Cashflows

7. Proceeds from borrowings in the 2020-21 Estimated Actual have decreased by \$67.5 million from the 2020-21 Budget, which is predominantly attributable to the deferral of capital expenditure within the forward estimates period.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	205,730	225,975	217,595	234,102	251,502	258,212	261,423
Grants and subsidies ^(c)	543,357	545,558	555,270	577,614	578,185	597,212	612,369
Supplies and services	250,273	431,036	326,600	463,242	342,847	316,202	262,523
Accommodation	30,728	34,423	30,620	35,181	41,178	43,204	44,178
Depreciation and amortisation	458,537	448,937	475,120	480,726	523,992	545,962	533,474
Finance and interest costs	83,572	80,007	75,878	79,123	88,003	90,754	92,391
Other expenses	29,570	33,514	37,544	37,822	38,712	39,677	40,679
TOTAL COST OF SERVICES	1,601,767	1,799,450	1,718,627	1,907,810	1,864,419	1,891,223	1,847,037
Income							
Sale of goods and services	171,227	168,264	147,409	181,590	195,531	219,177	233,819
Regulatory fees and fines	3,527	4,420	4,420	4,420	4,420	4,420	4,420
Grants and subsidies	4,720	8,630	5,000	9,569	3,000	-	-
Other revenue	40,531	43,715	32,949	57,657	62,955	53,040	53,040
Total Income	220,005	225,029	189,778	253,236	265,906	276,637	291,279
NET COST OF SERVICES ^(d)	1,381,762	1,574,421	1,528,849	1,654,574	1,598,513	1,614,586	1,555,758
INCOME FROM STATE GOVERNMENT							
Service appropriations	359	359	359	360	361	362	362
Resources received free of charge	790	-	-	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund	7	9	10	79,935	79,935	79,935	79,935
Other appropriations	901,584	1,088,211	1,031,800	984,070	977,409	970,847	926,487
Other revenues	37,820	139,338	119,123	226,946	107,622	131,067	84,758
TOTAL INCOME FROM STATE GOVERNMENT	940,560	1,227,917	1,151,292	1,291,311	1,165,327	1,182,211	1,091,542
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(441,202)	(346,504)	(377,557)	(363,263)	(433,186)	(432,375)	(464,216)

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 1,828, 1,900 and 2,143 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Country Passenger Services - Inter-town							
Country Bus Services	648	1,012	807	829	852	875	871
Local Government	545	-	300	-	-	-	-
METRONET Community Assets Program	-	-	5,225	16,275	-	-	-
METRONET Office Expenses	834	2,662	2,352	2,264	1,746	985	985
Metropolitan Services							
Bus Operators	398,774	399,644	402,139	412,942	428,711	445,770	458,052
Ferry Services	1,417	1,383	1,842	1,302	1,325	1,351	1,378
Intra-town Regional Bus Services	16,948	16,768	16,896	17,625	17,935	18,325	18,751
Regional School Bus Services							
Conveyance Allowance	2,013	2,336	2,033	2,068	2,094	2,136	2,178
School Bus Services	122,178	121,753	123,676	124,309	125,522	127,770	130,154
TOTAL	543,357	545,558	555,270	577,614	578,185	597,212	612,369

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	204,171	109,944	244,966	147,964	109,914	105,954	103,214
Restricted cash.....	543,065	504,236	453,454	156,878	61,011	8,013	7,258
Holding account receivables.....	141,948	99,690	99,690	35,165	56,364	58,967	70,939
Receivables.....	23,228	23,228	23,228	23,228	23,228	23,228	23,228
Other.....	39,060	39,060	39,060	39,060	39,060	39,060	39,060
Total current assets.....	951,472	776,158	860,398	402,295	289,577	235,222	243,699
NON-CURRENT ASSETS							
Holding account receivables.....	437,992	338,302	384,579	362,408	243,979	185,012	119,626
Property, plant and equipment.....	9,521,141	10,339,533	10,214,060	11,319,020	12,313,424	12,956,058	13,150,318
Intangibles.....	12,283	515,614	8,888	9,731	11,548	13,767	17,010
Restricted cash.....	1,381	1,381	1,381	1,381	1,381	1,381	1,381
Total non-current assets.....	9,972,797	11,194,830	10,608,908	11,692,540	12,570,332	13,156,218	13,288,335
TOTAL ASSETS	10,924,269	11,970,988	11,469,306	12,094,835	12,859,909	13,391,440	13,532,034
CURRENT LIABILITIES							
Employee provisions.....	50,414	50,414	50,414	50,414	50,414	50,414	50,414
Payables.....	134,716	134,716	134,716	134,716	134,716	134,716	134,716
Borrowings and leases.....	179,365	130,664	131,689	137,697	139,505	138,385	135,128
Other.....	54,456	26,340	26,340	26,340	26,340	26,340	26,340
Total current liabilities.....	418,951	342,134	343,159	349,167	350,975	349,855	346,598
NON-CURRENT LIABILITIES							
Employee provisions.....	9,721	9,721	9,721	9,721	9,721	9,721	9,721
Borrowings and leases.....	2,403,138	2,859,149	2,783,508	3,174,960	3,225,710	3,192,540	3,143,447
Other.....	169,072	163,606	178,342	156,256	150,790	145,324	139,858
Total non-current liabilities.....	2,581,931	3,032,476	2,971,571	3,340,937	3,386,221	3,347,585	3,293,026
TOTAL LIABILITIES	3,000,882	3,374,610	3,314,730	3,690,104	3,737,196	3,697,440	3,639,624
EQUITY							
Contributed equity.....	5,674,904	6,694,399	6,283,650	6,897,068	8,048,236	9,051,898	9,714,524
Accumulated surplus/(deficit).....	(2,576,907)	(2,923,411)	(2,954,464)	(3,317,727)	(3,750,913)	(4,183,288)	(4,647,504)
Reserves.....	4,825,390	4,825,390	4,825,390	4,825,390	4,825,390	4,825,390	4,825,390
Total equity.....	7,923,387	8,596,378	8,154,576	8,404,731	9,122,713	9,694,000	9,892,410
TOTAL LIABILITIES AND EQUITY	10,924,269	11,970,988	11,469,306	12,094,835	12,859,909	13,391,440	13,532,034

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	901,943	1,088,570	1,032,159	984,430	977,770	971,209	926,849
Capital appropriation.....	618,472	1,105,692	608,096	657,898	1,510,003	1,473,398	900,186
Holding account drawdowns.....	93,362	141,948	95,671	86,696	97,230	56,364	53,414
Royalties for Regions Fund:							
Regional Community Services Fund.....	7	9	10	79,935	79,935	79,935	79,935
Regional Infrastructure and Headworks Fund	7,544	27,601	13,306	23,539	25,096	-	-
Receipts paid into Consolidated Account	-	-	(744)	-	-	-	-
Other.....	40,732	113,339	106,027	209,567	106,527	129,939	83,596
Net cash provided by State Government	1,662,060	2,477,159	1,854,525	2,042,065	2,796,561	2,710,845	2,043,980
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(202,949)	(225,975)	(217,947)	(234,460)	(251,863)	(258,573)	(261,790)
Grants and subsidies	(546,187)	(545,558)	(555,270)	(577,614)	(578,185)	(597,212)	(612,369)
Supplies and services	(248,216)	(431,042)	(326,606)	(463,242)	(342,847)	(316,202)	(262,523)
Accommodation	(30,761)	(34,423)	(30,620)	(35,181)	(41,178)	(43,204)	(44,178)
GST payments	(144,437)	(258,462)	(215,881)	(261,866)	(251,123)	(226,253)	(173,432)
Finance and interest costs	(85,487)	(80,001)	(75,872)	(79,115)	(87,995)	(90,746)	(92,391)
Other payments	(32,187)	(33,508)	(36,687)	(37,464)	(38,351)	(39,316)	(40,312)
Receipts							
Regulatory fees and fines	3,426	4,420	4,420	4,420	4,420	4,420	4,420
Grants and subsidies	4,720	8,630	5,000	9,569	3,000	-	-
Sale of goods and services.....	174,918	168,264	147,409	181,590	195,531	219,177	233,819
GST receipts	138,337	258,462	215,881	261,866	251,123	226,253	173,432
Other receipts	65,340	36,376	27,325	53,068	58,584	48,702	48,736
Net cash from operating activities	(903,483)	(1,132,817)	(1,058,848)	(1,178,429)	(1,078,884)	(1,072,954)	(1,026,588)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(642,488)	(1,769,703)	(1,159,988)	(1,585,800)	(1,519,748)	(1,190,130)	(726,252)
Proceeds from sale of non-current assets	5,928	-	-	-	-	-	-
Net cash from investing activities	(636,560)	(1,769,703)	(1,159,988)	(1,585,800)	(1,519,748)	(1,190,130)	(726,252)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(413,860)	(379,432)	(390,778)	(363,608)	(338,744)	(348,875)	(333,822)
Other payments	-	(114,042)	(12,038)	(68,137)	(383,931)	(469,736)	(237,560)
Proceeds from borrowings	591,606	785,779	718,311	760,331	390,829	313,892	276,747
Net cash from financing activities	177,746	292,305	315,495	328,586	(331,846)	(504,719)	(294,635)
NET INCREASE/(DECREASE) IN CASH HELD.....	299,763	(133,056)	(48,816)	(393,578)	(133,917)	(56,958)	(3,495)
Cash assets at the beginning of the reporting period	448,854	748,617	748,617	699,801	306,223	172,306	115,348
Cash assets at the end of the reporting period	748,617	615,561	699,801	306,223	172,306	115,348	111,853

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

METRONET Projects Under Development

Part 9 Transport

Asset Investment Program

1. A \$1.4 billion provision is incorporated for various METRONET projects including the Byford Rail Extension, Victoria Park-Canning Level Crossing Removal, Midland Station Redevelopment and High Capacity Signalling program of works. Funding will be allocated to specific projects upon completion of tender processes.
2. The provision is funded from a \$722.6 million contribution from the Commonwealth, \$436.8 million in capital appropriation, \$232.5 million in Motor Vehicle Licence Fee Revenue and \$8.7 million from the Metropolitan Region Improvement Fund.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
NEW WORKS							
METRONET Projects Under Development.....	1,400,589	-	-	85,641	392,661	502,449	419,838
Total Cost of Asset Investment Program	1,400,589	-	-	85,641	392,661	502,449	419,838
FUNDED BY							
Capital Appropriation.....			-	48,137	119,145	186,797	82,735
Capital Appropriation - Sourced from Commonwealth			1,500	18,500	264,786	282,939	154,825
Internal Funds and Balances.....			(1,500)	1,500	-	-	-
Metropolitan Region Improvement Fund			-	-	8,730	-	-
Motor Vehicle Licence Fee Revenue.....			-	17,504	-	32,713	182,278
Total Funding.....			-	85,641	392,661	502,449	419,838

Fremantle Port Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	19,887	18,771	23,295	19,895	22,519	22,436	21,724
Local Government Rates Equivalent	685	627	627	698	705	713	720
Dividends ^{(a) (b) (c)}	12,796	57,172	34,686	-	34,853	35,727	34,823
RATIOS							
Dividend Payout Ratio (%)	75	75	75	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	217,940	222,790	226,747	233,194	246,234	251,796	252,506
Total Expenses ^(d)	151,804	167,256	154,358	172,597	177,669	183,667	186,527
Total Borrowings	169,279	206,526	158,226	201,606	226,914	261,647	278,019
NET PROFIT AFTER TAX	46,249	38,752	50,542	42,288	47,865	47,560	46,055
CASH ASSETS ^(e)	93,510	33,861	96,521	122,150	93,047	102,549	99,689

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.
- (d) Excludes current tax expense, deferred tax expense and dividends.
- (e) As at 30 June each financial year.

Financial Changes

Net operating balance adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
2021-22 Dividend Retention	-	(61,694)	-	-	-
Revenue, Expense and Asset Investment Update ^(a)	1,885	12,230	11,543	7,239	28

- (a) Updated forecasts to reflect current business operations and economic environment including a comprehensive review of trade forecasts, pricing assumptions, and infrastructure management and maintenance including a reassessment of Asset Investment Program requirements.

Significant Issues Impacting the Government Trading Enterprise

COVID-19 Response

1. The impacts of the COVID-19 pandemic and Government responses to it continue to impact the gross domestic product of most countries globally, which in turn impacts anticipated trade volumes. The Authority implemented Commonwealth and State assistance programs during 2020-21 including rent relief to eligible tenants. The Authority will continue to meet legislation or policy where appropriate in 2021-22.
2. The Port of Fremantle remains an important node in the hard border protecting the State. The Authority is working with State and Commonwealth agencies and port users to ensure communication protocols and safety procedures are in place to manage interactions between ship and shore crews across all facilities within the port boundary to mitigate the ongoing risk of COVID-19 transmission.
3. As a critical infrastructure and service provider, business continuity is essential. Business continuity plans are a key part of the Authority's operations, which include key partners such as the pilots, tug operators and stevedores. The plans identify critical processes and detail actions to be taken should key systems or people be unavailable, or if community transmission of COVID-19 occurs within Western Australia.
4. Under the Government's COVID-19 Response, the Authority has committed to a \$28.5 million upgrade of the Kwinana Bulk Terminal (KBT) import and export facilities including upgrading material handling import infrastructure, concreting the export stockyard area and upgrading power supplies to the terminal. The majority of these works are expected to be completed by 2023-24.

Westport

5. The Authority will continue to actively participate in the Westport process through positive leadership and technical expertise with the aim of assisting it to deliver clear and robust outcomes. Parallel to the Westport process, the Authority will finalise a port development plan focused on inner and outer harbour development over the short-to-medium term. This is critical for creating clarity and certainty for the Authority and its customers.

Inner Harbour Efficiency

6. The Authority will continue efforts to ensure the Inner Harbour and associated transport connections can operate as efficiently as possible. This will reduce impacts on road users while also benefitting customers and port users. Key areas of focus will include:
 - 6.1. ensuring existing port operations remain efficient and meet user needs; and
 - 6.2. with industry and relevant government agencies, progressing initiatives to further improve Inner Harbour landside logistics through increased rail share, increased truck efficiency, off-peak running and other initiatives.

Victoria Quay Waterfront (VQW) Strategy

7. The Authority is committed to the urban renewal of the VQW area. The aim is to enhance the amenity of the area and to create a destination that benefits the broader community, while ensuring no adverse impacts on port operations, namely by avoiding incompatible land uses. The Authority will continue to actively work with the VQW Steering Committee to oversee the development of a vision for the VQW area. Key areas of focus will include:
 - 7.1. progressing short-term initiatives set out in the Stage 1 report of the VQW Steering Committee such as improving the connections between the Fremantle Overseas Passenger Terminal and the rest of VQW and Fremantle and various activation strategies;
 - 7.2. working with Gage Roads Brewing Company to redevelop A Shed on VQW; and
 - 7.3. supporting ongoing work for the proposed film studio development at VQW.

Bulk Business Strategy

8. The expansion of bulk trade is an important aspect of the Authority's trade facilitation role. A significant challenge to the development of the bulk business is the condition of bulk handling assets, which includes ageing cargo handling equipment and berths. These assets are constrained in both capacity and capability and require significant ongoing investment. Key investment decisions relating to future bulk trade business assets and infrastructure will be informed by the future development and financial viability of the bulk trade business. Key areas of focus include continued efforts to secure bulk trade volumes and implementation of a cohesive bulk business strategy to support infrastructure investment decisions and the sustainability of the bulk trade business.

2021-22 Dividend Retention

9. The Authority will retain its forecast 2021-22 dividend payment of \$61.7 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Authority.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Achieve financial targets in line with Government expectations in accordance with prudent commercial principles.	1. Achieve rate of return and profitability targets
	Provide reliable and efficient commercial services to meet customer needs and add value.	2. Highly efficient port operations 3. High levels of customer satisfaction
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Develop new trade and business opportunities.	4. Promote trade growth
	Support workers and provide safe working conditions.	5. Maintain safety and quality management systems in line with best practice
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Provide a safe and healthy environment for the community.	6. Achieve community satisfaction targets

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Achieve rate of return and profitability targets:					
After tax profit (\$'000)	46,249	38,752	50,542	42,288	1
Economic rate of return ^(a)	10.1%	8.7%	10.7%	8.7%	
Outcome: Highly efficient port operations:					
Performance against agreed contract rates: ^(b)					
Kwinana Bulk Terminal ship un/loading performance	88.2%	100%	100%	100%	
Import equipment availability	99%	96%	96%	96%	
Export equipment availability	93.6%	96%	96%	96%	
Crane rates (containers/hr) ^{(c) (d)}	34.6	32	32	32	
Berthing delays - unavailability of berths: ^(c)					
Inner Harbour:					
Container vessels delayed	4.1%	<12%	<12%	<12%	
Container vessels - average hours per delay	18.7	<20	<20	<20	
Kwinana Bulk Terminal:					
Vessels delayed ^(e)	63.3%	<40%	<40%	<40%	
Average hours per delay ^(e)	71.4	<120	<120	<120	
Kwinana Bulk Jetty:					
Vessels delayed ^(e)	50%	<25%	<25%	<40%	2
Average hours per delay ^(e)	98	<50	<50	<120	2
Rail share of container trade ^(c)	20%	20%	20%	20%	
Outcome: High levels of customer satisfaction:					
Customer satisfaction with services:					
The Authority only	86%	>85%	>85%	>85%	
All (private + the Authority) ^(c)	90%	>85%	>85%	>85%	
Community satisfaction:					
Inner Harbour	64%	>70%	>70%	>70%	
Outer Harbour	66%	>70%	>70%	>70%	
Outcome: Promote trade growth:					
Trade growth:					
The Authority's non-containerised trade ^{(c) (f)}	-4.1%	-0.2%	-0.2%	15.3%	3
Container trade ^(c)	-0.1%	-9.9%	-9.9%	7.6%	4
Number of ship visits ^{(c) (g)}	1,632	1,546	1,546	1,488	5
Outcome: Maintain our safety, environmental and quality management systems in line with best practice and our existing certifications:					
Fatalities / disabling injuries	nil	nil	nil	nil	
Lost time injury frequency rate ^(h)	6.4	0 or 10% reduction	0 or 10% reduction	0 or 10% reduction	
Outcome: Achieve community satisfaction targets:					
Community satisfaction:					
Inner Harbour	64%	>70%	>70%	>70%	
Outer Harbour	66%	>70%	>70%	>70%	

(a) Rate of return as calculated in accordance with the Department of Transport's Western Australian Port Authority – Rate of Return Calculation Methodology and Asset Valuation Policy.

(b) Performance against agreed contract rates reflects quarterly average over the year.

(c) Depends on the actions of others but is relevant to the overall performance of the port.

(d) Actual crane rates are as at December quarter 2019.

(e) Vessel delay figures include vessels that arrive ahead of schedule.

(f) Non-containerised trade reflects the Authority's general and bulk cargo trade revenue tonnes (includes Inner Harbour, Kwinana Bulk Jetty and Kwinana Bulk Terminal).

(g) Number of ship visits includes commercial, non-trading and fishing vessels (excludes naval).

(h) Lost time injury frequency rate based on injuries 'occurring in the year' and 'million hours worked'.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual includes higher than anticipated trade revenue compared to the 2020-21 Budget formed in the midst of highly uncertain economic conditions brought about by the COVID-19 pandemic. The budgeted Asset Investment Program for 2020-21 was significantly reprofiled with resulting expenditure impacts on 2020-21 Estimated Actual and 2021-22 Budget results. The 2021-22 Budget includes expenditure relating to finalisation of a comprehensive organisational review and the Authority's focus on development and implementation of a contemporary enterprise resource planning system.
2. Historically, the utilisation of the Kwinana Bulk Jetty (KBJ) was lower than capacity. Therefore, the number of vessels and the incurred delay waiting to berth was low. Taking into consideration the increased utilisation and allowing for seasonal demand, KBJ is now expected to operate near capacity and the berthing delay targets set for KBJ have been adjusted due to the expected increase in utilisation.
3. Significant growth is forecast for the Authority's general and bulk cargo trade in 2021-22 due to an increase in breakbulk through the Inner Harbour, particularly used cars, new cars and industrial vehicles, and short-term increases in bulk trades including iron ore and petroleum through the Outer Harbour.
4. The container trade growth forecast for 2021-22 reflects a positive outlook in comparison to the significant uncertainty resulting from potential COVID-19 impacts in 2020-21.
5. A forecast decrease in ship visits is primarily due to expectations of larger container vessels regularly visiting Fremantle and a decline in tankers due to closure of the BP refinery.

Asset Investment Program

1. The Authority's Asset Investment Program for 2021-22 to 2024-25 totals \$279.5 million, investing in projects across the Inner and Outer Harbours to support the economic growth of the State through the import and export of containers, motor vehicles, bulk commodities and other trades.

Expenditure in the Inner Harbour

2. A total of \$5 million in 2021-22 and \$25.5 million over the forward estimates period is forecast to be spent on Inner Harbour berths upgrades, including continuing upgrades to certain berths in the Inner Harbour to accommodate larger vessels and to allow for heavy-duty use.
3. Land acquisitions and associated works of \$25.2 million for port operations and buffer zones for port activities in the Inner Harbour.
4. Work continues on the Fremantle Waterfront Implementation Plan, including the commercial precinct, to support the developments and land uses identified in the Fremantle Waterfront Masterplan for the western end of Victoria Quay. Expenditure of \$7.2 million in 2021-22 and \$7.8 million over the forward estimates period is subject to the Authority being able to secure private sector interest in the development through a planned Expressions of Interest process.

Expenditure in the Outer Harbour

5. A total of \$13.3 million in 2021-22 and \$63.9 million over the forward estimates period is forecast to be spent on the replacement and upgrade of assets at the Kwinana Bulk Terminal (KBT) to facilitate the ongoing import and export of bulk materials for customers.
6. The projected growth of the export and import of bulk commodities at the KBJ requires an additional spend of \$3.6 million in 2021-22 and \$28.7 million over the forward estimates period on improved product handling infrastructure and equipment. This investment will improve the utilisation of the KBJ.

COVID-19 Response

7. The Authority will spend \$28.5 million over 2020-21 to 2024-25 to upgrade the KBT's import and export facilities comprising:
 - 7.1. \$25 million to upgrade material handling import infrastructure;
 - 7.2. \$3 million to concrete the export stockyard area; and
 - 7.3. \$0.5 million to upgrade power supplies to the terminal.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Kwinana Bulk Terminal - Material Handling Infrastructure							
Renewal of Import System.....	25,000	100	100	4,900	20,000	-	-
Other Works in Progress							
Fremantle Waterfront Project - Commercial Precinct							
Access and Services	4,279	1,529	200	470	2,280	-	-
Inner and Outer Harbour - Security Upgrades Stage 2	3,724	3,126	350	598	-	-	-
Inner Harbour							
Overseas Passenger Terminal	10,234	3,496	642	908	-	-	-
Photovoltaic System Passenger Terminal	950	20	20	930	-	-	-
North Quay - Land Acquisitions.....	25,400	160	-	18,740	6,500	-	-
Outer Harbour							
Kwinana Bulk Jetty - Replace/Upgrade Transformer and Switchgear	4,700	4,659	103	41	-	-	-
Kwinana Bulk Terminal							
High Voltage (HV) Power System Upgrade	6,000	3,409	2,715	2,591	-	-	-
Infrastructure, Equipment Replacement and Upgrade.....	61,959	9,159	-	8,200	15,500	22,500	6,000
Plant and Equipment - Replacement of Navigational Aids	3,633	2,023	-	-	420	420	420
Victoria Quay - Fremantle Waterfront Implementation Plan	16,226	3,953	-	6,710	2,263	3,300	-
COMPLETED WORKS							
COVID-19 Response							
Kwinana Bulk Terminal - Electrical Upgrades.....	500	500	500	-	-	-	-
Other Completed Works							
Inner Harbour - Replacement of Mechanical Plant.....	490	490	490	-	-	-	-
Minor Works - 2020-21 Program	8,559	8,559	8,559	-	-	-	-
Outer Harbour - Kwinana Bulk Terminal - Land Acquisition	30,307	30,307	9	-	-	-	-
Plant and Equipment - Mobile Truck Mounted Capstans	700	450	250	-	-	-	-
NEW WORKS							
COVID-19 Response							
Kwinana Bulk Terminal - Export Stockyard Area							
Concreting	3,000	-	-	-	-	1,500	1,500
Other New Works							
Inner and Outer Harbour - Technology Projects.....	6,800	-	-	6,800	-	-	-
Inner Harbour							
Inner Harbour Infrastructure Refurbishment Program.....	25,763	-	-	250	6,510	5,521	13,482
Provision of Alternative Vehicular Access.....	1,000	-	-	-	-	1,000	-
Replacement of HV Cable from Main Substation to Substation 4.....	550	-	-	-	-	550	-
Minor Works							
2021-22 Program.....	9,182	-	-	9,182	-	-	-
2022-23 Program.....	15,318	-	-	-	15,318	-	-
2023-24 Program.....	12,000	-	-	-	-	12,000	-
2024-25 Program.....	12,000	-	-	-	-	-	12,000
North Quay - Berth - Heavy Duty Pad	7,900	-	-	-	-	-	900
Outer Harbour							
Kwinana Bulk Jetty							
Export-Import Infrastructure	31,231	-	-	3,587	7,067	4,687	14,159
Replacement of Conveyor Structures and Equipment	5,300	-	-	-	-	1,400	1,400
Kwinana Bulk Terminal							
Bulk Handling Equipment.....	12,000	-	-	400	3,900	7,700	-
Direct Conveyor	5,400	-	-	2,100	3,300	-	-
Replacement of JC01 Conveyor.....	5,000	-	-	-	1,700	3,300	-
Plant and Equipment - Replace Floating Plant.....	15,000	-	-	4,000	3,500	-	500
Victoria Quay							
H Berth Fender Replacement	4,700	-	-	4,700	-	-	-
Motor Vehicle Decking.....	15,900	-	-	-	-	-	1,900
Total Cost of Asset Investment Program	390,705	71,940	13,938	75,107	88,258	63,878	52,261
FUNDED BY							
Borrowings			3,110	54,500	36,500	46,000	27,500
Internal Funds and Balances.....			10,778	20,557	51,708	17,828	24,711
Other			50	50	50	50	50
Total Funding.....			13,938	75,107	88,258	63,878	52,261

Financial Statements

Income Statement

Expenses

1. Employee benefits budgeted in 2020-21 reflected proposed organisational changes and role appointments following a comprehensive management review of organisational structure and competencies. The proposed changes were not fully realised in 2020-21. The 2021-22 Budget Estimate includes roles identified and yet to be filled, together with continued investment in the Authority's organisational capability to support future operations. Salary increases are based on active enterprise agreements or reflect the Government's wages policy post agreement expiration.
2. Supplies and services in the 2021-22 Budget Estimate includes costs to support development and implementation of a contemporary enterprise resource planning system to replace the Authority's legacy financial management system.
3. Movements in depreciation and interest costs are driven by changes in the Authority's Asset Investment Program (AIP).

Revenue

4. The Authority's revenue budgets primarily reflect expectations on trade mix and growth, ships and shipping services, and rental revenue from port tenancies.

Statement of Financial Position

5. The Authority's AIP is a major driver of movements in Property, plant and equipment and, through AIP funding assumptions, movements in cash and borrowings balances.
6. Movements in Cash assets relate to timing of dividend payments and AIP funding assumptions.
7. The increase in Intangibles in the 2021-22 Budget Estimate reflects replacement and improvement of technology systems.

Statement of Cashflows

8. Payments for Purchase of non-current assets reflects changes to the Authority's AIP resulting from an extensive review of priorities, timing and expenditure estimates.
9. Movements in Net cash from financing activities are a result of revised AIP timings and general operating requirements. Financing activities include assumptions relating to drawdown and repayment of a working capital facility held with Western Australian Treasury Corporation.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	216,422	221,632	225,602	232,321	245,409	251,023	251,744
Other revenue.....	1,518	1,158	1,145	873	825	773	762
TOTAL REVENUE	217,940	222,790	226,747	233,194	246,234	251,796	252,506
Expenses							
Employee benefits ^(b)	46,596	50,873	46,432	54,312	55,280	55,960	56,683
Supplies and services.....	50,491	53,068	53,885	58,141	57,297	57,885	57,453
Accommodation ^(c)	6,170	7,075	7,069	6,646	6,758	6,887	7,017
Depreciation and amortisation	17,429	20,033	17,474	19,103	22,654	25,757	27,988
Finance and interest costs	7,124	9,452	5,942	7,695	8,587	9,707	9,577
Other expenses ^(d)	23,994	26,755	23,556	26,700	27,093	27,471	27,809
TOTAL EXPENSES	151,804	167,256	154,358	172,597	177,669	183,667	186,527
NET PROFIT/(LOSS) BEFORE TAX	66,136	55,534	72,389	60,597	68,565	68,129	65,979
National Tax Equivalent Regime							
Current tax equivalent expense	19,887	18,771	23,295	19,895	22,519	22,436	21,724
Deferred tax equivalent expense	-	(1,989)	(1,448)	(1,586)	(1,819)	(1,867)	(1,800)
NET PROFIT/(LOSS) AFTER TAX	46,249	38,752	50,542	42,288	47,865	47,560	46,055
Dividends	12,796	57,172	34,686	-	34,853	35,727	34,823

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

(b) The full-time equivalents for the 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 296, 300 and 346 respectively.

(c) Accommodation includes the Authority's total operational electricity and water costs.

(d) Other expenses includes land tax, payroll tax, insurance premiums and other general and administration expenses.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	93,510	33,861	96,521	60,456	31,353	40,855	37,995
Cash assets - Retained dividends	-	-	-	61,694	61,694	61,694	61,694
Receivables	20,282	18,045	26,290	27,155	28,610	26,637	28,454
Other.....	4,961	5,065	5,357	5,468	5,620	5,737	5,825
Total current assets.....	118,753	56,971	128,168	154,773	127,277	134,923	133,968
NON-CURRENT ASSETS							
Property, plant and equipment.....	441,757	518,283	439,002	490,457	557,888	597,075	625,117
Intangibles	326	139	139	6,799	6,119	5,439	4,759
Receivables	2,704	3,082	1,824	865	1	1	1
Other.....	28,993	30,760	30,219	31,563	33,118	34,699	36,240
Total non-current assets.....	473,780	552,264	471,184	529,684	597,126	637,214	666,117
TOTAL ASSETS	592,533	609,235	599,352	684,457	724,403	772,137	800,085
CURRENT LIABILITIES							
Employee provisions.....	13,604	13,734	13,754	13,774	13,857	13,969	14,076
Payables.....	11,814	2,860	14,865	12,481	13,867	15,499	14,089
Borrowings and leases	1,694	3,271	1,842	2,133	2,540	2,273	1,761
Other.....	6,803	7,746	7,133	8,041	8,334	8,744	8,789
Total current liabilities.....	33,915	27,611	37,594	36,429	38,598	40,485	38,715
NON-CURRENT LIABILITIES							
Employee provisions.....	13,902	14,049	14,029	14,172	14,315	14,461	14,606
Borrowings and leases	169,023	210,471	157,757	201,806	226,657	260,771	279,327
Other.....	5,533	5,287	3,956	3,746	3,517	3,271	3,056
Total non-current liabilities.....	188,458	229,807	175,742	219,724	244,489	278,503	296,989
TOTAL LIABILITIES	222,373	257,418	213,336	256,153	283,087	318,988	335,704
NET ASSETS	370,160	351,817	386,016	428,304	441,316	453,149	464,381
EQUITY							
Contributed Equity	105,059	105,059	105,059	105,059	105,059	105,059	105,059
Accumulated surplus/(deficit)	265,101	246,758	280,957	323,245	336,257	348,090	359,322
TOTAL EQUITY	370,160	351,817	386,016	428,304	441,316	453,149	464,381

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	187,935	190,967	190,558	201,350	212,591	219,655	217,141
GST receipts.....	21,800	22,165	22,424	23,234	24,543	25,104	25,177
Other receipts ^(b)	33,731	32,933	29,640	31,189	32,156	33,325	33,540
Payments							
Employee benefits	(46,175)	(50,593)	(46,176)	(54,164)	(55,064)	(55,709)	(56,441)
Supplies and services.....	(52,214)	(53,068)	(53,885)	(58,141)	(57,297)	(57,885)	(57,453)
Accommodation ^(c)	(5,803)	(6,448)	(6,442)	(5,948)	(6,053)	(6,174)	(6,297)
GST payments.....	(20,093)	(22,655)	(21,726)	(23,796)	(24,349)	(24,964)	(25,075)
Finance and interest costs.....	(7,436)	(8,938)	(6,141)	(7,372)	(8,426)	(9,484)	(9,623)
Other payments ^(d)	(26,858)	(25,407)	(25,061)	(24,098)	(27,030)	(27,145)	(27,473)
Net cash from operating activities.....	84,887	78,956	83,191	82,254	91,071	96,723	93,496
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets	9	50	50	50	50	50	50
Payments							
Purchase of non-current assets.....	(17,454)	(95,452)	(13,938)	(75,107)	(88,258)	(63,878)	(52,261)
Net cash from investing activities	(17,445)	(95,402)	(13,888)	(75,057)	(88,208)	(63,828)	(52,211)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	73,300	25,000	79,500	61,500	71,000	52,500
Other proceeds.....	742	808	808	880	959	864	-
Payments							
Repayment of borrowings and leases.....	(4,540)	(37,865)	(36,548)	(37,119)	(37,219)	(37,363)	(37,383)
Other payments	-	-	(455)	(440)	(464)	(488)	(520)
Net cash from financing activities	(3,798)	36,243	(11,195)	42,821	24,776	34,013	14,597
CASHFLOWS FROM STATE GOVERNMENT							
Payments							
Dividends to government.....	(12,796)	(57,172)	(34,686)	-	(34,853)	(35,727)	(34,823)
National Tax Equivalent Regime - Income tax ...	(24,683)	(21,647)	(19,784)	(23,691)	(21,184)	(20,966)	(23,199)
Local Government Rates Equivalent	(685)	(627)	(627)	(698)	(705)	(713)	(720)
Net cash provided to State Government	38,164	79,446	55,097	24,389	56,742	57,406	58,742
NET INCREASE/(DECREASE) IN CASH HELD.....	25,480	(59,649)	3,011	25,629	(29,103)	9,502	(2,860)
Cash assets at the beginning of the reporting period	68,030	93,510	93,510	96,521	122,150	93,047	102,549
Cash assets at the end of the reporting period	93,510	33,861	96,521	122,150	93,047	102,549	99,689

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

(b) Rental revenues are included within sales of goods and services on the Income Statement, however within the Statement of Cashflows these receipts are recorded as Other receipts.

(c) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

(d) Other payments include land tax, payroll tax, insurance premiums and other general and administration expenses.

Kimberley Ports Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax...	-	-	-	-	-	254	577
Local Government Rates Equivalent	124	140	124	140	141	143	144
Dividends ^(a)	-	-	-	-	-	428	1,117
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	-	2,706	2,706	3,100	2,500	2,500	2,500
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution	9,150	4,000	4,000	3,500	500	500	500
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	13,374	13,722	11,880	18,458	20,205	24,466	25,861
Revenue from State Government	-	2,706	2,706	3,100	2,500	2,500	2,500
Total Expenses ^(b)	20,168	21,803	18,911	24,594	25,430	25,951	26,052
Total Borrowings	11,160	9,589	9,594	7,947	6,213	4,382	2,832
NET PROFIT AFTER TAX	(6,794)	(5,375)	(4,325)	(3,036)	(2,725)	761	1,732
CASH ASSETS ^(c)	8,744	3,432	5,934	4,865	1,978	2,100	2,695

(a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Excludes current tax expense, deferred tax expense and dividends.

(c) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
2021-22 Budget Parameter Updates	(16)	(1)	(909)	(1,306)	(464)
Transfer of Wyndham, Derby and Yampi Sound Ports to Kimberley Ports Authority	-	(2,500)	(2,500)	(2,500)	-

Significant Issues Impacting the Government Trading Enterprise

Kimberley Ports Amalgamation

1. The Authority is working with port operators at the Ports of Wyndham, Derby and Yampi Sound to affect a seamless transition to the Authority's management under the *Port Authorities Act 1999*, which occurred on 1 July 2021. Derby and Wyndham Ports are considering options to improve cost recovery.

Kimberley Marine Support Base (KMSB)

2. Progress has been made on obtaining the required approvals for the KMSB proposal to construct a Kimberley Marine Material Offloading Facility at the Port of Broome. The KMSB has secured heritage approval from Nyamba Buru Yawuru, environmental approval by the Commonwealth Department of Water, Agriculture and the Environment and the Western Australian Environmental Protection Agency.

Trade Outlook (Commodities, Cargo and Cruise)

3. Demand for agricultural commodities (primarily cattle) is expected to remain at existing levels.
4. Global demand for oil and gas has reduced significantly due to less travel being undertaken as a result of the COVID-19 pandemic, and this commodity market may not recover significantly with an ongoing and unpredictable impact on production, supply and shipping.
5. Cruise shipping was expected to continue to increase; however, the effect of the COVID-19 pandemic on cruise lines and passengers means that the industry may not recover until at least the end of 2022 and is contingent upon the pandemic coming under control world-wide.

COVID-19 Response

6. The Authority continues to work closely with Australian Border Force, the Commonwealth Department of Agriculture, Water and Environment, Western Australian Police Force and WA Health on all matters relating to the arrival and departure of vessels and crew at Kimberley Ports.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Achieve financial targets in line with Government expectations in accordance with prudent commercial principles.	<ol style="list-style-type: none"> 1. Consistent with <i>Port Authorities Act 1999</i>, facilitate trade, plan for future growth and development in a safe and efficient port 2. Achieve rate of return and profitability targets
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Maintain our safety, environmental and quality management systems in line with best practice and our existing certifications.	<ol style="list-style-type: none"> 3. Seek accreditation for ISO 45001: 2018 Occupational health and safety management and ISO 14001: 2016 Environmental management systems at Port of Broome

Outcomes and Key Performance Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Consistent with Port Authorities Act 1999, facilitate trade, plan for future growth and development in a safe and efficient port:					
Customer satisfaction with services – Port of Broome ^(b)	64%	64%	64%	65%	
Employee satisfaction rating ^(c)	n/a	64%	n/a	65%	
Berthing availability ^(d)	64.6%	70.2%	>70.2%	68%	
Trade growth tonnages ^(e)	219,781	199,089	199,089	222,500	
Number of ship visits ^(f)	674	678	678	741	
Outcome: Achieve rate of return and profitability targets:					
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	(\$2,693,787)	(\$986,194)	(\$986,194)	\$726,055	1
Rate of return on assets ^(g)	(9.3%)	(7%)	(7%)	(4%)	
Economic rate of return (%) ^(h)	(9.3%)	(9%)	(9%)	(5%)	
Debt to equity ratio	0.26	0.31	0.31	0.16	
Outcome: Seek accreditation for ISO 45001: 2018 Occupational health and safety management and ISO 14001: 2016 Environmental management systems at Port of Broome:					
Environmental incidents	nil	nil	nil	nil	
Lost time injury frequency rate ⁽ⁱ⁾	nil	nil	nil	nil	

(a) The performance measures are used to measure the operational performance of the Port of Broome currently but will be expanded to include other Kimberley ports. They are used by the Port of Broome to monitor service delivery, identify and respond to emerging trends in trade development, and to measure capability for the future and plan for infrastructure development.

(b) Customer satisfaction percentage based on 2020-21 survey results.

(c) The employee satisfaction survey for 2019-20 was not completed to date and is expected to be completed in 2021-22.

(d) Berth availability is measured to enable future infrastructure planning.

(e) Trade growth tonnages is all cargo activities except for cruise vessel passenger numbers.

(f) Number of ship visits includes all vessels visiting the Port of Broome.

(g) The asset base includes current assets to calculate the return on assets.

(h) Rate of return as calculated in accordance with the Department of Transport's 'Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy'.

(i) Lost time injury frequency rate based on injuries 'occurring in the year' and 'million hours worked'.

Explanation of Significant Movements

(Notes)

1. The estimated improvement of \$1.7 million in EBITDA from 2020-21 to 2021-22 is due to continued cost-saving measures and an improvement in vessel calls from 678 to 741 in the Port of Broome. While the Authority's Net Profit After Tax is negative and the rate of return key performance indicators will also be negative, the trend is for a positive rate of return in future years.

Asset Investment Program

1. The Authority's Asset Investment Program (AIP) for 2021-22 to 2024-25 totals \$9 million, which will further support the continued economic growth of the Kimberley region. The Authority's 2021-22 AIP includes spending of:
 - 1.1. \$661,000 in 2021-22 for the completion of critical electrical upgrades for the Broome Port Wharf; and
 - 1.2. \$8.3 million in 2021-22 and across the forward estimates period as part of the Authority's investment in its ongoing minor works program.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
Major Port Infrastructure - Wharf Essential Works (Electrical Upgrade)	1,429	768	660	661	-	-	-
COMPLETED WORKS							
Major Port Infrastructure - Crane Acquisition	3,384	3,384	1,784	-	-	-	-
Minor Works - 2020-21 Program	1,818	1,818	1,818	-	-	-	-
NEW WORKS							
Minor Works							
2021-22 Program	2,075	-	-	2,075	-	-	-
2022-23 Program	2,075	-	-	-	2,075	-	-
2023-24 Program	2,075	-	-	-	-	2,075	-
2024-25 Program	2,075	-	-	-	-	-	2,075
Total Cost of Asset Investment Program	14,931	5,970	4,262	2,736	2,075	2,075	2,075
FUNDED BY							
Funding Included in Department of Treasury Administered Item			-	500	500	500	500
Internal Funds and Balances			4,262	2,236	1,575	1,575	1,575
Total Funding			4,262	2,736	2,075	2,075	2,075

Financial Statements

Income Statement

Expenses

1. The increase in Supplies and services for the 2021-22 Budget Estimate relative to the 2020-21 Estimated Actual reflects the Authority assuming responsibility for the Kimberley trading ports of Wyndham, Yampi Sound and Derby from 1 July 2021.

Statement of Financial Position

2. The Authority is expected to return to profitability in 2023-24. Until this is achieved, cash reserves will diminish. Further equity injections are not expected past 2021-22 to support operating cashflows.
3. Strong trading months in May and June 2021 saw receivables higher than budgeted, as well as higher cash reserves than anticipated.
4. An estimated increase in non-current assets in 2021-22 directly relates to the Authority assuming responsibility for the Ports of Derby, Wyndham and Yampi Sound, with the assets being transferred to the Authority.

Statement of Cashflows

5. The Authority will be provided equity injections totalling \$7 million over 2020-21 to 2021-22 to manage the impacts of the COVID-19 pandemic, and associated business downturns on its business operations and associated cashflows. The Government will provide additional equity injections of \$500,000 per annum over 2021-22 to 2024-25 to fund minor works planned for the Ports of Wyndham, Derby and Yampi Sound as the Authority takes over management responsibilities for the three ports.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	12,932	13,395	11,493	14,646	16,356	20,580	21,935
Other revenue.....	442	327	387	3,812	3,849	3,886	3,926
Revenue from government							
Operating subsidies.....	-	2,706	2,706	3,100	2,500	2,500	2,500
TOTAL REVENUE	13,374	16,428	14,586	21,558	22,705	26,966	28,361
Expenses							
Employee benefits ^(b)	9,199	8,788	7,347	7,765	7,990	8,666	8,879
Supplies and services.....	2,659	4,886	2,129	7,134	7,205	7,278	7,351
Accommodation.....	2,602	2,155	3,107	3,631	4,667	4,715	4,761
Depreciation and amortisation.....	3,428	3,767	3,780	3,763	3,268	3,062	2,903
Finance and interest costs.....	677	643	611	526	430	338	242
Other expenses	1,603	1,564	1,937	1,775	1,870	1,892	1,916
TOTAL EXPENSES	20,168	21,803	18,911	24,594	25,430	25,951	26,052
NET PROFIT/(LOSS) BEFORE TAX	(6,794)	(5,375)	(4,325)	(3,036)	(2,725)	1,015	2,309
National Tax Equivalent Regime Current tax equivalent expense	-	-	-	-	-	254	577
NET PROFIT/(LOSS) AFTER TAX	(6,794)	(5,375)	(4,325)	(3,036)	(2,725)	761	1,732
Dividends	-	-	-	-	-	428	1,117

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 58, 45.5 and 45.5 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	8,744	3,432	5,934	4,865	1,978	2,100	2,695
Receivables.....	1,846	300	1,156	3,915	3,914	3,915	3,914
Other.....	131	77	77	131	131	131	131
Total current assets.....	10,721	3,809	7,167	8,911	6,023	6,146	6,740
NON-CURRENT ASSETS							
Property, plant and equipment.....	61,498	64,826	62,061	73,185	72,153	71,271	70,511
Intangibles.....	595	1,149	1,149	463	301	195	127
Other.....	21	42	42	-	-	-	-
Total non-current assets.....	62,114	66,017	63,252	73,648	72,454	71,466	70,638
TOTAL ASSETS	72,835	69,826	70,419	82,559	78,477	77,612	77,378
CURRENT LIABILITIES							
Employee provisions.....	2,096	2,137	1,668	1,627	1,627	1,627	1,627
Payables.....	617	416	423	681	681	936	1,259
Borrowings and leases.....	1,569	1,768	1,768	1,734	1,830	1,557	730
Other.....	548	57	57	548	548	548	548
Total current liabilities.....	4,830	4,378	3,916	4,590	4,686	4,668	4,164
NON-CURRENT LIABILITIES							
Employee provisions.....	58	53	53	58	58	58	58
Borrowings and leases.....	10,012	8,814	8,819	6,590	4,637	2,957	2,112
Other.....	21	42	42	-	-	-	-
Total non-current liabilities.....	10,091	8,909	8,914	6,648	4,695	3,015	2,170
TOTAL LIABILITIES	14,921	13,287	12,830	11,238	9,381	7,683	6,334
NET ASSETS	57,914	56,539	57,589	71,321	69,096	69,929	71,044
EQUITY							
Contributed Equity.....	55,540	59,540	59,540	76,308	76,808	77,308	77,808
Accumulated surplus/(deficit).....	(5,947)	(11,322)	(10,272)	(13,308)	(16,033)	(15,700)	(15,085)
Reserves.....	8,321	8,321	8,321	8,321	8,321	8,321	8,321
TOTAL EQUITY	57,914	56,539	57,589	71,321	69,096	69,929	71,044

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	12,595	12,299	9,880	12,481	14,169	18,371	19,703
GST receipts.....	2,290	-	1,272	-	-	-	-
Other receipts.....	2,655	2,424	2,114	5,977	6,036	6,095	6,157
Payments							
Employee benefits.....	(9,004)	(8,752)	(7,780)	(7,801)	(7,989)	(8,666)	(8,879)
Supplies and services.....	(3,236)	(4,780)	(2,032)	(7,659)	(7,205)	(7,278)	(7,351)
Accommodation ^(b)	(2,478)	(2,015)	(2,983)	(3,491)	(4,526)	(4,572)	(4,617)
GST payments.....	(2,293)	(68)	(1,281)	-	-	-	-
Finance and interest costs.....	(676)	(643)	(611)	(526)	(430)	(338)	(242)
Other payments.....	(1,729)	(1,564)	(1,709)	(1,776)	(1,870)	(1,892)	(1,914)
Net cash from operating activities.....	(1,876)	(3,099)	(3,130)	(2,795)	(1,815)	1,720	2,857
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	10	-	-	-	-	-	-
Payments							
Purchase of non-current assets.....	(16,103)	(6,778)	(4,262)	(2,736)	(2,075)	(2,075)	(2,075)
Net cash from investing activities.....	(16,093)	(6,778)	(4,262)	(2,736)	(2,075)	(2,075)	(2,075)
CASHFLOWS FROM FINANCING ACTIVITIES							
Payments							
Repayment of borrowings and leases.....	(873)	(2,001)	(2,000)	(1,998)	(1,856)	(1,952)	(1,672)
Net cash from financing activities.....	(873)	(2,001)	(2,000)	(1,998)	(1,856)	(1,952)	(1,672)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Operating subsidies.....	-	2,706	2,706	3,100	2,500	2,500	2,500
Equity contributions.....	9,150	4,000	4,000	3,500	500	500	500
Payments							
Dividends to government.....	-	-	-	-	-	(428)	(1,117)
National Tax Equivalent Regime - Income tax...	-	-	-	-	-	-	(254)
Local Government Rates Equivalent.....	(124)	(140)	(124)	(140)	(141)	(143)	(144)
Net cash provided to State Government.....	(9,026)	(6,566)	(6,582)	(6,460)	(2,859)	(2,429)	(1,485)
NET INCREASE/(DECREASE) IN CASH HELD.....	(9,816)	(5,312)	(2,810)	(1,069)	(2,887)	122	595
Cash assets at the beginning of the reporting period.....	18,560	8,744	8,744	5,934	4,865	1,978	2,100
Cash assets at the end of the reporting period.....	8,744	3,432	5,934	4,865	1,978	2,100	2,695

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

(b) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

Mid West Ports Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	4,967	5,106	6,402	8,942	15,659	16,680	16,643
Local Government Rates Equivalent	868	899	872	919	940	961	983
Dividends (a) (b) (c)	4,124	22,121	11,627	-	24,467	28,743	29,140
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution	-	-	-	8,000	-	-	-
RATIOS							
Dividend Payout Ratio (%)	100	100	100	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	67,757	70,164	74,715	101,041	113,816	115,700	115,652
Total Expenses (d)	50,874	53,144	53,374	71,234	61,616	60,102	60,176
Total Borrowings	9,479	8,058	8,058	6,819	6,142	5,519	4,809
NET PROFIT AFTER TAX	11,626	11,914	14,939	20,865	36,541	38,918	38,833
CASH ASSETS (e)	42,186	12,829	40,074	54,194	55,423	63,668	77,801

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.
- (d) Excludes current tax expense, deferred tax expense and dividends.
- (e) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
2020-21 Estimated Actual Outturn	(727)	-	-	-	-
2021-22 Dividend Retention	-	(28,319)	-	-	-
Geraldton Port Wide Fire Fighting System	-	-	-	-	(1,043)
Trade Throughput Revisions (a)	438	17,618	23,623	27,561	28,071
Wharf 4 Deck Strengthening and Rail Replacement Project (b)	-	278	(5)	(39)	(39)

- (a) Revenue and associated operating expenses from additional trade by new customers.
- (b) Depreciation expense impacts of re-phasing of the project and additional capital funding.

Significant Issues Impacting the Government Trading Enterprise

1. The Authority received State endorsement for the Geraldton Port Master Plan (PMP) in July 2020. The PMP will guide the longer-term development of the Port of Geraldton over the next 15 years.
2. The rapidly growing demand for bulk export facilities in the Mid West region has seen an immediate increase in trade throughput from existing and new customers at the port, with the trend forecast to continue over the forward estimates period taking in a broader range of customers and commodities.
3. As part of its long-term capacity planning, the Authority continually assesses current and future customer demands and port improvements to facilitate those demands in the most effective manner consistent with the PMP.
4. To address the immediate needs, the Authority will undertake a range of improvements to increase public and port user safety by addressing road access issues in the port precinct, improving utilisation of existing berth infrastructure to increase ship loading efficiencies and acquiring land to ease operational bottlenecks.
5. The Authority continues to work with the Departments of Transport and Jobs, Tourism, Science and Innovation to transfer the marine safety function of the ports of Cape Cuvier and Useless Loop from the Department of Transport to the Authority.
6. The Authority is unique amongst the Western Australian ports in that it manages the Fishing Boat Harbour, which supports the West Coast Rock Lobster Fishery. As part of the COVID-19 Response a number of amenity upgrades were delivered by the Authority in 2020-21 and are planned for 2021-22.
7. The Authority will retain its forecast 2021-22 dividend payment of \$28.3 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Authority.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Facilitate, Protect and Grow Efficient Trade and Tourism.	1. Improve Revenue Diversification and Growth 2. Improve Underlying Profit 3. Improve Long-term Business Value 4. Increase Regional Economic Contribution
	Realising Development Strategies.	5. Provide Quality Infrastructure
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Enabling Supply Chain.	6. Transparent Service Offering and Clear Role as Supply Chain Enablers
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Engaged Customers, Community and Stakeholders.	7. Run a Safe, Efficient and Cost Effective Service Offering 8. Engaged, Easy to Do Business with and Deliver on our Promise
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Operate in Balance with the Environment.	9. Improve Whole of Port Environmental Outcomes

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Improve Revenue Diversification and Growth:					
Economic rate of return ^(a)	7.6%	10.3%	10.2%	12%	
Earnings before interest, tax, depreciation and amortisation (\$'000)	23,518	24,346	30,579	37,862	
Outcome: Improve Underlying Profit:					
Return on assets	9.4%	10.2%	12.7%	16.2%	
Outcome: Improve Long-term Business Value:					
Finalise continuous improvement training to all staff across organisation ^(b)	n/a	n/a	n/a	100%	
Outcome: Increase Regional Economic Contribution:					
Total local spend ^(b)	n/a	n/a	n/a	>70%	
Outcome: Provide Quality Infrastructure:					
Availability of the Authority train unloading infrastructure when required by customers	99.99%	98%	100%	>98%	
Outcome: Transparent Service Offering and Clear Role as Supply Chain Enablers:					
Total port trade (Mt)	14.95	14	15.07	18.2	
Outcome: Run a Safe, Efficient and Cost Effective Service Offering:					
Availability of berth 4 ship loading infrastructure when required by customers	99.5%	98%	99.95%	>98%	
Availability of berth 5 ship loading infrastructure when required by customers	99.8%	98%	99.8%	>98%	
Lost Time Injury Frequency Rate	nil	nil	8.4	nil	
Outcome: Engaged, Easy to Do Business with and Deliver on our Promise:					
Customer satisfaction score (including Fishing Boat Harbour) ^(b)	n/a	n/a	n/a	>80%	
Suppliers' satisfaction survey score ^(b)	n/a	n/a	n/a	>80%	
Employee satisfaction score ^(b)	n/a	n/a	n/a	>80%	
Outcome: Improve Whole of Port Environmental Outcomes:					
Compliance with environmental licence, legislation and best practice ^(b)	n/a	n/a	n/a	100%	

(a) Rate of return as calculated in accordance with the Department of Transport's Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy.

(b) New key performance indicator established from 2021-22.

Asset Investment Program

1. The Authority's 2021-22 Asset Investment Program includes funding that has been allocated to:
 - 1.1. the Port Wide Firefighting System to provide fully compliant fire systems across the port that meet standards and regulatory compliance requirements;
 - 1.2. land acquisitions and road improvements in the port precinct funded via Royalties for Regions; and
 - 1.3. minor works projects to improve services, upgrade existing civil infrastructure, security, environmental systems, computer systems and replacement of equipment.

COVID-19 Response

2. The Authority will spend \$9.6 million in 2021-22 at the Port of Geraldton and the Fishing Boat Harbour to:
 - 2.1. strengthen the Wharf 4 deck slab and to replace the shiploader rails. This will improve utilisation of the shiploader and support the operational requirements of the berth, which is the port's main multi-good berth;
 - 2.2. complete the Fishing Boat Harbour street lighting project; and
 - 2.3. replace the walkways at the Fishing Boat Harbour to improve amenities, given these facilities are located within the Port of Geraldton boundary.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Fishing Boat Harbour - Street Lighting	280	145	145	135	-	-	-
Wharf 4 Deck Strengthening and Rail Replacement	13,500	4,530	4,530	8,970	-	-	-
COMPLETED WORKS							
COVID-19 Response							
Fishing Boat Harbour							
Amenities	240	240	240	-	-	-	-
Replacement of Fuel Bowsers	330	330	330	-	-	-	-
Replacement of Northern Walkways	230	230	230	-	-	-	-
Other Completed Works							
Miscellaneous Works - 2020-21 Program	3,741	3,741	3,741	-	-	-	-
NEW WORKS							
COVID-19 Response							
Fishing Boat Harbour Replacement of Southern Walkways	500	-	-	500	-	-	-
Other New Works							
Miscellaneous Works							
2021-22 Program	9,772	-	-	9,772	-	-	-
2022-23 Program	15,245	-	-	-	15,245	-	-
2023-24 Program	5,500	-	-	-	-	5,500	-
2024-25 Program	5,500	-	-	-	-	-	5,500
Port Wide Firefighting System	13,500	-	-	2,000	8,000	3,500	-
Total Cost of Asset Investment Program	68,338	9,216	9,216	21,377	23,245	9,000	5,500
FUNDED BY							
Drawdowns from Royalties for Regions Fund			-	8,000	-	-	-
Internal Funds and Balances			9,216	13,377	23,245	9,000	5,500
Total Funding			9,216	21,377	23,245	9,000	5,500

Financial Statements

Income Statement

Expenses

1. The 2021-22 Budget Estimate reflects a significant increase in Supplies and services expense due to the planned maintenance dredge program to restore the Port of Geraldton's shipping channel and harbour to its original design depths.
2. Other variable expenses are increasing in line with increased throughput.

Revenue

3. Increases in the Sales of goods and services are due to the significant resurgence of the Mid West mining industry, resulting in a significant increase in trade throughput.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	66,416	69,075	74,162	100,425	113,191	115,066	115,008
Other revenue.....	1,341	1,089	553	616	625	634	644
TOTAL REVENUE	67,757	70,164	74,715	101,041	113,816	115,700	115,652
Expenses							
Employee benefits ^(b)	21,853	22,035	22,179	22,800	23,436	23,556	23,749
Supplies and services.....	14,114	14,905	14,274	30,603	19,086	17,068	15,071
Accommodation.....	1,800	1,355	1,413	1,769	1,954	2,064	2,130
Depreciation and amortisation	6,255	6,975	7,156	7,773	8,539	8,739	10,542
Finance and interest costs.....	380	350	324	281	248	225	202
Other expenses	6,472	7,524	8,028	8,008	8,353	8,450	8,482
TOTAL EXPENSES	50,874	53,144	53,374	71,234	61,616	60,102	60,176
NET PROFIT/(LOSS) BEFORE TAX	16,883	17,020	21,341	29,807	52,200	55,598	55,476
National Tax Equivalent Regime							
Current tax equivalent expense	4,967	5,106	6,402	8,942	15,659	16,680	16,643
Deferred tax equivalent expense	290	-	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX	11,626	11,914	14,939	20,865	36,541	38,918	38,833
Dividends ^(c)	4,124	22,121	11,627	-	24,467	28,743	29,140

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 137, 143 and 150 respectively.

(c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	42,186	12,829	40,074	25,875	27,104	35,349	49,482
Cash assets - Retained dividends	-	-	-	28,319	28,319	28,319	28,319
Receivables.....	6,742	6,776	10,802	11,031	10,838	10,845	10,843
Other.....	1,829	1,829	1,719	1,719	1,719	1,719	1,719
Total current assets.....	50,757	21,434	52,595	66,944	67,980	76,232	90,363
NON-CURRENT ASSETS							
Property, plant and equipment.....	126,639	144,102	129,853	143,731	158,521	159,135	154,349
Other.....	2,863	2,863	2,863	2,863	2,863	2,863	2,863
Total non-current assets.....	129,502	146,965	132,716	146,594	161,384	161,998	157,212
TOTAL ASSETS	180,259	168,399	185,311	213,538	229,364	238,230	247,575
CURRENT LIABILITIES							
Employee provisions.....	4,168	4,168	3,801	3,801	3,801	3,801	3,801
Payables.....	4,404	4,328	6,957	7,535	12,099	11,265	11,599
Borrowings and leases	1,642	1,778	1,438	843	654	888	903
Other.....	166	166	591	591	591	591	591
Total current liabilities.....	10,380	10,440	12,787	12,770	17,145	16,545	16,894
NON-CURRENT LIABILITIES							
Employee provisions.....	3,989	3,989	4,737	4,737	4,737	4,737	4,737
Borrowings and leases	8,367	6,654	6,952	6,331	5,708	4,999	4,302
Other.....	1,374	1,374	1,374	1,374	1,374	1,374	1,374
Total non-current liabilities.....	13,730	12,017	13,063	12,442	11,819	11,110	10,413
TOTAL LIABILITIES	24,110	22,457	25,850	25,212	28,964	27,655	27,307
NET ASSETS	156,149	145,942	159,461	188,326	200,400	210,575	220,268
EQUITY							
Contributed Equity	76,857	76,857	76,857	84,857	84,857	84,857	84,857
Accumulated surplus/(deficit).....	78,504	68,297	81,816	102,681	114,755	124,930	134,623
Reserves	788	788	788	788	788	788	788
TOTAL EQUITY	156,149	145,942	159,461	188,326	200,400	210,575	220,268

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	63,719	65,617	69,249	95,953	108,632	110,439	110,312
GST receipts.....	7,042	7,223	7,455	10,074	11,351	11,539	11,534
Other receipts.....	6,583	4,547	5,586	5,088	5,184	5,261	5,340
Payments							
Employee benefits.....	(21,120)	(22,035)	(21,811)	(22,783)	(23,430)	(23,551)	(23,744)
Supplies and services.....	(14,114)	(14,905)	(14,274)	(30,692)	(19,141)	(17,159)	(15,164)
Accommodation ^(b)	(4,032)	(456)	(541)	(850)	(1,014)	(1,103)	(1,147)
GST payments.....	(6,739)	(7,227)	(7,074)	(9,106)	(12,158)	(11,339)	(11,374)
Finance and interest costs.....	(408)	(314)	(324)	(272)	(242)	(219)	(193)
Other payments.....	(8,579)	(7,523)	(10,987)	(7,935)	(8,303)	(8,364)	(8,393)
Net cash from operating activities.....	22,352	24,927	27,279	39,477	60,879	65,504	67,171
CASHFLOWS FROM INVESTING ACTIVITIES							
Payments							
Purchase of non-current assets.....	(4,517)	(24,438)	(9,216)	(21,377)	(23,245)	(9,000)	(5,500)
Net cash from investing activities.....	(4,517)	(24,438)	(9,216)	(21,377)	(23,245)	(9,000)	(5,500)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	294	-	-	-	-	-
Payments							
Repayment of borrowings and leases.....	(1,641)	(1,871)	(1,670)	(1,490)	(895)	(828)	(937)
Net cash from financing activities.....	(1,641)	(1,577)	(1,670)	(1,490)	(895)	(828)	(937)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Equity contributions.....	-	-	-	8,000	-	-	-
Payments							
Dividends to government.....	(4,124)	(22,121)	(11,627)	-	(24,467)	(28,743)	(29,140)
National Tax Equivalent Regime - Income tax...	(5,843)	(5,249)	(6,006)	(9,571)	(10,103)	(17,727)	(16,478)
Local Government Rates Equivalent.....	(868)	(899)	(872)	(919)	(940)	(961)	(983)
Net cash provided to State Government.....	10,835	28,269	18,505	2,490	35,510	47,431	46,601
NET INCREASE/(DECREASE) IN CASH HELD.....	5,359	(29,357)	(2,112)	14,120	1,229	8,245	14,133
Cash assets at the beginning of the reporting period.....	36,827	42,186	42,186	40,074	54,194	55,423	63,668
Cash assets at the end of the reporting period.....	42,186	12,829	40,074	54,194	55,423	63,668	77,801

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

(b) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

Pilbara Ports Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	56,460	80,629	71,130	91,976	103,175	108,787	114,745
Local Government Rates Equivalent	2,760	2,747	2,809	2,897	2,972	3,060	3,128
Dividends (a) (b) (c)	31,678	190,365	111,913	-	168,884	182,785	194,431
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Other Subsidies	9,013	9,013	9,110	9,110	9,110	9,110	9,110
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution	45,888	47,617	20,151	82,013	37,061	17,070	27,418
RATIOS							
Dividend Payout Ratio (%)	85	85	85	85	85	85	85
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	456,689	505,603	508,755	575,693	626,362	637,382	649,751
Revenue from State Government	9,013	9,013	9,110	9,110	9,110	9,110	9,110
Total Expenses (d)	277,618	281,734	312,053	310,786	323,478	329,991	311,899
Total Borrowings	108,832	105,614	105,614	91,198	96,573	88,724	51,639
NET PROFIT AFTER TAX	131,624	152,253	134,682	182,041	208,819	207,714	232,217
CASH ASSETS (e)	316,437	277,644	405,263	603,428	612,599	635,275	714,580

(a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Most Government Trading Enterprises (GTE) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.

(c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.

(d) Excludes current tax expense, deferred tax expense and dividends.

(e) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
2021-22 Dividend Retention	-	(230,868)	-	-	-
Impact from Change in Throughput Volume and Pricing	(3,298)	11,681	47,923	53,998	55,349
Other Revenue and Expense Updates	11,066	(7,860)	(2,134)	422	2,595
Port Hedland Voluntary Buy-back Scheme	(2,841)	17,913	11,430	18,041	28,402
Other					
Port of Varanus Island Transfer ^(a)	-	6	12	12	-

(a) The Port of Varanus Island was transferred from the Department of Transport to the Authority from July 2021.

Significant Issues Impacting the Government Trading Enterprise

Navigating the COVID-19 Pandemic

1. There is the potential for the Authority to be impacted by a predicted skilled worker shortage in Western Australia, with some trade-based roles and professional roles such as marine and helicopter pilots likely to be most impacted. If realised, the skilled worker shortage could impact project delivery and port operations.
2. The Authority is investigating options to manage these impacts.

COVID-19 Response

3. Two projects are underway at the Port of Port Hedland as part of the Government's COVID-19 Response:
 - 3.1. The Tug Haven Revetment Wall Upgrade project (\$51.2 million) will repair the harbour revetments and provide storm shelter for the modern tugs operating at the port. The project scope includes the construction of a combi-pile wall to support the existing revetments and the replacement of the existing sheet pile wall.
 - 3.2. The Inner Harbour revetment works project (\$20 million) will repair and upgrade the existing revetments that have been degraded over many years by cyclonic storms, tides and shipping activity. The project scope includes the remediation of revetment slopes under Berth 3 and refurbishment of the piles that lie within the revetment zone.
4. Both of these projects will sustain and improve port capacity.

Election Commitment - Port Hedland Spoilbank Marina

5. In June 2020, the Government announced that the Authority would be the lead agency for the construction of the \$121.5 million Port Hedland Spoilbank Marina and would be the owner and operator of the marina once it is complete.
6. The project is being delivered in two key stages:
 - 6.1. Stage One, delivered by Main Roads Western Australia on behalf of Department of Transport, involved the construction of the truck haulage road which reached practical completion at the end of March 2021.
 - 6.2. The Authority is delivering Stage Two, which is comprised of: bulk earthworks, revetments and breakwaters; dredging and reclamation works; marina structures and land-side civil works.

Port Hedland Voluntary Buy-back Scheme

7. In June 2020, the Government announced a voluntary buy-back scheme for parts of Port Hedland's West End and that the scheme would be delivered by the Authority. There are 439 eligible properties. The offer and acceptance process has commenced, as has the acquisition of properties.

2021-22 Dividend Retention

8. The Authority will retain its forecast 2021-22 dividend payment of \$230.9 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Authority.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Appropriate financial returns to the State.	1. Optimise capital structure of the Authority, including consideration of debt and equity funding of major value accretive capital investments.
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Regional prosperity and development.	2. Maximise regional benefits through management of existing and future ports.

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Optimise capital structure of the Authority, including consideration of debt and equity funding of major value accretive capital investments:					
Rate of return on assets	10.7%	13.3%	11.6%	13.4%	
Economic rate of return ^(a)	11.2%	13.2%	12.0%	13.8%	
Debt to equity ratio	0.40	0.40	0.39	0.38	
Outcome: Maximise regional benefits through management of existing and future ports: ^(b)					
Port of Port Hedland:					
Ship revenue earned per visit	\$107,872	\$117,117	\$120,636	\$129,006	1
Port trade ('000 tonnes)	538,164	547,999	545,510	566,014	
Number of vessel visits	3,097	3,150	3,139	3,257	
Port of Dampier:					
Ship revenue earned per visit	\$16,895	\$17,073	\$17,100	\$16,455	1
Port trade ('000 tonnes)	167,961	174,098	167,912	172,824	
Number of vessel visits	3,373	3,490	3,372	3,471	

(a) Economic Rate of Return as calculated in accordance with the Department of Transport's Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy.

(b) Port of Ashburton is not included for reasons of commercial-in-confidence.

Explanation of Significant Movements

(Notes)

1. The differences between Port of Port Hedland and Port of Dampier revenue per ship visit are largely due to differences in ship sizes. Dampier has a larger number of smaller vessels. Additionally, the operating models and services provided at the Port of Port Hedland and the Port of Dampier are different.

Asset Investment Program

1. The Authority's 2021-22 Asset Investment Program totals \$140.5 million for the provision of major and minor works, revetment upgrades at the Port of Port Hedland, construction of the Port Hedland Spoilbank Marina and port infrastructure at the Port of Ashburton.
2. Chevron's handover of the Port of Ashburton infrastructure was completed in 2018-19. Works to support future development of the multi-user facilities at the port are forecast to be \$5.9 million in 2021-22 and totalling \$23.2 million over the forward estimates period.
3. The construction of the Port Hedland Spoilbank Marina is forecast to be \$37.2 million in 2021-22 and \$67.1 million in 2022-23. The expenditure will be funded from Royalties for Regions and contributions from the Town of Port Hedland, BHP and the State.
4. Following Severe Tropical Cyclone Veronica in March 2019 work was undertaken to assess the extent of damage caused to the Port Hedland Inner Harbour. The cyclone was analysed as being a 1 in 50-year event. Four revetment locations were identified as requiring immediate upgrade. The Port Hedland Inner Harbour revetment project has forecast expenditure of \$5.6 million in 2021-22 and \$8 million in 2022-23.
5. The revetment walls and perimeter sheet pile wall at the Port of Port Hedland's Nelson Point Tug Haven have been steadily deteriorating. Cyclonic conditions from Severe Tropical Cyclone Veronica persisted in the port area for 36 hours and coincided with seasonal high tides. The collective effect of these factors accelerated the deterioration of the Tug Haven revetments and sheet pile wall. The Port Hedland Tug Haven Revetment Wall Upgrade project has forecast expenditure of \$20.4 million in 2021-22 and \$30.6 million in 2022-23.
6. The minor works program totals \$28.4 million in 2021-22 and totalling \$88.2 million over the forward estimates period. The program provides for replacement of mobile plant and office equipment, upgrades to safety, information and communications technology, electrical and other equipment, and infrastructure (civil and marine).
7. The Hedland Maritime Initiative (HMI) is the special purpose vehicle established to administer the Government's Port Hedland Voluntary Buy-back Scheme and facilitate the planning and development of a Maritime Precinct. HMI is a wholly owned subsidiary of the Authority. HMI acquisition of residential properties is forecast to be \$43 million in 2021-22 and totalling \$83.6 million over the forward estimates period.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Port of Port Hedland							
Inner Harbour Revetment Upgrades.....	20,000	6,391	6,391	5,609	8,000	-	-
Tug Haven Revetment Wall Upgrades	51,200	220	220	20,400	30,580	-	-
Other Works in Progress							
Election Commitment - Port of Port Hedland - Spoilbank							
Marina.....	109,500	5,203	5,203	37,180	67,117	-	-
Hedland Maritime Initiative	88,978	5,350	5,350	43,036	21,414	19,178	-
Port of Ashburton - Port Infrastructure Construction Project	32,400	9,239	678	5,945	8,082	3,791	5,343
COMPLETED WORKS							
Minor Works - 2020-21 Program	13,505	13,505	13,505	-	-	-	-
NEW WORKS							
Minor Works							
2021-22 Program.....	28,372	-	-	28,372	-	-	-
2022-23 Program.....	19,205	-	-	-	19,205	-	-
2023-24 Program.....	20,323	-	-	-	-	20,323	-
2024-25 Program.....	20,323	-	-	-	-	-	20,323
Total Cost of Asset Investment Program	403,806	39,908	31,347	140,542	154,398	43,292	25,666
FUNDED BY							
Funding Included in Department of Treasury							
Administered Item.....			-	36,831	13,169	-	-
Drawdowns from Royalties for Regions Fund			16,000	31,972	11,528	-	-
Internal Funds and Balances.....			15,347	71,739	129,701	43,292	25,666
Total Funding.....			31,347	140,542	154,398	43,292	25,666

Financial Statements

Income Statement

Expenses

- Operating expenses are expected to rise due to changes to the workforce plan and the incorporation of HMI.

Revenue

- Revenue growth is attributable to the implementation of Sustaining Infrastructure Dues, the Port Hedland Voluntary Buy-back Scheme Levy and approved price increases.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	441,444	493,097	495,868	562,492	612,663	623,368	634,949
Other revenue.....	15,245	12,506	12,887	13,201	13,699	14,014	14,802
Revenue from government							
Other subsidies.....	9,013	9,013	9,110	9,110	9,110	9,110	9,110
TOTAL REVENUE	465,702	514,616	517,865	584,803	635,472	646,492	658,861
Expenses							
Employee benefits ^(b)	53,958	57,205	59,659	61,338	62,348	63,520	64,715
Grants and subsidies	-	-	350	4,050	7,000	10,600	-
Supplies and services	63,437	73,584	80,880	79,210	78,800	79,943	79,603
Accommodation	39,214	39,505	39,311	42,738	47,292	48,012	48,884
Depreciation and amortisation	81,917	81,142	85,201	84,003	84,666	84,711	83,625
Finance and interest costs	5,060	5,133	5,178	5,336	5,398	5,158	4,255
Other expenses	34,032	25,165	41,474	34,111	37,974	38,047	30,817
TOTAL EXPENSES	277,618	281,734	312,053	310,786	323,478	329,991	311,899
NET PROFIT/(LOSS) BEFORE TAX	188,084	232,882	205,812	274,017	311,994	316,501	346,962
National Tax Equivalent Regime Current tax equivalent expense	56,460	80,629	71,130	91,976	103,175	108,787	114,745
NET PROFIT/(LOSS) AFTER TAX	131,624	152,253	134,682	182,041	208,819	207,714	232,217
Dividends ^(c)	31,678	190,365	111,913	-	168,884	182,785	194,431

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

(b) Permanent full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 275, 303 and 298 respectively.

(c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	254,403	220,610	344,484	320,037	337,538	404,407	483,712
Cash assets - Retained dividends	-	-	-	230,868	230,868	230,868	230,868
Restricted Cash	62,034	57,034	60,779	52,523	44,193	-	-
Receivables	59,782	64,841	64,871	64,801	67,048	68,076	69,509
Other.....	7,842	8,529	8,507	8,495	8,797	8,932	9,121
Total current assets.....	384,061	351,014	478,641	676,724	688,444	712,283	793,210
NON-CURRENT ASSETS							
Property, plant and equipment.....	2,430,975	2,466,492	2,377,119	2,433,658	2,503,390	2,461,971	2,404,011
Intangibles	3,092	2,831	354	93	93	93	93
Other Investments	232	232	232	232	232	232	232
Other.....	66,301	66,301	66,301	66,301	66,301	66,301	66,301
Total non-current assets.....	2,500,600	2,535,856	2,444,006	2,500,284	2,570,016	2,528,597	2,470,637
TOTAL ASSETS	2,884,661	2,886,870	2,922,647	3,177,008	3,258,460	3,240,880	3,263,847
CURRENT LIABILITIES							
Employee provisions.....	8,897	9,155	9,539	9,765	9,923	10,107	10,294
Payables	21,832	22,328	19,550	24,251	23,401	24,428	25,488
Borrowings and leases	79,711	15,209	15,209	15,419	15,642	15,878	15,878
Other.....	16,043	16,736	16,307	16,380	16,378	16,493	16,607
Total current liabilities.....	126,483	63,428	60,605	65,815	65,344	66,906	68,267
NON-CURRENT LIABILITIES							
Employee provisions.....	1,257	1,293	1,351	1,384	1,407	1,434	1,461
Borrowings and leases	74,003	130,166	135,287	120,661	125,813	117,728	80,643
Other.....	616,709	616,269	616,275	615,965	615,717	562,634	556,094
Total non-current liabilities.....	691,969	747,728	752,913	738,010	742,937	681,796	638,198
TOTAL LIABILITIES	818,452	811,156	813,518	803,825	808,281	748,702	706,465
NET ASSETS	2,066,209	2,075,714	2,109,129	2,373,183	2,450,179	2,492,178	2,557,382
EQUITY							
Contributed Equity	353,449	401,066	373,600	455,613	492,674	509,744	537,162
Accumulated surplus/(deficit).....	464,850	426,738	487,619	669,660	709,595	734,524	772,310
Reserves	1,247,910	1,247,910	1,247,910	1,247,910	1,247,910	1,247,910	1,247,910
TOTAL EQUITY	2,066,209	2,075,714	2,109,129	2,373,183	2,450,179	2,492,178	2,557,382

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	406,362	495,815	499,711	572,412	619,663	631,566	643,039
GST receipts.....	35,497	118	-	-	-	-	-
Other receipts.....	56,674	4,184	3,404	3,744	4,242	4,557	5,345
Payments							
Employee benefits.....	(52,432)	(57,205)	(59,249)	(61,312)	(62,398)	(63,548)	(64,518)
Supplies and services.....	(58,712)	(68,067)	(75,980)	(74,259)	(73,828)	(74,948)	(74,583)
Accommodation ^(b)	(36,454)	(36,758)	(36,502)	(39,841)	(44,320)	(44,952)	(45,756)
GST payments.....	(32,977)	-	-	-	-	-	-
Finance and interest costs.....	(5,382)	(4,898)	(4,310)	(4,189)	(4,227)	(3,961)	(3,315)
Other payments.....	(37,907)	(30,185)	(45,939)	(44,331)	(51,064)	(107,309)	(43,249)
Net cash from operating activities.....	274,669	303,004	281,135	352,224	388,068	341,405	416,963
CASHFLOWS FROM INVESTING ACTIVITIES							
Payments							
Purchase of non-current assets.....	(77,284)	(116,347)	(31,347)	(140,542)	(154,398)	(43,292)	(25,666)
Net cash from investing activities.....	(77,284)	(116,347)	(31,347)	(140,542)	(154,398)	(43,292)	(25,666)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	-	64,700	64,700	8,411	17,411	8,411	8,411
Payments							
Repayment of borrowings and leases.....	(36,715)	(73,039)	(67,918)	(22,827)	(12,037)	(16,259)	(45,496)
Net cash from financing activities.....	(36,715)	(8,339)	(3,218)	(14,416)	5,374	(7,848)	(37,085)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Equity Contributions.....	45,888	47,617	20,151	82,013	37,061	17,070	27,418
Other subsidies.....	9,013	9,013	9,110	9,110	9,110	9,110	9,110
Payments							
Dividends to government.....	(31,678)	(190,365)	(111,913)	-	(168,885)	(182,785)	(194,431)
National Tax Equivalent Regime - Income tax...	(84,564)	(80,629)	(72,283)	(87,327)	(104,187)	(107,924)	(113,876)
Local Government Rates Equivalent.....	(2,760)	(2,747)	(2,809)	(2,897)	(2,972)	(3,060)	(3,128)
Net cash provided to State Government.....	64,101	217,111	157,744	(899)	229,873	267,589	274,907
NET INCREASE/(DECREASE) IN CASH HELD.....	96,569	(38,793)	88,826	198,165	9,171	22,676	79,305
Cash assets at the beginning of the reporting period.....	219,868	316,437	316,437	405,263	603,428	612,599	635,275
Cash assets at the end of the reporting period.....	316,437	277,644	405,263	603,428	612,599	635,275	714,580

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

(b) Payment of Local Government Rates Equivalent is included within Accommodation expense on the Income Statement, however within the Statement of Cashflows this is recorded as a payment to State Government and not as a payment from operating activities.

Southern Ports Authority

Part 9 Transport

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	18,331	13,341	17,748	13,316	12,493	12,894	15,005
Local Government Rates Equivalent	790	713	808	786	797	810	823
Dividends ^{(a) (b) (c)}	6,365	55,991	38,982	-	22,223	22,390	25,334
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies ^(d)	30,373	21,529	21,529	8,078	-	-	-
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution ^(e)	1,624	2,890	640	2,750	12,750	-	-
RATIOS							
Dividend Payout Ratio (%)	100	100	100	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	119,103	136,837	137,835	148,136	158,118	159,204	161,430
Revenue from State Government.....	30,373	21,529	21,529	8,078	-	-	-
Total Expenses ^(f)	93,711	113,898	100,203	111,826	116,474	116,222	111,415
Total Borrowings	11,534	7,505	7,504	6,194	4,805	3,334	1,949
NET PROFIT AFTER TAX	38,982	31,127	41,413	31,072	29,151	30,088	35,010
CASH ASSETS ^(g)	92,314	46,697	86,096	98,833	92,199	103,463	116,522

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.
- (d) This largely represents subsidies paid to the Authority to facilitate the ongoing operation of the Koolyanobbing mine following Mineral Resources Limited's acquisition of this mine from the outgoing Cleveland-Cliffs in 2018.
- (e) The Authority will receive Royalties for Regions funding of \$15.5 million over 2021-22 to 2022-23 to support the delivery of the Inner Harbour Access Bridge at the Port of Bunbury.
- (f) Excludes current tax expense, deferred tax expense and dividends.
- (g) As at 30 June each financial year.

Financial Changes

Net operating balance adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
2021-22 Dividend Retention	-	(58,273)	-	-	-
Esperance Port					
Power Connection ^(a)	-	93	295	329	329
Shed 3 Recladding ^(a)	-	-	981	1,167	1,167
Trade and Operating Expense Revisions ^(b)	12,223	7,073	(12,075)	(14,087)	(8,814)

(a) Refer to the Asset Investment Program section for details of this project.

(b) The Authority has experienced a significant increase in lead times for maintenance goods and services due to the impact of the COVID-19 pandemic. This has resulted in a significant forecast underspend on repairs and maintenance in 2020-21, continuing into 2021-22. The Authority has also revised its throughput projections over 2021-22 to 2024-25 to align with updated customer demand forecasts.

Significant Issues Impacting the Government Trading Enterprise

Trade Development

1. The Authority will continue to create a pipeline of trade opportunities across various commodities and provide latent capacity to accommodate third-party access to its ports. The Authority is focused on remaining agile to meet changing market conditions for commodities to mitigate the risk of reliance on any one commodity.

Port Development

2. The Authority is focused on the implementation of a new Asset Management Framework to meet the long-term needs of its customers. Implementing this framework will position the Authority for long-term sustainable growth by ensuring its assets are properly maintained to optimise performance and useful life.

Sustainability

3. The Authority will continue to pursue sustainability through its operations, building a solid reputation with its customers and local communities for creating long-term value through the protection of the environment and heritage assets, while achieving strong economic and regional development for current and future generations. This will also incorporate the Government's goal of achieving net zero greenhouse gas emissions by 2050.

Supply Chain

4. The Authority will continue to facilitate the optimisation of supply links for its customers and the State across all three of its ports.

Innovation

5. The Authority is focused on transitioning to a fully digital organisation by 2025 and has implemented its future ports strategy to bring the right technologies and innovation to the organisation and its customers. This includes improving digital reporting capability to enable more efficient decision making.

2021-22 Dividend Retention

6. The Authority will retain its forecast 2021-22 dividend payment of \$58.3 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Authority.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Financially Sustainable.	1. Maximise opportunities to create value for the State.
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Strong Regional Jobs.	2. Maintain a flexible and nimble organisational structure with clear accountabilities for competent and knowledgeable personnel.
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Environmental Compliance.	3. Maintain a solid reputation with customers and the community for creating long-term value which protects the environment and heritage assets.

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Maximise opportunities to create value for the State:					
Return on assets	14%	10.9%	14.1%	10.2%	1
Earnings before interest, taxes, depreciation and amortisation (\$'000)	65,367	54,531	69,275	55,129	1
Economic rate of return ^(a)	6.5%	7.4%	9.6%	6.2%	1
Debt to equity ratio	0.2	0.21	0.15	0.12	
Outcome: Maintain a flexible and nimble organisational structure with clear accountabilities for competent and knowledgeable personnel:					
Customer satisfaction score - corporate index score	51	>65	61	>65	
Lost time injury frequency rate	8.5	nil or 10% reduction	13.1	nil or 10% reduction	
Total number of vessel visits	788	802	752	782	
Total port trade tonnes ('000 tonnes)	32,230	34,785	35,370	35,791	
Outcome: Maintain a solid reputation with customers and the community for creating long-term value which protects the environment and heritage assets:					
Number of reportable environment incidents	nil	nil or 10% reduction	nil	nil or 10% reduction	

(a) Rate of return as calculated in accordance with the Department of Transport's Western Australia Port Authority - Rate of Return Calculation Methodology and Asset Valuation Policy.

Explanation of Significant Movements

(Notes)

1. The Authority receives an operating subsidy to facilitate the ongoing operation of the Koolyanobbing mine following Mineral Resources Limited's acquisition of this mine from the outgoing Cleveland-Cliffs in 2018. This subsidy totalled \$30.2 million in 2019-20, \$21.4 million in the 2020-21 Estimated Actual, and \$8.1 million in the 2021-22 Budget Estimate, with associated impacts on this key performance indicator.

Asset Investment Program

1. The Authority's Asset Investment Program for 2021-22 to 2024-25 totals \$86 million, investing in projects to support regional development and the economic growth of the State through the import and export of various commodities.

New Projects

2. The Authority will spend \$17.1 million over 2021-22 to 2022-23 on the following infrastructure projects:
 - 2.1. \$2.5 million on a new power connection at the Port of Esperance to modify existing and install new infrastructure to facilitate the 20 year agreement with Horizon Power to supply electricity at the port; and
 - 2.2. \$14.6 million on the recladding of Esperance Port Iron Ore Shed 3. Due to the existing corrosion of the Shed, combined with exacerbating sea-side conditions, remediation works are required to ensure no loss of storage capacity and trade opportunities.

Existing Projects and Minor Works

3. The Authority will spend \$16.7 million in 2021-22 on the following existing projects:
 - 3.1. \$12.2 million of minor works across its three ports, including the replacement of plant and equipment, improvements to port infrastructure and other civil works;
 - 3.2. \$2.4 million to finalise capacity upgrades at the Port of Bunbury's Berth 8 that will enhance port operations and improve efficiency;
 - 3.3. \$1.9 million to finalise upgrades to Shed 4 at the Port of Esperance which will improve trade facilitation and export opportunities; and
 - 3.4. \$230,000 to re-engine the Port of Bunbury's primary pilot vessel to improve operational flexibility and ensure the ability to continue to provide safe and reliable pilotage services.

COVID-19 Response

4. The Authority will spend \$24.2 million over 2021-22 to 2022-23 on the following infrastructure projects:
 - 4.1. \$15.4 million over 2021-22 to 2022-23 on the design and construction of a new access road and bridge to Turkey Point at the Port of Bunbury. The expenditure aims to address safety and operational issues at the port by providing an alternative access route to the port's northern berths, and Turkey Point and Vittoria Bay which are areas frequently used by the public;
 - 4.2. \$2.8 million over 2021-22 to 2022-23 at the Port of Bunbury for the construction of a secondary road hopper, construction of a required fire system at Berth 8, and replacement of the Berth 8 electrical substation; and
 - 4.3. \$6 million in 2021-22 at the Port of Esperance for the sealing of internal port roads and construction of additional container hardstands.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Port of Bunbury							
Berth 8 Substation Replacement	1,500	72	72	200	1,228	-	-
Inner Harbour Access Bridge	15,500	126	126	2,624	12,750	-	-
Required Berth 8 Fire System	500	80	80	420	-	-	-
Port of Esperance							
Additional Container Hardstand	2,000	360	360	1,640	-	-	-
Berth 2 Hardstand and Stormwater System	3,200	155	155	3,045	-	-	-
Sealing Internal Port Roads	1,500	179	179	1,321	-	-	-
Other Works in Progress							
Port of Bunbury							
Berth 8 Capacity Upgrade	8,882	6,522	2,703	2,360	-	-	-
Tuart Pilot Launch Re-engine	550	320	320	230	-	-	-
Port of Esperance - Trade Facilitation Upgrade - Shed 4	3,168	1,303	486	1,865	-	-	-
COMPLETED WORKS							
Minor Works - 2020-21 Program	7,567	7,567	7,567	-	-	-	-
Port of Esperance - Shed 1 Upgrades	3,055	3,055	535	-	-	-	-
NEW WORKS							
COVID-19 Response							
Port of Bunbury - Secondary Road Hopper	1,000	-	-	200	800	-	-
Other New Works							
Minor Works							
2021-22 Program	12,238	-	-	12,238	-	-	-
2022-23 Program	10,045	-	-	-	10,045	-	-
2023-24 Program	9,000	-	-	-	-	9,000	-
2024-25 Program	9,000	-	-	-	-	-	9,000
Port of Esperance							
Iron Ore Shed 3 Recladding	14,580	-	-	625	13,955	-	-
Power Connection	2,479	-	-	2,479	-	-	-
Total Cost of Asset Investment Program	105,764	19,739	12,583	29,247	38,778	9,000	9,000
FUNDED BY							
Drawdowns from Royalties for Regions Fund			-	2,750	12,750	-	-
Internal Funds and Balances			12,583	26,497	26,028	9,000	9,000
Total Funding			12,583	29,247	38,778	9,000	9,000

Financial Statements

Income Statement

Expenses

- Supplies and services - the Authority has experienced a significant increase in lead times for maintenance goods and services due to the impact of the COVID-19 pandemic. These matters have resulted in a significant forecast underspend on repairs and maintenance in 2020-21, continuing into 2021-22. Notwithstanding these forecast underspends, it is noted that the Authority's expenditure on repairs and maintenance is forecast to be sufficient to carry out required works and remain at stable levels over 2021-22 to 2024-25.

Income

- Operating subsidies - the Authority receives an operating subsidy to facilitate the ongoing operation of the Koolyanobbing mine following Mineral Resources Limited's acquisition of this mine from the outgoing Cleveland-Cliffs in 2018. This operating subsidy is forecast to cease in 2021-22, subject to actual throughput in 2021-22.

Statement of Financial Position

- Borrowings and leases - the Authority has a loan agreement with the Western Australian Treasury Corporation that was utilised for the construction of various assets at Esperance Port. This loan is due to expire in 2027. The Authority has a capital user charge agreement (non-current receivable) in place with respect to these assets.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	106,552	123,976	130,686	134,833	143,354	144,039	145,877
Other revenue.....	12,551	12,861	7,149	13,303	14,764	15,165	15,553
Revenue from government							
Operating subsidies.....	30,373	21,529	21,529	8,078	-	-	-
TOTAL REVENUE	149,476	158,366	159,364	156,214	158,118	159,204	161,430
Expenses							
Employee benefits ^(b)	33,071	35,571	36,707	39,188	39,761	40,005	40,334
Supplies and services.....	31,378	46,270	32,150	40,188	44,366	43,823	38,707
Accommodation.....	10,700	11,978	11,675	11,070	10,271	10,284	10,297
Depreciation and amortisation	9,742	9,988	10,307	10,965	11,753	11,753	11,753
Finance and interest costs.....	1,073	639	597	568	486	398	304
Other expenses	7,747	9,452	8,767	9,847	9,837	9,959	10,020
TOTAL EXPENSES	93,711	113,898	100,203	111,826	116,474	116,222	111,415
NET PROFIT/(LOSS) BEFORE TAX	55,765	44,468	59,161	44,388	41,644	42,982	50,015
National Tax Equivalent Regime							
Current tax equivalent expense	18,331	13,341	17,748	13,316	12,493	12,894	15,005
Deferred tax equivalent expense	(1,548)	-	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX	38,982	31,127	41,413	31,072	29,151	30,088	35,010
Dividends	6,365	55,991	38,982	-	22,223	22,390	25,334

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 192, 230 and 247 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	92,314	46,697	86,096	40,560	33,926	45,190	58,249
Cash assets - Retained dividends	-	-	-	58,273	58,273	58,273	58,273
Receivables	18,068	18,823	17,675	19,629	19,981	20,214	20,599
Other.....	4,304	4,368	3,468	3,089	2,708	2,327	1,945
Total current assets.....	114,686	69,888	107,239	121,551	114,888	126,004	139,066
NON-CURRENT ASSETS							
Property, plant and equipment.....	156,243	177,941	158,729	177,407	204,300	201,415	198,530
Receivables	9,052	7,769	7,769	6,403	4,949	3,401	1,753
Other.....	16,948	17,033	15,109	14,774	14,439	14,104	13,769
Total non-current assets.....	182,243	202,743	181,607	198,584	223,688	218,920	214,052
TOTAL ASSETS	296,929	272,631	288,846	320,135	338,576	344,924	353,118
CURRENT LIABILITIES							
Employee provisions.....	6,894	7,042	7,722	7,899	8,081	8,267	8,457
Payables.....	13,265	14,383	8,417	9,036	9,076	9,080	8,860
Borrowings and leases	4,102	1,383	1,310	1,389	1,473	1,385	1,410
Other.....	5,960	5,975	4,433	1,984	2,012	2,041	2,071
Total current liabilities.....	30,221	28,783	21,882	20,308	20,642	20,773	20,798
NON-CURRENT LIABILITIES							
Employee provisions.....	1,296	1,330	1,418	1,452	1,486	1,520	1,555
Borrowings and leases	7,505	6,585	6,271	5,278	3,673	2,158	616
Other.....	10,226	10,226	8,523	8,523	8,523	8,523	8,523
Total non-current liabilities.....	19,027	18,141	16,212	15,253	13,682	12,201	10,694
TOTAL LIABILITIES	49,248	46,924	38,094	35,561	34,324	32,974	31,492
NET ASSETS	247,681	225,707	250,752	284,574	304,252	311,950	321,626
EQUITY							
Contributed Equity	94,259	97,149	94,899	97,649	110,399	110,399	110,399
Accumulated surplus/(deficit).....	138,607	113,743	141,038	172,110	179,038	186,736	196,412
Reserves	14,815	14,815	14,815	14,815	14,815	14,815	14,815
TOTAL EQUITY	247,681	225,707	250,752	284,574	304,252	311,950	321,626

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	94,046	114,410	115,123	123,752	132,003	132,590	134,038
GST receipts.....	13,009	14,179	14,262	15,284	15,099	15,387	15,572
Other receipts.....	22,575	21,739	23,108	22,437	25,841	26,469	27,096
Payments							
Employee benefits.....	(32,051)	(35,408)	(35,924)	(38,988)	(39,555)	(39,794)	(40,118)
Supplies and services.....	(31,788)	(46,071)	(33,758)	(41,723)	(43,990)	(43,486)	(38,600)
Accommodation ^(b)	(9,910)	(11,265)	(10,867)	(10,284)	(9,474)	(9,474)	(9,474)
GST payments.....	(13,154)	(13,954)	(14,037)	(15,059)	(14,955)	(15,251)	(15,429)
Finance and interest costs.....	(1,112)	(639)	(504)	(565)	(483)	(395)	(301)
Other payments.....	(7,551)	(9,025)	(7,898)	(9,437)	(9,424)	(9,539)	(9,594)
Net cash from operating activities.....	34,064	33,966	49,505	45,417	55,062	56,507	63,190
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	150	-	-	-	-	-	-
Payments							
Purchase of non-current assets.....	(16,152)	(31,299)	(12,583)	(29,247)	(38,778)	(9,000)	(9,000)
Net cash from investing activities.....	(16,002)	(31,299)	(12,583)	(29,247)	(38,778)	(9,000)	(9,000)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Other proceeds.....	1,132	1,205	1,205	1,283	1,366	1,454	1,548
Payments							
Repayment of borrowings and leases.....	(7,214)	(4,029)	(4,155)	(1,442)	(1,521)	(1,603)	(1,517)
Net cash from financing activities.....	(6,082)	(2,824)	(2,950)	(159)	(155)	(149)	31
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Operating subsidies.....	30,373	21,529	21,529	8,078	-	-	-
Equity Contributions.....	1,624	2,890	640	2,750	12,750	-	-
Payments							
Dividends to government.....	(6,365)	(55,991)	(38,982)	-	(22,223)	(22,390)	(25,334)
National Tax Equivalent Regime - Income tax...	(12,666)	(13,175)	(22,569)	(13,316)	(12,493)	(12,894)	(15,005)
Local Government Rates Equivalent.....	(798)	(713)	(808)	(786)	(797)	(810)	(823)
Net cash provided to State Government.....	(12,168)	45,460	40,190	3,274	22,763	36,094	41,162
NET INCREASE/(DECREASE) IN CASH HELD.....	24,148	(45,617)	(6,218)	12,737	(6,634)	11,264	13,059
Cash assets at the beginning of the reporting period.....	68,166	92,314	92,314	86,096	98,833	92,199	103,463
Cash assets at the end of the reporting period.....	92,314	46,697	86,096	98,833	92,199	103,463	116,522

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

(b) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

Part 10

Environment

Introduction

The Environment portfolio works to create better places for the community with a quality environment. It provides facilities and experiences for the community to enjoy and appreciate Western Australia's natural landscapes and attractions, including Kings Park and Bold Park, Rottnest Island, Perth Zoo, Swan and Canning Riverpark, national parks and other lands and waters. Importantly, the portfolio delivers effective regulation to protect the environment and ensure investment and development is underpinned by sustainable management of the State's resources for the long-term benefit of the State.

Summary of Recurrent and Asset Investment Expenditure

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Water and Environmental Regulation		
– Total Cost of Services	177,307	254,636
– Asset Investment Program	11,529	30,049
Biodiversity, Conservation and Attractions		
– Total Cost of Services	421,782	472,037
– Asset Investment Program	62,996	118,477

Ministerial Responsibilities

Minister	Agency	Services
Minister for Water; Forestry; Youth	Water and Environmental Regulation	<ol style="list-style-type: none"> 1. Water Information and Advice 2. Water Planning, Allocation and Optimisation 3. Water Regulation, Licensing and Industry Governance
Minister for Water; Forestry; Youth	Water and Environmental Regulation	<ol style="list-style-type: none"> 5. Water and Environment Policy
Minister for Environment; Climate Change; Commerce		
Minister for Environment; Climate Change; Commerce	Water and Environmental Regulation	<ol style="list-style-type: none"> 4. Environmental Regulation 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
	Biodiversity, Conservation and Attractions	<ol style="list-style-type: none"> 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 the National Parks and Other Lands and Waters 6. Conserving Habitats, Species and Ecological Communities 7. Research and Conservation Partnerships 8. Implementation of the Forest Management Plan 9. Prescribed Burning and Fire Management 10. Bushfire Suppression
Minister for Tourism; Culture and the Arts; Heritage	Biodiversity, Conservation and Attractions	<ol style="list-style-type: none"> 2. Visitor Services and Public Programs Provided at Rottnest Island

Division 42 Water and Environmental Regulation

Part 10 Environment

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 83 Net amount appropriated to deliver services	81,488	105,223	102,916	117,781	116,500	106,551	96,918
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	402	402	402	402	403	404	405
Total appropriations provided to deliver services	81,890	105,625	103,318	118,183	116,903	106,955	97,323
CAPITAL							
Item 145 Capital Appropriation	6,007	7,855	7,934	11,791	14,645	6,847	6,848
TOTAL APPROPRIATIONS	87,897	113,480	111,252	129,974	131,548	113,802	104,171
EXPENSES							
Total Cost of Services	182,566	206,274	177,307	254,636	237,069	210,500	199,359
Net Cost of Services ^{(a) (b)}	66,645	74,104	49,523	109,595	90,695	73,110	62,897
CASH ASSETS ^(c)	75,238	52,776	84,815	71,469	62,287	59,006	56,766

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(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 Department's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Ban on E-Waste to Landfill	-	720	2,906	8,122	2,252
Carbon Innovation Grants Program	-	570	1,953	3,408	4,707
Implementing the Peel-Harvey Estuary Protection Plan	-	1,250	1,250	1,250	1,250
Small Election Commitments - Greening Our Community	-	1,000	-	-	-
New Initiatives					
Commonwealth Funding - National Partnership on Recycling Infrastructure	5,000	12,500	16,500	1,000	-
Electric Vehicle Strategy	20	20	20	20	-
Resourcing for Industry Regulation Assessments and Licences	833	815	-	-	-
Western Australia Regulatory Approvals Framework - Short-term Resourcing Relief	465	465	-	-	-
Western Australian Climate Policy	274	1,835	1,739	1,134	311
Whole-of-Government Regulatory Approvals	-	9,657	11,365	10,229	8,840
Ongoing Initiative					
Commonwealth Funding - National On-farm Emergency Water Infrastructure Rebate Scheme	2,620	-	-	-	-
Environment Online - Funding Reclassification	2,200	-	-	-	-
Establishing and Maintaining Vegetation Offsets Account	-	1,000	1,000	-	-
Insourcing of Information Technology and Cybersecurity	(566)	(595)	(626)	(665)	(709)
Pilbara Environmental Offsets Fund	(3,385)	1,224	422	1,175	1,179
Rural Water Planning Program	(2,458)	2,100	1,100	1,100	1,100
Other					
2020-21 Estimated Outturn Adjustment	(24,640)	13,207	-	-	-
Adjustments to Commonwealth Grants - Indian Ocean Territories	117	117	117	61	-
Revenue Adjustments					
Environment Fees and Fines	(1,999)	(2,497)	(2,321)	(2,811)	-
Water Fees and Fines	231	231	198	(161)	-
Water Monitoring of the Swan and Canning Rivers - Costs Transferred to the Department of Biodiversity, Conservation and Attractions	(1,033)	(1,429)	(1,429)	(1,429)	(1,429)
Wooroloo Bushfire - Residential Clean-up Program	-	10,800	-	-	-

Significant Issues Impacting the Agency

Climate Change

1. Addressing the impacts of climate change is a significant priority for the Government and the Department. The Department coordinates climate change policy and oversees the implementation of the Western Australian Climate Policy and State Electric Vehicle Strategy to deliver the Government's commitments for enhanced climate resilience and a low carbon, clean energy State. Actions include new emissions reduction plans for State agencies and Government Trading Enterprises, and the development of sectoral emissions reduction strategies to support the low carbon transition across the Western Australian economy. To drive further innovation in low emissions energy solutions and carbon sequestration, the Department is also implementing the Clean Energy Future Fund and the new Carbon Innovation Grants program. The \$15 million Carbon Innovation Grants program will fund research and innovation trials to increase opportunities in Western Australia to utilise carbon sequestration and carbon capture, utilisation and storage.
2. The Western Australian Climate Policy also sets out a suite of initiatives to support adaptation planning and climate resilience. The \$3.1 million Climate Science Initiative will provide a comprehensive picture of how future global emissions scenarios will affect Western Australia's climate. This is critical to help government, business and communities manage climate risk and increase resilience, and build the case for sustainable and timely emissions reduction.

3. This work will also be supported by the proposed Native Vegetation Policy for Western Australia, which recognises native vegetation's role in mitigating climate change and the need to manage its impacts to native vegetation. The Government will release a consultation draft in early 2021-22. The policy will also drive improved strategic coordination, consistency and transparency in the Government's management and protection of native vegetation, along with an improved evidence base for policy and decision-making.

Addressing Impacts of Climate Change on Water Resources and Availability

4. Addressing the impacts of climate change on the State's water resources, particularly in the South West of the State, is a key focus of the Department's activities. With less water available from traditional sources, meeting the water demands of a growing population and economy is increasingly reliant on improvements to water use efficiency, water trading and development of alternative non-potable water sources.
5. Climate change modelling underpins the Department's water allocation planning activities. Climate change projections will continue to be updated with the most recent data and modelling techniques and will be incorporated in all water planning activities. This modelling will help to define implications for water availability and reliability, as well as for the State's unique environments.
6. An example of this work is the draft Gnamptara groundwater allocation plan, which the Department is finalising for public consultation. The plan will be the first water allocation plan that will adjust groundwater allocations in line with the impacts climate change is having on rainfall and recharge.
7. Work to reform Western Australia's water resources legislation is also underway. Six pieces of water legislation, some dating back over 100 years, will be consolidated into one modern statute. This will provide the legislative tools needed to manage water resources with high demand for water from competing users, including the environment. This reform will deliver an important action outlined in the Western Australian Climate Policy.

Western Australia's Economic Growth and Regulatory Approvals

8. Growth in Western Australia's mining, oil and gas, and renewable sectors has been significant, with the Department experiencing a surge in the number of proposals, works approvals and licence applications. In particular, demand for approvals for strategically important mining and mineral exploration has increased in recent years. During the last financial year, the Environmental Protection Authority experienced an increase of 45% in the number of proposals referred and the Department experienced a 30% increase in the number of industry regulation applications received. During the COVID-19 pandemic, the Department performed an internal pivot to direct resources where they were most required and supported the regulatory functions so that business could continue as close to normal as possible.
9. To address the increase in demand for approvals, the Government has committed \$40.1 million between 2021-22 and 2024-25 for 50.5 full-time equivalents (FTEs) to manage the significant volume of new and existing applications for industry regulation and environmental approvals, and three FTEs to support the Streamline WA reform program. An additional 17 temporary FTEs have also been provided to support the development of subsidiary legislation to implement the *Environmental Protection Amendment Act 2020*, as well as to enable support for subject matter experts to be allocated to the Environment Online program.

Environmental Protection Amendment Act 2020

10. The *Environmental Protection Amendment Act 2020* will result in the most significant reform to the State's environmental legislation in more than 30 years. It modernises the *Environmental Protection Act 1986* and will improve regulatory efficiency and effectiveness while ensuring the protection of important environmental values, improve investigation and enforcement powers and facilitate the implementation of bilateral agreements with the Commonwealth Government. Work is proceeding to implement these changes.

Environment Online

11. Environment Online will be Western Australia's digital 'one-stop shop' platform for water and environmental regulation. Importantly, it will also remove duplication by linking with Commonwealth environmental approvals.

12. This digitised environmental regulation and assessment platform will create a more seamless and unified user experience for industry, developers, the community and government staff. It will also reduce approvals timeframes and enable proactive compliance management by creating better links between the steps in the regulatory cycle. The 2021-22 financial year will see the completion of the design and procurement phases of this project, followed by commencement of the build and delivery of the first two of seven online releases, comprising environmental impact assessments and industry regulation.
13. Environment Online supports the objectives of the Government's Streamline WA initiative, including the Statement of Expectations, the Digital Environmental Assessment Program (a Commonwealth-State collaboration), the Department's regulatory reform and the COVID-19 Response.

Improving Aboriginal Inclusion in Water Planning and Management Planning

14. There is increasing recognition of the importance of including Aboriginal people in water management and planning and for ensuring current and future Aboriginal cultural, social and economic development opportunities are incorporated upfront in the Department's water allocation planning activities.
15. This will be given effect through future water allocation plans, which will include greater recognition of Traditional Owners' connection to country and water, strong consultation requirements for any development and water licence applications, protection of the cultural values associated with water and natural flow regimes, and establishment of water reserves for Aboriginal people's economic use.
16. Last year, the Government finalised the Yamatji Nation Indigenous Land Use Agreement 2020. It included 25 GL/year of groundwater in an Aboriginal water reserve that will be complemented by a groundwater investigation, drilling and licensing program. This agreement also included other water-related items, including training for water monitors and the documentation and restoration of important water-related cultural sites. Further impetus for greater inclusion of Aboriginal people in water planning and initiatives, like Aboriginal water reserves, has been provided through the National Agreement on Closing the Gap announced in July 2020.

Bindjareb Djilba - A Plan for the Protection of the Peel-Harvey Estuary

17. The Government has committed \$5 million over four years to support the implementation of Bindjareb Djilba, a plan for the protection of the Peel-Harvey Estuary. This investment builds on the \$4 million committed to the Peel-Harvey Estuary through the Healthy Estuaries WA program announced as part of the COVID-19 Response. This is a whole-of-catchment, whole-of-government strategy outlining a series of actions that, when taken together, will lead to improvements in water quality. It provides a once-in-a-decade opportunity to work in new ways, linking land use planning and development to water quality outcomes while supporting community and environmental needs.

Rural Water Program

18. The southern half of Western Australia is being hit particularly hard by the impacts of climate change, presenting long-term water security challenges for farmers in the regions. In response, the Government announced investment in upgrading or recommissioning 70 strategic community water supplies to provide vital, non-potable water supplies accessible by farmers in dry years.
19. The Community Water Supply Program in partnership with local government authorities will continue, with the Government assisting shires in low-rainfall areas to establish and enhance non-potable water supplies. This will assist agricultural communities adapt to the impacts of declining rainfall and climate change.
20. The Government continues to engage with the Commonwealth to match State contributions towards these projects. Receipt of Commonwealth funding will be reflected in future Budget Papers.

Plan for Plastics

21. On 13 June 2021, the Government announced it would fast-track its Plan for Plastics by four years with single-use plastic bowls, cups, plates, cutlery, stirrers, straws, polystyrene food containers, thick plastic bags and helium balloon releases to be banned by the end of 2021 and the remainder of items by the end of 2022. Western Australia was rated the leading jurisdiction in Australia for action on single-use plastics by WWF-Australia. A Single-Use Plastics Working Group of stakeholders has been established and consultation with the community and industry is continuing. The Department is also partnering with industry to support retailers and suppliers to adapt to the bans.

Waste Reforms

22. The Department is progressing waste reform including Closing the loop: Waste reforms for a circular economy; Waste not, want not: Valuing waste as a resource; the statutory review of the *Waste Avoidance and Resource Recovery Act 2007*; and the review of the waste levy. Consultation was undertaken on these reforms in 2020, with submission periods closing from July to December. The Department has analysed the submissions received and is preparing advice to Government.
23. The State and Commonwealth Governments announced their joint commitment to improve recycling capacity in Western Australia, offering \$70 million in joint funding through the National Partnership on Recycling Infrastructure. This funding demonstrates the Government's commitment to improve waste recovery and provide support in response to the former Council of Australian Governments' decision to ban the export of waste glass, tyres, plastics and paper/cardboard. The funding supports private investment in recycling infrastructure through grants administered by the Department. It will enable processing of approximately 140,000 tonnes of Western Australian plastic and tyre waste each year, and up to 100,000 tonnes of wastepaper and cardboard. This work supports the Western Australian Waste Avoidance and Resource Recovery Strategy 2030.
24. In line with its 2021 election commitment, the Government is also delivering a State-wide ban on e-waste being disposed to landfill by 2024. Funding of \$14 million has been announced for the implementation of the e-waste landfill ban, which includes support for policy and regulatory changes and grants for new e-waste collection and recycling infrastructure.

Green Jobs

25. The Government's Green Jobs Plan is being coordinated by the Department. This plan will create more than 1,000 conservation jobs and is part of the COVID-19 Response and includes:
 - 25.1. the \$15 million Native Vegetation Rehabilitation Scheme;
 - 25.2. the \$8 million Offsets Funds for Recovery program; and
 - 25.3. \$25 million for the Healthy Estuaries WA program.
26. The Green Jobs Plan will provide employment opportunities for people who have been impacted by the COVID-19 pandemic, including people in regional areas, Aboriginal people, youth, women, and people with disabilities. This plan will also achieve good outcomes for the environment and water resources and help to protect and conserve Western Australia's flora and fauna.

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 Department's services, the desired outcomes and the relevant Government Goal. 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
Growing Our Communities: Protecting our environment with thriving suburbs and 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. Water and Environment Policy
	Waste avoided and the recovery of materials from landfill maximised.	6. Waste Strategies
	Quality advice to the Environmental Protection Authority (EPA) and Minister for Environment (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

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Water Information and Advice	37,080	43,882	31,721	37,628	36,296	34,503	33,434
2. Water Planning, Allocation and Optimisation.....	33,715	47,022	30,147	37,156	37,305	34,966	36,163
3. Water Regulation, Licensing and Industry Governance.....	16,839	16,287	15,551	15,322	16,635	14,523	13,638
4. Environmental Regulation.....	34,227	32,456	38,428	51,653	41,202	35,865	34,921
5. Water and Environment Policy	12,981	17,385	13,272	27,735	24,252	24,457	24,283
6. Waste Strategies	29,172	32,834	27,848	60,222	56,617	44,324	36,353
7. Environmental Impact Assessment Services to the EPA.....	12,496	11,256	13,699	16,323	17,677	16,024	15,129
8. Environmental Management Services to the EPA	3,166	2,728	4,185	4,996	4,441	3,482	3,258
9. Compliance Monitoring Services to the Minister.....	2,890	2,424	2,456	3,601	2,644	2,356	2,180
Total Cost of Services.....	182,566	206,274	177,307	254,636	237,069	210,500	199,359

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 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.....	55%	55%	62%	62%	
Proportion of priority growth areas that have a water supply planning strategy.....	77%	100%	100%	14%	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	96%	100%	100%	100%	
Percentage of potential environmental risks identified during compliance monitoring program that are rectified within two months.....	43%	40%	20%	40%	2
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	86%	95%	92%	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 the waste strategy target in the Perth metropolitan region.....	34%	40%	31%	65%	3
Percentage of commercial and industrial waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target	51%	45%	44%	70%	4
Percentage of construction and demolition waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target	81%	75%	81%	75%	
Outcome: Quality advice to the EPA and Minister for Environment (the Minister) on significant proposals and environmental issues:					
The EPA's satisfaction with the Office of the Environmental Protection Authority's (OEPA) environmental impact assessment (EIA) services, during the year, in line with best practice principles of EIA.....	97%	80%	96%	80%	5
Percentage of project-specific conditions which did not require significant change following the appeal process.....	95%	80%	98%	80%	6
Percentage of assessments that met agreed timelines	94%	75%	92%	75%	7
The EPA's satisfaction with the OEPA's provision of environmental management services during the year.....	95%	80%	94%	80%	8
Outcome: Compliance with Ministerial statement implementation conditions are monitored effectively:					
The number of Ministerial statements audited compared to targets.....	73%	100%	98%	100%	

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

Explanation of Significant Movements

(Notes)

1. The 2019-20 Actual represents the second year of the three year cycle of the new priority growth areas, representing completion of the 10 priority growth areas out of the 13 over the period covering 2018-19 to 2020-21. The 2020-21 Estimated Actual represents the completion of all 13 priority growth areas over the period covering 2018-19 to 2020-21. The 2021-22 Budget Target represents target completion of one new priority growth area of the total seven planned in the next three year cycle of the new priority growth areas over the period covering 2021-22 to 2023-24.
2. During 2020-21, a total of 249 non-compliances were identified from inspections under the waste sector and the prescribed premises compliance monitoring programs. The target of 40% of non-compliances being closed within two calendar months was not achieved due to the compliance monitoring programs targeting inspections at areas of greatest risk. As a result, 20% of non-compliances were closed within the specified timeframe. A further 53% were closed in the reporting period, however, not within the target timeframe. The resolution of the identified non-compliances is often protracted, particularly if capital works are involved and rely upon work undertaken by third parties requiring longer than the two calendar month target timeframe.
3. The data used to calculate 2019-20 Actual is based on the published Recycling Activity in Western Australia 2018-19 report. The 2020-21 Estimated Actual is based on the draft Recycling Activity in Western Australia 2019-20. The 2021-22 Budget Target is based on Waste Strategy 2030 targets. These annual reports allow comparison of performance across years. The 2020-21 Estimated Actual shows a decrease over the 2019-20 Actual as two-bin kerbside waste services typically only divert about 20% of waste from landfill. The Government has promoted adoption of a three-bin model which can deliver municipal solid waste diversion rates greater than 50%. The roll-out of the Better Bins Plus: GO FOGO (food organics and garden organics) program and Better Bins program is expected to improve the waste collection infrastructure and continue to have a positive impact on diversion rates.
4. The data used to calculate 2019-20 Actual is based on the published Recycling Activity in Western Australia 2018-19 report. The 2020-21 Estimated Actual is based on draft the Recycling Activity in Western Australia 2019-20. The 2021-22 Budget Target is based on the Waste Strategy 2030 targets. These annual reports allow comparison of performance across years. Increases to the Waste Levy rate since 2015 have increased the cost of landfilling but led to a more limited response from the industry than expected. The Commercial and Industrial (C&I) waste recovery rate has remained largely unchanged over the past three years. Although organic waste already represents a significant proportion of recovered materials from the C&I stream, there are likely to be significant opportunities to improve performance against this target with increased recovery of this material type through better practices of waste minimisation, increased resource recovery and reduced contamination of recyclables and organics.
5. The Department strives to ensure that all advice provided to the EPA is as practical, efficient, rigorous, participative, and fit-for-purpose as possible. By achieving these goals this year, the indicator is expected to be exceeded by more than 10% in the 2020-21 Estimated Actual.
6. The Department strives to ensure the conditions recommended to the EPA are as robust and comprehensive as the project necessitates and therefore do not require substantial change by the Office of the Appeals Convenor. In line with this goal, this year the Department's recommended conditions required minimal substantial changes and exceeded this indicator by more than 10%.
7. The Department strives to ensure that assessments are completed in a timely manner and within the timelines published in EPA guidelines. In line with this goal, this year the indicator was exceeded by more than 10%.
8. This indicator rates the quality of advice on strategic advice, statutory policies or guidelines provided by the Department. The Department strives to ensure that all services provided have a clear purpose, and are as rigorous, readable, applicable, and consistent and informed by stakeholder input as possible. In line with this goal, in 2020-21 the indicator was exceeded by more than 10%.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 37,080	\$'000 43,882	\$'000 31,721	\$'000 37,628	1
Less Income ^(a)	12,383	12,361	15,158	15,632	
Net Cost of Service	24,697	31,521	16,563	21,996	
Employees (Full-Time Equivalents)	140	141	124	135	2
Efficiency Indicators					
Proportion of statutory referrals from decision-making authorities where advice is provided within target timeframes	93%	95%	93%	95%	
Average cost per statutory referral assessment	\$7,182	\$6,126	\$6,898	\$8,073	3
Average cost per water measurement site managed	\$9,437	\$12,027	\$7,820	\$9,741	4

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service from the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in cost driver volumes with lower full-time equivalents (FTEs) and cost allocations impacting this service. The increase in Total Cost of Service from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to a deferral of grants and subsidies for Rural Water from 2020-21 to 2021-22.
2. The decrease in FTEs between the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in FTE allocations with lower FTEs allocated to this service. The increase in FTEs from the 2020-21 Estimated Actual to the 2021-22 Budget Target mainly relates to additional resourcing for regulatory approvals and Rural Water Planning activities impacting FTEs allocated to this service.
3. The increase in Average cost per statutory referral assessment from the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in cost drivers impacting costs allocated to this indicator with a reduction in the total number of statutory and non-statutory referral assessments for advice. The increase in Average cost per statutory referral assessment from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to a higher cost allocation as well as a lower number of statutory referral assessments for advice.
4. The decrease in Average cost per water measurement site managed from 2020-21 Budget to 2020-21 Estimated Actual is driven by a reduction in cost allocations driven by deferral of costs to 2021-22 as well as a reduction in the number of operational measurement sites managed during the year. The increase in Average cost per water measurement site managed from 2020-21 Estimated Actual to 2021-22 Budget Target is mainly driven by a higher cost allocation.

2. Water Planning, Allocation and Optimisation

The Department undertakes and facilitates water planning, allocation and optimisation to ensure the sustainable management of water resources for the long-term benefit of the State relies 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	33,715	47,022	30,147	37,156	1
Less Income ^(a)	10,293	12,625	11,595	12,213	
Net Cost of Service	23,422	34,397	18,552	24,943	
Employees (Full-Time Equivalents)	164	177	167	177	
Efficiency Indicators					
Average cost per plan, report or guidance document to support water planning, allocation and optimisation	\$348,488	\$241,146	\$194,169	\$212,216	
Average cost per hour of scientific support for water planning, allocation and optimisation	\$161	\$269	\$152	\$196	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service from the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in cost driver volumes and deferral of costs to 2021-22. The increase in Total Cost of Service from the 2020-21 Estimated Actual to the 2021-22 Budget Target is mainly due to a deferral of the externally-funded Royalties for Regions programs for Healthy Estuaries WA and Watering WA from 2020-21 to 2021-22.
2. The reduction in the Average cost per hour of scientific support for water planning, allocation and optimisation from the 2020-21 Budget to the 2020-21 Estimated Actual is due to lower cost allocations as well as an increase in the amount of scientific support for water planning, allocation and optimisation for the sustainable management of water resources. The increase in the Average cost per hour of scientific support for water planning, allocation and optimisation from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to higher cost allocations.

3. Water Regulation, Licensing and Industry Governance

The Department is responsible for regulation to ensure 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 legislation governing the operations of water service providers.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	16,839	16,287	15,551	15,322	
Less Income ^(a)	7,388	9,640	9,454	10,095	
Net Cost of Service	9,451	6,647	6,097	5,227	
Employees (Full-Time Equivalents)	116	119	113	121	
Efficiency Indicators					
Average cost of assessing a water licence application by risk assessment category:					
Low risk	\$3,284	\$3,390	\$3,337	\$3,203	
Medium risk	\$4,378	\$4,520	\$4,449	\$4,271	
High risk	\$5,473	\$5,650	\$5,561	\$5,339	
Average time taken (days) to assess a licence application by risk assessment category:					
Low risk	46	65	30	65	1
Medium risk	85	75	39	75	1
High risk	87	95	47	95	1
Average cost of compliance monitoring and enforcement action	\$205	\$213	\$147	\$173	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The reduction in the Average time taken to assess a licence application across all licence application risk categories reported in the 2020-21 Estimated Actual, relative to the 2020-21 Budget Target, was driven by the successful implementation of the water licensing backlog action plan and several other water licensing business improvement initiatives. The 2021-22 Budget Targets are increased, relative to the 2020-21 Estimated Actual, reflecting the established water licence assessment timeliness performance targets (65 days for low-risk applications, 75 days for medium-risk applications and 95 days for high-risk applications) which are fixed and remain stable year-on-year.
2. The reduction in Average cost of compliance monitoring and enforcement action between the 2020-21 Budget and the 2020-21 Estimated Actual is due to an increase in compliance monitoring events and incidents in relation to compliance monitoring event backlog reduction initiatives and expanded regional compliance monitoring scheduling driven by the commencement of Stage 3 of the water metering regulations.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	34,227	32,456	38,428	51,653	1
Less Income ^(a)	41,246	46,161	42,896	41,171	
Net Cost of Service	(7,019)	(13,705)	(4,468)	10,482	
Employees (Full-Time Equivalents)	228	231	245	291	2
Efficiency Indicators					
Average cost per works approval and licence application	\$47,220	\$36,549	\$47,653	\$59,155	3
Average cost per native vegetation clearing permit application	\$17,644	\$26,432	\$31,002	\$53,613	4

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Services from the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in cost allocations, with a higher cost allocation impacting this service. The increase in Total Cost of Service from the 2020-21 Estimated Actual to the 2021-22 Budget Target is mainly due to additional resourcing for regulatory approvals, Wooroloo Bushfire Clean-up Program and a deferral of grants and subsidies for the Offsets Fund for Recovery program.
2. The increase in FTEs from the 2020-21 Estimated Actual to the 2021-22 Budget Target is mainly due to additional resourcing for regulatory approvals.
3. The increase in Average cost per works approval and licence application from the 2020-21 Budget to the 2020-21 Estimated Actual and the 2021-22 Budget Target is due to changes in cost allocations, resulting in higher cost allocations impacting this service as well as a reduction in the total number of works approval and licence applications decided than previously predicted.
4. The increase in Average cost per native vegetation clearing permit application between the 2020-21 Budget and the 2020-21 Estimated Actual is due to a reduction in the total number of native vegetation permit applications than predicted as well as changes in cost driver volumes, resulting in higher cost allocations to this indicator. The increase from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to a lower number of native vegetation permit applications planned for 2021-22 as well as a higher cost allocation resulting from deferral of grants and subsidies program of works for the Native Vegetation Rehabilitation Scheme and Offsets Funds for Recovery program from 2020-21 to 2021-22.

5. Water and Environment Policy

The Department develops and implements policies and strategies that promote sound water and environmental outcomes.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	12,981	17,385	13,272	27,735	1
Less Income ^(a)	7,545	9,199	10,713	14,293	2
Net Cost of Service	5,436	8,186	2,559	13,442	
Employees (Full-Time Equivalents)	97	101	59	71	3
Efficiency Indicators					
Average cost per hour of policy advice and recommendations	\$118	\$158	\$179	\$295	4

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service from the 2020-21 Budget to the 2020-21 Estimated Actual is mainly due to a deferral of grants and subsidies for the Clean Energy Future Fund, further impacted by lower FTE allocations, resulting in lower cost allocations to this service. The increase in Total Cost of Service from the 2020-21 Estimated Actual to the 2021-22 Budget Target is driven by a deferral of grants and subsidies program of works for the Clean Energy Future Fund, Pilbara Environmental Offsets Fund, Western Australian Climate Policy and additional resourcing for regulatory approvals.
2. The increase in income from the 2020-21 Budget to the 2020-21 Estimated Actual and the 2021-22 Budget Target is due to changes in income driver volumes and allocations, impacting the income allocated to this service.
3. The reduction in FTEs from the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in direct FTE allocations, resulting in lower allocations to this service. The increase in FTEs from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to additional resources for regulatory approvals and the Pilbara Environmental Offset Fund.
4. The increase in the Average cost per hour of policy advice and recommendations from the 2020-21 Budget to the 2020-21 Estimated Actual is due to a reduction in the number of hours for policy advice and recommendations than forecast. The increase in the Average cost per hour of policy advice and recommendations from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to higher cost allocations from a deferral of spending from 2020-21 to 2021-22 offset by an increase in FTE allocations, resulting from additional resources for regulatory approvals and new initiatives.

6. Waste Strategies

The Department works with the Waste Authority to facilitate the avoidance of waste and maximising recovery of materials from landfill.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	29,172	32,834	27,848	60,222	1
Less Income	29,243	31,399	27,530	40,660	2
Net Cost of Service	(71)	1,435	318	19,556	
Employees (Full-Time Equivalents)	66	66	65	74	3
Efficiency Indicators					
Cost of landfill levy compliance as a percentage of landfill levy income collected	1.9%	1.9%	1.6%	1.5%	4

Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service from the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in cost allocations and a deferral of grants and subsidies for Clean Western Australia wastepaper and cardboard processing. The increase in Total Cost of Service from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to a deferral of grants and subsidies for Clean Western Australia wastepaper and cardboard processing, additional grants and subsidies for the National Partnership on Recycling Infrastructure, the ban on e-waste to landfill and the Wooroloo Bushfire Residential Clean-up Program, resulting in higher cost allocations to this service.
2. The decrease in income from the 2020-21 Budget to the 2020-21 Estimated Actual is due to lower volumes relating to Landfill Levy income, reclassification of Landfill Levy interest income and a deferral of grants and subsidies from the National Partnership on Recycling Infrastructure from 2020-21 to 2021-22. The increase in income from the 2020-21 Estimated Actual to the 2021-22 Budget Target is mainly due to a deferral of grants and subsidies from the National Partnership on Recycling Infrastructure.
3. The increase in FTEs from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to additional resources for the ban on e-waste to landfill, national waste export ban and resourcing for regulatory approvals.
4. The movement in Cost of landfill levy compliance as a percentage of landfill levy income collected is due to additional dedicated resources monitoring and enforcing landfill levy compliance matters.

7. Environmental Impact Assessment Services to the EPA

The Department conducts environmental impact assessments of significant proposals and schemes for the EPA.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	12,496	11,256	13,699	16,323	1
Less Income	5,228	7,529	7,266	7,605	
Net Cost of Service	7,268	3,727	6,433	8,718	
Employees (Full-Time Equivalents)	74	95	73	78	2
Efficiency Indicators					
Cost per standardised unit of assessment output	\$39,924	\$37,519	\$62,839	\$54,409	3

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service from the 2020-21 Budget to the 2020-21 Estimated Actual and the 2021-22 Budget Target is due to changes in cost driver volumes and allocations, and additional resourcing of regulatory approvals impacting the costs allocated to this service.
2. The increase in FTEs from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to additional FTEs for the resourcing of regulatory approvals.
3. The increase in Cost per standardised unit of assessment output from the 2020-21 Budget to the 2020-21 Estimated Actual is due to a lower number of standardised unit of assessment outputs from a number of delayed large complex projects. The decrease in Cost per standardised unit of assessment output from the 2020-21 Estimated Actual to the 2021-22 Budget Target is mainly due to a higher number of standardised unit of assessment outputs offset by an increase in cost allocations impacting this service.

8. Environmental Management Services to the EPA

The Department develops statutory policies, guidelines and strategic advice for the EPA to manage environmental impacts and protect the environment.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 3,166	\$'000 2,728	\$'000 4,185	\$'000 4,996	1
Less Income	1,335	1,559	1,499	1,600	
Net Cost of Service	1,831	1,169	2,686	3,396	
Employees (Full-Time Equivalents)	20	22	14	18	2
Efficiency Indicators					
Cost per standardised unit of environmental management services output ...	\$34,793	\$27,279	\$32,951	\$49,963	3

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service from the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in cost driver volumes and allocations impacting this service. The increase in Total Cost of Service from the 2020-21 Estimated Actual to the 2021-22 Budget Target is mainly due to additional resourcing for regulatory approvals.
2. The decrease in FTEs from the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in direct FTEs, resulting in lower FTE allocations. The increase in FTEs from the 2020-21 Estimated Actual and to the 2021-22 Budget Target is due to additional FTEs for the resourcing of regulatory approvals.
3. The increase in Cost per standardised unit of environmental management services output from the 2020-21 Budget to the 2020-21 Estimated Actual is due to changes in cost driver volumes, resulting in higher cost allocations to this service. The increase in Cost per standardised unit of environmental management services output from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to additional resources for regulatory approvals.

9. Compliance Monitoring Services to the Minister

The Department audits the compliance with conditions set under Ministerial approvals and undertakes enforcement actions as appropriate.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 2,890	\$'000 2,424	\$'000 2,456	\$'000 3,601	1
Less Income	1,260	1,697	1,673	1,766	
Net Cost of Service	1,630	727	783	1,835	
Employees (Full-Time Equivalents)	22	22	20	21	
Efficiency Indicators					
Average cost per environmental audit completed.....	\$65,666	\$40,407	\$41,635	\$60,013	2

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2020-21 Estimated Actual and the 2021-22 Budget Target is mainly due to compliance monitoring relating to the Wooroloo Bushfire Residential Clean-up Program.
2. The increase in Average cost per environmental audit completed from the 2020-21 Estimated Actual to the 2021-22 Budget Target is due to changes in cost allocations, resulting in higher cost allocations impacting this service.

Asset Investment Program

1. The Department will continue with ongoing investment programs across the State. The total Asset Investment Program for 2021-22 is \$30 million and \$58.3 million over the forward estimates period. This investment supports the delivery of the Department's services and rolling program to update plant, equipment and computer software, and delivery of the groundwater investigation, water modelling and bores monitoring program. In addition to the COVID-19 Response, the Department's other projects include:
 - 1.1. Land Acquisition - Land Purchase Priority 1 Areas - \$1.5 million is planned to be spent in 2021-22 and \$5.9 million over the forward estimates period on the acquisition of Priority 1 land adjacent to public drinking water supply areas;
 - 1.2. Rural Water Planning - \$1 million is planned to be spent in 2021-22 and \$4.3 million over the forward estimates period on critical agriculture area dams infrastructure and on the development and upgrading of water infrastructure to maintain these supplies into the future; and
 - 1.3. Port Hedland Dust Taskforce Report - \$486,000 is planned to be spent in 2021-22 to install additional monitoring capacity to the Port Hedland monitoring network.

COVID-19 Response

2. Environment Online - \$12.8 million is planned to be spent in 2021-22 and \$12.9 million over the forward estimates period to build a 'one-stop shop' portal to perform business with the Department for environmental-related approvals.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response - Environment Online	25,801	50	50	12,810	7,795	5,146	-
Plant, Equipment and Minor Works	8,878	2,536	833	2,037	1,435	1,435	1,435
Replace and Maintain Monitoring Bores	20,242	6,546	3,144	3,424	3,424	3,424	3,424
Replace and Maintain River Gauging Stations	9,525	3,109	1,864	1,904	1,504	1,504	1,504
Rural Water Planning Program	5,528	179	179	1,029	1,440	1,440	1,440
State Groundwater Investigation Program	23,316	6,012	4,051	5,451	4,351	3,851	3,651
Water Modelling	8,937	3,305	1,408	1,408	1,408	1,408	1,408
NEW WORKS							
Land Acquisition - Land Purchase Priority 1 Areas	7,410	-	-	1,500	3,910	1,000	1,000
Port Hedland Dust Taskforce Report	486	-	-	486	-	-	-
Total Cost of Asset Investment Program	110,123	21,737	11,529	30,049	25,267	19,208	13,862
FUNDED BY							
Capital Appropriation			7,263	10,996	13,879	6,084	6,084
Commonwealth Grants			50	5,250	-	-	-
Drawdowns from Royalties for Regions Fund			-	750	1,440	1,440	1,440
Drawdowns from the Holding Account			6,057	6,338	6,338	6,338	6,338
Internal Funds and Balances			(1,841)	6,715	3,610	5,346	-
Total Funding			11,529	30,049	25,267	19,208	13,862

Financial Statements

Income Statement

Expenses

1. The increase in Total Cost of Services for the 2021-22 Budget Estimate compared with the 2020-21 Estimated Actual of \$77.3 million is mainly due to key initiatives such as the National Partnership on Recycling Infrastructure, resourcing of regulatory approvals, Rural Water Planning, Western Australian Climate Policy, Implementing the Peel-Harvey Estuary Protection Plan, small election commitments Greening Our Community, Pilbara Environmental Offsets Fund, and Establishing and Maintaining Vegetation Offsets Account. Other increases relate to additional expenditure for the Wooroloo Bushfire Residential Clean-up Program, and a reflow of grants and subsidies from 2020-21.
2. The increase of \$11.7 million in employee benefits for the 2021-22 Budget Estimate compared with the 2020-21 Estimated Actual is mainly due to additional staff for whole-of-government regulatory approvals.
3. The increase of \$48.7 million in grants and subsidies for the 2021-22 Budget Estimate compared with the 2020-21 Estimated Actual is mainly due to additional grants for the National Partnership on Recycling Infrastructure, Establishing and Maintaining Vegetation Offsets Account, small election commitments Greening Our Community, a change in expense type for the Clean Energy Future Fund, and a reflow of grants and subsidies from 2020-21.
4. The increase of \$16 million in supplies and services for the 2021-22 Budget Estimate compared with the 2020-21 Estimated Actual is mainly due to additional expenditure for the Wooroloo Bushfire Residential Clean-up Program and expenditure increases related to additional staff for whole-of-government regulatory approvals.

Income

5. The increase in total income from Government for the 2021-22 Budget Estimate compared with the 2020-21 Estimated Actual of \$32.9 million is mainly due to additional funding for the Western Australian Climate Policy, Implementing the Peel-Harvey Estuary Protection Plan, Rural Water Planning, small election commitments Greening Our Community, additional staff for whole-of-government regulatory approvals and the Wooroloo Bushfire Residential Clean-up Program.
6. The increase in income from sources outside of Government for the 2021-22 Budget Estimate compared with the 2020-21 Estimated Actual of \$17.3 million is mainly due to income received for the National Partnership on Recycling Infrastructure, funding from the Digital Environmental Assessment Program for Environment Online and an increase in payments to the Pilbara Environmental Offsets Fund.

Statement of Financial Position

7. The decrease in total assets for the 2021-22 Budget Estimate compared with the 2020-21 Estimated Actual of \$8 million is mainly due to a reduction in the loan related to the Container Deposit Scheme and a decrease to the cash at bank for programs reflowed from 2020-21.

Statement of Cashflows

8. The decrease in cash assets for the 2021-22 Budget Estimate compared with the 2020-21 Estimated Actual of \$13.3 million is mainly due to a higher return of cash reserves to the Consolidated Account in 2021-22 and as a result of programs reflowed from 2020-21.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	105,026	102,974	100,925	112,658	114,669	114,066	112,571
Grants and subsidies ^(c)	15,317	32,641	19,670	68,400	60,968	34,067	23,758
Supplies and services	34,110	36,662	23,519	39,469	26,913	27,954	28,740
Accommodation	5,347	7,822	7,821	8,271	8,490	8,539	8,557
Depreciation and amortisation	13,123	20,505	20,484	19,839	19,841	19,834	19,826
Finance and interest costs	84	151	69	85	84	92	88
Other expenses	9,559	5,519	4,819	5,914	6,104	5,948	5,819
TOTAL COST OF SERVICES	182,566	206,274	177,307	254,636	237,069	210,500	199,359
Income							
Sale of goods and services	228	-	-	-	-	-	-
Regulatory fees and fines	29,523	33,762	30,976	32,053	34,886	45,433	45,458
Grants and subsidies	5,153	7,889	8,272	19,033	17,317	1,817	817
Landfill Levy	79,640	83,000	79,426	83,000	83,000	83,000	83,000
Other revenue	1,377	7,519	9,110	10,955	11,171	7,140	7,187
Total Income	115,921	132,170	127,784	145,041	146,374	137,390	136,462
NET COST OF SERVICES ^(d)	66,645	74,104	49,523	109,595	90,695	73,110	62,897
INCOME FROM STATE GOVERNMENT							
Service appropriations	81,890	105,625	103,318	118,183	116,903	106,955	97,323
Resources received free of charge	2,789	1,743	1,743	1,743	1,743	1,743	1,743
Royalties for Regions Fund:							
Regional Community Services Fund	1,204	438	493	3,407	2,407	2,407	2,407
Regional Infrastructure and Headworks							
Fund	3,593	8,308	4,211	8,134	6,250	6,250	2,534
Other revenues	3,090	2,967	1,234	12,463	1,538	1,538	1,603
TOTAL INCOME FROM STATE GOVERNMENT	92,566	119,081	110,999	143,930	128,841	118,893	105,610
SURPLUS/(DEFICIENCY) FOR THE PERIOD	25,921	44,977	61,476	34,335	38,146	45,783	42,713

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

(b) The FTEs for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 927, 880 and 986 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Ban on E-Waste to Landfill	-	-	-	-	2,000	6,629	1,500
Carbon Innovation Grants Program	-	-	-	-	1,450	2,900	4,350
Clean Energy Future Fund	-	2,000	108	9,595	5,850	3,128	-
Clean Western Australia - Waste Paper and Cardboard Processing	-	5,000	-	10,000	2,500	2,500	-
Commonwealth Grants							
National On-farm Emergency Water Infrastructure Rebate Scheme	3,783	1,400	4,020	-	-	-	-
National Partnership on Recycling Infrastructure ^(a)	-	-	-	12,500	16,500	1,000	-
Smart Farming Partnerships	525	-	233	-	-	-	-
Container Deposit Scheme	126	-	62	-	-	-	-
Contaminated Sites Management Account Grants	246	-	243	-	-	-	-
Cooperative Research Centre - Water Sensitive Cities	180	150	150	-	-	-	-
Establishing and Maintaining Vegetation Offsets Account	105	-	-	1,000	1,000	3,000	3,000
Grants Other	65	-	69	-	-	-	-
Keep Australia Beautiful Council WA	112	-	112	-	-	-	-
Native Vegetation Rehabilitation Scheme	-	3,128	3,060	6,192	4,770	-	-
Offset Fund for Recovery	-	2,667	1,102	4,232	2,666	-	-
Pilbara Environmental Offsets Fund	-	1,000	123	3,069	2,263	3,164	3,167
Royalties for Regions							
Revitalising Waterways of Geopraphe Bay....	234	-	100	-	-	-	-
Watering Western Australia	150	644	-	644	-	-	-
Rural Water Grants	207	687	-	1,374	687	687	687
Rural Water Planning Program	-	3,150	210	2,984	797	793	790
Small Election Commitments - Greening Our Community	-	-	-	1,000	-	-	-
State-wide Water Efficiency Measures	225	50	-	100	50	50	50
Waste Avoidance and Resource Recovery Account	9,107	9,998	9,998	9,816	9,808	9,799	9,797
Waste Export Ban	-	2,500	-	5,000	10,000	-	-
Water Innovation Partnership	252	267	-	534	267	267	267
Water Sensitive Cities Australia	-	-	-	150	150	150	150
Western Australian Climate Policy	-	-	80	210	210	-	-
TOTAL	15,317	32,641	19,670	68,400	60,968	34,067	23,758

(a) Funding for National Partnership on Recycling Infrastructure is anticipating an additional \$5 million in 2021-22 on confirmation from the Commonwealth Government.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	9,348	8,271	31,720	18,909	21,712	23,599	21,685
Restricted cash.....	64,402	42,641	51,231	50,696	38,711	33,543	33,217
Holding account receivables.....	6,057	5,535	5,535	5,535	5,535	5,535	5,535
Receivables.....	22,478	22,478	25,161	25,161	25,161	25,161	25,161
Other.....	2,350	10,350	10,350	2,350	2,350	2,350	2,350
Total current assets.....	104,635	89,275	123,997	102,651	93,469	90,188	87,948
NON-CURRENT ASSETS							
Holding account receivables.....	52,545	67,516	67,455	80,995	94,498	107,994	121,482
Property, plant and equipment.....	353,515	356,957	350,867	334,282	317,648	303,035	301,316
Intangibles.....	17,582	20,287	10,634	27,538	39,427	48,667	50,075
Restricted cash.....	1,488	1,864	1,864	1,864	1,864	1,864	1,864
Other.....	618	2,972	2,972	2,464	1,956	1,448	1,448
Total non-current assets.....	425,748	449,596	433,792	447,143	455,393	463,008	476,185
TOTAL ASSETS	530,383	538,871	557,789	549,794	548,862	553,196	564,133
CURRENT LIABILITIES							
Employee provisions.....	25,309	25,344	25,344	25,379	25,414	25,449	25,484
Payables.....	2,430	2,430	2,430	2,430	2,430	2,430	2,430
Borrowings and leases.....	1,143	1,143	1,168	1,257	1,182	1,254	1,200
Other.....	2,888	2,903	2,903	2,918	2,933	2,948	2,963
Total current liabilities.....	31,770	31,820	31,845	31,984	31,959	32,081	32,077
NON-CURRENT LIABILITIES							
Employee provisions.....	6,002	6,002	6,002	6,002	6,002	6,002	6,002
Borrowings and leases.....	2,020	1,900	1,970	2,007	1,914	5,636	5,607
Total non-current liabilities.....	8,022	7,902	7,972	8,009	7,916	11,638	11,609
TOTAL LIABILITIES	39,792	39,722	39,817	39,993	39,875	43,719	43,686
EQUITY							
Contributed equity.....	351,627	315,208	317,535	275,030	236,069	190,776	159,033
Accumulated surplus/(deficit).....	120,944	165,921	182,420	216,755	254,901	300,684	343,397
Reserves.....	18,020	18,020	18,017	18,016	18,017	18,017	18,017
Total equity.....	490,591	499,149	517,972	509,801	508,987	509,477	520,447
TOTAL LIABILITIES AND EQUITY	530,383	538,871	557,789	549,794	548,862	553,196	564,133

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	63,925	85,119	82,873	98,305	97,062	87,121	77,497
Capital appropriation	6,007	7,855	7,934	11,791	14,645	6,847	6,848
Holding account drawdowns.....	5,994	6,057	6,057	6,338	6,338	6,338	6,338
Royalties for Regions Fund:							
Regional Community Services Fund	1,204	438	493	3,407	2,407	2,407	2,407
Regional Infrastructure and Headworks Fund	3,593	8,308	4,211	8,884	7,690	7,690	3,974
Receipts paid into Consolidated Account.....	(24,159)	(44,276)	(40,702)	(44,276)	(44,276)	(44,276)	(44,276)
Other.....	3,240	2,967	1,234	12,463	1,538	1,538	1,603
Net cash provided by State Government.....	59,804	66,468	62,100	96,912	85,404	67,665	54,391
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(101,096)	(102,924)	(100,875)	(112,608)	(114,619)	(114,016)	(112,565)
Grants and subsidies.....	(19,389)	(32,641)	(19,670)	(68,400)	(60,968)	(34,067)	(23,758)
Supplies and services	(29,780)	(33,375)	(20,165)	(35,901)	(23,054)	(24,082)	(26,587)
Accommodation	(5,381)	(7,832)	(7,831)	(8,281)	(8,500)	(8,549)	(8,558)
GST payments	(7,628)	(5,929)	(5,554)	(6,275)	(5,882)	(5,710)	(5,710)
Finance and interest costs.....	(83)	(150)	(69)	(85)	(84)	(92)	(88)
Other payments.....	(10,858)	(7,063)	(6,363)	(7,739)	(8,220)	(8,077)	(7,429)
Receipts (c)							
Regulatory fees and fines	30,772	33,762	30,976	32,053	34,886	45,433	45,458
Grants and subsidies.....	6,221	7,889	8,272	19,033	17,317	1,817	817
Sale of goods and services.....	1,441	-	-	-	-	-	-
Landfill Levy	78,018	83,000	79,426	83,000	83,000	83,000	83,000
GST receipts	8,406	5,939	5,564	6,285	5,892	5,720	5,720
Other receipts	790	7,519	6,360	10,955	11,171	7,140	7,187
Net cash from operating activities	(48,567)	(51,805)	(29,929)	(87,963)	(69,061)	(51,483)	(42,513)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(12,134)	(26,001)	(11,529)	(30,049)	(25,267)	(19,208)	(13,862)
Other payments.....	(750)	(18,954)	(18,954)	-	-	-	-
Proceeds from sale of non-current assets.....	105	-	-	-	-	-	-
Other receipts	-	8,600	8,600	8,508	508	508	508
Net cash from investing activities.....	(12,779)	(36,355)	(21,883)	(21,541)	(24,759)	(18,700)	(13,354)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(1,301)	(770)	(711)	(754)	(766)	(763)	(764)
Net cash from financing activities.....	(1,301)	(770)	(711)	(754)	(766)	(763)	(764)
NET INCREASE/(DECREASE) IN CASH HELD	(2,843)	(22,462)	9,577	(13,346)	(9,182)	(3,281)	(2,240)
Cash assets at the beginning of the reporting period	78,082	75,238	75,238	84,815	71,469	62,287	59,006
Net cash transferred to/from other agencies.....	(1)	-	-	-	-	-	-
Cash assets at the end of the reporting period	75,238	52,776	84,815	71,469	62,287	59,006	56,766

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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.

NET APPROPRIATION DETERMINATION

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Regulatory Fees and Fines							
Regulatory Fees - Receipts	30,772	33,762	30,976	32,053	34,886	45,433	45,458
Grants and Subsidies							
Other Grants and Contributions	8,874	10,006	9,356	30,646	18,005	2,505	1,505
Sale of Goods and Services							
Establishing and Maintaining Vegetation							
Offsets Account	756	-	-	-	-	-	-
Pilbara Environmental Offset Fund	685	-	-	-	-	-	-
Landfill Levy							
Landfill Levy	78,018	83,000	79,426	83,000	83,000	83,000	83,000
GST Receipts							
GST Receipts	8,406	5,939	5,564	6,285	5,892	5,720	5,720
Other Receipts							
Establishing and Maintaining Vegetation							
Offsets Account	-	3,000	3,000	3,000	3,000	3,000	3,000
Implementation of the Murujuga Rock Art							
Strategy	239	1,598	1,598	1,326	1,389	1,456	1,456
Interest Received	528	850	150	850	850	850	850
Lease of Commercial Land and Buildings	325	346	346	346	346	346	346
Other Receipts	285	575	470	652	657	659	725
Pilbara Environmental Offsets Fund	-	2,000	946	5,631	5,779	1,679	1,725
TOTAL	128,888	141,076	131,832	163,789	153,804	144,648	143,785

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
INCOME							
Fines							
Regulatory Fines	89	155	155	155	155	155	155
TOTAL ADMINISTERED INCOME	89	155	155	155	155	155	155
EXPENSES							
Other							
Receipts Paid into the Consolidated							
Account	88	155	155	155	155	155	155
TOTAL ADMINISTERED EXPENSES	88	155	155	155	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.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	557	346	346	395
Receipts:				
Other	135	195	300	180
	692	541	646	575
Payments	346	350	251	208
CLOSING BALANCE.....	346	191	395	367

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.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	39,980	39,795	39,795	28,790
Receipts:				
Other	21,276	21,730	20,925	21,600
Loan to Western Australia Return Recycle Renew Limited (WARRRL) ^(a)	-	8,000	5,167	11,625
	61,256	69,525	65,887	62,015
Payments	20,711	27,300	21,055	26,322
Loan to WARRRL ^(a)	750	16,000	16,042	-
CLOSING BALANCE.....	39,795	26,225	28,790	35,693

(a) Receipts and payments from the Waste Avoidance and Resource Recovery Account include loan payments to and loan receipts from WARRRL.

RESERVE 31165 TRUST ACCOUNT (a)

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 Miriung-Gajerrong people.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	597	-	-	-
Receipts:				
Other	124	-	-	-
	721	-	-	-
Payments	721	-	-	-
CLOSING BALANCE.....	-	-	-	-

(a) This account was transferred to the Miriung-Gajerrong people in 2019-20.

PILBARA ENVIRONMENTAL OFFSETS FUND

Account Purpose: The purpose of the trust account is to facilitate the coordinated delivery of environmental offset projects located within the Pilbara Interim Biogeographic Regionalisation for Australia and to hold moneys to be used for the purposes of delivering landscape scale conservation projects.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	-	496	496	1,090
Receipts:				
Other	684	2,000	946	5,631
	684	2,496	1,442	6,721
Payments	188	2,496	352	3,852
CLOSING BALANCE.....	496	-	1,090	2,869

Division 43 Biodiversity, Conservation and Attractions

Part 10 Environment

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 84 Net amount appropriated to deliver services	258,554	265,586	271,765	285,196	282,993	277,051	273,141
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975.....	625	625	625	593	595	597	599
Total appropriations provided to deliver services	259,179	266,211	272,390	285,789	283,588	277,648	273,740
CAPITAL							
Item 146 Capital Appropriation	10,778	39,344	31,157	53,212	60,257	44,498	32,189
TOTAL APPROPRIATIONS	269,957	305,555	303,547	339,001	343,845	322,146	305,929
EXPENSES ^(a)							
Total Cost of Services	402,128	425,261	421,782	472,037	458,704	456,493	455,388
Net Cost of Services ^{(b) (c)}	288,260	300,438	286,933	324,198	326,257	322,560	321,311
CASH ASSETS ^(d)	135,124	127,304	145,533	133,761	132,474	130,269	127,026

(a) For comparative purposes, the Asset Revaluation Decrement of \$215.5 million has been excluded from the 2019-20 Actual.

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(c) 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.

(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 Department's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Aboriginal Ranger Program	-	4,400	12,100	15,500	18,000
Accessible Parks	-	560	240	150	50
Artificial Shellfish Reef	-	133	453	453	961
Dampier Peninsula and Buccaneer Archipelago Visitor Plan	-	150	250	-	-
Dwellingup Gap Trails	-	350	-	-	-
Small Commitments	-	1,198	-	-	-
Swan Canning Riverpark Initiatives	-	1,250	1,250	1,250	1,250
Urban Forest Projects - Swan Canning Riverpark	-	415	815	815	955
Yellagonga Regional Park	-	615	170	1,250	200
New Initiatives					
Bushfire Suppression	9,500	-	-	-	-
Forest Management Plan	-	2,466	1,680	55	-
Murujuga National Park Joint Management	-	1,006	1,012	1,018	1,024
Plan for Our Parks					
Additional Areas	-	5,255	4,905	4,440	230
Fitzroy River National Park (Stage One) - Implementation of Indigenous Land Use Agreements	-	1,896	1,946	1,996	2,056
Joint Management of Badimia Conservation Reserves and Thundelarra Conservation Park Areas	-	1,705	1,798	2,045	2,170
Proposed Marine Parks in Buccaneer Archipelago - Implementation of Indigenous Land Use Agreements	-	3,391	4,080	4,191	4,295
Resolution of Native Title in the South West of Western Australia (Settlement)	-	1,192	1,202	1,187	1,197
Swan Canning Riverpark	-	1,500	-	-	-
Whole-of-Government Regulatory Approvals	-	2,542	2,558	2,574	2,590
Yawuru Joint Management	-	1,108	1,116	1,124	1,132
Other					
2020-21 Estimated Outturn	(10,170)	10,882	-	-	-
2021-22 Government Regional Officer Housing	85	134	159	199	214
2021-22 Tariffs, Fees and Charges	-	295	350	373	397
Zoological Parks Authority - Commonwealth Grants	397	350	-	-	-

Significant Issues Impacting the Agency

Election Commitments

1. The Department will implement the Government's 2021 election commitments to deliver social, environmental and economic outcomes with expenditure of \$166.3 million over four years. This will include: the continuation and expansion of the Aboriginal Ranger Program; Perth Zoo Masterplan 2040; visitor facilities and tourism infrastructure upgrades across the State; projects around the Swan and Canning Riverpark; the Small Commitments program for minor community infrastructure upgrades; and Greening our Communities initiatives across the metropolitan area.

Government Initiatives

2. The Department will continue to implement the Carbon for Conservation initiative, providing opportunities for proponents to work with the Government to maximise the environmental, employment and economic opportunities presented from carbon farming on the conservation estate in consultation with Traditional Owners.
3. Under the whole-of-government regulatory approvals reforms the Department has received funding for additional frontline resources to manage technical and scientific advice to approvals agencies and also support the Streamline WA reform program. The funding will ensure that the Department manages the sustained upswing in private sector projects and investment by the Government in major capital projects, to ensure timely and efficient approvals.
4. The Department will continue to implement the Plan for Our Parks (PfOP) initiative which is transforming the Government's relationships with Traditional Owners through the negotiation and registration of Indigenous Land Use Agreements (ILUAs), establishing joint management arrangements, and the creation of an additional five million hectares of conservation estate by 2024.

Joint Management and Visitor Services

5. Continuation of delivering existing joint management arrangements across the State, as well as the implementation of new agreements with the Bardi Jawi, Mayala, Dambimangari, Gooniyandi, Bunuba, Nganhurra Thanardi Garbu, Bundi Yamatji and Warnpurru groups, arising out of PfOP and other Native Title agreements. During the 2021-22 financial year, the Department will progress PfOP ILUA negotiations and concurrently work with Aboriginal communities to deliver practical on-ground land management activities and build local capacity across the State, including for the proposed Matuwa Kurrarra Kurrarra, Shark Bay, Kennedy Range and Giralalia national parks, Mount Augustus National Park additions, Fortescue Marsh Nature Reserve, Meentheena National Park, Cockburn Range National Park and the proposed South Coast marine park.
6. Kings Park and Botanic Garden, and Bold Park are maintained to a high standard and are activated in ways that connect community, conserve flora and celebrate identity. The Botanic Gardens and Parks Authority (BGPA) will take full advantage of new Fraser Avenue up-lights and performance infrastructure at the Exhibition Ground. Enhancements to the cafés and playgrounds near Hale Oval will be supported by a renaming of the family area and key assets, including the café, to recognise Noongar botanical terminology.
7. The BGPA will implement management initiatives outlined in the approved Management Plan (MP) for Kings Park and Botanic Garden. Key initiatives in the MP include an integrated transport strategy to improve both internal and external connectivity and provide for improved access to parkland and new interpretation and education for bushland areas as a result of the Perth Children's Hospital Kids Bridge completion. The BGPA will finalise a new MP for Bold Park as well as continue its focus on culture, identity and community wellbeing through partnerships associated with research, participation in the United Nations Decade of Ecosystem Restoration and with community organisations that have a strong affiliation with BGPA's work and parks.
8. The Perth Zoo Masterplan 2040 was launched in May 2021. The first projects to be delivered are a new café and function facilities (expected completion in mid-2023) and new veterinary post-mortem facilities (expected completion early 2022).
9. The Rottnest Lodge site will be handed over to the selected developer in June 2022 to commence refurbishment and construction of new visitor accommodation resulting in 94 rooms ranging from boutique to budget with a relocated pool, a day spa and new food and beverage facilities. The project will deliver an improved use and configuration of the site and incorporate acknowledgements of the proximity to important surrounding Aboriginal heritage buildings and places. Completion is expected in 2025.
10. Maintenance and renewal of marine infrastructure, especially Rottnest Island's jetties, to preserve visitor safety and enhance operational efficiency is a priority. The existing concrete deck and piles of berths 4 and 5 on the main jetty will be replaced and extended during the winter of 2022.
11. The Rottnest Island Authority (RIA) is progressing with the delivery of the National Tourism Icons suite of projects made possible by funding from the Commonwealth Government of \$17.2 million for vital infrastructure upgrades to enhance the visitor experience, embrace cultural heritage and ensure the long-term sustainability of Rottnest Island.
12. Increasing Rottnest Island's drinking water production and renewal, and replacement of the water distribution network is a high priority to meet growing demand and avoid constraints on future development. The RIA is progressing with the delivery of the COVID-19 Response funded project to upgrade the island's water production capability and renew the ageing water distribution network.

Biodiversity Conservation and Ecosystem Management

13. The Department is continuing to work closely with its partners to protect the State's unique biodiversity and implement recovery programs to improve the persistence of species through multidisciplinary approaches to conservation and management that are underpinned by high quality science.
14. A range of threatening processes continue to impact the integrity and functioning of Western Australia's natural ecosystems and biodiversity. The Department will, with support of industry sponsors and community groups, continue to protect fauna from invasive pests such as the European fox and feral cats through the delivery of the Western Shield Wildlife Recovery Program and mitigate the impacts of cane toads on priority native species through the Cane Toad Strategy for Western Australia. Invasive weeds and plant diseases will continue to be monitored, and management and control will focus on regional priorities and impacts to neighbouring land.

15. The State's forests will continue to be managed to conserve plants and animals, provide services that support forest production activities, protect old-growth forests and water catchments, enable recreation and tourism activities and provide for mining and other public uses under the direction of the Forest Management Plan 2014-23 (FMP). The Department will continue implementing management responses detailed in the Conservation and Parks Commission mid-term performance review of the FMP (April 2019), including preliminary work to inform development of the next FMP (2024-33). An indicative stakeholder register has been compiled in preparation for stakeholder engagement and consultation is anticipated to take place in late 2021.
16. The Department is progressing with the delivery of the Biodiversity Information Office (BIO). The BIO is currently finalising the design of the platform in consultation with key stakeholders, including the Department of Water and Environmental Regulation, the WA Museum and WA Herbarium, industry proponents and future data users. The BIO is on track to deliver the platform in 2022.

COVID-19 Response

17. The Department will continue to implement the COVID-19 Response with project budgets of approximately \$27.8 million for the 2021-22 year. As of June 2021, the Department has supported local businesses and contractors offering employment opportunities for approximately 280 people across Western Australia.

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 Department's services, the desired outcomes and the relevant Government Goal. 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
Growing Our Communities: Protecting our environment with thriving suburbs and 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, and the landscapes they occupy, are conserved through evidence-based conservation actions.	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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Visitor Services and Public Programs Provided at Kings Park and Bold Park.....	10,198	9,937	9,806	10,747	10,917	11,021	11,126
2. Visitor Services and Public Programs Provided at Rottnest Island.....	49,675	52,053	51,852	53,841	55,188	56,543	56,745
3. Visitor Services and Public Programs Provided at Perth Zoo.....	23,165	23,492	24,459	24,086	24,234	24,486	24,856
4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark.....	13,416	14,555	14,555	16,175	17,082	17,242	17,970
5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters	96,043	115,299	109,087	148,539	133,232	129,000	124,722
6. Conserving Habitats, Species and Ecological Communities	69,267	74,047	69,853	75,833	75,780	76,075	76,646
7. Research and Conservation Partnerships....	23,855	31,762	25,987	27,078	27,109	27,370	27,618
8. Implementation of the Forest Management Plan	18,126	19,237	19,028	21,826	21,216	19,848	19,927
9. Prescribed Burning and Fire Management...	49,548	52,411	51,688	52,990	53,476	53,766	54,104
10. Bushfire Suppression	48,835	32,468	45,467	40,922	40,470	41,142	41,674
Total Cost of Services (a)	402,128	425,261	421,782	472,037	458,704	456,493	455,388

(a) For comparative purposes, the Asset Revaluation Decrement of \$215.5 million has been excluded from the 2019-20 Actual.

Outcomes and Key Effectiveness Indicators (a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 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.....	n/a	95%	95%	95%	1
Average level of visitor satisfaction at Rottnest Island.....	n/a	75%	75%	75%	1
Average level of visitor satisfaction at Perth Zoo.....	n/a	97%	90%	97%	1, 2
Average level of visitor satisfaction in the Swan and Canning Riverpark	90.9%	85%	82.2%	85%	
Average level of visitor satisfaction in national parks and other lands and waters	n/a	90%	93.2%	90%	1
Outcome: Plants and animals, and the landscapes they occupy, are conserved through evidence-based conservation actions:					
Proportion of critically endangered and endangered taxa and ecological communities that have a recovery plan	73.7%	72%	73.7%	72%	
Area of land baited for introduced predators	3,988,246 ha	3,923,517 ha	3,808,368 ha	4,012,681 ha	
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	777,430 m ³	1,337,000 m ³	879,707 m ³	1,528,000 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	42%	55%	46%	55%	4
Proportion of South West bushfires contained to less than two hectares.....	84%	75%	76%	75%	

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

Explanation of Significant Movements

(Notes)

1. In 2019-20, a requested exemption from reporting average level of visitor satisfaction was approved. A representative sample was unable to be collected in 2019-20 due to the impact of the COVID-19 pandemic.
2. The former five-point measurement scale was revised to a seven-point scale for measurement survey responses in 2020-21 and is likely to have impacted actual results.
3. The 2014-2023 Forest Management Plan (the Plan) commenced on 1 January 2014. From 2014-15 and successive years, the Budget Target figure is the cumulative total of the annual allowable harvest of jarrah (132,000 m³) and karri (59,000 m³). Over the 10 years of the Plan, this provides for a total harvest of 1,910,000 m³ of sawlog.

The variation between the cumulative 2020-21 Budget compared to the 2021-22 Budget Target reflects the annual allowable 191,000 m³ harvest of sawlog. The actual amount harvested each year during the period of the Plan has been lower than the target amount due to market conditions.

4. Priority 1 prescribed burns cannot constitute more than one-third of planned prescribed burns, and providing enhanced criteria for prioritisation decisions resulted in less Priority 1 prescribed burns as a proportion of the total program. Favourable weather conditions late into Autumn accommodated a longer window for prescribed burning than in 2019-20.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 10,198	\$'000 9,937	\$'000 9,806	\$'000 10,747	
Less Income	5,194	4,276	4,343	6,573	1
Net Cost of Service	5,004	5,661	5,463	4,174	
Employees (Full-Time Equivalents)	42	45	44	45	
Efficiency Indicators					
Average cost per visitor at Kings Park and Bold Park	\$2.15	\$2.21	\$2.14	\$2.28	

Explanation of Significant Movements

(Notes)

1. The 2021-22 Budget Target is higher compared to the 2020-21 Budget primarily due to the expected return to pre-COVID-19 pandemic commercial trading conditions.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	49,675	52,053	51,852	53,841	
Less Income ^(a)	37,685	47,788	49,068	60,789	1
Net Cost of Service	11,990	4,265	2,784	(6,948)	2
Employees (Full-Time Equivalents)	116	106	112	112	
Efficiency Indicators					
Average cost per visitor at Rottnest Island	\$98.84	\$173.51	\$125.99	\$129.74	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2021-22 Budget Target is higher compared to the 2020-21 Budget primarily due to higher own-source revenue that is based on visitation levels forecast prior to COVID-19 pandemic. There has also been an increase in Commonwealth grant income in 2021-22 associated with delivering enhancing National Tourism Icons Projects.
2. The change in Net Cost of Service in the 2021-22 Budget Target compared to the 2020-21 Budget is due to the higher pre-COVID-19 visitation levels for own-source revenue and increased Commonwealth grant income.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	23,165	23,492	24,459	24,086	
Less Income ^(a)	12,397	15,386	17,071	16,009	1
Net Cost of Service	10,768	8,106	7,388	8,077	
Employees (Full-Time Equivalents)	140	141	141	141	
Efficiency Indicators					
Average cost per visitor at Perth Zoo	\$41.80	\$33.56	\$32.84	\$33.22	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual is higher compared to the 2020-21 Budget primarily due to a one-off Commonwealth grant income of \$1.8 million related to tourism impacts on zoos and aquaria from the COVID-19 pandemic.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 13,416	\$'000 14,555	\$'000 14,555	\$'000 16,175	1
Less Income ^(a)	416	403	448	442	
Net Cost of Service	13,000	14,152	14,107	15,733	
Employees (Full-Time Equivalents)	54	54	57	57	
Efficiency Indicators					
Average cost per hectare in the Swan and Canning Riverpark	\$1,832.35	\$1,987.84	\$1,987.84	\$2,209.10	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2021-22 Budget Target is higher compared to the 2020-21 Budget primarily due to increased spending on election commitments relating to the Swan and Canning Riverpark initiatives, construction of an artificial shellfish reef and the Urban Forest projects.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 96,043	\$'000 115,299	\$'000 109,087	\$'000 148,539	1
Less Income ^(a)	29,341	28,521	33,967	33,681	
Net Cost of Service	66,702	86,778	75,120	114,858	
Employees (Full-Time Equivalents)	425	450	463	571	1
Efficiency Indicators					
Average cost per hectare in national parks and other lands and waters	\$3.04	\$3.60	\$3.45	\$4.60	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in the 2021-22 Budget Target and the 2020-21 Estimated Actual Total Cost of Service, full-time equivalents (FTEs) and Average cost per hectare in national parks and other lands and waters compared to the 2020-21 Budget is mainly due to increased spending on election commitment projects, various PfOP initiatives, the Pila Nature Reserve Joint Management, the Yamatji Nation Indigenous Land Use Agreement, the South West Native Title Settlement and the Murujuga National Park Access Road. The depreciation expense is also estimated to be higher for this service compared to previous years due to increased expenditure in park infrastructure.

6. Conserving Habitats, Species and Ecological Communities

Develop and implement programs for the conservation of biodiversity.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 69,267	\$'000 74,047	\$'000 69,853	\$'000 75,833	1
Less Income ^(a)	7,408	7,564	7,637	7,841	
Net Cost of Service	61,859	66,483	62,216	67,992	
Employees (Full-Time Equivalents)	466	480	481	496	1
Efficiency Indicators					
Average cost per hectare of wildlife habitat	\$2.19	\$2.31	\$2.21	\$2.35	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2021-22 Budget Target is higher compared to the 2020-21 Budget mainly due to additional spending on additional FTEs for Regulatory Approvals Reforms to increase capacity for frontline advice and support the Streamline WA reform program.

7. Research and Conservation Partnerships

Work with the community, industry, traditional owners and other stakeholders to deliver research and conservation outcomes.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 23,855	\$'000 31,762	\$'000 25,987	\$'000 27,078	1
Less Income ^(a)	15,300	14,929	16,097	16,347	
Net Cost of Service	8,555	16,833	9,890	10,731	
Employees (Full-Time Equivalents)	105	103	103	103	
Efficiency Indicators					
Average cost per hectare of wildlife habitat	\$0.75	\$0.99	\$0.82	\$0.84	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2021-22 Budget Target is lower compared to the 2020-21 Budget due to a realignment of the Total Cost of Service based on actuals.

8. Implementation of the Forest Management Plan

Manage State forests in accordance with the approved Forest Management Plan (FMP) and provide services that support forest production activities.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 18,126	\$'000 19,237	\$'000 19,028	\$'000 21,826	1
Less Income ^(a)	3,819	3,712	3,818	3,780	
Net Cost of Service	14,307	15,525	15,210	18,046	
Employees (Full-Time Equivalents)	122	126	126	141	2
Efficiency Indicators					
Average cost per hectare of forest	\$14.04	\$14.90	\$14.74	\$16.90	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The Total Cost of Service in 2021-22 is higher compared to the 2020-21 Budget and 2020-21 Estimated Actual mainly due to additional spending on the development of the next 10 year FMP (2024-33).
2. The FTEs in the 2021-22 Budget Target is higher compared to the 2020-21 Budget due to the employment of additional finite FTEs to develop the FMP (2024-33).

9. Prescribed Burning and Fire Management

Deliver prescribed burning and fire management to protect the community and enhance natural values.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 49,548	\$'000 52,411	\$'000 51,688	\$'000 52,990	
Less Income ^(a)	1,500	1,458	1,557	1,542	
Net Cost of Service	48,048	50,953	50,131	51,448	
Employees (Full-Time Equivalents)	250	260	260	260	
Efficiency Indicators					
Average cost per hectare burnt	\$13.95	\$14.33	\$13.70	\$14.49	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

10. Bushfire Suppression

Suppress bushfires that threaten or occur on lands managed by the Department.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	48,835	32,468	45,467	40,922	1
Less Income ^(a)	808	786	843	835	
Net Cost of Service	48,027	31,682	44,624	40,087	
Employees (Full-Time Equivalents)	153	125	125	125	
Efficiency Indicators					
Average cost per hectare burnt	\$16.62	\$11.74	\$111.14	\$13.27	1,2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- The 2021-22 Budget Target is higher compared to the 2020-21 Budget due to a realignment of the Total Cost of Service, Net Cost of Service and Average cost per hectare burnt based on actuals. The 2020-21 Estimated Actual includes \$9.5 million of unforeseen expenditure associated with bushfire suppression.
- A significant decrease in the area of land burnt by bushfires on Department-managed lands in regional Western Australia has resulted in a higher Average cost per hectare burnt for the 2020-21 Estimated Actual compared to 2020-21 Budget, and previous year actual.

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 over four years is \$364.8 million, which includes \$101.2 million for election commitments. The Department's new significant projects include:
 - An amount of \$30 million will be spent over 2021-22 to 2024-25 to progress a range of priority projects and leverage private sector funding opportunities for asset investment priorities as part of the Perth Zoo Masterplan 2040. Some of the key Masterplan projects include a new orangutan enclosure; construction of a conservation centre of excellence; and bear and tiger tunnels in the treetops.
 - A total of \$16.9 million will be spent on Peri-Urban Parks on four national parks on Perth's urban periphery. The key features of the proposed works include:
 - \$8.4 million for John Forrest National Park improvements including a Park Centre to be established as a hub for activity and services, improvements to existing picnic facilities and creation of new picnic and other spaces;
 - \$3.2 million for Serpentine National Park Upgrades including redeveloping the visitor precinct picnic facilities and walk trails to facilitate a higher level of visitation by groups, individuals, and trail users;
 - \$2 million for Walyunga National Park improvements including the upgrade and redevelopment of Boongarup Pool in partnership with Traditional Owners to support local jobs and Aboriginal business development opportunities; and
 - \$3.3 million for a new Penguin Island Discovery Centre and upgrade and refurbish existing buildings and facilities, including the jetty.

- 1.3. A total of \$16 million will be spent on improved visitor facilities at key recreation sites within the Karijini National Park, such as Dales and Weano Gorges. Proposed works include a new campground, cultural walk trail and interpretive facilities and sealing road access to the most popular gorge sites, including Weano Gorge, Karijini Eco Retreat and Dales Gorge to enable hire cars and coaches to travel safely to these sites.
- 1.4. At Mount Augustus National Park, \$10 million will be spent for road and camping infrastructure with the aim to grow the tourism sector including improvements to visitor safety telecommunications, visitor experience, such as trails and interpretation and development of Aboriginal cultural tourism in consultation with Traditional Owners.
- 1.5. An amount of \$6.3 million will be spent on improvements at the Yellagonga Regional Park in Joondalup, including 7 km of mountain bike trails, a boardwalk between Ocean Reef Road and Whitfords Avenue, a nature playground adjacent to Luisini Winery, interpretative material, additional planting around the lake, viewing platform and boardwalk at Lake Joondalup on the Wanneroo side and completion of a cycling and walk trail network within the park.
- 1.6. There will be \$5 million invested at Murujuga National Park (Conzinc Bay) to improve visitor facilities at Conzinc Bay in order to support increased visitation associated with the Murujuga Living Knowledge Centre.
- 1.7. Yawuru Conservation Park will have \$4.5 million spent to provide facilities and upgrade roads to meet visitor demand. The improvements planned include track and trail upgrades, viewing platforms, boardwalks, stairs, park furniture and other day use facilities to improve the park's tourism offerings.
- 1.8. A total of \$3.3 million will be spent towards tourism infrastructure at The Gap, Torndirrup National Park including a larger car park, new toilets, trails in nearby sites, a kiosk for a commercial outlet opportunity and creation of an entrance portal.
- 1.9. Beeliar Wetlands will have \$3 million invested to construct a new boardwalk and viewing platform.
- 1.10. An amount of \$2.4 million will be spent to complete the final 18 km of mountain bike trails within the Dwellingup area.
- 1.11. There will be \$1.8 million spent to build a new, safer boat docking station at Danggu Geike Gorge.
- 1.12. A total of \$1 million will be spent on visitor infrastructure improvements to enhance access for visitors with disability to national parks and the conservation estate.
- 1.13. Kimberley Wilderness Walk, Wunaamin Miliwundi Ranges will have \$0.9 million invested to develop the first long-distance trek in the Kimberley.
- 1.14. An amount of \$0.3 million will be spent to improve visitor safety, access, and amenity at Kalbarri Island Rock in the Kalbarri National Park.
- 1.15. There will be an additional \$15.6 million spent by the Rottne Island Authority (RIA) for maintenance on priority one maintenance projects in relation to water, energy, transport and waste assets identified in the Strategic Asset Plan to support the island's operations. As a result, the RIA will spend a total of \$34.2 million on holiday and tourism facilities.
- 1.16. Under Plan for Our Parks (PfOP) there will be \$5.3 million spent for essential start up infrastructure to implement joint management arrangements over the Badimia Conservation Reserves and Thunderlarra Conservation Park. PfOP will also invest in additional areas with \$1.8 million to be spent for the planning, design and implementation of essential capital infrastructure proposed for the additional areas as part of Indigenous Land Use Agreements and joint management negotiations.
- 1.17. An additional \$1.6 million will be spent in 2021-22 to complete the Sustainable Development of Abrolhos Islands project which will enhance tourism infrastructure and the park operations base.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Infrastructure Stimulus Package							
Bibbulmun Track and Munda Biddi Trail Renewal	1,195	510	510	685	-	-	-
Gascoyne Region Parks - Assets Refurbishment	800	501	501	299	-	-	-
Gloucester Tree - Power Supply Connection	225	50	50	175	-	-	-
Goldfields Esperance Parks - Assets Refurbishment	700	517	517	183	-	-	-
Great Southern Adventure Trails	12,780	755	755	2,780	5,775	3,470	-
Great Southern Region Parks - Assets Refurbishment	900	620	620	280	-	-	-
Karijini Park - Dales Campground Visitor Facilities Renewal	900	817	817	83	-	-	-
Kimberley Region Parks - Assets Refurbishment	1,000	426	426	574	-	-	-
Kings Park and Botanic Garden							
Playground Upgrade	500	350	350	150	-	-	-
Upgrade to Café Building	300	250	250	50	-	-	-
Mandurah Parks Wetlands Boardwalks - Replace and Upgrade	750	195	195	555	-	-	-
Margaret River - Rebuild the Pines Mountain Bike Trails ...	350	325	325	25	-	-	-
Midwest Region Parks - Assets Refurbishment	350	160	160	190	-	-	-
Monkey Mia Rejuvenation	600	350	350	250	-	-	-
Parks in the Gascoyne Region - Renewal of Visitor Access and Facilities	1,300	420	420	880	-	-	-
Parks in the Great Southern Region - Renewal of Walk and Cycle Trails	2,240	225	225	590	1,155	270	-
Parks in the Perth Metro Region - Visitor Access and Facilities Upgrades	2,450	615	615	910	925	-	-
Peel Region Parks - Assets Refurbishment	200	30	30	170	-	-	-
Pemberton Climbing Trees - Viewing Platforms Replacement	175	135	135	40	-	-	-
Penguin Island							
Jetty Deck Repairs	50	35	35	15	-	-	-
New and Improved Visitor Facilities	407	387	387	20	-	-	-
Perth Hills Bike Trails							
Goat Farm and Kalamunda Circuit	2,000	625	625	1,375	-	-	-
John Forrest National Park	1,500	170	170	880	450	-	-
Perth Metro Region Parks - Assets Refurbishment	643	523	523	-	120	-	-
Perth Zoo Café/Function Centre	13,520	250	250	3,500	9,770	-	-
Point Peron, Rockingham Lakes - Paths Upgrade	1,100	50	50	1,050	-	-	-
Porongurup National Park - Castle Rock Car Park Expansion	50	10	10	40	-	-	-
Rabbit Hill Day Use Area - Visitor Facilities Upgrade	125	78	78	47	-	-	-
Rottne Island							
Water Network	14,650	1,400	1,400	5,600	3,550	4,100	-
Water Production	11,350	1,600	1,600	3,800	5,350	600	-
Serpentine National Park - Visitor Facilities Upgrade	150	35	35	115	-	-	-
Shark Bay World Heritage Area - Parks Improvements	500	450	450	50	-	-	-
Shell Beach, Shark Bay - Visitor Facilities Upgrade	400	20	20	380	-	-	-
State-wide - Trails Planning and Design for Mountain Bike Trails	40	18	18	22	-	-	-
Steep Point, Shark Bay - Access Road Realignment and Upgrade	100	2	2	98	-	-	-
Thundelarra Homestead, Karara Rangelands - Access Road Improvements	25	2	2	23	-	-	-
Wellington National Park - Honeymoon Pool Deck Replacement	180	15	15	165	-	-	-
Other Works in Progress							
Collie Adventure Trails	9,505	3,203	2,348	3,437	2,865	-	-
Collie Tourism Readiness and Economic Stimulation							
Collie Township - Wayfinding and Tourism Amenities	600	225	225	375	-	-	-
Wellington National Park - Parking and Tourism Facilities	2,500	563	563	1,437	500	-	-
COVID-19 National and World Heritage							
Danggu Visitor Hub Redevelopment	556	256	256	300	-	-	-
Porongurup Granite Skywalk Walk Trail Upgrade	550	150	150	400	-	-	-
Election Commitments							
Collie Preston Region Upgrades Local Roads	3,300	3,180	1,077	120	-	-	-
Lake Stockton	250	218	21	32	-	-	-
Park Improvement - Lake Kepwari	5,166	3,936	1,252	1,230	-	-	-
Plan for Our Parks - Preston River to Ocean and Leschenault Regional Parks (Kalgulup)	5,496	336	114	5,160	-	-	-
Karratha Regional Office	5,663	121	121	3,431	2,111	-	-
Koombana Park Facilities	11,404	9,322	338	2,082	-	-	-
Park Improvement - William Bay National Park Tourism Infrastructure	2,500	1,752	1,543	748	-	-	-

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Plan for Our Parks							
Buccaneer Archipelago.....	3,403	167	167	935	1,451	799	51
Helena and Aurora Range National Park.....	570	301	224	21	248	-	-
Houtman Abrolhos Islands National Park Management.....	11,600	2,946	2,445	8,654	-	-	-
Ningaloo Coastal Reserve	1,500	500	500	500	500	-	-
COMPLETED WORKS							
COVID-19 Response							
Biodiversity Information Office - 2020-21 Program.....	150	150	150	-	-	-	-
Infrastructure Stimulus Package							
Beedelup Falls - Complete Boardwalk Replacement.....	50	50	50	-	-	-	-
Bells Gorge Upgrade Access Road	250	250	250	-	-	-	-
Danngu (Geikie Gorge) Day Use Area Upgrade.....	150	150	150	-	-	-	-
John Forrest National Park - Jane Brook Picnic Area Upgrade	175	175	175	-	-	-	-
Kalbarri - Access Roads Line Marking.....	50	50	50	-	-	-	-
Karijini National Park - Fortescue Falls Lookout Access Path	125	125	125	-	-	-	-
Kings Park and Botanic Garden							
Replacement of Up-lights.....	400	400	400	-	-	-	-
Stage at Exhibition Ground	150	150	150	-	-	-	-
Old Yanchep Road - Treat Black Spot and Upgrade	300	300	300	-	-	-	-
Parks in the Goldfields/Esperance Region - Renewal of Visitor Access and Facilities.....	400	400	400	-	-	-	-
Perth Hills Centre Campground - Assets							
Refurbishment.....	25	25	25	-	-	-	-
Pilbara Region Parks - Assets Refurbishment.....	400	400	400	-	-	-	-
Pinnacles Desert Discovery, Park Assets							
Refurbishment.....	186	186	186	-	-	-	-
Spring Creek Track Upgrade	250	250	250	-	-	-	-
Walpole-Nornalup National Park - Coalmine Beach							
Road Reseal	475	475	475	-	-	-	-
Wheatbelt Region Parks - Assets Refurbishment.....	414	414	414	-	-	-	-
Yanchep National Park							
Gloucester Lodge Asbestos Removal.....	500	500	500	-	-	-	-
Reseal Park Roads and Car Parks	150	150	150	-	-	-	-
Other Completed Works							
Botanic Gardens and Parks Authority - Asset							
Replacement - 2020-21 Program.....	850	850	850	-	-	-	-
Conservation Land Acquisition - 2020-21 Program.....	380	380	380	-	-	-	-
Fire Related Bridge Maintenance and							
Replacement - 2020-21 Program.....	1,900	1,900	1,900	-	-	-	-
Firefighting Fleet Replacement - 2020-21 Program.....	2,200	2,200	2,200	-	-	-	-
Park Improvement							
2020-21 Program.....	4,300	4,300	4,300	-	-	-	-
Gnangara Park Development - 2020-21 Program	400	400	400	-	-	-	-
Plant and Equipment - 2020-21 Program	7,344	7,344	7,344	-	-	-	-
Rottneest Island Authority							
Enhancing National Tourism Icons - 2020-21 Program .	5,622	5,622	5,622	-	-	-	-
Holiday and Tourism Facilities - 2020-21 Program.....	4,265	4,265	4,265	-	-	-	-
Jetty Upgrades - Fuel Jetty.....	3,000	3,000	2,709	-	-	-	-
Tourism Road - Improvement 2020-21 Program.....	1,950	1,950	1,950	-	-	-	-
Zoological Parks Authority							
Animal Exhibits and Park Facilities - 2020-21 Program.....	2,080	2,080	2,080	-	-	-	-
Facilities and Equipment - Computer							
Equipment - 2020-21 Program.....	131	131	131	-	-	-	-
NEW WORKS							
COVID-19 Response							
Biodiversity Information Office							
2021-22 Program.....	2,177	-	-	2,177	-	-	-
2022-23 Program.....	500	-	-	-	500	-	-
Infrastructure Stimulus Package							
Cape Peron, Shark Bay - Day Use Area Upgrade.....	100	-	-	100	-	-	-
Cape Range - 'Over the Range' Walk Trail.....	50	-	-	50	-	-	-
Donnelly River Boat Landing - Jetty Replacement.....	50	-	-	50	-	-	-
Dunn Rock Access Road Upgrade	150	-	-	150	-	-	-
Gull Rock National Park - Ledge Beach Visitor Facilities.....	135	-	-	135	-	-	-
Redgate Beach - Car Park Upgrade and Expansion	650	-	-	650	-	-	-
Thundelarra, Karara Rangelands - Assets							
Refurbishment.....	75	-	-	75	-	-	-

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Election Commitments							
Accessible Parks	1,000	-	-	100	400	400	100
Beeliar Wetlands	3,000	-	-	150	500	1,560	790
Danggu Geike Gorge	1,750	-	-	500	1,250	-	-
Dwellingup Trails Gap Project	2,350	-	-	1,010	1,000	340	-
Kalbarri Island Rock	250	-	-	200	50	-	-
Karijini National Park Upgrades.....	16,000	-	-	550	950	13,500	1,000
Kimberley Wilderness Walk, Wunaamin Miliwundi Ranges	850	-	-	300	300	250	-
Mount Augustus Tourism Infrastructure.....	10,000	-	-	570	880	3,580	4,970
Murujuga National Park	5,000	-	-	250	4,750	-	-
Perth Zoo Masterplan 2040	30,000	-	-	2,500	2,500	10,000	15,000
Plan for Our Parks - Expansion of Wellington National Park	1,110	-	-	-	370	370	370
The Gap, Torndirrup National Park	3,300	-	-	150	250	2,900	-
Tourism Package - Department Component (Peri-Urban Parks)	16,900	-	-	900	4,700	7,200	4,100
Yawuru Conservation Park.....	4,500	-	-	200	1,800	1,250	1,250
Yellagonga Regional Park	6,265	-	-	290	2,500	2,905	570
Other New Works							
Botanic Gardens and Parks Authority - Asset Replacement							
2021-22 Program.....	1,150	-	-	1,150	-	-	-
2022-23 Program.....	1,000	-	-	-	1,000	-	-
2023-24 Program.....	1,000	-	-	-	-	1,000	-
2024-25 Program.....	1,000	-	-	-	-	-	1,000
Conservation Land Acquisition							
2021-22 Program.....	400	-	-	400	-	-	-
2022-23 Program.....	420	-	-	-	420	-	-
2023-24 Program.....	420	-	-	-	-	420	-
2024-25 Program.....	420	-	-	-	-	-	420
COVID-19 National and World Heritage							
Lesueur Cockleshell Gully Walk Trail Upgrade.....	40	-	-	40	-	-	-
Miluwindi Lennard Gorge Walkway and Lookout.....	320	-	-	320	-	-	-
Monkey Mia							
Interpretation.....	50	-	-	50	-	-	-
Trails and Landscape Works.....	200	-	-	200	-	-	-
Ningaloo Coast							
Kayak Trail	150	-	-	150	-	-	-
Milyering Discovery Centre Upgrade	150	-	-	150	-	-	-
Porongurup Castle Rock Car Park Expansion and Upgrade							
420	-	-	-	420	-	-	-
Purnululu Visitor Centre Upgrade	350	-	-	350	-	-	-
Reddell Beach Visitor Infrastructure Redevelopment	800	-	-	800	-	-	-
Fire Related Bridge Maintenance and Replacement							
2021-22 Program.....	1,957	-	-	1,957	-	-	-
2022-23 Program.....	2,095	-	-	-	2,095	-	-
2023-24 Program.....	2,095	-	-	-	-	2,095	-
2024-25 Program.....	2,095	-	-	-	-	-	2,095
Firefighting Fleet Replacement							
2021-22 Program.....	2,200	-	-	2,200	-	-	-
2022-23 Program.....	2,200	-	-	-	2,200	-	-
2023-24 Program.....	2,200	-	-	-	-	2,200	-
2024-25 Program.....	2,200	-	-	-	-	-	2,200
Park Improvement							
2021-22 Program.....	4,500	-	-	4,500	-	-	-
2022-23 Program.....	4,750	-	-	-	4,750	-	-
2023-24 Program.....	4,750	-	-	-	-	4,750	-
2024-25 Program.....	4,750	-	-	-	-	-	4,750
Gnangara Park Development							
2021-22 Program	200	-	-	200	-	-	-
2022-23 Program	200	-	-	-	200	-	-
2023-24 Program	200	-	-	-	-	200	-
2024-25 Program	200	-	-	-	-	-	200
Pila Nature Reserve	1,125	-	-	1,125	-	-	-
Plan for Our Parks							
Fitzroy National Park	2,680	-	-	1,460	1,100	120	-
Capital	7,100	-	-	3,420	2,584	671	425
Plant and Equipment							
2021-22 Program.....	4,351	-	-	4,351	-	-	-
2022-23 Program.....	6,018	-	-	-	6,018	-	-
2023-24 Program.....	8,629	-	-	-	-	8,629	-
2024-25 Program.....	8,629	-	-	-	-	-	8,629

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Roebuck Bay Marine Park.....	179	-	-	179	-	-	-
Rottneest Island Authority							
Enhancing National Tourism Icons - 2021-22 Program.....	9,526	-	-	9,526	-	-	-
Holiday and Tourism Facilities							
2021-22 Program	6,886	-	-	6,886	-	-	-
2022-23 Program	8,278	-	-	-	8,278	-	-
2023-24 Program	9,229	-	-	-	-	9,229	-
2024-25 Program	9,789	-	-	-	-	-	9,789
Jetty Upgrades							
Barge Landing and Cargo Facilities	800	-	-	800	-	-	-
Main Jetty.....	11,250	-	-	4,000	6,000	1,250	-
South Thomson Seawall.....	2,870	-	-	2,870	-	-	-
Tourism Road Improvement							
2021-22 Program.....	2,050	-	-	2,050	-	-	-
2022-23 Program.....	2,150	-	-	-	2,150	-	-
2023-24 Program.....	2,150	-	-	-	-	2,150	-
2024-25 Program.....	2,150	-	-	-	-	-	2,150
Zoological Parks Authority							
Animal Exhibits and Park Facilities							
2021-22 Program	2,855	-	-	2,855	-	-	-
2022-23 Program	1,905	-	-	-	1,905	-	-
2023-24 Program	1,905	-	-	-	-	1,905	-
2024-25 Program	1,905	-	-	-	-	-	1,905
Facilities and Equipment - Computer Equipment							
2021-22 Program	100	-	-	100	-	-	-
2022-23 Program	100	-	-	-	100	-	-
2023-24 Program	100	-	-	-	-	100	-
2024-25 Program	100	-	-	-	-	-	100
Total Cost of Asset Investment Program	443,943	79,119	62,996	118,477	96,270	88,213	61,864
FUNDED BY							
Asset Sales			500	500	500	500	500
Capital Appropriation.....			26,300	48,293	55,277	39,544	27,235
Commonwealth Grants.....			7,347	10,101	-	-	-
Drawdowns from Royalties for Regions Fund			13,545	21,133	15,095	21,820	7,220
Drawdowns from the Holding Account			11,802	12,480	13,320	13,320	13,320
Internal Funds and Balances.....			3,358	24,200	12,078	13,029	13,589
Other			144	-	-	-	-
Other Grants and Subsidies			-	1,770	-	-	-
Total Funding.....			62,996	118,477	96,270	88,213	61,864

Financial Statements

Income Statement

Expenses

1. The 2019-20 Actual Total Cost of Services of \$617.7 million includes a one-off Land Revaluation Decrement of \$215.5 million as a result of an annual valuation undertaken by the Valuer General's Office of the Department's managed lands and waters. The Total Cost of Services is estimated to increase by \$46.8 million between the 2020-21 Budget and the 2021-22 Budget Estimate, mainly due to increased spending on election commitment projects, the Regulatory Approvals Reform, development of the next 10 year FMP (2024-33), various PfOP initiatives, Pila Nature Reserve Joint Management, Yamatji Nation Indigenous Land Use Agreement, South West Native Title Settlement and the construction of the Murujuga National Park Access Road.

Income

2. Total Income From State Government is estimated to increase by \$34.2 million to \$345.8 million in the 2021-22 Budget Estimate compared to the 2020-21 Budget, largely due to the additional funding provided for the above noted initiatives and Royalties for Region projects.

Statement of Financial Position

3. The largest asset for the Department is land held for conservation and multiple uses, reported under 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

4. Purchase of non-current assets is expected to increase from \$93.9 million in the 2020-21 Budget to \$118.5 million in the 2021-22 Budget Estimate. The increase of \$24.6 million is largely the result of increased expenditure on election commitments, PfOP projects, infrastructure upgrades at World and National Heritage sites, jetties and tourism facilities upgrades on Rottnest Island.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	220,167	221,725	223,136	238,568	238,759	239,388	239,167
Grants and subsidies ^(c)	8,262	5,150	10,659	13,974	12,679	8,757	7,853
Supplies and services	99,879	115,141	116,804	135,138	121,843	122,109	121,931
Accommodation	6,216	7,680	4,835	7,431	8,168	8,377	8,381
Depreciation and amortisation	38,087	45,171	40,575	45,859	46,223	46,513	46,511
Finance and interest costs	284	490	322	492	497	577	573
Other expenses ^(d)	244,758	29,904	25,451	30,575	30,535	30,772	30,972
TOTAL COST OF SERVICES	617,653	425,261	421,782	472,037	458,704	456,493	455,388
Income							
Sale of goods and services	63,131	75,491	74,230	76,216	77,026	77,454	78,048
Regulatory fees and fines	12,742	586	10,943	16,455	17,488	18,488	18,488
Grants and subsidies	15,975	27,284	21,500	32,636	15,248	15,283	15,283
Other revenue	22,020	21,462	28,176	22,532	22,685	22,708	22,258
Total Income	113,868	124,823	134,849	147,839	132,447	133,933	134,077
NET COST OF SERVICES ^(e)	503,785	300,438	286,933	324,198	326,257	322,560	321,311
INCOME FROM STATE GOVERNMENT							
Service appropriations	259,179	266,211	272,390	285,789	283,588	277,648	273,740
Resources received free of charge	1,466	1,591	1,579	1,591	1,591	1,591	1,591
Royalties for Regions Fund:							
Regional Community Services Fund	17,098	23,302	11,633	35,134	23,249	25,273	27,457
Other revenues	21,772	20,436	19,513	23,236	21,467	21,467	21,467
TOTAL INCOME FROM STATE GOVERNMENT	299,515	311,540	305,115	345,750	329,895	325,979	324,255
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(204,270)	11,102	18,182	21,552	3,638	3,419	2,944

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 1,873, 1,912 and 2,051 respectively.

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

(d) The 2019-20 Actual for Other expenses includes a \$215.5 million Asset Revaluation Decrement.

(e) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Aboriginal Ranger Program	3,017	-	5,859	2,000	2,000	2,000	2,000
City of Karratha - Murujuga National Park							
Access Road	-	-	-	5,000	5,000	-	-
Conservation Council of Western Australia	109	-	-	-	-	-	-
Election Commitments	-	-	-	3,553	2,258	3,336	2,932
Legal Aid Commission of Western Australia	50	-	-	-	-	-	-
Nature Conservation Benefit	714	-	-	-	-	-	-
Other	175	-	733	-	-	-	-
Swan and Canning Rivers Community							
Rivercare	300	300	300	-	-	-	-
Swan and Canning Rivers Management	3,620	4,450	3,417	3,021	3,021	3,021	2,521
Wildlife Conservation	277	400	350	400	400	400	400
TOTAL	8,262	5,150	10,659	13,974	12,679	8,757	7,853

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CURRENT ASSETS							
Cash assets.....	66,729	64,428	65,685	65,396	64,929	62,783	59,388
Restricted cash.....	65,538	59,049	76,325	63,872	62,982	62,853	62,853
Holding account receivables.....	11,802	11,802	11,802	13,320	13,320	12,320	1,020
Receivables.....	12,434	12,981	10,317	10,816	11,314	12,165	12,873
Other.....	8,675	8,310	10,280	10,190	9,774	9,007	8,243
Assets held for sale.....	44	44	44	44	44	44	44
Total current assets.....	165,222	156,614	174,453	163,638	162,363	159,172	144,421
NON-CURRENT ASSETS							
Holding account receivables.....	227,796	254,921	254,921	279,943	305,643	332,331	369,318
Property, plant and equipment.....	3,000,965	3,055,901	3,034,422	3,113,188	3,168,167	3,215,532	3,236,128
Receivables.....	128	128	128	128	128	128	128
Intangibles.....	1,047	724	839	515	191	115	115
Restricted cash.....	2,857	3,827	3,523	4,493	4,563	4,633	4,785
Other.....	2,407	1,088	2,807	2,105	1,719	1,719	1,719
Total non-current assets.....	3,235,200	3,316,589	3,296,640	3,400,372	3,480,411	3,554,458	3,612,193
TOTAL ASSETS.....	3,400,422	3,473,203	3,471,093	3,564,010	3,642,774	3,713,630	3,756,614
CURRENT LIABILITIES							
Employee provisions.....	44,247	44,533	43,849	44,135	44,421	44,707	44,980
Payables.....	8,368	8,912	11,251	11,251	11,251	11,251	11,251
Borrowings and leases.....	4,103	3,930	4,869	5,361	4,775	5,320	5,185
Other.....	33,814	31,386	36,547	32,454	32,464	32,474	32,484
Total current liabilities.....	90,532	88,761	96,516	93,201	92,911	93,752	93,900
NON-CURRENT LIABILITIES							
Employee provisions.....	8,755	8,754	8,755	8,755	8,755	8,755	8,755
Borrowings and leases.....	6,805	6,012	6,627	6,462	6,026	5,804	5,987
Other.....	9,225	9,226	9,225	9,225	9,225	9,225	9,225
Total non-current liabilities.....	24,785	23,992	24,607	24,442	24,006	23,784	23,967
TOTAL LIABILITIES.....	115,317	112,753	121,123	117,643	116,917	117,536	117,867
EQUITY							
Contributed equity.....	3,228,686	3,290,916	3,274,868	3,349,213	3,424,565	3,490,883	3,530,292
Accumulated surplus/(deficit).....	(79,381)	(68,251)	(61,199)	(39,647)	(36,009)	(32,590)	(29,646)
Reserves.....	135,800	137,785	136,301	136,801	137,301	137,801	138,101
Total equity.....	3,285,105	3,360,450	3,349,970	3,446,367	3,525,857	3,596,094	3,638,747
TOTAL LIABILITIES AND EQUITY.....	3,400,422	3,473,203	3,471,093	3,564,010	3,642,774	3,713,630	3,756,614

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	220,128	227,284	233,463	246,769	244,568	238,640	234,733
Capital appropriation.....	10,778	39,344	31,157	53,212	60,257	44,498	32,189
Administered equity contribution.....	1,200	3,700	-	-	-	-	-
Holding account drawdowns.....	10,737	11,802	11,802	12,480	13,320	13,320	13,320
Royalties for Regions Fund:							
Regional Community Services Fund.....	18,371	29,000	11,633	35,313	23,249	25,273	27,457
Regional Infrastructure and Headworks Fund.....	17,286	13,485	13,545	20,954	15,095	21,820	7,220
Other.....	23,803	20,658	22,324	23,236	21,466	21,466	21,466
Net cash provided by State Government	302,303	345,273	323,924	391,964	377,955	365,017	336,385
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(214,414)	(221,912)	(224,639)	(238,352)	(238,540)	(239,169)	(238,958)
Grants and subsidies	(8,262)	(5,150)	(10,618)	(13,359)	(12,509)	(7,507)	(7,653)
Supplies and services.....	(85,659)	(101,033)	(96,345)	(122,063)	(108,508)	(109,998)	(109,024)
Accommodation.....	(4,950)	(7,402)	(4,480)	(7,152)	(7,888)	(8,097)	(8,103)
GST payments.....	(19,454)	(16,902)	(17,658)	(16,902)	(16,902)	(16,902)	(16,902)
Finance and interest costs.....	(284)	(490)	(321)	(486)	(492)	(573)	(571)
Other payments	(44,382)	(43,374)	(40,931)	(44,532)	(44,343)	(44,436)	(44,370)
Receipts (c)							
Regulatory fees and fines	15,915	586	10,943	16,455	17,488	18,488	18,488
Grants and subsidies	19,059	26,280	18,727	29,325	16,050	16,050	16,050
Sale of goods and services.....	62,238	76,802	76,261	77,527	78,337	78,765	78,847
GST receipts.....	19,540	16,905	18,429	16,905	16,905	16,905	16,905
Other receipts	23,458	21,018	24,798	22,088	22,241	22,264	22,326
Net cash from operating activities.....	(237,195)	(254,672)	(245,834)	(280,546)	(278,161)	(274,210)	(272,965)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(45,946)	(93,926)	(62,996)	(118,477)	(96,270)	(88,213)	(61,864)
Proceeds from sale of non-current assets	1,218	500	504	500	500	500	500
Net cash from investing activities	(44,728)	(93,426)	(62,492)	(117,977)	(95,770)	(87,713)	(61,364)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(5,256)	(4,991)	(5,189)	(5,209)	(5,311)	(5,299)	(5,299)
Net cash from financing activities	(5,256)	(4,991)	(5,189)	(5,209)	(5,311)	(5,299)	(5,299)
NET INCREASE/(DECREASE) IN CASH HELD.....	15,124	(7,816)	10,409	(11,768)	(1,287)	(2,205)	(3,243)
Cash assets at the beginning of the reporting period	120,000	135,124	135,124	145,533	133,761	132,474	130,269
Net cash transferred to/from other agencies	-	(4)	-	(4)	-	-	-
Cash assets at the end of the reporting period	135,124	127,304	145,533	133,761	132,474	130,269	127,026

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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.

NET APPROPRIATION DETERMINATION (a) (b)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Regulatory Fees and Fines							
Regulatory Fees and Fines.....	382	190	372	190	190	190	190
Grants and Subsidies							
Grants and Subsidies	25,583	26,779	24,882	25,621	24,835	24,835	24,835
Sale of Goods and Services							
Sale of Goods and Services	41,926	31,873	40,453	35,239	35,239	35,239	35,239
GST Receipts							
GST Input Credits	8,476	5,827	7,943	5,827	5,827	5,827	5,827
GST Receipts on Sales	5,410	5,500	5,320	5,500	5,500	5,500	5,500
Other Receipts							
Other Receipts.....	17,433	14,328	18,467	14,899	15,047	15,070	15,090
Interest Received.....	1,063	1,988	321	1,988	1,988	1,988	1,988
TOTAL	100,273	86,485	97,758	89,264	88,626	88,649	88,669

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

(b) The Botanic Gardens and Parks Authority, Rottnest Island Authority and Zoological Parks Authority are statutory authorities and, as a result, are excluded from the Net Appropriation Determination.

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
INCOME							
Fines							
Receipts from Regulatory Fees and Fines	63	30	30	30	30	30	30
TOTAL ADMINISTERED INCOME	63	30	30	30	30	30	30
EXPENSES							
Other							
Loss on Valuation of Biological Assets ^(a)	28,762	-	-	-	-	-	-
Receipts Paid into the Consolidated Account	63	30	30	30	30	30	30
TOTAL ADMINISTERED EXPENSES	28,825	30	30	30	30	30	30

(a) Native forest and sandalwood biological assets were transferred to the Department on 1 July 2019. The loss on valuation of biological assets reflects an asset revaluation decrement.

Part 11

Planning and Land Use

Introduction

The Planning and Land Use portfolio delivers an effective and efficient planning system that supports the sustainable development of well-planned communities in Western Australia. The portfolio undertakes land asset management, cultural heritage conservation and management, Crown land and native title administration, land and location information and records administration, valuations, State-wide strategic planning and regulatory reform.

Summary of Recurrent and Asset Investment Expenditure

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Planning, Lands and Heritage		
– Total Cost of Services	188,398	208,016
– Asset Investment Program	5,545	8,536
Western Australian Planning Commission		
– Total Cost of Services	62,101	79,039
– Asset Investment Program	93,559	184,327
Western Australian Land Information Authority		
– Total Cost of Services	109,143	120,720
– Asset Investment Program	6,758	12,691
DevelopmentWA		
– Asset Investment Program	256,979	402,233
Heritage Council of Western Australia		
– Total Cost of Services	1,800	2,953
National Trust of Australia (WA)		
– Total Cost of Services	6,244	6,203
– Asset Investment Program	2,085	700

Ministerial Responsibilities

Minister	Agency	Services
Minister for Transport; Planning; Ports	Planning, Lands and Heritage	1. Planning Services
Minister for Finance; Lands; Sport and Recreation; Citizenship and Multicultural Interests	Planning, Lands and Heritage	2. Land Administration Services
Minister for Tourism; Culture and the Arts; Heritage	Planning, Lands and Heritage	3. Historical Heritage Services 4. Aboriginal Heritage Management
Minister for Finance; Lands; Sport and Recreation; Citizenship and Multicultural Interests	Western Australian Land Information Authority	1. Land Titling 2. Valuations 3. Land Information and Services 4. Access to Government Location Information
	DevelopmentWA	n/a
Minister for Transport; Planning; Ports	Western Australian Planning Commission	1. Statutory Planning 2. Strategic Planning 3. Asset Management
Minister for Tourism; Culture and the Arts; Heritage	Heritage Council of Western Australia	1. Cultural Heritage Conservation Services
	National Trust of Australia (WA)	1. Conservation and Management of Built Heritage 2. Heritage Services to the Community

Division 44 Planning, Lands and Heritage

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 85 Net amount appropriated to deliver services	90,044	114,730	114,559	105,455	100,512	95,460	93,686
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975.....	399	401	401	404	407	410	414
Total appropriations provided to deliver services	90,443	115,131	114,960	105,859	100,919	95,870	94,100
CAPITAL							
Item 147 Capital Appropriation	3,495	9,891	7,852	2,373	2,156	2,160	2,165
TOTAL APPROPRIATIONS	93,938	125,022	122,812	108,232	103,075	98,030	96,265
EXPENSES							
Total Cost of Services	177,576	200,507	188,398	208,016	195,418	180,152	174,444
Net Cost of Services (a) (b)	167,356	192,641	178,141	194,913	180,915	165,642	159,926
CASH ASSETS (c)	47,538	31,201	54,852	34,201	29,553	28,604	27,496

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(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 Department's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitment					
Mirraboopa Bushlands/Bush Forever Feasibility Study	-	100	-	-	-
New Initiatives					
Aboriginal Cultural Heritage Bill	-	250	-	-	-
Action Plan for Planning Reform - Phase Two	-	1,300	618	476	479
Facilitation of Key Government Projects.....	-	2,151	1,200	800	500
Fremantle Prison Master Plan Business Case	250	-	-	-	-
METRONET Precincts - High Wycombe and Redcliffe Stations	-	3,096	8,284	-	-
Plan for Our Parks	-	74	-	-	-
Whole-of-Government Regulatory Approvals	185	2,662	2,781	2,201	2,275
Ongoing Initiatives					
Coastal Erosion Hotspots (CoastWA)	-	3,298	2,979	2,569	2,449
Resolution of Native Title in the South West of Western Australia (Settlement)	-	1,580	4,563	3,356	2,836

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Other					
2021-22 Streamlined Budget Process Incentive Funding.....	-	911	-	-	-
Design Review of Significant Developments - Planning and Development Act 2005 (Part 17).....	320	160	-	-	-
State Design Review Panel	-	760	766	772	778
Subdivision Planning Application Processing Expenditure.....	2,305	-	-	-	-
Transfer of Local Jobs Grant Budget to Heritage Council of Western Australia	-	(60)	(60)	(60)	(60)

Significant Issues Impacting the Agency

New Aboriginal Cultural Heritage Legislation

1. The Department is working closely with the Department of the Premier and Cabinet to progress the Aboriginal Cultural Heritage Bill 2021, which establishes a modern approach to protecting Aboriginal cultural heritage in Western Australia that will reset the relationship between land users and Traditional Owners and transform how Aboriginal cultural heritage is identified, managed and conserved. The new legislation will replace the *Aboriginal Heritage Act 1972* to provide modern legislation that presents a transformative, contemporary and respectful vision for the management of Aboriginal cultural heritage in Western Australia.

Aboriginal Lands Trust Divestment

2. In 2021-22, the Government will continue to facilitate the transfer of Aboriginal Lands Trust land and infrastructure assets to Aboriginal custodians. This will foster increased economic opportunities which are critical to the sustainability of Aboriginal communities in regional and remote Western Australia and includes projects in the Kimberley, Pilbara and Wheatbelt regions.

State Significant Indigenous Land Use Agreements

3. The Department is working closely with the Department of the Premier and Cabinet on multiple State significant Indigenous Land Use Agreements (ILUA) including the South West Native Title Settlement, Yamatji Nation ILUA, and Kariyarra and State ILUA. The agreements aim to resolve Native Title matters and provide Aboriginal people with long-term benefits and opportunities for economic, social and cultural outcomes.

Preserving our Aboriginal Sites Grant Program

4. The Department supports the protection and preservation of registered Aboriginal sites, including protected areas, through the Aboriginal Sites Grant Program.

Fremantle Prison

5. The Department manages, conserves and operates the World Heritage listed Fremantle Prison to ensure the economic sustainability of this important historic tourism asset. The Department is progressing conservation works at the Fremantle Prison, including works at the Parade Ground site and Main Cell Block.

Bushfire Mitigation and Planning

6. The Department is supporting the cross-Government response to improve bushfire preparedness and reduce risk across Western Australia. A revised bushfire prone map is being developed alongside the Commonwealth Scientific and Industrial Research Organisation and the Department of Fire and Emergency Services, in line with State Planning Policy 3.7 - Planning in Bushfire Prone Areas. The Department, through the Bushfire Mitigation Activity Fund, will continue to treat priority bushfire and other risks on unallocated Crown land, unmanaged Crown reserves and Crown reserves under the care of eligible local government authorities.

Swan Valley Planning Review - Implementation Program

7. The *Swan Valley Planning Act 2020* (the Act) received Royal Assent on 9 December 2020 and will replace the former *Swan Valley Planning Act 1995*. The Act delivers on the Government's election commitment to guide new development within the Swan Valley while retaining its unique character. In 2021-22, the Department will continue to implement other initiatives of the Swan Valley Action Plan and the Swan Valley planning regulations, to support the recently gazetted Swan Valley Planning Scheme No. 1.

Carbon Farming on Crown Land

8. The Department is supporting opportunities offered by carbon farming on the Crown land estate. These projects support the State's efforts to mitigate climate change.

COVID-19 Response

9. The Department is committed to the ongoing delivery of key measures to support the State's economic recovery from COVID-19 including:
 - 9.1. maintenance and infrastructure upgrades in remote Aboriginal communities;
 - 9.2. conservation works at Fremantle Prison and Roebourne Gaol;
 - 9.3. conservation works at Parry Street Precinct (on behalf of the Heritage Council of Western Australia);
 - 9.4. conservation works at Ascot Kilns (on behalf of the Western Australian Planning Commission); and
 - 9.5. continued support to the management of the Aboriginal Lands Trust estate and to cover costs relating to the first stage of an Economic Transformation Project in Bidjadanga.

Planning Reform

10. The Department, along with the Western Australian Planning Commission, is committed to the continued implementation of the Action Plan for Planning Reform to support economic recovery from COVID-19.

Perth City Deal

11. The Department is assisting in the implementation of a number of Perth City Deal projects including:
 - 11.1. development of inner-city campuses for Edith Cowan, Murdoch and Curtin Universities to improve vibrancy in the city centre and stimulate the retail economy;
 - 11.2. redevelopment of the Perth Concert Hall to increase arts and culture offerings and contribute to Perth's arts and tourism sectors; and
 - 11.3. community engagement and preliminary design work for an Aboriginal Cultural Centre to celebrate Western Australia's rich Aboriginal culture and history.

Heritage Assessment and Registration

12. The Heritage Council of Western Australia has requested the Department focus on the assessment and registration of several iconic heritage places that tell the story of Western Australia.

CoastWA

13. The Government has approved an expansion of the Western Australian Planning Commission's coastal planning and management program, which will be delivered in partnership with the Department of Transport. The Department, on behalf of the Western Australian Planning Commission, will implement a strategic response to the growing impact of coastal hazards over five years from 2021-22. As a result, the coast of Western Australia will be planned for, managed and protected from the impacts of coastal hazards to ensure sustainable land use and development on the coast for the long term.

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 Department's services, the desired outcomes and the relevant Government Goal. 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
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	An effective planning system that supports the development of communities in Western Australia.	1. Planning Services
	An effective system for the administration of Crown land and the Aboriginal Lands Trust estate.	2. Land Administration Services
	An effective system for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations.	3. Historical Heritage Services 4. Aboriginal Heritage Management

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Planning Services.....	97,160	97,512	98,066	105,731	107,046	97,664	98,244
2. Land Administration Services.....	58,525	78,595	66,076	76,249	66,041	61,242	54,753
3. Historical Heritage Services.....	13,412	14,525	15,222	15,483	13,170	12,912	13,022
4. Aboriginal Heritage Management	8,479	9,875	9,034	10,553	9,161	8,334	8,425
Total Cost of Services.....	177,576	200,507	188,398	208,016	195,418	180,152	174,444

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: An effective planning system that supports the development of communities in Western Australia:					
Percentage of applications determined within statutory timeframes.....	91%	85%	88%	85%	
Percentage of finalised appeals (excluding Development Assessment Panels) that are not upheld on review by the State Administrative Tribunal.....	96%	95%	95%	95%	
Percentage of Local Planning Scheme amendments processed by the Department under delegated authority and submitted to the Minister within the statutory timeframe (Basic 42 days, Standard 60 days, Complex 90 days).....	71%	60%	81%	85%	1
Percentage of Development Assessment Panel applications determined within the statutory timeframe.....	65%	75%	76%	75%	
Outcome: An effective system for the administration of Crown land and the Aboriginal Lands Trust estate:					
Percentage of land tenure change and interest documents validly lodged with the Western Australian Land Information Authority (Landgate).....	99%	97%	99%	97%	
Number of leases or divestments of Aboriginal Lands Trust estate land to direct Aboriginal control	16	10	14	10	2
Outcome: An effective system for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations:					
Percentage of visitors to Fremantle prison satisfied with services provided by the Department	96%	93%	98%	95%	
Percentage of statutory approvals delivered to the Aboriginal Cultural Material Committee within set timeframes	93%	90%	68%	90%	3
Percentage of development / planning referrals processed within set timeframes	96%	90%	94%	90%	
Percentage of nominations progressed to preliminary review within set timeframes	90%	90%	92%	90%	

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

Explanation of Significant Movements**(Notes)**

1. The variance between the 2020-21 Budget and the 2020-21 Estimated Actual is due to continued efforts by the Department to better manage local planning scheme amendments within the statutory timeframe, or within a longer period when extended timeframes are approved by the Minister for Planning.
2. The variance between the 2020-21 Budget and the 2020-21 Estimated Actual is due to the finalisation of divestment processes commenced in the previous year. Ongoing engagement with Native Title holders, leaseholders and other Aboriginal stakeholders over the last few years allowed the Department to exceed the target of 10, with 14 properties approved for divestment or leasing in 2020-21. These properties are located across four regions: East Kimberley, West Kimberley, Goldfields and the Gascoyne.
3. The variance between the 2020-21 Budget and the 2020-21 Estimated Actual is mainly due to items tabled in February 2021 instead of January 2021 as there was no January meeting, and the delay of the June 2021 meeting on two occasions due to the unavailability of committee members.

Services and Key Efficiency Indicators

1. Planning Services

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 of Growing Our Communities by:

- ensuring flexibility to meet the demands of a changing economy and market environments;
- maximising the use of existing infrastructure;
- ensuring that sufficient land is available for purchase for residential, commercial and 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 Western Australian Planning Commission to enable:
 - other 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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 97,160	\$'000 97,512	\$'000 98,066	\$'000 105,731	
Less Income ^(a)	2,383	2,420	2,420	2,389	
Net Cost of Service	94,777	95,092	95,646	103,342	
Employees (Full-Time Equivalents)	461	481	488	492	
Efficiency Indicators					
Average cost of planning services	\$18,698.58	\$18,674.97	\$13,378.30	\$16,224.85	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The Average cost of planning services has decreased between the 2020-21 Budget and the 2020-21 Estimated Actual due to a higher number of planning services delivered in 2020-21. The increase in volume has been driven by the Commonwealth Government's HomeBuilder Grant and the State's Building Bonus as part of the COVID-19 response. The increase in the 2021-22 Budget Target relative to the 2020-21 Estimated Actual is due to the forecast number of services returning to normalised levels following conclusion of the COVID-19 response measures noted above.

2. Land Administration Services

Land Administration Services contributes to the Government's goal of Growing Our Communities by:

- administering Crown land to ensure that land is being utilised to its full value and potential;
- unlocking the land potential for the State;
- managing the risk of Crown land, including managed and unmanaged Crown land;
- delivering primary land tenure for strategic infrastructure projects;
- ensuring 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;
- administering 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 benefit of Western Australia; and
- supporting the Aboriginal Lands Trust, Aboriginal people, the Minister for Aboriginal Affairs, Government and key stakeholders in relation to the management of the Aboriginal Lands Trust estate by:
 - processing land access approvals;
 - assisting with operational management and development of land;
 - managing strategic initiatives in accordance with the Aboriginal Land Trust Strategic Plan; and
 - facilitating the transfer of land to the Aboriginal people.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	58,525	78,595	66,076	76,249	1
Less Income ^(a)	4,455	4,567	4,524	8,177	2
Net Cost of Service	54,070	74,028	61,552	68,072	
Employees (Full-Time Equivalents)	220	246	242	273	3
Efficiency Indicators					
Average cost per square kilometre to administer Crown land and Aboriginal Lands Trust Estate.....	\$21.05	\$25.54	\$24.21	\$27.91	4

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service between the 2020-21 Budget and the 2020-21 Estimated Actual is largely due to the deferral of expenditure for various projects, including the Remote Aboriginal Communities - Economic Transformation (\$4 million), South West Native Title Settlement and Yamatji Nation ILUA (\$2.6 million), Wittenoom Townsite Closure (\$2.8 million) and the Northampton Lead Tailings Project (\$2.2 million). The increase in the Total Cost of Service between the 2020-21 Estimated Actual and the 2021-22 Budget Target is primarily due to an increase in expenditure relative to 2020-21 to deliver the South West Native Title Settlement and Yamatji Nation ILUA (\$5.9 million) and the deferral of expenditure from 2020-21 to 2021-22 for the Wittenoom Townsite Closure (\$2.8 million).
2. The increase in Income between the 2020-21 Estimated Actual and the 2021-22 Budget Target can mainly be attributed to the final phase of pastoral lease rent increases resulting from the last review in 2019.
3. The increase in Employees between the 2020-21 Estimated Actual and the 2021-22 Budget Target is due to an increase in full-time equivalents to meet growing demand for land use management actions and to implement the South West Native Title Settlement.
4. The increase in Average cost per square kilometre to administer Crown land and the Aboriginal Lands Trust Estate between the 2020-21 Estimated Actual and the 2021-22 Budget Target is due to an increase in expenditure as detailed in Note 1 above.

3. Historical Heritage Services

The Department manages historic heritage conservation on behalf of the Minister for Heritage and the Heritage Council of Western Australia. This service includes the assessment of places and precincts; registration of heritage places; development and planning referrals; Heritage Agreements; conservation and protection orders, heritage grants and awards. This service aims to:

- conserve and interpret the applicable world, national, State and local heritage values of places under management (including 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; and
- promote heritage success stories and engagement with the State's heritage through media, publications, tourism and interpretation.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 13,412	\$'000 14,525	\$'000 15,222	\$'000 15,483	
Less Income ^(a)	3,332	799	3,233	2,457	1
Net Cost of Service	10,080	13,726	11,989	13,026	
Employees (Full-Time Equivalents)	60	62	61	62	
Efficiency Indicators					
Average cost of historical heritage services	\$4,434.86	\$5,128.10	\$5,430.01	\$5,620.66	
Average cost per visitor to Fremantle Prison	\$47.62	\$73.56	\$74.69	\$76.03	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase in Income between the 2020-21 Budget and the 2020-21 Estimated Actual is largely due to the once-off receipt of funding from the Commonwealth Government for conservation works at Fremantle Prison (\$1.6 million). Whilst revenue collected at the Fremantle Prison from ticketing and sales continued to be low due to COVID-19 restrictions and the 2020-21 Budget was decreased accordingly, an improvement of \$0.8 million in revenue collected during 2020-21 has further contributed towards the variance. Revenue projections at the Fremantle Prison in the 2021-22 Budget Target are expected to remain impacted by COVID-19 related restrictions.

4. Aboriginal Heritage Management

The Aboriginal Heritage Management contributes to the Government's goal of Growing Our Communities by:

- supporting the Aboriginal Cultural Material Committee;
- providing advice on matters relating to Aboriginal heritage;
- processing statutory approvals and administering the heritage sites register; and
- conducting site assessments, repatriations and audits.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 8,479	\$'000 9,875	\$'000 9,034	\$'000 10,553	1
Less Income ^(a)	50	80	80	80	
Net Cost of Service	8,429	9,795	8,954	10,473	
Employees (Full-Time Equivalents)	43	49	50	58	2
Efficiency Indicators					
Average cost of Aboriginal Heritage Management services	\$4,142.46	\$4,007.01	\$3,466.19	\$3,339.86	3

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service between the 2020-21 Budget and 2020-21 Estimated Actual is largely due to the delays in expenditure relating to the heritage components of the South West Native Title Settlement and Yamatji Nation ILUA (\$0.9 million). The increase in the Total Cost of Service between the 2020-21 Estimated Actual and the 2021-22 Budget Target is largely due to the increase in expenditure to deliver the heritage components of the South West Native Title Settlement and Yamatji Nation ILUA (\$1.1 million) and to meet growing demand for Aboriginal heritage related applications (\$0.6 million).
2. The increase in Employees between the 2020-21 Estimated Actual and the 2021-22 Budget Target is required to support the work identified in Note 1 above.
3. The Average cost of Aboriginal Heritage Management services has reduced between the 2020-21 Budget and 2020-21 Estimated Actual due to delays in expenditure relating to the South West Native Title Settlement and Yamatji Nation ILUA. The 2021-22 Budget Target is lower relative to the 2020-21 Budget mainly due to an estimated increase in Aboriginal Heritage Management services volumes in 2021-22, thereby bringing the per unit cost down.

Asset Investment Program

1. The Department's Asset Investment Program (AIP) for 2021-22 is \$8.5 million and is comprised primarily of accommodation, asset replacement, information and communications technology (ICT) projects and heritage conservation works.
2. The AIP will fund a range of process improvements and works which broadly include:
 - 2.1. The Asset Replacement program will continue to ensure that back office corporate systems are supported. As part of aligning with the Government's ICT strategy, the Department is moving away from owning ICT infrastructure and adopting cloud-based services, shifting the requirement for capital funding towards operating expenditure.
 - 2.2. The introduction of the *Strata Titles Amendment Act 2018* and the *Community Titles Act 2018* requires changes to the Department's business processes and systems to support and implement the reforms and new application types.
 - 2.3. The restoration works at Fremantle Prison have commenced to address a back log of priority works to minimise the risk of further dilapidation and ensure the prison continues to function as a renowned State-owned world heritage-listed asset.

COVID-19 Response

3. The Department will complete the system upgrade to support the State Development Assessment pathway, implemented as part of the amendments to the *Planning and Development Act 2005*.
4. Funding has been allocated to assist in conservation works at the Fremantle Prison.
5. Funding for the Roebourne Gaol Conservation will be spent on the fit-out and conservation of the gaoler's quarters.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Amendments to the Planning and Development Act 2005....	500	104	104	396	-	-	-
Fremantle Prison Priority Conservation	1,454	744	744	710	-	-	-
Other Works in Progress							
Accommodation Refurbishment and Sustainability							
Initiatives.....	7,073	4,644	120	823	389	399	399
Fremantle Prison Priority Conservation	4,547	2,390	583	2,157	-	-	-
ICT Projects							
Asset Replacement - ICT.....	19,182	17,037	278	777	341	231	231
ICT Infrastructure.....	32,909	24,532	231	2,577	1,100	1,200	1,200
Strata Titles (and Community) Reform Implementation....	600	84	35	516	-	-	-
COMPLETED WORKS							
Acquisition of Belmont Squash Centre	2,000	2,000	2,000	-	-	-	-
Asset Acquisition of State Significance	1,450	1,450	1,450	-	-	-	-
NEW WORKS							
COVID-19 Response							
Roebourne Gaol Conservation	580	-	-	580	-	-	-
Total Cost of Asset Investment Program	70,295	52,985	5,545	8,536	1,830	1,830	1,830
FUNDED BY							
Capital Appropriation.....			7,482	2,047	1,830	1,830	1,830
Drawdowns from the Holding Account			562	-	-	-	-
Internal Funds and Balances.....			(2,499)	6,489	-	-	-
Total Funding.....			5,545	8,536	1,830	1,830	1,830

Financial Statements

Income Statement

Expenses

1. The increase in Total Cost of Services of \$19.6 million between the 2020-21 Estimated Actual and the 2021-22 Budget Estimate is mainly due to delays in program expenditure together with additional expenditure for various programs such as the Yamatji Nation ILUA implementation (\$5.1 million), Remote Aboriginal Communities - Economic Transformation Project (\$4.2 million), Coastal Erosion Hotspots (CoastWA) program (\$3.3 million), the METRONET Precincts - High Wycombe and Redcliffe Stations (\$3.1 million), South West Native Title Settlement (\$1.8 million) and additional resources to meet growing demand for land use management actions and to assist with Aboriginal heritage-related applications (\$2.5 million).

Income

2. The increased Total Income between the 2020-21 Estimated Actual and the 2021-22 Budget Estimate of \$2.8 million can mainly be attributed to the final phase of pastoral lease rent increases resulting from the last review in 2019, and a slight forecast improvement in Fremantle Prison revenue in 2021-22 relative to 2020-21. The 2021-22 Fremantle Prison revenue still reflects subdued levels as visitor numbers continue to be adversely affected by COVID-19 restrictions.

Statement of Financial Position

3. The \$21.1 million decrease in Cash Assets from the 2020-21 Estimated Actual to the 2021-22 Budget Estimate is mainly due to the deferral of budgeted payments from 2020-21 to 2021-22.

Statement of Cashflows

4. The decrease in Net cash from operating activities of \$16.8 million between the 2020-21 Estimated Actual and the 2021-22 Budget Estimate is mainly due to increased expenditure of \$19.6 million offset by a corresponding increase in revenue of \$2.8 million as detailed in the Income Statement commentary above.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	93,991	97,407	96,872	101,401	97,358	95,053	96,488
Grants and subsidies ^(c)	11,641	14,440	12,279	16,634	14,043	12,125	6,432
Supplies and services	37,510	53,623	45,401	63,106	54,904	44,833	43,639
Accommodation	11,413	10,242	10,136	10,337	10,451	10,463	10,579
Depreciation and amortisation	4,046	4,923	4,883	4,837	4,830	4,829	4,828
Finance and interest costs	16	45	20	29	32	28	22
Other expenses	18,959	19,827	18,807	11,672	13,800	12,821	12,456
TOTAL COST OF SERVICES	177,576	200,507	188,398	208,016	195,418	180,152	174,444
Income							
Sale of goods and services	3,618	755	1,589	2,380	3,772	3,772	3,772
Regulatory fees and fines	2,019	2,665	2,665	2,717	2,717	2,717	2,717
Grants and subsidies	746	300	1,857	126	126	126	126
Other revenue	3,837	4,146	4,146	7,880	7,888	7,895	7,903
Total Income	10,220	7,866	10,257	13,103	14,503	14,510	14,518
NET COST OF SERVICES ^(d)	167,356	192,641	178,141	194,913	180,915	165,642	159,926
INCOME FROM STATE GOVERNMENT							
Service appropriations	90,443	115,131	114,960	105,859	100,919	95,870	94,100
Resources received free of charge	9,824	11,245	11,245	11,245	11,245	11,245	11,245
Royalties for Regions Fund:							
Regional Community Services Fund	6,486	4,489	4,489	5,942	5,842	5,842	2,092
Regional Infrastructure and Headworks Fund	-	300	-	300	-	-	-
Other revenues	45,191	46,843	51,663	56,311	57,647	51,122	50,767
TOTAL INCOME FROM STATE GOVERNMENT	151,944	178,008	182,357	179,657	175,653	164,079	158,204
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(15,412)	(14,633)	4,216	(15,256)	(5,262)	(1,563)	(1,722)

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 784, 841 and 885 respectively.

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

(d) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Aboriginal Heritage Grants	248	250	250	250	250	250	250
Aboriginal Lands Trust Estate	2,997	3,390	3,390	3,538	3,567	2,064	2,064
Anketell Port and Strategic Industrial Area							
Compensation for Lands Acquisition	52	1,818	1,818	1,818	1,818	1,818	-
Bushfire Risk Management Planning	5,383	3,750	3,750	3,750	3,750	3,750	-
Coastal Erosion Hotspots (CoastWA)	566	952	716	3,413	3,088	2,673	2,548
Cossack Townsite	189	120	120	120	120	120	120
Finalising Closure of Wittenoom Townsite.....	-	1,325	-	1,325	-	-	-
Fire Risk Management Contribution	500	450	450	450	450	450	450
Kariyarra Indigenous Land Use Agreement.....	-	100	100	100	-	-	-
Local Government and Tourism	-	60	60	-	-	-	-
Management of Araluen Botanic Park.....	1,050	1,000	1,000	1,000	1,000	1,000	1,000
METRONET Precincts - High Wycombe and							
Redcliffe Stations.....	-	-	-	300	-	-	-
Mirrabooka Bushland/Bush Forever							
(Feasibility)	-	-	-	100	-	-	-
Other	337	125	125	-	-	-	-
Planning and Transport Research Centre.....	220	-	-	-	-	-	-
Restoration of Heritage Assets.....	-	1,100	500	470	-	-	-
Shire of York Earthquake Mitigation	99	-	-	-	-	-	-
TOTAL	11,641	14,440	12,279	16,634	14,043	12,125	6,432

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	41,918	26,669	50,320	29,269	24,221	23,272	22,164
Restricted cash.....	4,365	3,032	3,032	3,032	3,032	3,032	3,032
Holding account receivables.....	562	562	562	-	-	-	-
Receivables.....	6,105	6,113	6,112	6,100	6,088	6,088	6,088
Other.....	2,118	2,118	2,118	2,118	2,118	2,118	2,118
Total current assets.....	55,068	38,494	62,144	40,519	35,459	34,510	33,402
NON-CURRENT ASSETS							
Holding account receivables.....	36,176	41,032	40,992	46,391	51,701	57,010	62,318
Property, plant and equipment.....	335,674	340,172	332,751	340,248	338,455	336,549	333,894
Intangibles.....	5,467	5,798	5,798	2,341	1,384	427	427
Restricted cash.....	1,255	1,500	1,500	1,900	2,300	2,300	2,300
Total non-current assets.....	378,572	388,502	381,041	390,880	393,840	396,286	398,939
TOTAL ASSETS	433,640	426,996	443,185	431,399	429,299	430,796	432,341
CURRENT LIABILITIES							
Employee provisions.....	18,827	19,264	19,433	20,515	21,597	22,680	23,763
Payables.....	69	69	69	69	69	69	69
Borrowings and leases.....	319	319	293	317	301	315	260
Other.....	4,267	4,436	4,247	4,247	4,247	4,258	4,269
Total current liabilities.....	23,482	24,088	24,042	25,148	26,214	27,322	28,361
NON-CURRENT LIABILITIES							
Employee provisions.....	3,445	3,940	3,940	3,940	3,940	3,940	3,940
Borrowings and leases.....	900	1,057	484	475	416	209	270
Total non-current liabilities.....	4,345	4,997	4,424	4,415	4,356	4,149	4,210
TOTAL LIABILITIES	27,827	29,085	28,466	29,563	30,570	31,471	32,571
EQUITY							
Contributed equity.....	228,118	234,847	232,808	235,181	237,337	239,497	241,662
Accumulated surplus/(deficit).....	(20,013)	(34,643)	(15,797)	(31,053)	(36,315)	(37,878)	(39,600)
Reserves.....	197,708	197,707	197,708	197,708	197,707	197,706	197,708
Total equity.....	405,813	397,911	414,719	401,836	398,729	399,325	399,770
TOTAL LIABILITIES AND EQUITY	433,640	426,996	443,185	431,399	429,299	430,796	432,341

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	84,736	109,713	109,582	101,022	95,609	90,561	88,792
Capital appropriation	3,495	9,891	7,852	2,373	2,156	2,160	2,165
Holding account drawdowns	562	562	562	-	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund	6,486	4,489	4,489	5,942	5,842	5,842	2,092
Regional Infrastructure and Headworks Fund	-	300	-	300	-	-	-
Other	44,223	46,843	51,663	56,311	57,647	51,122	50,767
Net cash provided by State Government	139,502	171,798	174,148	165,948	161,254	149,685	143,816
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(90,822)	(96,379)	(95,844)	(100,373)	(96,330)	(94,025)	(95,460)
Grants and subsidies	(11,663)	(14,440)	(12,279)	(16,634)	(14,043)	(12,125)	(6,432)
Supplies and services	(29,846)	(42,959)	(34,737)	(52,441)	(44,239)	(34,168)	(32,974)
Accommodation	(11,413)	(9,644)	(9,538)	(9,740)	(9,854)	(9,866)	(9,982)
GST payments	(6,353)	(6,240)	(6,240)	(6,240)	(6,240)	(6,240)	(6,240)
Finance and interest costs	(16)	(45)	(20)	(29)	(32)	(28)	(22)
Other payments	(17,985)	(19,779)	(18,759)	(11,624)	(13,752)	(12,773)	(12,408)
Receipts ^(c)							
Regulatory fees and fines	2,019	2,665	2,665	2,717	2,717	2,717	2,717
Grants and subsidies	746	300	1,857	126	126	126	126
Sale of goods and services	3,618	1,608	2,442	3,233	4,625	4,625	4,625
GST receipts	7,123	6,233	6,233	6,233	6,233	6,233	6,233
Other receipts	4,153	3,301	3,301	7,035	7,043	7,050	7,058
Net cash from operating activities	(150,439)	(175,379)	(160,919)	(177,737)	(163,746)	(148,474)	(142,759)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(3,504)	(12,347)	(5,545)	(8,536)	(1,830)	(1,830)	(1,830)
Net cash from investing activities	(3,504)	(12,347)	(5,545)	(8,536)	(1,830)	(1,830)	(1,830)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases	(413)	(409)	(370)	(326)	(326)	(330)	(335)
Net cash from financing activities	(413)	(409)	(370)	(326)	(326)	(330)	(335)
NET INCREASE/(DECREASE) IN CASH HELD	(14,854)	(16,337)	7,314	(20,651)	(4,648)	(949)	(1,108)
Cash assets at the beginning of the reporting period	63,122	47,538	47,538	54,852	34,201	29,553	28,604
Net cash transferred to/from other agencies	(730)	-	-	-	-	-	-
Cash assets at the end of the reporting period	47,538	31,201	54,852	34,201	29,553	28,604	27,496

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(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.

NET APPROPRIATION DETERMINATION

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Regulatory Fees and Fines							
Development Application Panel Fees	1,480	1,585	1,585	1,599	1,599	1,599	1,599
Regulatory Fees and Fines	539	1,080	1,080	1,118	1,118	1,118	1,118
Grants and Subsidies							
Grants and Subsidies	2,217	300	1,857	1,001	5,591	126	126
Sale of Goods and Services							
Sale of Goods and Services	3,618	1,908	2,742	3,533	4,925	4,925	4,925
Service Delivery Agreement							
Receipts from Service Delivery Agreement ...	42,701	45,780	50,526	50,336	48,889	48,365	48,301
GST Receipts							
GST Receipts	7,123	6,233	6,233	6,233	6,233	6,233	6,233
Other Receipts							
Other Receipts	868	787	1,210	5,152	3,353	2,824	2,541
Pastoral Leases	3,336	3,277	2,928	6,683	6,683	6,683	6,683
TOTAL	61,882	60,950	68,161	75,655	78,391	71,873	71,526

DETAILS OF ADMINISTERED TRANSACTIONS

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
INCOME							
Other							
Administered Grants and Transfer							
Payments	243	8,763	8,763	-	-	-	-
Net Assets Transferred in	185,214	10,644	92,767	19,550	-	-	-
Other Revenue	1,738	1,569	6,950	1,569	1,569	1,569	1,569
Rent Revenue	20,612	16,891	16,891	18,609	18,609	18,609	18,609
Sale of Land	8,601	31,275	31,275	33,000	24,000	23,000	15,000
TOTAL ADMINISTERED INCOME	216,408	69,142	156,646	72,728	44,178	43,178	35,178
EXPENSES							
Other							
Employee Expenses	436	965	965	965	965	965	965
Net Assets Transferred Out	52,437	3,013	89,076	19,550	-	-	-
Other Expenses	44,388	13,362	15,774	4,844	4,356	4,356	4,356
Payments to Consolidated Account	31,482	46,294	46,294	49,737	40,737	39,737	31,737
Revaluation Decrement	3,906	-	-	-	-	-	-
TOTAL ADMINISTERED EXPENSES	132,649	63,634	152,109	75,096	46,058	45,058	37,058

Agency Special Purpose Account Details**DAMPIER TO BUNBURY NATURAL GAS PIPELINE CORRIDOR SPECIAL PURPOSE ACCOUNT**

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.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	25,282	25,765	25,765	23,567
Receipts:				
Other	1,678	1,556	1,556	1,556
	26,960	27,321	27,321	25,123
Payments	1,195	5,809	3,754	3,754
CLOSING BALANCE	25,765	21,512	23,567	21,369

Division 45 Western Australian Planning Commission

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 86 Net amount appropriated to deliver services	5,904	28,350	5,850	25,259	11,468	10,577	10,222
Amount Authorised by Other Statutes - Metropolitan Region Improvement Tax Act 1959	87,706	86,769	84,744	83,897	83,880	84,462	85,896
Total appropriations provided to deliver services	93,610	115,119	90,594	109,156	95,348	95,039	96,118
CAPITAL							
Item 148 Capital Appropriation	5,400	5,400	5,400	5,400	5,400	5,400	5,400
TOTAL APPROPRIATIONS	99,010	120,519	95,994	114,556	100,748	100,439	101,518
EXPENSES							
Total Cost of Services	126,297	50,579	62,101	79,039	56,272	55,212	54,857
Net Cost of Services ^{(a) (b)}	102,218	27,255	34,031	53,968	32,385	31,325	30,970
CASH ASSETS ^(c)	449,210	392,350	461,746	392,107	391,154	423,517	457,314

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(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 Commission's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
New Initiatives					
Action Plan for Planning Reform - Phase Two	-	1,300	618	476	479
Facilitation of Key Government Projects	-	2,151	1,200	800	500
Public Infrastructure Initiative	-	11,900	-	-	-
Ongoing Initiative					
Coastal Erosion Hotspots (CoastWA)	-	3,298	2,979	2,569	2,449
Other					
2021-22 Tariffs, Fees and Charges	-	58	58	58	58
Land Acquisition Compensation Payments	5,944	7,793	-	-	-
Recognition of Significant Development Assessment Fees - Planning and Development Act 2005 (Part 17)	2,441	1,184	-	-	-
State Design Review Panel	-	760	766	772	778
Subdivision Planning Application Processing Expenditure	2,305	-	-	-	-

Significant Issues Impacting the Agency

State Design Review Panel

1. The State Design Review Panel, chaired by the Government Architect, continues to assist decision-makers and proponents with advice on major and strategic projects, including providing advice to projects being assessed through the Significant Development Assessment pathway. Collaboration across disciplines, particularly by architects and planners, has been a feature of review sessions and brought a comprehensive skillset to the complex challenges of the built environment.

METRONET

2. The Department of Planning, Lands and Heritage (DPLH), on behalf of the Commission, is supporting the work being undertaken to deliver METRONET by providing planning expertise and advice in relation to land-use planning around proposed and existing station precincts. This work and the associated policies will support the growth of these precincts to drive development.

Land Acquisition

3. The Commission will continue its strategic land acquisition program, including the prioritisation of outstanding Bush Forever sites still in private ownership and land assembly for transport infrastructure.

COVID-19 Response

4. DPLH, on behalf of the Commission, will continue to perform a key role in the State's economic recovery from COVID-19 through initiatives to simplify the planning system, remove barriers to development, create and protect jobs and support businesses, including:
 - 4.1. implementation of the Action Plan for Planning Reform;
 - 4.2. delivery of infrastructure stimulus projects including the restoration of the heritage-listed Ascot Kilns;
 - 4.3. public infrastructure works, with scope for the construction of roads, public works and community infrastructure;
 - 4.4. provision of planning advice to assist the delivery and implementation of measures being led across the State; and
 - 4.5. continuing to undertake a key statutory planning and decision-making role through the Commission's statutory boards and committees.

Coastal Erosion Hotspots (CoastWA)

5. The Government has approved an expansion of the Commission's existing coastal planning and management program, which will be delivered in partnership with the Department of Transport. DPLH, on behalf of the Commission, will implement a strategic response to the growing impacts of coastal hazards over five years from 2021-22. As a result, the coast of Western Australia will be planned for, managed and protected from the impacts of coastal hazards to ensure sustainable land use and development on the coast for the long term.

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 Commission's services, the desired outcomes and the relevant Government Goal. 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
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	An efficient and effective planning system that promotes use and development of land in Western Australia.	1. Statutory Planning 2. Strategic Planning 3. Asset Management

Service Summary

Expense	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Statutory Planning	15,764	17,860	22,606	20,432	19,317	19,181	19,190
2. Strategic Planning	5,328	7,218	7,218	25,288	11,397	10,587	10,167
3. Asset Management.....	105,205	25,501	32,277	33,319	25,558	25,444	25,500
Total Cost of Services.....	126,297	50,579	62,101	79,039	56,272	55,212	54,857

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: An efficient and effective planning system that promotes 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.....	44%	45%	45%	45%	
800 metres.....	35%	36%	35%	36%	
The proportion of residential land that is zoned R40 and above that is within 400 metres of a major regional centre	65%	67%	66%	67%	
The percentage of subdivision applications determined within the statutory timeframe.....	88%	80%	84%	85%	
The percentage of development applications determined within the statutory timeframe.....	81%	70%	72%	85%	1
Vacancy rate of residential properties available for rent.....	4%	5%	2%	5%	
Vacancy rate of commercial properties available for rent.....	7%	5%	9%	5%	

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

Explanation of Significant Movements

(Notes)

1. The 2021-22 Budget Target has been increased to 85% as compared to 2020-21 Budget of 70% to reflect the average 81% achieved in 2018-19 and 2019-20 and continued effort by the Commission to improve the management of applications within the statutory timeframes. The lower percentage in 2020-21 Estimated Actual as compared to the 2019-20 Actual is due to resources redirected towards the processing of increased subdivision applications received during the 2020-21 year.

Services and Key Efficiency Indicators

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 15,764	\$'000 17,860	\$'000 22,606	\$'000 20,432	1
Less Income ^(a)	11,508	13,348	18,094	14,590	1
Net Cost of Service	4,256	4,512	4,512	5,842	
Efficiency Indicators					
Average cost per statutory application	\$3,494	\$3,942	\$3,409	\$3,667	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. DPLH incurs all costs related to the statutory planning application approval process, which is in part funded by fees received by the Commission. To facilitate this funding regime, the Commission records the funds transferred to the Department within the Total Cost of Service.

The COVID-19 Response measures, including the State Government's Building Bonus, the Commonwealth Government's HomeBuilder grant, and the implementation of the temporary Significant Development Assessment pathway, resulted in an increased number of statutory planning applications and income collected from associated fees (\$4.7 million) in the 2020-21 Estimated Actual as compared to the 2020-21 Budget. By extension, expenditure incurred by the Commission for the transfer of these funds to DPLH resulted in an increase in Total Cost of Service between the 2020-21 Budget and the 2020-21 Estimated Actual.

The decrease in income and expenditure between the 2020-21 Estimated Actual and the 2021-22 Budget Target reflects the anticipated normalisation of statutory planning applications in 2021-22 following conclusion of the stimulus measures noted above.

2. The lower Average cost per statutory application between the 2020-21 Budget and the 2020-21 Estimated Actual is due to an increase in the number of statutory planning applications during the financial year.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 5,328	\$'000 7,218	\$'000 7,218	\$'000 25,288	1
Less Income ^(a)	nil	nil	nil	nil	
Net Cost of Service	5,328	7,218	7,218	25,288	
Efficiency Indicators					
Average cost per strategic project	\$303,031	\$449,583	\$449,583	\$1,058,105	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The increase between the 2020-21 Estimated Actual and 2021-22 Budget Target is due to additional funding provided to facilitate public infrastructure works, key strategic Government projects, including the Perth City Deal and various market-led proposals, and expanding the coastal planning and management program through CoastWA.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	105,205	25,501	32,277	33,319	1
Less Income ^(a)	12,571	9,976	9,976	10,481	2
Net Cost of Service	92,634	15,525	22,301	22,838	
Efficiency Indicators					
Average cost of service for the management of Whiteman Park per hectare managed.....	\$2,520	\$2,565	\$2,565	\$2,450	
Average cost of service for the management of residential and commercial properties per property	\$20,632	\$18,874	\$19,116	\$19,626	3
Average cost of service for the management of reserved land (excluding Whiteman Park and residential and commercial properties) per hectare managed.....	\$566	\$419	\$424	\$429	

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The 2019-20 Actual of \$105.2 million included a revaluation decrement of \$47.3 million and impairment losses on land owned of \$27.3 million. The decrement and impairment losses are attributed to changes in land use of Commission-held land to more restrictive purposes, such as parks and recreation, roads, railways and public purposes. The losses relate to year-end adjustments and are not included within the 2021-22 Budget Target.

The increase between the 2020-21 Budget and the 2020-21 Estimated Actual is due to additional expenditure of \$5.9 million to support compensation payments related to the metropolitan land acquisition program and \$832,000 relating to properties demolished and written-off due to safety concerns.

2. The decrease between the 2019-20 Actual and the 2020-21 Estimated Actual is mainly due to lower gains on the sale of surplus assets held by the Commission. Rent relief provided to small businesses and not-for-profit organisations as part of the Government's COVID-19 Response have also contributed to this variance.
3. The decrease in the Average cost of service for the management of residential and commercial properties per property from the 2019-20 Actual to the 2020-21 Estimated Actual is due to lower property rental management and maintenance costs.

Asset Investment Program

1. The Commission's 2021-22 Asset Investment Program (AIP) of \$184.3 million includes the acquisition of land reserved under the Metropolitan, Peel and Greater Bunbury Region Schemes and development of facilities on reserved land. The AIP will fund land acquisitions for transport infrastructure.
2. The cost of the AIP over the Budget and forward estimates period is \$356.4 million.

COVID-19 Response

3. The Commission will spend \$6.3 million over 2021-22 and 2022-23 to restore the heritage-listed Ascot Kilns.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Ascot Kilns Preservation Works	6,349	76	76	638	5,635	-	-
Other Works in Progress							
Buildings/Infrastructure.....	21,524	14,569	1,245	1,730	1,300	1,300	1,300
Election Commitment - Acquisition of Land - Westport Port and Environs Strategy.....	20,000	10,000	10,000	10,000	-	-	-
METRONET - Yanchep Rail Extension	100,000	30,000	-	70,000	-	-	-
Other Minor Equipment	3,762	2,990	151	151	151	151	151
COMPLETED WORKS							
COVID-19 Response							
Whiteman Park Fencing Works	1,150	1,150	1,150	-	-	-	-
Other Completed Works							
Acquisition of Land - 2020-21 Program	75,537	75,537	75,537	-	-	-	-
Regional Land Acquisitions - 2020-21 Program	5,400	5,400	5,400	-	-	-	-
NEW WORKS							
Acquisition of Land							
2021-22 Program.....	96,408	-	-	96,408	-	-	-
2022-23 Program.....	59,100	-	-	-	59,100	-	-
2023-24 Program.....	43,400	-	-	-	-	43,400	-
2024-25 Program.....	43,400	-	-	-	-	-	43,400
Regional Land Acquisitions							
2021-22 Program.....	5,400	-	-	5,400	-	-	-
2022-23 Program.....	5,400	-	-	-	5,400	-	-
2023-24 Program.....	5,400	-	-	-	-	5,400	-
2024-25 Program.....	5,400	-	-	-	-	-	5,400
Total Cost of Asset Investment Program	497,630	139,722	93,559	184,327	71,586	50,251	50,251
FUNDED BY							
Asset Sales			40,000	50,000	5,000	5,000	5,000
Capital Appropriation.....			5,400	5,400	5,400	5,400	5,400
Internal Funds and Balances.....			48,159	128,927	61,186	39,851	39,851
Total Funding.....			93,559	184,327	71,586	50,251	50,251

Financial Statements

Income Statement

Expenses

1. Total Cost of Services for the 2020-21 Estimated Actual is higher than the 2020-21 Budget by \$11.5 million and relates to the transfer (to DPLH) of additional fees collected from statutory planning applications.
2. The higher fee revenue collected can be attributed to the COVID-19 Response programs, including the State Government's Building Bonus and the Commonwealth Government's HomeBuilder grant, and the implementation of the temporary Significant Development Assessment pathway. In addition to this, additional costs of \$5.9 million were incurred to support compensation payments related to the Commission's metropolitan land acquisition program.
3. Total Cost of Services for the 2021-22 Budget Estimate is higher than the 2020-21 Estimated Actual by \$16.9 million. This is mainly due to additional funding provided to DPLH for delivering phase two of the Action Plan for Planning Reform, facilitating public infrastructure works, key strategic Government projects (including the Perth City Deal and various market-led proposals), and continuation of State Design Review Panel function. Furthermore, additional funding has been provided to DPLH to expand the CoastWA coastal planning and management program.

Income

4. Total income for the 2020-21 Estimated Actual is higher than the 2020-21 Budget by \$4.7 million due to an increase in statutory planning application fees as a result of the Commonwealth and State Government's COVID-19 Response programs, and Significant Development Assessment pathway.
5. Other revenue under Income from State Government has increased in the 2020-21 Estimated Actual by \$24.7 million from the 2020-21 Budget following the sale of properties for the Tonkin Highway extension.

Statement of Financial Position

6. The increase in Property, plant and equipment between the 2020-21 Estimated Actual and 2021-22 Budget Estimate and forward estimates is mainly due to land acquisitions to support key Government priorities and transport infrastructure requirements.

Statement of Cashflows

7. The Cash assets at the end of reporting period in the 2020-21 Estimated Actual is higher than the 2020-21 Budget by \$69.4 million and is mainly due to deferral of land acquisitions to 2021-22. Cash balances are expected to reduce to \$392.1 million in the 2021-22 Budget Estimate following an increased AIP.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Grants and subsidies ^(b)	300	300	300	300	300	300	300
Supplies and services	272	563	563	563	563	563	563
Depreciation and amortisation	30,954	3,600	3,600	3,600	3,600	3,600	3,600
Other expenses	94,771	46,116	57,638	74,576	51,809	50,749	50,394
TOTAL COST OF SERVICES	126,297	50,579	62,101	79,039	56,272	55,212	54,857
Income							
Regulatory fees and fines	11,431	13,343	18,089	14,585	13,401	13,401	13,401
Other revenue	12,648	9,981	9,981	10,486	10,486	10,486	10,486
Total Income	24,079	23,324	28,070	25,071	23,887	23,887	23,887
NET COST OF SERVICES ^(c)	102,218	27,255	34,031	53,968	32,385	31,325	30,970
INCOME FROM STATE GOVERNMENT							
Service appropriations	93,610	115,119	90,594	109,156	95,348	95,039	96,118
Resources received free of charge	186	450	450	450	450	450	450
Other revenue	4,454	2,100	26,800	2,900	4,800	7,300	7,300
TOTAL INCOME FROM STATE GOVERNMENT	98,250	117,669	117,844	112,506	100,598	102,789	103,868
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(3,968)	90,414	83,813	58,538	68,213	71,464	72,898

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

(b) Refer to the Details of Controlled Grants and Subsidies table below for further information.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Strategic Transport Evaluation Model	300	300	300	300	300	300	300
TOTAL	300	300	300	300	300	300	300

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CURRENT ASSETS							
Cash assets.....	9,640	11,883	11,883	14,145	16,407	18,670	18,670
Restricted cash.....	439,570	380,467	449,863	377,962	374,747	404,847	438,644
Receivables.....	4,281	4,797	4,251	4,221	4,191	4,161	4,131
Other.....	32,417	32,417	32,417	32,417	32,417	32,417	32,417
Assets held for sale.....	6,886	6,886	6,886	6,886	6,886	6,886	6,886
Total current assets.....	492,794	436,450	505,300	435,631	434,648	466,981	500,748
NON-CURRENT ASSETS							
Holding account receivables.....	6,259	6,639	6,639	7,019	7,399	7,779	8,159
Property, plant and equipment.....	537,843	646,668	614,170	747,397	812,883	857,034	901,185
Intangibles.....	28,917	28,917	28,917	28,917	28,917	28,917	28,917
Other.....	-	22,500	-	-	-	-	-
Total non-current assets.....	573,019	704,724	649,726	783,333	849,199	893,730	938,261
TOTAL ASSETS.....	1,065,813	1,141,174	1,155,026	1,218,964	1,283,847	1,360,711	1,439,009
CURRENT LIABILITIES							
Payables.....	1	1	1	1	1	1	1
Other.....	18,045	19,904	18,045	18,045	18,045	18,045	18,045
Total current liabilities.....	18,046	19,905	18,046	18,046	18,046	18,046	18,046
EQUITY							
Contributed equity.....	(10,228)	(25,828)	(4,828)	572	(2,758)	2,642	8,042
Accumulated surplus/(deficit).....	1,063,032	1,152,460	1,146,845	1,205,383	1,273,596	1,345,060	1,417,958
Reserves.....	43,651	43,325	43,651	43,651	43,651	43,651	43,651
Other.....	(48,688)	(48,688)	(48,688)	(48,688)	(48,688)	(48,688)	(48,688)
Total equity.....	1,047,767	1,121,269	1,136,980	1,200,918	1,265,801	1,342,665	1,420,963
TOTAL LIABILITIES AND EQUITY.....	1,065,813	1,141,174	1,155,026	1,218,964	1,283,847	1,360,711	1,439,009

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	93,230	114,739	90,214	108,776	94,968	94,659	95,738
Capital appropriation	5,400	5,400	5,400	5,400	5,400	5,400	5,400
Other	9,718	37,100	32,100	32,900	4,800	7,300	7,300
Net cash provided by State Government	108,348	157,239	127,714	147,076	105,168	107,359	108,438
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Grants and subsidies	-	(300)	(300)	(300)	(300)	(300)	(300)
Supplies and services	(87)	(113)	(113)	(113)	(113)	(113)	(113)
GST payments	(5,821)	(3,330)	(3,330)	(3,330)	(3,330)	(3,330)	(3,330)
Other payments	(46,244)	(46,086)	(56,776)	(74,546)	(51,779)	(50,719)	(50,364)
Receipts							
Regulatory fees and fines	11,428	13,343	18,089	14,585	13,401	13,401	13,401
GST receipts	6,627	3,330	3,330	3,330	3,330	3,330	3,330
Other receipts	7,067	7,481	7,481	7,986	7,986	7,986	7,986
Net cash from operating activities	(27,030)	(25,675)	(31,619)	(52,388)	(30,805)	(29,745)	(29,390)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(97,057)	(149,924)	(93,559)	(184,327)	(71,586)	(50,251)	(50,251)
Other payments	-	(21,000)	-	-	(8,730)	-	-
Proceeds from sale of non-current assets	11,952	5,000	10,000	20,000	5,000	5,000	5,000
Net cash from investing activities	(85,105)	(165,924)	(83,559)	(164,327)	(75,316)	(45,251)	(45,251)
CASHFLOWS FROM FINANCING ACTIVITIES							
Other payments	-	(22,500)	-	-	-	-	-
Net cash from financing activities	-	(22,500)	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(3,787)	(56,860)	12,536	(69,639)	(953)	32,363	33,797
Cash assets at the beginning of the reporting period	452,997	449,210	449,210	461,746	392,107	391,154	423,517
Cash assets at the end of the reporting period	449,210	392,350	461,746	392,107	391,154	423,517	457,314

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

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.

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Opening Balance	440,107	434,712	434,712	443,433
Receipts:				
Appropriations	87,706	86,769	84,744	83,897
Other	35,028	50,021	48,751	61,294
	562,841	571,502	568,207	588,624
Payments	128,129	194,868	124,774	215,991
CLOSING BALANCE.....	434,712	376,634	443,433	372,633

Division 46 Western Australian Land Information Authority

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 87 Net amount appropriated to deliver services	33,911	32,478	32,186	39,475	55,131	49,192	50,500
Amount Authorised by Other Statutes							
- Transfer of Land Act 1893	-	-	575	-	-	-	-
- Salaries and Allowances Act 1975.....	337	337	337	338	339	340	341
Total appropriations provided to deliver services ^(a)	34,248	32,815	33,098	39,813	55,470	49,532	50,841
CAPITAL							
Item 149 Capital Appropriation	4,396	3,588	2,888	8,420	358	-	-
TOTAL APPROPRIATIONS	38,644	36,403	35,986	48,233	55,828	49,532	50,841
EXPENSES							
Total Cost of Services	112,029	118,553	109,143	120,720	114,958	112,194	114,608
Net Cost of Services ^{(b) (c)}	23,721	49,186	37,928	46,840	27,683	38,327	36,421
CASH ASSETS ^(d)	12,041	18,259	18,543	22,599	28,362	36,659	28,350

- (a) The increase in Total appropriations provided to deliver services from the 2022-23 Forward Estimate reflects the agreed funding arrangement with Government following the partial commercialisation of the Western Australian Land Information Authority (Landgate).
- (b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.
- (c) 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.
- (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 Landgate's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Ongoing Initiative					
Land Services WA Contract Management Requirements	-	396	399	402	405
Other					
Office Accommodation					
Lease Update Bunbury Office	-	(13)	(13)	(9)	(4)
Midland Building Lease					
Expiry ^(a)	(1,189)	(4,153)	(4,254)	(4,366)	(4,366)
Agreement ^(b)	1,115	3,836	3,903	3,981	4,060
State Fleet Policy and Procurement Initiatives	(38)	(58)	(58)	(59)	(64)
Strategic Development Plan 2021-22 to 2024-25 ^(c)	(9,873)	(407)	49	(2,557)	(1,074)
Transfer of Land Act 1893 Claim for Compensation	575	-	-	-	-

- (a) In mid-March 2021, at the end of the lease term, the Midland land and building were transferred to the Department of Planning, Lands and Heritage. Landgate has adjusted 2020-21 and the forward estimates period to reflect the reversal of existing depreciation and accommodation related expenses.
- (b) Following the Midland building reverting to State ownership in March 2021, the Government has approved \$16.9 million in accommodation expenses over 2020-21 to 2024-25.
- (c) The decrease in expenditure excludes National Tax Equivalent Regime. Landgate is forecast to reduce its spending by \$13.9 million over 2020-21 to 2024-25 mainly as a result of general savings across Landgate in salaries and superannuation expenses, due to prudent vacancy management and savings in information and communications technology and other contracts expenses, as a result of delays in some approved initiatives as Landgate focuses on service delivery.

Significant Issues Impacting the Agency

1. The Transfer of Land Act Amendment Bill 2021 has been introduced into Parliament, which if passed would enact legislative change to remove duplicate certificates of title from use. Should this legislation be passed, a public education program will be required to communicate changes to the public to ensure a smooth transition and acceptance, as there is a common misconception regarding the role and function of duplicate certificates of title. With 67% of all issued duplicate certificates of title being held in bank vaults until mortgages are discharged, their removal will create significant storage related cost savings for financial institutions. Customers will also be beneficiaries as banks will no longer need to charge production costs for duplicate certificates of title, making a minor contribution towards housing affordability.
2. To support greater competition in the electronic conveyancing marketplace, Landgate is participating in ongoing work through the Australian Registrar's National Electronic Conveyancing Council to progress a model, that enables interoperability between multiple Electronic Lodgement Network Operators. Amendments to the Electronic Conveyancing National Law (ECNL) are being drafted, which cover issues regarding mandating interoperability and enforcement of obligations. Once drafted, these changes will be subject to a Regulatory Impact Statement consultation and approved by all jurisdictions in the national legal framework, excluding Western Australia and South Australia, which operate under a corresponding law regime. Western Australia is preparing to join the national law scheme as represented by the ECNL in 2022.
3. Landgate is collaborating with other Australian jurisdictions and New Zealand on a project to develop a nationally consistent 3D cadastral survey data model. The project will provide a common standard to support the development of the 3D Next Generation Spatial Cadastre (NGSC) for Western Australia to replace part of Landgate's legacy SmartPlan system and the Spatial Cadastral Database. The NGSC, as the accessible source of critical land and property data, will support priority Government land development and infrastructure projects.
4. Landgate is currently exploring the opportunity to develop a new foundation platform by incorporating a NGSC to provide 2D/3D/4D data sharing and collaboration within the Western Australian public sector. The new platform would replace the existing Shared Location Information Platform, which currently shares over 5,000 location datasets, but is limited to agencies uploading and users downloading their 2D data. A new platform would consider agency system integration, data visualisation and supporting future advanced capability such as smart cities, digital twins and digital workflows.

5. Landgate is modernising its valuation system which generates rating and taxing valuations for the State. The current system has been in place for 20 years and requires replacement to align with Government's digital standards, enhance management of cyber security risks and take advantage of major growth opportunities such as the increasing demand for specialist valuations. There will also be an opportunity to leverage the new technologies to improve valuation processes, efficiency and service delivery for Landgate's customers. Landgate expects to finalise the procurement of a new valuation system in the next 12 months.
6. Rapidly changing circumstances and ongoing uncertainty across the globe have created greater volatility in markets than has been experienced in recent years. Consumer and investor confidence levels abroad, as well as within Western Australia, are affected by these changes, and in turn could directly impact local property market activity. Western Australia's property market has been buoyant during 2020-21 following the introduction of Government incentives for new home buyers. Following the winding down of these incentives, the established housing market maintained the favourable results, which continued to the end of the 2020-21 financial year. However, sudden changes in land titling activity levels remain a possibility depending on external factors including interest rates, rental market shortages, consumer sentiment, net migration, the unemployment rate and the impact of closed State borders. Any downturn in market activity would impact Landgate's gross revenue including service fee payments to Land Services WA under the Commercialised Services Agreement and Landgate's net residual revenue after the service fee is paid.

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 Landgate's services, the desired outcomes and the relevant Government Goal. 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 and Sustainable Finances: Responsible, achievable, affordable service delivery.	The State's administrative, commercial and social systems are supported by land tenure information, certainty of ownership and other interests in land.	1. Land Titling
	Independent valuations support Government's collection of rates and taxes, and management of property assets.	2. Valuations
	Land and location information and services to support the management and development of the State.	3. Land Information and Services 4. Access to Location Information

Service Summary ^(a)

Expense	2019-20 Actual ^(b) \$'000	2020-21 Budget ^(b) \$'000	2020-21 Estimated Actual ^(b) \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Land Titling	34,729	36,752	34,069	36,032	36,893	36,006	36,783
2. Valuations	38,090	40,308	37,067	41,338	36,734	35,850	36,617
3. Land Information and Services	32,488	34,380	31,270	35,314	33,669	32,860	33,569
4. Access to Location Information	6,722	7,113	6,737	8,036	7,662	7,478	7,639
Total Cost of Services	112,029	118,553	109,143	120,720	114,958	112,194	114,608

(a) Landgate has implemented an updated cost model resulting in a revised measurement methodology for cost by service.

(b) The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual have been recast for comparative purposes using the new methodology.

Outcomes and Key Effectiveness Indicators (a) (b)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: The State's administrative, commercial and social systems are supported by land tenure information, 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	81.69%	80%	88.16%	80%	1
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	0.12%	≤0.25%	0.07%	≤0.25%	
Outcome: Independent valuations support Government's collection of rates and taxes, and management of property assets:					
International standards for accuracy and uniformity of rating and taxing values are met:					
Benchmark against international standards for accuracy using Median Ratio Test:					
Gross Rental Value ^(c)	92.17%	>92.5%	n/a	>92.5%	
Unimproved Value	90.91%	>92.5%	91.38%	>92.5%	
Coefficient of Dispersion to check uniformity of values:					
Gross Rental Value ^(c)	4.22%	<7%	n/a	<7%	
Unimproved Value	5.68%	<15%	5.21%	<15%	
Adjustments of rating and taxing values as a result of Objections and Appeals as a percentage of total values in force.....	0.019%	<0.20%	0.04%	<0.20%	
Outcome: Land and location information and services to support the management and development of the State:					
The extent to which the currency and relevance of the Land Information Databases meet the needs of the Western Australian community:					
Completion rate of names and addressing jobs delivered within 10 business days	92.38%	80%	88%	80%	2
Completion rate of property boundary related jobs within the agreed benchmarks ^(d)	96.3%	96.2%	97.8%	97.2%	
Imagery Systems availability supporting the State's mapping, monitoring and predicting of bushfires ^(e)	n/a	n/a	n/a	99%	
Overall satisfaction with the capture of, discovery of and access to Government Location Information ^(f)	84%	80%	82%	80%	

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

(b) As a result of changes to its Outcome Based Management (OBM) framework commencing from the 2021-22 financial year, the above table will vary from that reported in the 2020-21 Annual Report.

(c) The Regional Gross Rental Value (GRV), General Valuation Program was deferred for 12 months to 2021-22, due to COVID-19 restrictions on travel. Therefore, this measure for GRVs is not applicable this year.

(d) As a result of changes to its OBM framework, a revision has been made to the calculation methodology for this key effectiveness indicator for 2021-22.

(e) This is a new key effectiveness indicator introduced for the 2021-22 financial year, as a result of changes to its OBM framework. No comparative information is available for the 2019-20 Actual, the 2020-21 Budget or the 2020-21 Estimated Actual for this new indicator.

(f) As a result of changes to its OBM framework, a revision has been made to the methodology for conducting the survey in 2021-22.

Explanation of Significant Movements**(Notes)**

1. The 2020-21 Estimated Actual was higher than the 2020-21 Budget, as a result of the increased volume of these dealings lodged electronically and automatically registered than expected.
2. The 2020-21 Estimated Actual was higher than the 2020-21 Budget as a result of a higher performance in names and addressing completion rates in 2020-21 than anticipated.

Services and Key Efficiency Indicators

1. Land Titling ^(a)

A land titling service that provides land tenure information, certainty of ownership and other interests in land.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(b)	34,729	36,752	34,069	36,032	
Less Income ^(c)	61,905	60,283	61,849	58,563	
Net Cost of Service	(27,176)	(23,531)	(27,780)	(22,531)	
Employees (Full-Time Equivalents)	117	106	110	96	1
Efficiency Indicators					
Average cost of maintaining land tenure information, certainty of ownership and other interests in land, per Certificate of Title ^(b)	\$23.55	\$24.81	\$22.85	\$23.92	

(a) As a result of changes to its OBM framework commencing from the 2021-22 financial year, this table will vary from that reported in the 2020-21 Annual Report.

(b) Landgate has implemented an updated cost model resulting in a revised measurement methodology for cost by service. The 2019-20 Actual, 2020-21 Budget and the 2020-21 Estimated Actual have been recast for comparative purposes using the new methodology.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- Landgate is currently undertaking an assessment of its full-time equivalent (FTE) requirements to ensure it continues to deliver services effectively on behalf of the Government for the benefit of the State. The reduction in FTEs relates to expectations resulting from technological changes to Landgate's business model, however these are under review.

2. Valuations ^(a)

An impartial valuation service.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(b)	38,090	40,308	37,067	41,338	1
Less Income ^(c)	23,085	4,436	4,609	10,452	1
Net Cost of Service	15,005	35,872	32,458	30,886	
Employees (Full-Time Equivalents)	188	188	188	188	
Efficiency Indicators					
Average cost per valuation ^{(b) (d)}	\$16.17	\$17.11	\$15.54	\$17.34	1

- (a) As a result of changes to its OBM framework commencing from the 2021-22 financial year, this table will vary from that reported in the 2020-21 Annual Report.
- (b) Landgate has implemented an updated cost model resulting in a revised measurement methodology for cost by service. The 2019-20 Actual, 2020-21 Budget and the 2020-21 Estimated Actual have been recast for comparative purposes using the new methodology.
- (c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.
- (d) As a result of changes to its OBM framework commencing in 2021-22, a revision has been made to the calculation methodology for this key efficiency indicator in the 2021-22 Budget Target.

Explanation of Significant Movements

(Notes)

- The nature of the GRV Metropolitan Triennial Program (Metropolitan Revaluation Program) leads to fluctuations in income and average cost per valuation. The 2019-20 Actual was the third and final year of the triennium in which all revenue from the Metropolitan Revaluation Program was recognised. The 2021-22 Budget Target is higher than the 2020-21 Estimated Actual as a result of the deferral of the Regional Revaluation Program from 2020-21 to 2021-22 as a consequence of COVID-19 restrictions on travel, delaying preliminary work planned for 2019-20.

3. Land Information and Services ^(a)

Capture, maintenance and delivery of land information and services.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service ^(b)	32,488	34,380	31,270	35,314	1
Less Income	2,466	3,806	3,895	3,983	
Net Cost of Service	30,022	30,574	27,375	31,331	
Employees (Full-Time Equivalents)	156	138	144	126	2
Efficiency Indicators					
Average cost of providing land information and services for the State (per square kilometre) ^{(b) (c)}	\$12.86	\$13.61	\$12.37	\$13.97	1

- (a) As a result of changes to its OBM framework commencing from the 2021-22 financial year, this table will vary from that reported in the 2020-21 Annual Report.
- (b) Landgate has implemented an updated cost model resulting in a revised measurement methodology for cost by service. The 2019-20 Actual, 2020-21 Budget and the 2020-21 Estimated Actual have been recast for comparative purposes using the new methodology.
- (c) This is a new key efficiency indicator introduced for the 2021-22 financial year, as a result of changes to its OBM framework. Comparative data has been provided for the 2019-20 Actual, 2020-21 Budget and the 2020-21 Estimated Actual.

Explanation of Significant Movements

(Notes)

1. As Landgate has implemented an updated cost model, this has resulted in a recalibration of overheads across services. This has impacted total cost and average cost for this service.
2. Landgate is currently undertaking an assessment of its FTE requirements to ensure it continues to deliver services effectively on behalf of the Government for the benefit of the State. The reduction in FTEs relates to expectations resulting from technological changes to Landgate's business model, however these are under review.

4. Access to Location Information ^(a)

Access to the State's location information.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service ^(b)	\$'000 6,722	\$'000 7,113	\$'000 6,737	\$'000 8,036	1
Less Income ^(c)	852	842	862	882	
Net Cost of Service	5,870	6,271	5,875	7,154	
Employees (Full-Time Equivalents)	16	16	16	16	
Efficiency Indicators					
Average cost per dataset ^{(b) (d)}	\$1,090	\$1,153	\$896	\$1,028	1

- (a) As a result of changes to its OBM framework commencing from the 2021-22 financial year, this table will vary from that reported in the 2020-21 Annual Report.
- (b) Landgate has implemented an updated cost model resulting in a revised measurement methodology for cost by service. The 2019-20 Actual, 2020-21 Budget and the 2020-21 Estimated Actual have been recast for comparative purposes using the new methodology.
- (c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.
- (d) As a result of changes to its OBM framework, a revision has been made to the calculation methodology for this key efficiency indicator in the 2021-22 Budget Target.

Explanation of Significant Movements

(Notes)

1. As Landgate has implemented an updated cost model, this has resulted in a recalibration of overheads across services. This has impacted total cost and average cost for this service.

Asset Investment Program

1. In 2021-22 Landgate's Asset Investment Program (AIP) is \$12.7 million and focuses on enhancing and developing systems to improve efficiency and effectiveness, while meeting an increasing demand for integrated services and technological change. During 2021-22, the AIP focuses on progressing key business initiatives including:
 - 1.1. modernising the current valuations system, which enables the generation of rating and taxing values in the State and to deliver asset valuations for local and State Government;
 - 1.2. implementing various system changes to ensure Landgate is compliant with the legal Australian datum, known as the Geocentric Datum of Australia 2020;
 - 1.3. completing the *Strata Titles Act 1985* and *Community Titles Act 2018* reform program by changing core systems needed to implement the new types of strata and community titles created through the reform program;
 - 1.4. completing the upgrade of the current financial management system to ensure compliance with legislation and the Treasurer's instructions, in addition to maintaining a valid vendor support licence; and
 - 1.5. the ongoing upgrade and replacement of hardware assets based on life cycle and enhanced capabilities offered by new technologies.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
Asset Replacement							
Business Premise Ongoing Minor Works	2,187	1,010	375	577	200	200	200
Information and Communications Technology - Asset Replacement Program	6,062	972	162	890	1,400	1,500	1,300
Business Improvement							
Financial Management System	2,891	2,051	2,051	840	-	-	-
Valuation Services System Reform	8,000	637	358	4,899	2,464	-	-
Location Infrastructure							
Data WA Improvements	593	83	83	210	100	100	100
Geocentric Datum of Australia 2020	3,547	1,462	695	2,085	-	-	-
Strata Titles Act 1985 Reform	9,472	7,822	2,890	1,650	-	-	-
COMPLETED WORKS							
Business Improvement							
East Perth Disaster Recovery	80	80	80	-	-	-	-
Enterprise Services Reform	1,063	1,063	64	-	-	-	-
NEW WORKS							
Business Improvement							
Data Strategy Hub	1,490	-	-	-	140	650	700
Enterprise Performance Management Model	2,045	-	-	-	147	974	924
Portal WA Integration	2,300	-	-	-	300	900	1,100
Location Infrastructure							
Aerial Imagery Platform	360	-	-	-	360	-	-
Capture WA Register Upgrade	290	-	-	290	-	-	-
Next Generation Spatial Cadastre	3,500	-	-	-	500	1,500	1,500
Shared Location Information Platform Upgrade	3,540	-	-	540	1,000	1,000	1,000
Topographic Modernisation	400	-	-	-	100	150	150
Products and Services - Corporate Website Redevelopment	710	-	-	710	-	-	-
Total Cost of Asset Investment Program	48,530	15,180	6,758	12,691	6,711	6,974	6,974
FUNDED BY							
Capital Appropriation			2,888	8,420	358	-	-
Drawdowns from the Holding Account			3,813	4,006	6,353	6,974	6,974
Internal Funds and Balances			57	265	-	-	-
Total Funding			6,758	12,691	6,711	6,974	6,974

Financial Statements

Income Statement

Expenses

1. The 2021-22 Total Cost of Services (expense limit) of \$120.7 million is \$11.6 million more than the 2020-21 Estimated Actual. In 2020-21, there was a general underspend across the agency due to:
 - 1.1. a practice of filling only priority positions as part of Landgate's vacancy management strategy; and
 - 1.2. savings in information and communications technology (ICT) and other contracts expenses arising from delays in commencing approved initiatives. These were mainly due to internal and supplier capacity constraints and the inability to acquire specialist spatial ICT resources, internally and through the ICT service provider.
2. The increase in the expense limit in 2021-22 includes:
 - 2.1. additional planning costs for the replacement of the Valuation Services system and an expected increase in cloud-based software services as a consequence of the move away from on-site storage;
 - 2.2. the deferral of the Regional Revaluation Program to 2021-22 due to travel restrictions as a result of the COVID-19 pandemic;
 - 2.3. the development of the Spatial WA business case, which commenced in 2020-21 and is expected to be completed in 2021-22; and
 - 2.4. the expected wages growth in line with the Public Sector Wages Policy.

Income

3. In 2020-21, Government incentives stimulated activity in the new housing market and increased buoyancy was experienced in the established housing market, even after the incentives ceased. This resulted in a 39% growth in document lodgement activity over the previous year, the highest actual activity level since 2014-15. During 2021-22, land titling revenue may be expected to fall as the buoyant market conditions experienced in 2020-21 are not expected to be sustained in 2021-22.
4. In 2021-22, it is expected that total income will be \$2.7 million higher than the 2020-21 Estimated Actual due to the deferral of the Regional Revaluation Program (which was due to commence in 2020-21) until 2021-22.

Statement of Financial Position

5. The equity reflected in the Statement of Financial Position is negative as a result of the payment of the \$985 million interim dividend portion of the \$1.4 billion lump sum proceeds, received from the partial commercialisation arrangement, to the Consolidated Account in 2019-20.
6. The negative equity for the 2021-22 Budget Estimate has improved in comparison to the 2020-21 Estimated Actual as a result of:
 - 6.1. capital contributions received from the Government to fund the 2021-22 Asset Investment Program in line with agreed funding arrangements; and
 - 6.2. a decrease in the value of the service concession deferred revenue liability, through amortisation as a non-cash revenue, which results in an increase in the accumulated surplus/(deficit) offsetting the negative equity.
7. In 2021-22, Total Assets are \$24.5 million lower than the 2020-21 Estimated Actual, largely due to a decrease in held-to-maturity investments (cash reserves) as the Authority uses these funds to meet its payment commitments.
8. In 2021-22, Total Liabilities decrease by \$32.9 million in comparison to the 2020-21 Estimated Actual resulting from the annual amortisation of the service concession deferred revenue liability, that originated from the \$1.4 billion proceeds. Accounting standards require the proceeds to be spread across each year of the 40 year life of the partial commercialisation agreement as non-cash revenue. This decreases the service concession deferred revenue liability balance each year until the agreement expires.

Statement of Cashflows

9. The 2021-22 Budget Estimate closing cash balance is \$4.1 million higher than the 2020-21 Estimated Actual. This is due to higher-than-expected revenue in 2020-21 and the maturity of financial investments during 2021-22.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	55,482	57,495	54,495	55,258	53,319	52,286	52,940
Grants and subsidies ^(c)	1,543	124	124	124	124	124	124
Supplies and services	29,275	32,820	27,320	36,892	35,687	35,404	35,968
Accommodation	3,785	4,383	4,719	5,646	5,801	5,996	6,080
Depreciation and amortisation	16,053	15,891	16,454	16,831	13,912	12,239	13,255
Finance and interest costs	581	204	193	13	18	15	10
Other expenses	5,310	7,636	5,838	5,956	6,097	6,130	6,231
TOTAL COST OF SERVICES	112,029	118,553	109,143	120,720	114,958	112,194	114,608
Income							
Sale of goods and services ^(d)	60,661	29,995	33,335	36,081	49,351	35,603	38,455
Other revenue ^(e)	27,647	39,372	37,880	37,799	37,924	38,264	39,732
Total Income	88,308	69,367	71,215	73,880	87,275	73,867	78,187
NET COST OF SERVICES ^(f)	23,721	49,186	37,928	46,840	27,683	38,327	36,421
INCOME FROM STATE GOVERNMENT							
Service appropriations ^(g)	34,248	32,815	33,098	39,813	55,470	49,532	50,841
Resources received free of charge	231	480	480	500	520	540	560
Other revenues ^(h)	10,278	6,347	4,257	6,581	11,390	5,949	6,798
TOTAL INCOME FROM STATE GOVERNMENT	44,757	39,642	37,835	46,894	67,380	56,021	58,199
SURPLUS/(DEFICIENCY) FOR THE PERIOD	21,036	(9,544)	(93)	54	39,697	17,694	21,778
Income tax benefit/(expense)	(6,809)	2,852	28	(16)	(11,909)	(5,308)	(6,533)
CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER INCOME TAX EQUIVALENTS	14,227	(6,692)	(65)	38	27,788	12,386	15,245

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

(b) The FTEs for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 477, 458 and 426 respectively.

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

(d) The Sale of goods and services is net of the service fees paid to Land Services WA under the terms of the Commercialised Services Agreement from the date the agreement commenced on 22 October 2019. In 2019-20, the sale of goods and services therefore includes only a partial year of the payment of service fees. From the 2020-21 Budget and across the forward estimates period, a full year's payment of services fees is included in the forecasts. The 2019-20 Actual and 2020-21 Budget have been adjusted to comply with the changes under Treasurer's instructions 1102: *Statements of Comprehensive Income* (TI 1102).

(e) Other revenue includes the annual amortisation of the service concession liability over the term of the Commercialised Services Agreement, reflecting the receipt of the lump sum proceeds from the agreement. In the 2019-20 Actual the amortisation is only for a partial year from the date the agreement commenced on 22 October 2019. The 2020-21 Budget and forward estimates period includes a full year's amortisation of the service concession liability. The 2019-20 Actual and 2020-21 Budget have been adjusted to comply with the changes under TI 1102.

(f) Changes to TI 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

(g) The increase in Service appropriations from the 2022-23 Forward Estimate reflects the agreed funding arrangement with Government following the partial commercialisation of the Authority.

(h) The 2019-20 Actual and 2020-21 Budget have been adjusted to comply with the changes under TI 1102.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Continuously Operating Reference Stations (CORS) Sites Transfer to Geoscience Australia (Commonwealth) ^(a)	1,129	-	-	-	-	-	-
Land Surveyors Licensing Board ^(b)	24	24	24	24	24	24	24
Other Grants and Subsidies ^(c)	390	100	100	100	100	100	100
TOTAL	1,543	124	124	124	124	124	124

(a) This amount represents a grant of assets expense as a consequence of CORS Geostation sites being transferred to Geoscience Australia (Commonwealth) during 2019-20.

(b) 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.

(c) Other grants and subsidies includes SPUR Location Grants which are grants to support Western Australian businesses, start-ups and individuals who are developing innovative location-data based ideas/products/services.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	10,879	16,898	17,181	21,035	26,594	34,685	26,168
Restricted cash.....	292	292	292	292	292	292	292
Holding account receivables.....	4,740	4,006	4,006	6,353	6,974	6,974	5,966
Receivables.....	24,253	13,766	8,983	12,348	26,419	9,774	13,624
Other.....	61,977	28,565	44,810	13,123	4,982	5,051	3,281
Total current assets.....	102,141	63,527	75,272	53,151	65,261	56,776	49,331
NON-CURRENT ASSETS							
Holding account receivables.....	30,652	31,491	32,503	30,853	27,362	23,242	19,999
Property, plant and equipment ^(b)	50,587	48,931	9,613	10,806	11,836	14,185	14,104
Intangibles ^(c)	42,444	42,234	37,947	35,888	30,313	32,768	26,592
Restricted cash.....	870	1,069	1,070	1,272	1,476	1,682	1,890
Other.....	423,854	425,830	422,022	422,006	411,915	404,789	398,256
Total non-current assets.....	548,407	549,555	503,155	500,825	482,902	476,666	460,841
TOTAL ASSETS.....	650,548	613,082	578,427	553,976	548,163	533,442	510,172
CURRENT LIABILITIES							
Employee provisions.....	12,484	12,075	12,066	12,118	12,177	12,021	12,141
Payables.....	1,046	1,146	1,137	1,209	1,282	1,367	1,454
Lease liabilities.....	3,517	109	96	94	115	115	99
Other ^(d)	45,195	45,011	45,779	45,987	46,194	46,405	46,416
Total current liabilities.....	62,242	58,341	59,078	59,408	59,768	59,908	60,110
NON-CURRENT LIABILITIES							
Employee provisions.....	2,960	2,959	2,977	2,994	3,011	3,028	3,045
Lease liabilities.....	111	176	154	226	261	158	90
Other ^(d)	1,351,473	1,319,331	1,319,331	1,286,003	1,251,632	1,224,471	1,185,805
Total non-current liabilities.....	1,354,544	1,322,466	1,322,462	1,289,223	1,254,904	1,227,657	1,188,940
TOTAL LIABILITIES.....	1,416,786	1,380,807	1,381,540	1,348,631	1,314,672	1,287,565	1,249,050
EQUITY							
Contributed equity ^(e)	(1,062,468)	(1,058,901)	(1,099,278)	(1,090,858)	(1,090,500)	(1,090,500)	(1,090,500)
Accumulated surplus/(deficit).....	272,601	265,919	288,799	288,837	316,625	329,011	344,256
Reserves ^(f)	23,629	25,257	7,366	7,366	7,366	7,366	7,366
Total equity.....	(766,238)	(767,725)	(803,113)	(794,655)	(766,509)	(754,123)	(738,878)
TOTAL LIABILITIES AND EQUITY.....	650,548	613,082	578,427	553,976	548,163	533,442	510,172

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

(b) The decrease in the value of property, plant and equipment in the 2020-21 Estimated Actual is the result of the transfer of the Midland land and building to the Department of Planning, Lands and Heritage (DPLH) at the end of the lease term in mid-March 2021. The Midland land and building had been reflected as a right of use asset and corresponding liability.

(c) Intangibles includes service concession assets classified under AASB 1059: *Service Concession Arrangements: Grantors* (AASB 1059) which applies for reporting periods beginning on or after 1 January 2020. Landgate entered a commercialisation arrangement with Land Services WA on 22 October 2019. AASB 1059 has been determined to be applicable for the partial commercialisation arrangement. On the commencement date of the arrangement, there was no Australian Accounting Standard (AAS) that explicitly addressed this arrangement, therefore the agency adopted existing AASs and considered the Framework and Statement of Accounting Concepts. From 1 July 2020, Landgate applied AASB 1059, however other than renaming commercialised assets and deferred revenue to service concession assets and service concession liabilities respectively, there is no impact on the financial statements from the implementation of this AAS.

(d) Other current liabilities and other non-current liabilities includes the recognition of a service concession liability in accordance with AASB 1059 on the \$1.4 billion lump sum proceeds received in consideration of the partial commercialisation arrangement. This service concession liability will be recognised evenly over the 40 year life of the partial commercialisation agreement as a non-cash revenue stream.

(e) The negative contributed equity reflects the payment of the after-tax proceeds, received in consideration of the partial commercialisation arrangement to Government via the payment of a dividend from equity on 22 October 2019.

(f) The value of reserves decreased in the 2020-21 Estimated Actual as a result of the transfer of the Midland building to DPLH at the end of the lease term in mid-March 2021. The value of the asset revaluation reserve was transferred to retained earnings on the derecognition of the Midland building.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations ^(b)	28,648	27,970	28,168	35,110	51,987	46,678	48,118
Capital appropriation.....	4,396	3,588	2,888	8,420	358	-	-
Administered equity contribution.....	5,000	-	-	-	-	-	-
Holding account drawdowns.....	3,981	4,740	3,813	4,006	6,353	6,974	6,974
National Tax Equivalent Regime ^(c)	(424,471)	-	2,336	-	-	-	-
Dividend to Government ^(c)	(995,605)	-	-	-	-	-	-
Other ^(d)	11,100	6,347	4,257	6,581	11,390	5,949	6,798
Net cash provided by State Government ^(e)	(1,366,951)	42,645	41,462	54,117	70,088	59,601	61,890
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(52,966)	(57,906)	(54,312)	(54,981)	(53,036)	(52,214)	(52,792)
Grants and subsidies	(413)	(124)	(124)	(124)	(124)	(124)	(124)
Supplies and services.....	(28,768)	(32,152)	(26,777)	(36,860)	(35,655)	(35,366)	(35,929)
Accommodation.....	(4,545)	(4,885)	(5,221)	(5,646)	(5,801)	(5,996)	(6,080)
GST payments ^(f)	(150,173)	(6,046)	(4,478)	(5,812)	(5,192)	(5,184)	(5,246)
Finance and interest costs.....	(683)	(204)	(193)	(13)	(18)	(15)	(10)
Other payments	(5,233)	(7,280)	(5,358)	(5,456)	(5,577)	(5,590)	(5,671)
Receipts							
Sale of goods and services ^(g)	48,177	41,377	48,228	34,443	31,644	54,042	36,423
GST receipts ^(f)	149,571	6,046	4,478	5,812	5,192	5,184	5,246
Other receipts ^(h)	3,645	3,480	1,988	1,371	1,053	1,036	1,066
Net cash from operating activities ^(e)	(41,388)	(57,694)	(41,769)	(67,266)	(67,514)	(44,227)	(63,117)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets	(12,900)	(8,650)	(6,758)	(12,691)	(6,711)	(6,974)	(6,974)
Other payments	(28,400)	-	-	-	-	-	-
Proceeds from sale of non-current assets ⁽ⁱ⁾	1,410,011	-	-	-	-	-	-
Other receipts	44,139	33,478	17,118	30,000	10,000	-	-
Net cash from investing activities	1,412,850	24,828	10,360	17,309	3,289	(6,974)	(6,974)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings and leases.....	(4,556)	(3,561)	(3,551)	(104)	(100)	(103)	(108)
Net cash from financing activities	(4,556)	(3,561)	(3,551)	(104)	(100)	(103)	(108)
NET INCREASE/(DECREASE) IN CASH HELD.....	(45)	6,218	6,502	4,056	5,763	8,297	(8,309)
Cash assets at the beginning of the reporting period	12,086	12,041	12,041	18,543	22,599	28,362	36,659
Cash assets at the end of the reporting period	12,041	18,259	18,543	22,599	28,362	36,659	28,350

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

(b) The increase in service appropriations from the 2022-23 Forward Estimate reflects the agreed funding arrangement with Government following the partial commercialisation of the agency.

(c) The National Tax Equivalent Regime and dividend payments in the 2019-20 Actual reflects the payment of the \$1.4 billion lump sum proceeds, received in consideration of the partial commercialisation arrangement to Government, net of transaction costs incurred by Landgate.

(d) The 2019-20 Actual and 2020-21 Budget have been adjusted to comply with changes under TI 1102.

(e) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

(f) GST payments and GST receipts in the 2019-20 Actual reflects the receipt of GST on the \$1.4 billion lump sum proceeds from the partial commercialisation arrangement and the payment of this GST to Government.

(g) The sale of goods and services is net of the service fees paid to Land Services WA under the terms of the partial commercialisation agreement. The 2019-20 Actual and 2020-21 Budget have been adjusted to comply with changes under TI 1102.

(h) The 2019-20 Actual and 2020-21 Budget have been adjusted to comply with changes under TI 1102.

(i) Proceeds from the sale of non-current assets in the 2019-20 Actual reflects the payment of the \$1.4 billion proceeds from the partial commercialisation arrangement, net of transaction costs incurred by Landgate, to Government. The balance reflects the proceeds from the sale of minor assets.

DevelopmentWA

Part 11

Planning and Land Use

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax	12,726	62,440	14,655	15,283	21,820	23,739	18,158
Local Government Rates Equivalent	7,488	8,560	9,332	8,149	8,355	8,484	8,715
Dividends ^{(a) (b)}	28,612	150,607	192,678	-	27,662	38,181	41,585
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	103,756	400,740	338,430	250,649	166,557	108,081	94,607
Other Subsidies	181	35,215	34,615	39,400	-	-	-
Royalties for Regions	13,875	28,663	20,546	16,635	3,290	-	-
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution ^(c)	56,716	246,339	226,539	42,100	32,373	-	-
RATIOS							
Dividend Payout Ratio (%)	100	75	75	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	339,644	421,686	442,526	511,309	577,385	668,637	609,427
Revenue from State Government	117,812	464,618	393,941	310,734	178,847	118,681	94,607
Total Expenses ^(d)	470,328	795,206	783,446	757,794	668,806	701,742	633,669
Total Borrowings	447,192	314,579	188,400	276,690	249,097	203,150	139,082
NET PROFIT AFTER TAX	(30,905)	28,343	38,051	48,966	65,606	61,837	52,207
CASH ASSETS ^(e)	77,244	133,772	121,481	252,269	262,129	302,902	328,013

(a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.

(c) The increase in equity contributions in the 2020-21 Budget and 2020-21 Estimated Actual reflects the \$212 million debt repayment by the Metropolitan Redevelopment Authority in 2020-21.

(d) Excludes current tax expense, deferred tax expense and dividends.

(e) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitment					
Industrial Land Development Fund.....	-	(13,000)	(13,000)	(12,000)	(12,000)
Other					
2021-22 Dividend Retention	-	(64,572)	-	-	-
2021-22 to 2025-26 Strategic Development Plan.....	(948)	(9,866)	(52,488)	4,257	(35,771)
Residential Projects and Land Development for Social and Affordable Housing	-	(43,423)	16,071	25,317	20,127
Dixon Road Reserves Business Case.....		(500)			

Significant Issues Impacting the Government Trading Enterprise

Market Environment and Economic Conditions

1. Economic conditions and the impact of the COVID-19 pandemic will continue to have an impact on DevelopmentWA's performance. The State's economy has recovered faster than expected with a strong recovery in retail spending and business confidence, and increased activity in the residential construction sector. Both the State and global economies will shape DevelopmentWA's metropolitan, regional and industrial programs.
2. The outlook for the Western Australian property sector is continuing to improve with dwelling investment expected to strengthen considerably in the short to medium-term following the announcement of the Commonwealth and State Government's building construction grants. Higher levels of building activity are expected in the short-term due to extensions of time-to-build requirements for the building construction grants.

Machinery of Government Reforms

3. As part of the Housing Authority Machinery of Government (MoG) reforms, the Department of Communities' land development and related commercial functions have been transferred to DevelopmentWA. This realignment will bring greater transparency to commercial land transactions, and strategic alignment and efficiencies to land development activities. The transfer of assets and projects to effect the MoG, and resulting financial transactions are reflected in DevelopmentWA's financial statements.
4. These MoG reforms significantly increase DevelopmentWA's asset base, the number of projects being undertaken with private sector partners and the volume of residential lot sales. The transferring projects lift forecast revenue over the forward estimates period and provide DevelopmentWA with a more even distribution of residential land across the metropolitan area. This results in a greatly increased role for DevelopmentWA in asset management responsibilities over all undeveloped lots and undertaking a larger role in metropolitan and regional residential projects and land supply for social and affordable housing.
5. DevelopmentWA will have a greater role in the delivery of social housing across Western Australia. These changes will be actively managed through DevelopmentWA's integrated risk management approach, which includes maintaining strong relationships with project partners and developing robust governance and financial oversight for all projects.

Regional Development

6. Traditional models for land and housing delivery are being challenged in regional areas. Not-for-profit and community-based organisations are likely to play a larger role in the future provision of housing previously delivered by government agencies. The disparity between development costs for new housing (including land costs) and current market values in regional towns remains a challenge to population growth in regional Western Australia.

2021-22 Dividend Retention

7. DevelopmentWA will retain its forecast 2021-22 dividend payment of \$64.6 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of DevelopmentWA.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	A Highly Capable, Innovative Organisation.	1. High capability, excellent workforce, safe working environment, satisfied customers, innovative project outcomes
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Prosperous Industry.	2. Facilitating economic diversification and jobs growth in industrial areas throughout Western Australia
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Sustainable Communities.	3. Developing high-quality major projects, transport-oriented development, urban regeneration projects, rail station precincts and land for new communities
	Resilient Regions.	4. Working with stakeholders across the State to deliver projects and land for new communities which support regional economic development and job creation

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: High capability, excellent workforce, safe working environment, satisfied customers, innovative project outcomes:					
Percentage of revenue target achieved.....	90%	>90%	99%	>90%	
Staff retention	93.3%	>90%	91%	>90%	
Safe working environment: reportable lost time injury frequency rate	nil	<2	nil	<2	
Customer satisfaction rating: customers satisfied with overall purchase process	92.4%	>90%	95%	>90%	
Outcome: Facilitating economic diversification and jobs growth in industrial areas throughout Western Australia:					
Priority project development milestones met or exceeded	>90%	>90%	100%	>90%	
Sufficient developed lots (= 5 developed lots available and/or next stage ready for development in each of our key industrial estates).....	10 projects	>5	9 projects	>5	
Outcome: Developing high-quality major projects, transport-oriented development, urban regeneration projects, rail station precincts and land for new communities:					
Priority project development milestones met or exceeded (including land provided for social housing program).....	>90%	>90%	95%	>90%	
Redevelopment areas: continue to report annually against the key performance indicators set for redevelopment areas.....	n/a	Yes	Yes	Yes	1
Outcome: Working with stakeholders across the State to deliver projects and land for new communities which support regional economic development and job creation:					
Priority regional project development milestones met or exceeded	>90%	>90%	91%	>90%	

Explanation of Significant Movements

(Notes)

1. This key performance indicator was established upon merger of the Western Australian Land Authority and Metropolitan Redevelopment Authority and was not previously reported.

Asset Investment Program

1. DevelopmentWA's planned Asset Investment Program (AIP) for 2021-22 of \$402.2 million incorporates expenditure across a combination of development land releases and delivering infrastructure requirements. These include the COVID-19 Response, strategic site acquisitions, construction works and securing key approvals and design outcomes. The 2021-22 AIP will enable future land releases to meet the needs of Western Australian communities. The spend includes:
 - 1.1. \$54.2 million to be invested through the Industrial Lands Authority (ILA), providing land and infrastructure for strategic and general industries throughout the State. The ILA portfolio is forecast to deliver more than 4,500 jobs during construction and around 10,000 jobs once businesses are fully established. This equates to \$3.3 billion in annual economic output to the State once these areas are fully developed and operational. Significant projects within this program including Peel Business Park Nambelup, Western Trade Coast (comprising Kwinana Industrial Area, Australian Marine Complex, Latitude 32 Industry Zone and Rockingham Industry Zone), Meridian Park Neerabup, Crossroads Industrial Estate and the Forrestdale Business Park, Shotts Strategic Industrial Area (SIA), Kemerton SIA and Broome Road, Broome;
 - 1.2. \$184.1 million to be invested in the metropolitan program to provide land for commercial and residential investment in centres of activity, urban renewal and infill projects throughout Perth. Significant projects in this program include Ocean Reef Marina (8,600 construction jobs and on completion will inject \$3 billion into the State's economy), Subi East precinct (2,700 construction jobs, 660 ongoing jobs and \$1 billion in private sector investment), East Perth Power Station (1,900 construction jobs and a further 1,300 jobs when the precinct is fully operational), Alkimos Central, Cockburn Central West, Perth City Link, Cockburn Coast Redevelopment and the ongoing redevelopment at the former Shenton Park Health Campus. DevelopmentWA will also provide urban design and land use planning support for the roll-out of METRONET;
 - 1.3. \$23.1 million to be invested through the regional program to renew and revitalise cities and towns, with coordinated releases of land supporting residential, industrial, commercial and tourism development. Significant projects include the redevelopment of the Bunbury Waterfront, Geraldton Batavia Marina and Albany Middleton Beach. There is also targeted investment in a number of communities through the Regional Development Assistance Program to meet the land needs of local economies, encourage growth and attract private investment; and
 - 1.4. \$51.1 million invested as part of COVID-19 Response. This includes a superyacht fabrication facility at the Australia Marine Complex, upgrades at Bentley Technology Park, roads and drainage works at East Keralup in Peel to facilitate access for new users as part of Transform Peel, development of the Neerabup Australian Automation and Robotics Park, creation of the new Kemerton general industrial area and assisting the Nyamba Buru Yawuru in Broome with the delivery of two land development projects.
2. Over the forward estimates period, key Government commitments will be delivered, including a further \$9 million for the Peel Business Park, \$90.3 million for delivery of the Ocean Reef Marina and \$16 million for the creation of the Neerabup Australian Automation and Robotics Park (a northern suburbs technology park).

	Estimated Total Cost ^(a) \$'000	Estimated Expenditure to 30-6-21 ^(a) \$'000	2020-21 Estimated Expenditure ^(a) \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Australian Marine Complex	30,000	3,200	3,200	23,631	3,169	-	-
Bentley Technology Park.....	7,500	50	50	2,750	3,980	720	-
East Keralup Economic Activation.....	8,654	3,500	3,500	5,154	-	-	-
East Perth Redevelopment.....	20,000	250	250	2,500	12,250	5,000	-
Hamilton Senior High School Redevelopment.....	2,150	550	550	1,600	-	-	-
Kemerton General Industrial Area	7,500	500	500	2,750	4,250	-	-
Neerabup Australian Automation and Robotics Park	20,000	105	105	3,895	11,700	4,300	-
Nyamba Buru Yawuru							
Bulky Goods Precinct	7,000	50	50	1,950	5,000	-	-
Health and Wellbeing Campus	7,000	100	100	6,900	-	-	-
Other Works in Progress							
Election Commitments							
Ocean Reef Marina.....	167,170	21,916	12,400	54,965	45,207	28,597	16,485
Peel Business Park, Nambeelup	44,080	26,760	11,683	8,316	9,004	-	-
Forrestdale Business Park	39,550	16,501	9,001	19,849	3,200	-	-
Industry and Infrastructure Acquisition and Development	1,241,369	1,101,692	7,296	26,023	24,910	48,439	40,305
Metropolitan Program							
Alkimos Central.....	61,162	5,331	1,331	19,242	17,112	15,111	4,366
East Perth Power Station.....	29,949	4,827	3,150	12,450	11,672	1,000	-
Metropolitan Land Acquisition and Development.....	2,092,473	1,804,356	52,254	69,612	60,630	69,853	87,912
Subi East Precinct	130,135	55,375	33,390	27,794	22,311	14,338	10,317
Regional Program - Regional Land Acquisition and Development.....							
	1,665,761	1,594,380	7,284	23,052	16,237	21,127	10,965
NEW WORKS							
Residential Projects and Land Development for Social and Affordable Housing	747,084	110,885	110,885	89,800	142,607	225,918	177,874
Total Cost of Asset Investment Program	6,328,537	4,750,328	256,979	402,233	393,239	434,403	348,224
FUNDED BY							
Borrowings			11,891	230,081	13,948	-	110,428
Funding Included in Department of Treasury Administered Item.....			15,000	40,500	32,373	-	-
Drawdowns from Royalties for Regions Fund			17,872	16,635	3,290	-	-
Other			212,216	115,017	343,628	434,403	237,796
Total Funding.....			256,979	402,233	393,239	434,403	348,224

(a) The Estimated Total Cost, Estimated Expenditure to 30-6-21 and 2020-21 Estimated Expenditure financial data has been recast and revised for comparative purposes due to Machinery of Government changes (which took effect from 1 July 2021) to transfer commercial land development functions from the Housing Authority to DevelopmentWA.

Financial Statements

INCOME STATEMENT (a) (b) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services (c)	295,133	395,612	411,028	481,078	535,898	642,944	577,881
Other revenue (d)	41,250	25,759	31,183	30,231	41,487	25,693	31,546
Revenue from government							
Operating subsidies	103,756	400,740	338,430	250,649	166,557	108,081	94,607
Capital subsidies	-	-	350	4,050	9,000	10,600	-
Royalties for Regions	13,875	28,663	20,546	16,635	3,290	-	-
Resources received free of charge	181	315	315	-	-	-	-
Other subsidies	-	34,900	34,300	39,400	-	-	-
TOTAL REVENUE	454,195	885,989	836,152	822,043	756,232	787,318	704,034
Expenses							
Employee benefits (e)	33,053	35,381	35,381	35,800	36,339	37,035	36,102
Grants and subsidies	-	13,900	12,000	2,797	463	-	-
Supplies and services	24,249	8,511	14,783	10,528	12,261	60,758	29,331
Accommodation	12,836	13,767	14,539	13,595	13,679	12,221	12,493
Depreciation and amortisation	79,736	20,987	27,827	20,019	19,514	18,928	18,681
Finance and interest costs	11,994	9,275	8,473	5,749	5,736	5,648	4,042
Cost of land sold	215,948	546,649	470,030	455,505	419,999	403,515	378,386
Other expenses (f)	92,512	146,736	200,413	219,634	161,684	163,639	156,523
TOTAL EXPENSES	470,328	795,206	783,446	757,794	668,806	701,742	633,669
NET PROFIT/(LOSS) BEFORE TAX	(16,133)	90,783	52,706	64,249	87,426	85,576	70,365
National Tax Equivalent Regime							
Current tax equivalent expense	12,726	62,440	14,655	15,283	21,820	23,739	18,158
Deferred tax equivalent expense	2,046	-	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX	(30,905)	28,343	38,051	48,966	65,606	61,837	52,207
Dividends	28,612	150,607	192,678	-	27,662	38,181	41,585

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

(b) The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to transfer commercial land development functions from the Housing Authority to DevelopmentWA.

(c) Sales of goods and services includes the sale of land and rental income on land and property assets.

(d) Other revenue primarily relates to developer contribution receipts received through the Metropolitan Redevelopment Authority and project management fees earned.

(e) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 239, 218 and 225 respectively.

(f) Other expenses include land tax and other State taxes, developer contribution expenses and non-staff corporate overheads.

STATEMENT OF FINANCIAL POSITION (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	35,866	95,725	80,480	149,650	159,510	200,283	221,518
Cash assets - Retained dividends	-	-	-	64,572	64,572	64,572	64,572
Restricted cash.....	4,445	1,114	1,114	1,114	1,114	1,114	1,114
Receivables.....	56,459	72,951	45,161	99,780	140,284	61,913	43,242
Inventories - Land and Development.....	307,544	287,479	607,189	611,089	740,355	778,082	833,090
Other.....	44,095	38,799	32,809	34,156	37,604	38,997	40,033
Total current assets.....	448,409	496,068	766,753	960,361	1,143,439	1,144,961	1,203,569
NON-CURRENT ASSETS							
Property, plant and equipment.....	523,052	505,182	507,576	489,069	470,450	467,968	455,431
Intangibles	4	-	-	-	-	-	-
Receivables.....	28,503	21,758	14,169	8,998	11,202	26,123	14,123
Inventories - Land and Development.....	567,149	586,652	715,214	657,142	533,862	493,233	453,953
Restricted cash.....	36,933	36,933	39,887	36,933	36,933	36,933	40,809
Other.....	82,199	116,023	116,023	116,023	110,633	110,633	110,633
Total non-current assets.....	1,237,840	1,266,548	1,392,869	1,308,165	1,163,080	1,134,890	1,074,949
TOTAL ASSETS.....	1,686,249	1,762,616	2,159,622	2,268,526	2,306,519	2,279,851	2,278,518
CURRENT LIABILITIES							
Employee provisions.....	7,231	8,198	8,198	8,290	8,382	8,476	8,476
Payables.....	9,164	15,631	25,388	20,788	20,673	13,321	33,438
Borrowings and leases	260,552	127,926	58,220	42,842	80,096	192,422	128,341
Other.....	42,763	42,107	42,107	24,125	28,859	20,697	20,412
Total current liabilities.....	319,710	193,862	133,913	96,045	138,010	234,916	190,667
NON-CURRENT LIABILITIES							
Employee provisions.....	4,804	5,209	5,209	5,247	5,286	5,326	5,326
Borrowings and leases	203,273	201,227	144,754	246,683	181,137	19,412	18,711
Other.....	39,253	33,866	48,199	36,776	36,776	46,770	53,427
Total non-current liabilities.....	247,330	240,302	198,162	288,706	223,199	71,508	77,464
TOTAL LIABILITIES.....	567,040	434,164	332,075	384,751	361,209	306,424	268,131
NET ASSETS.....	1,119,209	1,328,452	1,827,547	1,883,775	1,945,310	1,973,427	2,010,387
EQUITY (c)							
Contributed equity.....	866,908	1,215,502	1,750,117	1,787,304	1,821,356	1,840,069	1,878,120
Accumulated surplus/(deficit).....	252,231	112,880	77,360	96,401	123,884	133,288	132,197
Reserves	70	70	70	70	70	70	70
TOTAL EQUITY.....	1,119,209	1,328,452	1,827,547	1,883,775	1,945,310	1,973,427	2,010,387

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

(b) The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to transfer commercial land development functions from the Housing Authority to DevelopmentWA.

(c) Housing Authority commercial land development functions and assets were transferred to DevelopmentWA on 1 July 2021, which has impacted DevelopmentWA's recognition of equity.

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	240,692	330,830	391,668	425,808	469,357	620,530	550,289
GST receipts	37,326	44,060	44,060	73,220	75,505	80,859	27,871
Other receipts (c)	82,737	89,455	90,826	80,256	135,467	132,509	92,286
Payments							
Employee benefits.....	(32,290)	(39,211)	(39,211)	(39,703)	(40,318)	(41,091)	(36,152)
Supplies and services	(31,098)	(9,255)	(15,527)	(11,245)	(12,917)	(8,514)	(7,265)
Accommodation (d)	(5,605)	(4,996)	(4,994)	(5,124)	(5,539)	(5,804)	(3,779)
GST payments	(39,900)	(47,436)	(47,436)	(73,413)	(71,787)	(82,867)	(27,871)
Finance and interest costs.....	(12,651)	(9,560)	(8,758)	(5,813)	(5,736)	(5,648)	(4,042)
Payment for the purchase of inventories	(195,241)	(407,424)	(252,446)	(401,260)	(392,563)	(420,116)	(344,101)
Other payments (e)	(94,723)	(229,366)	(270,425)	(318,509)	(266,144)	(228,012)	(190,384)
Net cash from operating activities	(50,753)	(282,903)	(112,243)	(275,783)	(114,675)	41,846	56,852
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	-	-	-	1,858	-	-	-
Payments							
Purchase of non-current assets	(9,888)	(2,139)	(4,533)	(300)	(653)	(300)	-
Net cash from investing activities.....	(9,888)	(2,139)	(4,533)	1,558	(653)	(300)	-
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	78,702	96,677	46,641	230,081	55,692	128,810	46,893
Payments							
Repayment of borrowings and leases.....	(107,277)	(231,323)	(307,466)	(144,208)	(85,741)	(175,580)	(111,675)
Net cash from financing activities.....	(28,575)	(134,646)	(260,825)	85,873	(30,049)	(46,770)	(64,782)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Capital subsidies	-	-	350	4,050	9,000	10,600	-
Operating subsidies.....	103,756	400,741	338,431	250,649	166,557	108,081	94,607
Royalties for Regions	13,875	28,663	20,546	16,635	3,290	-	-
Equity contributions.....	56,716	246,339	226,539	42,100	32,373	-	-
Other subsidies	-	34,900	34,300	39,400	-	-	-
Payments							
Dividends to government.....	(28,612)	(150,607)	(192,678)	-	(27,662)	(38,181)	(41,585)
National Tax Equivalent Regime - Income tax...	(13,506)	(65,039)	(15,996)	(13,942)	(22,341)	(23,762)	(18,158)
Local Government Rates Equivalent.....	(7,975)	(7,264)	(8,036)	(8,266)	(8,440)	(8,436)	(8,715)
Receipts paid into Consolidated Account.....	(21,405)	(22,095)	(5,523)	(14,866)	(11,000)	-	-
Net cash provided to State Government.....	(102,849)	(465,638)	(397,933)	(315,760)	(141,777)	(48,302)	(26,149)
NET INCREASE/(DECREASE) IN CASH HELD	13,633	45,950	20,332	127,408	(3,600)	43,078	18,219
Cash assets at the beginning of the reporting period	63,611	87,822	77,244	121,481	252,269	262,129	302,902
Net cash transferred to/from other agencies	-	-	23,905	3,380	13,460	(2,305)	6,892
Cash assets at the end of the reporting period	77,244	133,772	121,481	252,269	262,129	302,902	328,013

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

(b) The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to transfer commercial land development functions from the Housing Authority to DevelopmentWA.

(c) Other receipts are primarily related to GST receipts, with an offsetting balance included in Other payments.

(d) Payment of Local Government Rates Equivalent is included within Accommodation expense on the Income Statement, however within the Statement of Cashflows this is recorded as a payment to State Government and not as a payment from operating activities.

(e) Other payments include land tax and other State taxes, partnership management and sales fees, GST payments and non-staff related corporate expenses.

**RECONCILIATION RELATING TO RESIDENTIAL PROJECTS AND LAND DEVELOPMENT
FOR SOCIAL AND AFFORDABLE HOUSING ^{(a) (b)}**

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Sale of Goods.....	83,088	153,885	197,323	194,691	237,958	316,800	253,527
Sales of Goods - Department of Communities ...	-	-	-	19,345	41,024	55,360	44,490
Operating subsidies.....	22,500	22,500	22,500	57,009	22,500	22,500	22,500
TOTAL REVENUE	105,588	176,385	219,823	271,045	301,482	394,660	320,517
EXPENSES							
Cost of Land Sold.....	38,216	99,997	110,090	124,102	165,653	197,611	180,955
Cost of Goods Sold	-	-	-	-	-	53,217	22,066
Land Tax	22,500	22,500	22,500	22,500	22,500	22,500	22,500
Stamp Duty.....	-	-	-	34,509	-	-	-
Other expenses	6,455	22,509	34,295	46,147	53,258	58,866	53,938
TOTAL EXPENSES	67,171	145,006	166,885	227,258	241,411	332,194	279,459
National Tax Equivalent Regime	11,525	10,974	13,640	11,728	17,129	17,840	11,409
Dividends.....	20,169	19,204	23,870	-	21,442	29,977	31,218
Total cash returned to Government.....	31,694	30,178	37,510	11,728	38,571	47,817	42,627
BALANCE SHEET							
Restricted cash.....	27,226	34,101	34,145	110,583	147,142	185,901	207,239
Inventories.....	454,412	439,363	454,837	471,927	479,974	477,639	445,941

(a) Table represents the assets transferred from the Housing Authority as part of the Machinery of Government changes and is a subset of the preceding financial statements.

(b) The 2019-20 Actual, 2020-21 Budget and 2020-21 Estimated Actual financial data has been recast for comparative purposes due to Machinery of Government changes to transfer commercial land development functions from the Housing Authority to DevelopmentWA.

Division 47 Heritage Council of Western Australia

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 88 Net amount appropriated to deliver services	1,390	1,377	1,377	1,606	1,526	1,540	1,555
Total appropriations provided to deliver services	1,390	1,377	1,377	1,606	1,526	1,540	1,555
TOTAL APPROPRIATIONS	1,390	1,377	1,377	1,606	1,526	1,540	1,555
EXPENSES							
Total Cost of Services	1,407	1,917	1,800	2,953	1,526	1,540	1,555
Net Cost of Services ^(a) ^(b)	1,244	1,917	1,800	2,953	1,526	1,540	1,555
CASH ASSETS ^(c)	7,753	7,213	7,330	6,453	6,453	6,453	6,453

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(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 Council's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Ongoing Initiative					
Conservation Works - Parry Street Precinct	(194)	664	-	-	-
Other					
2021-22 Streamlined Budget Process Incentive Funding	-	15	-	-	-
Council Member Sitting Fees	77	77	76	76	76
Transfer of Local Jobs Grant Budget from Department of Planning, Lands and Heritage	-	60	60	60	60

Significant Issues Impacting the Agency

Heritage Grants Program

1. The Government is committed to protecting and enhancing the State's historic heritage assets and recognises the economic, social and environmental value of these assets. The Council, through the Department of Planning, Lands and Heritage, supports the sustainability of heritage places. The Heritage Grants Program promotes informed conservation as well as projects and events that celebrate places on the State Register of Heritage Places while creating jobs in trades and heritage professions.

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 Council's services, the desired outcomes and the relevant Government Goal. 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
Growing Our Communities: Protecting our environment with thriving suburbs and 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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Cultural Heritage Conservation Services....	1,407	1,917	1,800	2,953	1,526	1,540	1,555
Total Cost of Services.....	1,407	1,917	1,800	2,953	1,526	1,540	1,555

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Conservation of cultural heritage places in Western Australia for the benefit of present and future generations:					
Extent to which development approvals issued for registered places are consistent with the Council's advice to decision-making authorities	99%	100%	100%	100%	
Percentage of additional private investment generated from grant-assisted conservation projects.....	48%	100%	230%	150%	1

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

Explanation of Significant Movements

(Notes)

1. The Heritage Grants Program was previously capped at \$100,000 per applicant. In 2020-21, for the first time in over a decade, this cap was reduced to \$40,000 to deliver funds to more applicants. As reflected in the 2020-21 Estimated Actual, a lowered cap resulted in a higher ratio of private investment to grant funds paid, with one project contributing 13.6 times more than the grant provided. The 2021-22 Budget Target has been set largely based on the estimated greater contributions by grant recipients in line with the 2020-21 Estimated Actual.

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.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 1,407	\$'000 1,917	\$'000 1,800	\$'000 2,953	1
Less Income	163	nil	nil	nil	
Net Cost of Service	1,244	1,917	1,800	2,953	
Efficiency Indicators					
Average number of days to make preliminary determinations	34	60	47	50	2

Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2020-21 Estimated Actual and the 2021-22 Budget Target is largely attributed to the conservation works at the Parry Street Precinct as part of the COVID-19 Response.
2. The 2020-21 Estimated Actual is lower than the 2020-21 Budget mainly due to the completion of two preliminary determinations in less than 20 days. While the 60 day target reflects the statutory requirement, the 2021-22 Budget Target has been set based on past results where targets have been consistently achieved.

Financial Statements

Income Statement

Expenses

1. The increase in Total Cost of Services between the 2020-21 Estimated Actual and the 2021-22 Budget Estimate is largely attributable to the additional net spend on conservation works at the Parry Street Precinct.

Statement of Financial Position

2. The reduction in restricted cash balances between the 2020-21 Estimated Actual and the 2021-22 Budget Estimate is due to the use of these cash balances to undertake conservation works at the Parry Street Precinct.

Statement of Cashflows

3. Net cash provided by State Government has increased by \$0.7 million mainly due to an appropriation to fund the increase in Council Members sitting fees and a contribution from the Department of Planning, Lands and Heritage towards the Parry Street Precinct.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits	22	32	32	32	32	32	32
Grants and subsidies ^(b)	1,221	1,221	1,221	1,281	1,281	1,281	1,281
Supplies and services	154	496	379	1,471	178	178	178
Other expenses	10	168	168	169	35	49	64
TOTAL COST OF SERVICES	1,407	1,917	1,800	2,953	1,526	1,540	1,555
Income							
Other revenue	163	-	-	-	-	-	-
Total Income	163	-	-	-	-	-	-
NET COST OF SERVICES ^(c)	1,244	1,917	1,800	2,953	1,526	1,540	1,555
INCOME FROM STATE GOVERNMENT							
Service appropriations	1,390	1,377	1,377	1,606	1,526	1,540	1,555
Other revenues	-	-	-	470	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	1,390	1,377	1,377	2,076	1,526	1,540	1,555
SURPLUS/(DEFICIENCY) FOR THE PERIOD	146	(540)	(423)	(877)	-	-	-

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

(b) Refer to the Details of Controlled Grants and Subsidies table below for further information.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Heritage Grants Program	1,221	1,221	1,221	1,221	1,221	1,221	1,221
Local Government and Tourism	-	-	-	60	60	60	60
TOTAL	1,221	1,221	1,221	1,281	1,281	1,281	1,281

**STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)**

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	951	951	874	951	951	951	951
Restricted cash	6,802	6,262	6,456	5,502	5,502	5,502	5,502
Receivables	1	1	1	1	1	1	1
Total current assets	7,754	7,214	7,331	6,454	6,454	6,454	6,454
CURRENT LIABILITIES							
Payables	249	249	249	249	249	249	249
Total current liabilities	249	249	249	249	249	249	249
EQUITY							
Contributed equity	(5,282)	(5,282)	(5,282)	(5,282)	(5,282)	(5,282)	(5,282)
Accumulated surplus/(deficit)	12,787	12,247	12,364	11,487	11,487	11,487	11,487
Total equity	7,505	6,965	7,082	6,205	6,205	6,205	6,205
TOTAL LIABILITIES AND EQUITY	7,754	7,214	7,331	6,454	6,454	6,454	6,454

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	1,390	1,377	1,377	1,606	1,526	1,540	1,555
Other	-	-	-	470	-	-	-
Net cash provided by State Government	1,390	1,377	1,377	2,076	1,526	1,540	1,555
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(23)	(32)	(32)	(32)	(32)	(32)	(32)
Grants and subsidies	(1,826)	(1,221)	(1,221)	(1,281)	(1,281)	(1,281)	(1,281)
Supplies and services	(158)	(496)	(379)	(1,471)	(178)	(178)	(178)
GST payments	(174)	-	-	-	-	-	-
Other payments	(11)	(168)	(168)	(169)	(35)	(49)	(64)
Receipts							
GST receipts	194	-	-	-	-	-	-
Net cash from operating activities	(1,998)	(1,917)	(1,800)	(2,953)	(1,526)	(1,540)	(1,555)
Cash assets at the beginning of the reporting period	8,361	7,753	7,753	7,330	6,453	6,453	6,453
Cash assets at the end of the reporting period	7,753	7,213	7,330	6,453	6,453	6,453	6,453

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

Division 48 National Trust of Australia (WA)

Part 11 Planning and Land Use

Appropriations, Expenses and Cash Assets

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 89 Net amount appropriated to deliver services	3,404	3,457	3,457	3,184	3,185	3,218	3,262
Total appropriations provided to deliver services	3,404	3,457	3,457	3,184	3,185	3,218	3,262
CAPITAL							
Item 150 Capital Appropriation	435	435	435	435	435	435	435
TOTAL APPROPRIATIONS	3,839	3,892	3,892	3,619	3,620	3,653	3,697
EXPENSES							
Total Cost of Services	6,307	7,897	6,244	6,203	7,875	7,933	7,977
Net Cost of Services ^(a) ^(b)	4,149	3,626	3,626	3,227	3,228	3,261	3,305
CASH ASSETS ^(c)	4,231	4,231	4,231	4,031	3,831	3,631	3,431

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget may have increased the Net Cost of Services compared to previously published Budgets.

(b) Represents Total Cost of Services (expenses) less retained revenues applied to the Trust'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 Trust's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
2021-22 Streamlined Budget Process Incentive Funding	-	26	-	-	-

Significant Issues Impacting the Agency

1. The Trust will maintain its focus on the conservation, interpretation and adaptive re-use of heritage places. The Trust has a number of places that are maintained and conserved which are not activated. Management of the conservation works program will remain a priority to revitalise and activate these properties to enable better outcomes for Government.
2. The Trust will continue to work on enhancing the value, awareness and public participation in heritage through increased focus on community services and engagement, delivered through formal and non-formal schools, public education programs and events. The increased focus on community services and engagement will see the Trust place greater emphasis on providing additional events and other community engagement activities.
3. The Trust will continue to promote public investment in heritage through its community-based public tax-deductible appeals, its focus on Aboriginal heritage and its natural heritage conservation and stewardship programs.
4. The Trust will continue to enhance its volunteer programs to assist with the activation of National Trust places.

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 Trust's services, the desired outcomes and the relevant Government Goal. 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
Growing Our Communities: Protecting our environment with thriving suburbs and 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	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
1. Conservation and Management of Built Heritage	3,829	3,938	3,588	3,564	4,525	4,558	4,584
2. Heritage Services to the Community	2,478	3,959	2,656	2,639	3,350	3,375	3,393
Total Cost of Services.....	6,307	7,897	6,244	6,203	7,875	7,933	7,977

Outcomes and Key Effectiveness Indicators ^(a)

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 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	2%	2%	2%	1.8%	
Number of people accessing, engaging, attending Trust places and receiving heritage services	18,659	19,336	23,296	20,150	1

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

Explanation of Significant Movements

(Notes)

1. The increase in the 2020-21 Estimated Actual compared to the 2020-21 Budget is primarily due to the reduced number of Trust places closed as a result of the COVID-19 pandemic.

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 and community heritage properties and places including the operation of a major public appeals program with a key focus on conservation works.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Total Cost of Service	\$'000 3,829	\$'000 3,938	\$'000 3,588	\$'000 3,564	
Less Income ^(a)	1,380	2,731	1,674	1,903	
Net Cost of Service	2,449	1,207	1,914	1,661	
Employees (Full-Time Equivalents)	13	13	12	13	
Efficiency Indicators					
Average operating cost per place managed	\$36,467	\$37,505	\$32,377	\$33,623	1

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

1. The decrease in the 2020-21 Estimated Actual cost compared to 2020-21 Budget is as a result of an increase in the number of Trust places.

2. Heritage Services to the Community

The interpretation-heritage awareness and education services include programs targeted at the general public, schools, professional development and training and community service.

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service	2,478	3,959	2,656	2,639	1
Less Income ^(a)	778	1,540	944	1,073	
Net Cost of Service	1,700	2,419	1,712	1,566	
Employees (Full-Time Equivalents)	15	15	14	14	
Efficiency Indicators					
Average operating cost per person accessing, engaging, attending trust places and heritage services provided.....	\$133	\$205	\$109	\$131	2

(a) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have reclassified all sources of revenue from Government from the Net Cost of Service calculation. Accordingly, Net Cost of Service may be higher compared with previous Budget Papers.

Explanation of Significant Movements

(Notes)

- The decrease in the 2020-21 Estimated Actual amount compared to the 2020-21 Budget amount is due to the treatment of expenditure with the implementation of the new AASB 15: *Revenue from Contracts with Customers* and AASB 1058: *Income of Not-for-Profit Entities* Standards.
- The decrease in the 2020-21 Estimated Actual cost compared to 2020-21 Budget is as a result of an increase in the number of visitations to heritage places.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement 2020-21 Program	50	50	50	-	-	-	-
Property Restoration							
2020-21 Program.....	650	650	650	-	-	-	-
Collie Roundhouse Restoration	999	999	857	-	-	-	-
Lotterywest Conservation Project	1,974	1,974	528	-	-	-	-
NEW WORKS							
Asset Replacement							
2021-22 Program.....	50	-	-	50	-	-	-
2022-23 Program.....	50	-	-	-	50	-	-
2023-24 Program.....	50	-	-	-	-	50	-
2024-25 Program.....	50	-	-	-	-	-	50
Property Restoration							
2021-22 Program.....	650	-	-	650	-	-	-
2022-23 Program.....	650	-	-	-	650	-	-
2023-24 Program.....	650	-	-	-	-	650	-
2024-25 Program.....	650	-	-	-	-	-	650
Total Cost of Asset Investment Program	6,473	3,673	2,085	700	700	700	700
FUNDED BY							
Capital Appropriation			435	435	435	435	435
Drawdowns from the Holding Account			265	265	265	265	265
Other			1,155	-	-	-	-
Other Grants and Subsidies			230	-	-	-	-
Total Funding.....			2,085	700	700	700	700

Financial Statements

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,981	2,904	2,904	2,902	2,932	2,974	3,002
Supplies and services	1,762	3,124	1,471	1,446	3,088	3,104	3,120
Accommodation	310	383	383	383	383	383	383
Depreciation and amortisation	634	655	655	655	655	655	655
Other expenses	620	831	831	817	817	817	817
TOTAL COST OF SERVICES	6,307	7,897	6,244	6,203	7,875	7,933	7,977
Income							
Sale of goods and services	16	200	200	200	200	200	200
Grants and subsidies	426	-	-	-	-	-	-
Other revenue	1,716	4,071	2,418	2,776	4,447	4,472	4,472
Total Income	2,158	4,271	2,618	2,976	4,647	4,672	4,672
NET COST OF SERVICES ^(c)	4,149	3,626	3,626	3,227	3,228	3,261	3,305
INCOME FROM STATE GOVERNMENT							
Service appropriations	3,404	3,457	3,457	3,184	3,185	3,218	3,262
Other revenues	1,124	1,281	1,511	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	4,528	4,738	4,968	3,184	3,185	3,218	3,262
SURPLUS/(DEFICIENCY) FOR THE PERIOD	379	1,112	1,342	(43)	(43)	(43)	(43)

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 28, 26 and 27 respectively.

(c) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* since the 2020-21 Budget have moved all revenue received from Government out of the calculation of Net Cost of Services and into Income from State Government. This may have increased the Net Cost of Services compared to previously published Budgets.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CURRENT ASSETS							
Cash assets.....	2,066	2,066	2,066	2,066	2,066	1,866	1,666
Restricted cash.....	2,165	2,165	2,165	1,965	1,765	1,765	1,765
Holding account receivables.....	265	265	265	265	265	265	265
Receivables.....	250	202	202	154	106	58	58
Other.....	52	52	52	52	52	52	52
Total current assets.....	4,798	4,750	4,750	4,502	4,254	4,006	3,806
NON-CURRENT ASSETS							
Holding account receivables.....	3,083	3,473	3,473	3,863	4,253	4,643	5,033
Property, plant and equipment.....	101,153	103,957	102,588	102,638	102,688	102,738	103,438
Intangibles.....	215	58	215	215	215	215	215
Other.....	93	93	93	93	93	93	93
Total non-current assets.....	104,544	107,581	106,369	106,809	107,249	107,689	108,779
TOTAL ASSETS.....	109,342	112,331	111,119	111,311	111,503	111,695	112,585
CURRENT LIABILITIES							
Employee provisions.....	725	725	725	725	725	725	725
Payables.....	163	173	163	163	163	-	-
Other.....	1,247	2,524	1,247	1,047	847	810	1,308
Total current liabilities.....	2,135	3,422	2,135	1,935	1,735	1,535	2,033
NON-CURRENT LIABILITIES							
Employee provisions.....	101	101	101	101	101	101	101
Other.....	986	-	986	986	986	986	986
Total non-current liabilities.....	1,087	101	1,087	1,087	1,087	1,087	1,087
TOTAL LIABILITIES.....	3,222	3,523	3,222	3,022	2,822	2,622	3,120
EQUITY							
Contributed equity.....	28,316	28,317	28,751	29,186	29,621	30,056	30,491
Accumulated surplus/(deficit).....	57,234	58,037	58,576	58,533	58,490	58,447	58,404
Reserves.....	20,570	22,454	20,570	20,570	20,570	20,570	20,570
Total equity.....	106,120	108,808	107,897	108,289	108,681	109,073	109,465
TOTAL LIABILITIES AND EQUITY.....	109,342	112,331	111,119	111,311	111,503	111,695	112,585

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

STATEMENT OF CASHFLOWS (a) (b)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations	2,749	2,802	2,802	2,529	2,530	2,563	2,607
Capital appropriation.....	435	435	435	435	435	435	435
Holding account drawdowns.....	265	265	265	265	265	265	265
Other.....	1,124	1,281	1,511	-	-	-	-
Net cash provided by State Government	4,573	4,783	5,013	3,229	3,230	3,263	3,307
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits	(2,790)	(2,897)	(2,897)	(2,895)	(2,925)	(2,967)	(2,995)
Supplies and services.....	(1,799)	(3,287)	(3,287)	(3,262)	(3,251)	(3,267)	(3,283)
Accommodation.....	(502)	(366)	(366)	(366)	(366)	(366)	(366)
GST payments.....	(396)	(270)	(270)	(270)	(270)	(270)	(270)
Other payments.....	(1,206)	(708)	(708)	(694)	(694)	(694)	(694)
Receipts (b)							
Grants and subsidies.....	426	-	-	-	-	-	-
Sale of goods and services.....	16	200	200	200	200	200	200
GST receipts.....	417	270	270	270	270	270	270
Other receipts.....	1,659	4,130	4,130	4,288	4,306	4,331	4,331
Net cash from operating activities.....	(4,175)	(2,928)	(2,928)	(2,729)	(2,730)	(2,763)	(2,807)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(1,140)	(1,855)	(2,085)	(700)	(700)	(700)	(700)
Net cash from investing activities	(1,140)	(1,855)	(2,085)	(700)	(700)	(700)	(700)
Cash assets at the beginning of the reporting period	4,973	4,231	4,231	4,231	4,031	3,831	3,631
Cash assets at the end of the reporting period	4,231	4,231	4,231	4,031	3,831	3,631	3,431

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

(b) Changes to Treasurer's instruction 1102: *Statements of Comprehensive Income* implemented since the 2020-21 Budget have reclassified revenue received from Government from the Cashflows from Operating Activities category to the Cashflows from State Government category. This may have changed the Net cash provided by State Government and Net cash from operating activities compared to previously published Budgets.

Part 12

Utilities

Introduction

The Utilities portfolio comprises the six State-owned electricity and water utilities, providing homes and businesses with access to safe, reliable and efficient services. The portfolio maintains the capacity and reliability of its assets, and invests in infrastructure and new and emerging technologies to support the State. It plays a central role in the economic development of the State and in improving the living standards of the community.

Summary of Recurrent and Asset Investment Expenditure

Agency	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000
Synergy		
– Asset Investment Program	85,007	194,569
Western Power		
– Asset Investment Program	742,643	834,213
Horizon Power		
– Asset Investment Program	95,339	151,898
Water Corporation		
– Asset Investment Program	689,259	699,229
Bunbury Water Corporation		
– Asset Investment Program	6,780	18,464
Busselton Water Corporation		
– Asset Investment Program	2,408	3,798

Ministerial Responsibilities

Minister	Agency	Services
Minister for Mines and Petroleum; Energy; Corrective Services	Synergy	n/a
	Western Power	n/a
	Horizon Power	n/a
Minister for Water; Forestry; Youth	Water Corporation	n/a
	Bunbury Water Corporation	n/a
	Busselton Water Corporation	n/a

Synergy

Part 12

Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax ^(a)	47	-	-	-	-	-	-
Local Government Rates Equivalent	740	1,027	660	1,027	1,028	1,028	1,028
Dividends ^(b)	2,820	22,600	-	-	-	-	-
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies ^(c)	528,913	904,394	922,206	386,669	331,088	325,544	302,218
Other Subsidies ^(d)	3,734	7,900	7,900	10,223	9,610	7,900	7,900
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution ^(e)	-	-	-	170,202	20,800	3,000	1,000
RATIOS							
Dividend Payout Ratio (%)	75	75	75	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	2,931,726	2,787,375	2,834,378	2,810,049	2,894,767	2,855,604	2,874,421
Revenue from State Government	532,647	912,294	930,106	396,892	340,698	333,444	310,118
Total Expenses ^(f)	3,491,529	3,731,421	4,081,407	3,110,696	3,155,549	3,096,851	3,171,459
Total Borrowings	228,200	300,373	218,236	310,798	282,897	233,494	220,020
NET PROFIT AFTER TAX	(27,210)	(3,021)	(316,923)	96,245	79,916	92,197	13,080
CASH ASSETS ^(g)	534,797	198,221	109,561	136,200	136,200	136,200	136,200

(a) No income tax is projected to be payable over the forward estimates period as Synergy is not expected to return taxable profits.

(b) In determining the dividend payment to the general government sector, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(c) Synergy received significant additional operating subsidies in 2020-21 primarily as a result of administering the \$600 Household Electricity Credit.

(d) Includes amounts from the Department of Communities (Hardship Utilities Grants Scheme) and Western Power (Project Symphony).

(e) Over the period from 2021-22 to 2024-25, Synergy will receive equity contributions for asset investment, inclusive of \$140 million in 2021-22 for the big battery project.

(f) Excludes current tax expense, deferred tax expense and dividends.

(g) As at 30 June each financial year.

Financial Changes

Net operating balance adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
Aggregation and Orchestration Platform	-	(5,000)	-	-	-
COVID-19 Response Measures	(58,711)	-	-	-	-
Distributed Energy Buyback Scheme Rates	-	567	2,034	4,488	7,604
Electric Vehicle Charging Stations	-	(233)	(140)	(104)	(60)
Financial Viability Subsidies	(5,976)	(9,699)	(11,964)	(12,011)	(6,174)
Project Symphony	-	(8,403)	-	-	-
System Security Transition Payment	-	(98,689)	(82,352)	(76,906)	(57,362)
Other					
Rebates and Concessions	(3,189)	(5,960)	(6,174)	(7,726)	(863)

Significant Issues Impacting the Government Trading Enterprise

External Environment

1. The forward estimates period will be one of the most critical and transformational periods for the energy sector not only in Western Australia but across Australia and the world. The energy market is rapidly changing with key challenges including decreasing system revenue, pressure on scheduled generation and, for Synergy directly, the requirement to purchase more energy at high prices and sell energy at low or negative prices.
2. Like many electricity utilities around the world, Synergy is facing significant disruption. Scheduled generation activities are being challenged by the increased penetration of large and small-scale renewable generation.
3. As a GTE, Synergy recognises it has a role to play in helping to transition to the new energy future. Synergy's assets are needed to ensure the stability and security of the energy system, particularly during this transformational period.
4. Advances in downstream technology (such as household battery storage and smart meters) and the emergence of different business models enabled by distributed generation such as virtual power plants (VPPs) and peer-to-peer trading, are changing the way electricity is traded, sold and consumed by customers. These technologies offer customers greater awareness, choice and more control over their electricity usage.
5. Increased solar generation during the day has the effect of requiring Synergy's scheduled coal and gas generation to ramp-up at a steeper rate to meet evening demand. The marked change to the electricity demand profile requires greater flexibility of supply, characterised by increased use of higher cost, flexible gas-fired peaking generators (until battery storage can be installed at scale), as well as more frequent plant shutdown and start-up cycles for baseload coal generation.
6. Uptake of rooftop solar in the South West Interconnected System (SWIS) is expected to increase by a further 250-300 megawatts (MW) per annum over the forward estimates period. There is currently about 1,900 MW of behind-the-meter photovoltaic installed in the SWIS and this is forecast to grow to over 4,000 MW by 2030.

Workforce Transition

7. Synergy is on track for the planned closure of the Muja C Unit 5 by October 2022 and Unit 6 by October 2024. This action is a result of Synergy reshaping its generation portfolio to more effectively match current and future electricity demand requirements.
8. Synergy's Workforce Transition Plan was developed in collaboration with its workforce, unions and the Government to ensure an appropriate transition for those directly impacted by the closure.
9. During 2020, Synergy's Workforce Transition Plan was supported by 18 transition workshops, three employee roadshows and a series of information sessions. Synergy is now entering the next phase of its Workforce Transition Plan which supports 270 full-time affected employees through an assessment of skills, redeployment, upskilling, training and development programs, assistance with job search, financial planning support and preparation for retirement.

Financial Sustainability

10. Synergy's 2020-21 Estimated Actual projects a loss of \$316.9 million with a net asset deficiency (where liabilities exceed assets) of \$101.6 million.
11. The net asset deficiency is primarily driven by one-off adjustments recognised for increases to Synergy's onerous contract (an onerous contract is one in which the unavoidable costs of meeting the obligation under the contract exceed the expected benefits) and decommissioning provisions. These adjustments have been recognised upfront in 2020-21 as required by the relevant accounting standards. Net assets are projected to return to a positive position from 2021-22 onwards, supported by additional equity and operating subsidy contributions from the Government as detailed below.
12. Synergy receives operating subsidies to fund it for obligations that are not commercial (primarily to better manage the cost of electricity for residential and small business customers in the SWIS) and for rebates and concessions to customers that it administers on behalf of the Government.
 - 12.1. A range of operating subsidies were approved as part of the 2020-21 Budget to fund Synergy for revenue shortfalls that it is currently unable to recover. The 2021-22 Budget incorporates a new subsidy (the System Security Transition Payment) which is a time-limited operating subsidy to provide support for Synergy running its thermal fleet in an uneconomical manner to preserve electricity system security whilst generation fleet transition options are explored.
 - 12.2. The Government also supports Synergy customers under financial hardship or on a concession through a range of subsidies. These range from the Western Australian Energy Assistance Payment to supporting eligible customers with dependent children and waiving several fees and charges for concession card holders.
13. Synergy will receive equity contributions over the forward estimates period to fund major capital works projects linked to its corporate strategy and to support the transition to a low carbon future, whilst maintaining reliable and affordable energy supply. These projects are covered in detail in the Asset Investment Program section below and include the 100 MW big battery, electric vehicle charging stations, thermal fleet flexibility projects, expansion of the Schools VPP project and implementation of a new Customer Engagement Platform.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Keeping the Budget healthy.	1. Financial performance
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Build a skilled workforce for the future.	2. Employee engagement
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Safety and compliance with regulatory requirements.	3. Employee safety 4. Regulatory compliance
Growing our Communities: Protecting our environment with thriving suburbs and regions.	Develop climate-resilient communities and a prosperous low-carbon future.	5. Customer service

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Financial performance:					
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (\$ million) ^(a)	117.5	>=57.5	51.9	>=219.7	1
EBITDA margin ^(a)	3.9%	>=2%	1.4%	>=6.8%	1
Net Profit After Tax (NPAT) margin	(0.9%)	>=(0.4%)	(2.1%)	>=3%	1
Outcome: Employee engagement:					
Employee engagement survey result ^(b)	4.2	4.4	4.3	4.4	
Outcome: Employee safety:					
Recordable Injury Frequency Rate (RIFR) ^(c)	2.9	=<1.9	2	=<1.9	
Outcome: Regulatory compliance:					
Various legislative compliance requirements ^(d)	2	nil	nil	nil	
Outcome: Customer service:					
Customer Effort Score (CES) ^(e)	68.1%	>=67.5%	68%	>=68.2%	

(a) EBITDA is calculated as NPAT, removing the impact of Depreciation and Amortisation and Finance and Interest Costs per the Income Statement.

(b) Employee engagement is measured through a twice-yearly employee engagement survey.

(c) RIFR is calculated as the number of lost-time and medical treatment injuries, divided by total hours worked, multiplied by one million.

(d) Refers to legislative compliance requirements that could result in a material regulatory breach.

(e) CES is the metric Synergy uses to understand customer processes and experiences. CES is the percentage of survey respondents who provided a score of 9 or 10 out of a 0 to 10 point rating for the question 'How easy was it to interact with Synergy?'.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual EBITDA and NPAT excludes two large one-off accounting adjustments, being an increase in the decommissioning provision for the Kwinana Power Station (which is a retired asset) and provision for onerous contracts.

Asset Investment Program

1. In 2021-22, Synergy will spend \$194.6 million on its Asset Investment Program, investing in projects that reposition Synergy to respond to the evolving energy market, support communities through investment in renewable energy technology as part of the COVID-19 Response and continue investment to maintain the existing generation asset base. These investments support economic growth and jobs in the regions, where a significant portion of the existing generation asset base is located.

Generation

2. Synergy will invest \$114 million in 2021-22 to develop a 100 megawatt big battery. The big battery will support the integration of more renewable energy into the grid and improve electricity system security.
3. To enable Synergy's existing thermal generation fleet to better respond to system needs including increased frequency of start-ups and operating at lower voltages, Synergy will invest \$8 million in upgrades to enable more flexible operations.
4. Synergy's existing generation portfolio is comprised of coal, gas, liquid fuel and renewable energy assets. Expenditure to maintain the capacity and reliability of existing assets amounts to a total of \$41 million in 2021-22. Major investments include:
 - 4.1. \$17.1 million for works to improve gas turbine reliability and security of supply, with turbine parts to be replaced at the Cockburn and Pinjar Gas Turbines;
 - 4.2. \$13 million for various projects to support safety, efficiency and environmental targets at Muja Power Station including replacement of ageing slurry disposal pipes and essential cooling tower works;
 - 4.3. \$7 million for various projects at Collie Power Station. Major works include the upgrading of infrastructure to ensure compliant, reliable and efficient operations comprising the automatic voltage regulator, the ash rejects and residue handling system, and electrostatic precipitator casing; and
 - 4.4. \$1.9 million for the continuation of compliance works for rehabilitation and relocation of shared services at Kwinana Power Station in order to support other generation infrastructure located at the Kwinana site, following the retirement of the power station.

COVID-19 Response

5. In 2021-22, Synergy will undertake investment in new renewable energy technology in Perth and the regions, including:
 - 5.1. \$1.5 million for the Smart Energy for Social Housing energy project, which will benefit the community by installing solar panels on social housing to provide those customers, who would otherwise not be able to easily access renewable technology, the opportunity to unlock solar benefits; and
 - 5.2. \$520,000 to continue the implementation of the Virtual Power Plants (VPP) for Schools pilot project to transform selected schools into smart, green virtual power plants by installing rooftop solar panel systems and commercial batteries.

Retail

6. Synergy will invest \$12 million in 2021-22 to continue the implementation of a new Customer Engagement Platform, replacing a number of legacy customer systems that are reaching end of life over the forward estimates period, and enable Synergy to provide new services to customers.
7. Following the success of the VPP for Schools pilot project, Synergy will spend \$4.8 million in 2022-23 to install battery storage and/or solar photovoltaic technology at three additional schools in Kalgoorlie and three in Geraldton, consistent with the 2021 election commitment.
8. In line with the Government's Electric Vehicle Strategy, Synergy will invest \$4.5 million in 2021-22 to install electric vehicle charging stations across the SWIS.

Corporate

9. A total of \$11 million in 2021-22 has been allocated for the replacement and upgrade of information and communications technology (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.
10. Additionally, \$2 million in 2021-22 has been committed to various infrastructure and system upgrades to ensure readiness for the Wholesale Electricity Market (WEM) reforms.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Retail							
Smart Energy for Social Housing.....	4,713	713	713	1,513	1,600	887	-
VPP for Schools.....	4,000	3,480	3,480	520	-	-	-
Other Works in Progress							
Corporate							
Business Systems Replacement	82,807	54,485	4,324	11,000	10,000	7,322	-
WEM Market Readiness	12,144	8,144	7,880	2,000	2,000	-	-
Generation							
Big Battery	155,000	10,000	10,000	114,000	31,000	-	-
Cockburn Gas Turbine.....	77,309	30,518	1,648	14,135	7,600	12,056	13,000
Collie Power Station	96,614	62,614	12,813	7,000	8,000	8,000	11,000
Kwinana Power Station.....	57,167	54,367	12,718	1,900	400	500	-
Muja Power Station.....	158,172	118,172	11,670	13,000	11,000	10,000	6,000
Other Generation Infrastructure Projects	69,011	64,011	1,450	2,000	1,000	1,000	1,000
Pinjar Gas Turbine.....	37,815	17,170	2,900	3,000	12,000	2,322	3,323
Retail - Customer Engagement Platform	30,200	1,200	1,200	12,000	13,000	3,000	1,000
COMPLETED WORKS							
Corporate - Property, Plant and Equipment.....	5,733	5,733	800	-	-	-	-
Retail							
Advanced Metering Infrastructure/Access Arrangement 4.....	5,872	5,872	3,995	-	-	-	-
System Enhancements.....	40,494	40,494	9,416	-	-	-	-
NEW WORKS							
Election Commitment							
Retail - VPPs	4,800	-	-	-	4,800	-	-
Other New Works							
Generation - Flexible Operations.....	11,000	-	-	8,000	3,000	-	-
Retail - Electric Vehicle Charging Stations	9,002	-	-	4,501	4,501	-	-
Total Cost of Asset Investment Program	861,853	476,973	85,007	194,569	109,901	45,087	35,323
FUNDED BY							
Internal Funds and Balances.....			85,007	51,567	89,101	42,087	34,323
Other			-	143,002	20,800	3,000	1,000
Total Funding.....			85,007	194,569	109,901	45,087	35,323

Financial Statements

Income Statement

Expenses

1. The increase in Supplies and services expenditure in the 2020-21 Estimated Actual, relative to the 2020-21 Budget, relates to the upfront recognition of a \$162.6 million onerous gas contract provision in 2020-21 as required by the relevant accounting standards.
2. The \$79.8 million increase in Other expenses in the 2020-21 Estimated Actual, relative to the 2020-21 Budget, relates to an increase in the decommissioning provision for the Kwinana Power Station. As the asset is no longer operational, the increase to the provision is recognised immediately in the Income Statement consistent with the relevant accounting standards.

Revenue

3. The \$62.1 million increase in Other revenue in the 2022-23 Forward Estimate, compared to the 2021-22 Budget Estimate, relates to Synergy meeting its renewable energy certificate obligations and recovering shortfall payments made in 2019-20 and 2020-21.
4. Operating subsidies provided to Synergy in 2019-20 and 2020-21 are materially higher than those projected over the forward estimates due to one-off customer support measures administered in those years, specifically the Small Business and Charity Tariff Offset, Energy Assistance Payment Boost and Household Electricity Credit (HEC). These revenue increases were offset by equivalent Grants and subsidies expenditure outlays.

Statement of Financial Position

5. Cash is held constant at \$136.2 million over the forward estimates period which represents Synergy's two week working capital requirements.
6. Synergy's 2020-21 Estimated Actual net assets position is negative due to significant one-off adjustments for the onerous gas contracts and the decommissioning provision recognised upfront in line with the relevant accounting standards. Net assets are projected to return to a positive position from 2021-22 onwards supported by additional government operating subsidies and equity contributions.
7. The gradual reduction to Other liabilities over the forward estimates period relates to the onerous gas contract recognised in the 2020-21 Estimated Actual, which reverses ('unwinds') into the Income Statement each year.

Statement of Cashflows

8. The reduction in Other Payments in the 2021-22 Budget Estimate is due to the 2020-21 Estimated Actual including \$617.5 million in payments for the HEC.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	2,897,807	2,776,652	2,823,645	2,805,932	2,828,526	2,847,659	2,866,054
Other revenue.....	33,919	10,723	10,733	4,117	66,241	7,945	8,367
Revenue from government							
Operating subsidies.....	528,913	904,394	922,206	386,669	331,088	325,544	302,218
Capital subsidies.....	-	-	-	2,323	1,710	-	-
Other subsidies.....	3,734	7,900	7,900	7,900	7,900	7,900	7,900
TOTAL REVENUE	3,464,373	3,699,669	3,764,484	3,206,941	3,235,465	3,189,048	3,184,539
Expenses							
Employee benefits ^(b)	99,486	125,106	125,106	130,464	141,378	121,148	123,615
Grants and subsidies.....	440,570	748,684	782,966	97,765	93,801	97,131	100,665
Supplies and services.....	2,674,563	2,642,052	2,882,985	2,657,548	2,696,563	2,648,472	2,704,045
Accommodation.....	1,824	1,418	1,051	1,418	1,419	1,419	1,419
Depreciation and amortisation	130,726	87,836	90,825	84,083	88,696	96,904	101,376
Finance and interest costs.....	42,273	47,059	39,432	39,327	42,628	41,832	41,650
Other expenses	102,087	79,266	159,042	100,091	91,064	89,945	98,689
TOTAL EXPENSES	3,491,529	3,731,421	4,081,407	3,110,696	3,155,549	3,096,851	3,171,459
NET PROFIT/(LOSS) BEFORE TAX	(27,156)	(31,752)	(316,923)	96,245	79,916	92,197	13,080
National Tax Equivalent Regime							
Current tax equivalent expense	47	-	-	-	-	-	-
Deferred tax equivalent expense	7	(28,731)	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX	(27,210)	(3,021)	(316,923)	96,245	79,916	92,197	13,080
Dividends	2,820	22,600	-	-	-	-	-

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 848, 906 and 960 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CURRENT ASSETS							
Cash assets.....	534,797	198,221	109,561	136,200	136,200	136,200	136,200
Receivables.....	315,514	272,704	206,675	265,326	249,031	240,248	212,286
Assets held for sale.....	9,390	9,390	9,390	9,390	9,390	9,390	9,390
Other.....	187,705	182,473	232,358	253,635	248,189	263,680	278,916
Total current assets.....	1,047,406	662,788	557,984	664,551	642,810	649,518	636,792
NON-CURRENT ASSETS							
Property, plant and equipment.....	748,649	745,571	772,717	907,846	935,346	877,701	798,033
Intangibles.....	150,107	126,799	122,222	96,875	89,169	95,293	108,792
Other.....	70,249	111,200	85,161	81,000	76,043	71,892	59,151
Total non-current assets.....	969,005	983,570	980,100	1,085,721	1,100,558	1,044,886	965,976
TOTAL ASSETS	2,016,411	1,646,358	1,538,084	1,750,272	1,743,368	1,694,404	1,602,768
CURRENT LIABILITIES							
Employee provisions.....	36,335	32,914	32,914	32,954	32,994	33,034	33,074
Payables.....	615,381	338,142	342,675	328,992	318,145	318,839	304,087
Borrowings and leases.....	19,732	19,732	17,098	17,098	17,098	17,098	17,098
Interest Payable.....	433	-	-	-	-	-	-
Other.....	192,061	181,688	185,757	140,340	109,734	77,697	44,821
Total current liabilities.....	863,942	572,476	578,444	519,384	477,971	446,668	399,080
NON-CURRENT LIABILITIES							
Employee provisions.....	36,660	36,660	36,660	36,660	36,660	36,660	36,660
Borrowings and leases.....	448,674	504,130	424,627	498,690	450,918	379,823	344,658
Other.....	466,809	358,387	599,950	530,688	512,253	470,490	447,527
Total non-current liabilities.....	952,143	899,177	1,061,237	1,066,038	999,831	886,973	828,845
TOTAL LIABILITIES	1,816,085	1,471,653	1,639,681	1,585,422	1,477,802	1,333,641	1,227,925
NET ASSETS	200,326	174,705	(101,597)	164,850	265,566	360,763	374,843
EQUITY							
Contributed Equity.....	1,292,744	1,292,744	1,292,744	1,462,946	1,483,746	1,486,746	1,487,746
Accumulated surplus/(deficit).....	(1,079,775)	(1,105,396)	(1,381,698)	(1,285,453)	(1,205,537)	(1,113,340)	(1,100,260)
Reserves.....	(12,643)	(12,643)	(12,643)	(12,643)	(12,643)	(12,643)	(12,643)
TOTAL EQUITY	200,326	174,705	(101,597)	164,850	265,566	360,763	374,843

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	3,055,330	2,437,780	2,582,613	2,391,402	2,471,986	2,487,370	2,498,845
Grants and subsidies.....	100	-	-	-	-	-	-
GST receipts.....	309,760	-	286,711	285,731	279,781	283,911	286,097
Other receipts.....	6,983	533,274	203,166	222,386	261,679	199,897	216,893
Payments							
Employee benefits.....	(95,506)	(137,071)	(137,071)	(138,928)	(149,850)	(129,639)	(132,227)
Supplies and services.....	(2,706,969)	(3,029,498)	(3,086,051)	(2,799,380)	(2,690,064)	(2,736,036)	(2,768,142)
Accommodation ^(b)	(1,084)	-	-	(84)	(86)	(86)	(90)
GST payments.....	(308,627)	(7,395)	(282,545)	(271,009)	(277,599)	(281,596)	(284,343)
Finance and interest costs.....	(32,683)	(7,217)	(32,135)	(31,639)	(29,840)	(28,130)	(30,905)
Other payments.....	(513,783)	(1,029,119)	(778,784)	(98,824)	(91,750)	(39,755)	(50,559)
Net cash from operating activities.....	(286,479)	(1,239,246)	(1,244,096)	(440,345)	(225,743)	(244,064)	(264,431)
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	64	-	-	-	-	-	-
Other receipts.....	-	12,924	12,924	2,924	3,075	3,138	3,138
Payments							
Purchase of non-current assets.....	(68,163)	(57,673)	(85,007)	(194,569)	(109,901)	(45,087)	(35,323)
Other payments.....	(19,470)	(16)	(16)	-	-	-	-
Net cash from investing activities.....	(87,569)	(44,765)	(72,099)	(191,645)	(106,826)	(41,949)	(32,185)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	225,566	199,807	127,634	228,369	97,099	129,815	125,000
Payments							
Repayment of borrowings and leases.....	(24,405)	(127,634)	(137,598)	(135,807)	(125,000)	(179,218)	(138,474)
Net cash from financing activities.....	201,161	72,173	(9,964)	92,562	(27,901)	(49,403)	(13,474)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Capital subsidies.....	-	-	-	2,323	1,710	-	-
Administered appropriations.....	3,943	-	-	-	-	-	-
Operating subsidies.....	575,170	890,989	878,683	386,669	331,088	325,544	302,218
Equity Contributions.....	-	-	-	170,202	20,800	3,000	1,000
Other subsidies.....	3,634	7,900	7,900	7,900	7,900	7,900	7,900
Payments							
Dividends to government.....	(2,820)	(22,600)	-	-	-	-	-
Local Government Rates Equivalent.....	(740)	(1,027)	(660)	(1,027)	(1,028)	(1,028)	(1,028)
Net cash provided to State Government.....	(579,187)	(875,262)	(885,923)	(566,067)	(360,470)	(335,416)	(310,090)
NET INCREASE/(DECREASE) IN CASH HELD.....	406,300	(336,576)	(440,236)	26,639	-	-	-
Cash assets at the beginning of the reporting period.....	128,497	534,797	534,797	109,561	136,200	136,200	136,200
Cash assets at the end of the reporting period.....	534,797	198,221	94,561	136,200	136,200	136,200	136,200

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

(b) Payment of Local Government Rates Equivalent is included within Accommodation expense on the Income Statement, however within the Statement of Cashflows this is recorded as a payment to State Government and not as a payment from operating activities.

Western Power

Part 12

Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	98,944	115,827	115,251	105,463	120,582	127,780	103,234
Local Government Rates Equivalent	1,462	1,761	1,761	1,805	1,651	1,692	1,734
Dividends ^{(a) (b) (c)}	80,492	491,311	299,599	-	301,215	295,081	267,758
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Other Subsidies	3,435	3,063	1,300	2,895	-	-	-
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution ^(d)	33,106	166,338	133,528	170,146	92,316	91,255	90,326
RATIOS							
Dividend Payout Ratio	75%	75%	75%	75%	75%	75%	75%
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	1,841,447	1,886,065	1,886,065	1,897,988	1,930,776	1,979,581	1,964,055
Revenue from State Government	3,435	3,063	1,300	2,895	-	-	-
Total Expenses ^(e)	1,285,753	1,309,216	1,308,160	1,328,810	1,358,610	1,423,087	1,470,110
Total Borrowings	7,490,668	7,996,934	7,671,047	7,999,938	8,328,087	8,561,599	8,818,589
NET PROFIT AFTER TAX	390,648	406,921	406,769	401,437	401,620	390,745	345,760
CASH ASSETS ^{(f) (g)}	28,255	28,269	50,393	555,889	555,889	555,889	555,889

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.
- (d) Equity Contributions arise where Government returns cash to Western Power via an equity injection. They are made up of contributions for dividend on capital contributions, equity contribution for tax on residential customers contributions, and equity contribution to offset dividend on asset sales.
- (e) Excludes current tax expense, deferred tax expense and dividends.
- (f) As at 30 June each financial year.
- (g) Forecast is subject to identification of strategic infrastructure projects and suitable levels of borrowings being achieved. This will be reviewed as part of the 2021-22 Mid-year Review process.

Financial Changes

Net operating balance adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitment					
Standalone Power Systems	-	-	(958)	(3,012)	(5,745)
Key Adjustments					
2021-22 Dividend Retention	-	(530,889)	-	-	-
Asset Investment Program Delivery Recashflow	-	1,296	1,550	239	(18)
Energy Transformation Strategy Five-Minute Settlement	(10)	(149)	(243)	(1,104)	(2,317)
Growth and Services Projects	-	(855)	(1,882)	(2,013)	(2,049)
Project Symphony Arena Funding	(60)	(407)	374	89	1
Safety - Pole Management and Replacement	-	-	(187)	(405)	(585)
Severe Tropical Cyclone Seroja Ex-Gratia Payments	-	(284)	-	-	-
Other					
2020-21 Estimated Actual Outturn and Recashflows	1,059	3,844	3,929	3,777	3,843
2021-22 Price List Update	-	(51,199)	(10,394)	(453)	(395)
Dividend and Equity Update	37,362	242	387	479	585
Interest Update	10,390	16,216	15,967	15,454	11,730
Tariff Equalisation Contribution Update	-	(6,310)	(8,994)	12,401	2,732

Significant Issues Impacting the Government Trading Enterprise

Optimising the Modular Grid Transition

1. Western Power's grid is in a period of transition. Western Power's existing network assets are ageing and approaching end of life. At the same time, technological progress is rapidly reducing the cost of non-wire alternatives.
2. Western Power needs to optimise the transformation of its network to a modular grid for end-of-life assets while providing safe, reliable and affordable electricity services to our community, regardless of where they live.

Integrating Distributed Energy Resources into the Grid

3. The rise in Distributed Energy Resources (DER) is fundamentally changing the energy value chain. It is driving increasingly complex consumption and production patterns that will challenge the historical approach of delivering electricity one-way across a centralised network.
4. The DER has already begun to cause technical issues and, if not coordinated more effectively, it will continue to exacerbate voltage management and system security risks requiring intervention.

Decarbonising Our Community

5. Our community is committed to achieving net zero emissions by 2050. Western Power is taking action to address climate change through supporting the decarbonisation of the economy. Western Power's grid has a critical role in enabling the reduction of emissions in our economy.
6. Western Power's grid is already enabling the transition from carbon-intensive generation to renewable generation. A decarbonised grid allows other industries to achieve their decarbonisation aspirations via electrification.
7. Climate change will present both physical and transitional risks for Western Power. Climate change will see a need for greater emphasis on disaster preparedness and increase the challenge of protecting grid infrastructure and supply to vulnerable communities.

Developing Our Next Access Arrangement

8. Western Power is preparing its next access arrangement proposal to cover the five year period from 1 July 2022 to 30 June 2027. The proposal will be a credible, sustainable and future-focused plan of key activities and investments over the period to ensure the network can continue to meet the energy needs of Western Australians.
9. In developing the proposal, Western Power is engaging with the community and customers to understand the energy services and solutions they need and value and to determine the prices charged for these services. This is an essential aspect of demonstrating the community and customer needs to the Economic Regulation Authority (ERA), which will decide how much revenue can be recovered from customers to enable Western Power to deliver on its plan for the community over the five year period.

2021-22 Dividend Retention

10. Western Power will retain its forecast 2021-22 dividend payments of \$530.9 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of Western Power.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Affordable.	1. Manage the cost to the community of delivering core network services on a per connection basis
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	People.	2. Engaged employees
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Reliable.	3. Reliability of customer supply across the South West Interconnected Network (SWIN)
	Safe.	4. Minimise the number of public safety incidents which result in human electric shock, injury or fatality, livestock fatality, property damage or a fire started 5. Minimise injuries to our employees
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Sustainable.	6. Increase the proportion of all electricity needs met by renewable energy, through tracking of total electricity generation in the South West Interconnected System (SWIS)

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Manage the cost to the community of delivering core network services, on a per connection basis:					
Net cost to the community per connection.....	n/a	<\$1,000	\$993	<\$1,000	1
Outcome: Engaged employees:					
Employee engagement score ^(a)	85%	>80%	82%	>80%	
Outcome: Reliability of customer supply across the SWIN:					
Network availability per year.....	99.90%	>=99.93%	99.90%	>=99.93%	
Outcome: Minimise the number of public safety incidents which result in human electric shock, injury or fatality, livestock fatality, property damage or a fire started:					
Public safety incidents on a rolling 12 month basis	57	<61	39	<61	2
Outcome: Minimise injuries to our employees:					
All injury frequency rate ^(b)	13	<16	20	<15	3
Outcome: Increase the proportion of all electricity needs met by renewable energy, through tracking of total electricity generation in the SWIS:					
Proportion of all electricity needs met by renewables.....	21%	>25%	29%	>30%	4

(a) Measurement of the proportion of employees that are engaged.

(b) Measurement of the number of 'all' injuries per one million hours worked where 'all' injuries include Lost Time Injuries, Restricted Work Injuries, Medical Treatment Injuries, First Aid Injuries and No Treatment Required Injuries, on a rolling 12 month basis.

Explanation of Significant Movements

(Notes)

1. This key performance indicator has been introduced in 2020-21 and was not reported in the 2019-20 Actual.
2. The decrease in Public safety incidents on a rolling 12 month basis between the 2019-20 Actual and the 2020-21 Estimated Actual is primarily due to fewer fires in 2019-20 as a result of favourable weather conditions.
3. The increase in All injury frequency rate between the 2019-20 Actual and the 2020-21 Estimated Actual and between the 2020-21 Budget and the 2020-21 Estimate Actual is due to a refinement in the injury classification methodology.
4. The increase in the Proportion of all electricity needs met by renewables between the 2019-20 Actual and the 2020-21 Estimated Actual is primarily due to the continuing uptake of behind the meter solar combined with two new wind farms and one solar farm coming online. This structural shift further reduces the share of gas and coal in energy generation.

Asset Investment Program

1. Western Power builds, maintains and operates the electricity network in the southwest of Western Australia. Western Power's Asset Investment Program (AIP) is underpinned by its Asset Management Framework, designed to meet the requirements of Western Power's licence obligations, good industry practice and relevant Australian standards. Western Power's focus is to provide customers with access to a safe, reliable and efficient supply of electricity.
2. As part of Western Power's Access Arrangement submission and approvals process, the ERA undertakes a rigorous review of Western Power's forecast expenditure. The ERA sets service performance targets, network tariffs and charges for Western Power that are in the best interests of the customer. This process ensures that there is demonstrable need for the investments proposed by Western Power, and that the investments are efficient. The 2021-22 Budget will be the last year of the access arrangement (AA4) that was approved in 2019.
3. Western Power is preparing its next access arrangement proposal to cover the five year period from 1 July 2022 to 30 June 2027 (AA5). The proposal will be a credible, sustainable and future-focused plan of key activities and investments over the period to ensure the network can continue to meet the energy needs of Western Australians, including addressing the strategic issues noted above.

4. Western Power's grid is in a period of transition. Our existing network assets are ageing and approaching end of life. At the same time technological progress is rapidly reducing the cost of non-wire alternatives. To best meet the needs of the community, Western Power needs to move as safely and as affordably as possible to a modular version of the grid, during a period of major technological change. This will take a decade of transformational investment in existing assets and new technology to support a community of 3 million Western Australians by 2031. This transformation begins now, with Western Power investing \$834.2 million in 2021-22 and a further \$2.7 billion across the forward estimates period.

Government Initiative - State Underground Power Program

5. Under the current round of the State Underground Power Program (Round 6), Western Power, in partnership with the Government and local governments, is improving customer experiences through investment in Western Australia's suburbs. Seventeen areas/suburbs in Perth will receive underground power under Round 6. Around 18,000 properties will benefit from underground power in this round, with works expected to be completed by the end of the AA4 period (2021-22). The projects selected in Round 6 are: Floreat West, Floreat North, Floreat East, Kardinya South, Alfred Cove East, Melville North, Collier, Manning, Victoria Park West, Victoria Park East, Carlisle North, Trigg, Menora, Maylands Central, South Lake East and Shelley West.

Growth

6. Growth capital expenditure (both transmission and distribution) is typically one of the largest areas of investment for an energy network business. Western Power is committed to connecting customers and investing in infrastructure to support the State's economy, with \$148.7 million allocated for customer-driven works and \$48.1 million in network growth in 2021-22. Network growth includes \$19.3 million to install a new 330/132kV transformer in Kemerton and \$11.6 million for the redevelopment of the East Perth Power station.
7. While growth across the South West Interconnected System as a whole has slowed, there are parts of the network such as Mandurah, Bunbury and Busselton where growth is above average and localised investment in capacity is required. Western Power is focusing much of its growth-related investment in these areas, while augmenting the broader network to ensure the 1.1 million customers connected to it and the approximately 96,000 new customers expected to connect over the next five years have reliable electricity supply.
8. Growth capital expenditure also includes projects driven by individual customers, which tend to be driven by economic conditions and traditionally represent a significant portion of the works program. Customer-driven capital expenditure includes all work associated with connecting customer loads or generators and relocation of assets. Projects range from small residential connections (pole to pillar) through to network extensions to cater for large industrial customers.

Safety

9. The safety of the community and staff is Western Power's most important priority. Investment in safety accounts for 34% of the forecast capital expenditure budget over the period 2021-22 to 2024-25. Western Power will commit \$273.8 million in 2021-22 to continue important safety programs including:
 - 9.1. \$233.1 million to replace 441 of the highest-risk overhead conductors and replacing or reinforcing 27,756 wooden power poles, continuing to mitigate safety risks in the most fire-prone areas with management programs;
 - 9.2. \$12.1 million for distribution-connected batteries that will resolve system peak issues in localised parts of the distribution network;
 - 9.3. \$21 million on the deployment of standalone power systems and associated batteries, to improve power system reliability for regional customers in the Western Power network area; and
 - 9.4. \$7.6 million to continue implementation of Western Power's Service Connection Condition Monitoring project (reliant on advanced meters referenced under Service) for 180,000 meters to be retrofitted to become advanced meters, boosting the number expected to be operational on the network to close to half a million by June 2022. Advanced meters will provide Western Power with improved visibility of power flows on the network, with improved safety outcomes. If a home has an advanced meter installed, Western Power will receive an alert if there are unusual patterns in the electricity flows, which can indicate a possible fault on the service connection to a customer's property.

10. Western Power's asset safety objective for AA4 is to maintain the overall safety of the network with actual safety performance not deteriorating below recent historical levels. Safety performance is heavily influenced by external factors (such as adverse weather) and therefore the aim is to manage the factors that are within Western Power's control, such as ensuring the network assets are in good condition. Western Power has adopted a risk-based approach to asset replacement and renewal, targeting the poorest-condition assets and identifying the treatments that achieve the greatest risk reduction per dollar invested.

Service

11. Service covers investment to ensure regulatory compliance, system reliability, asset replacement, metering, business support, information and communications technology (ICT) including Supervisory Control and Data Acquisition (SCADA) and building and site management (termed corporate real estate). Western Power will invest \$328.9 million on service-related projects in 2021-22. Key investments include:
- 11.1. \$110.8 million for business support and ICT which primarily includes upgrades and replacement of ICT hardware and software that face rapid obsolescence, and maintenance of telecommunication Network Management Systems;
- 11.2. \$62.5 million on corporate real estate to undertake upgrades and essential works within our property and depots in Forrestdale, Geraldton and Albany;
- 11.3. \$36.4 million on metering, including the installation of 72,086 advanced meters;
- 11.4. \$48.7 million in regulatory compliance with upgrades to substation security and improvements to network reliability; and
- 11.5. \$70.4 million on reliability-driven asset replacement to reduce the risks of plant asset failure and ensuring service and operability are maintained.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Growth - East Perth Power Station.....	17,340	884	484	11,611	4,845	-	-
Safety - Service Connection Condition Monitoring	15,837	7,821	7,821	7,563	453	-	-
Other Works in Progress							
Government Initiative - State Underground Power Program.....	335,210	185,870	30,903	26,227	42,085	40,514	40,514
Growth							
Distribution							
Capacity Expansion	319,239	223,393	8,426	19,688	26,172	24,993	24,993
Customer Access.....	1,814,498	1,230,632	100,765	131,949	155,909	148,004	148,004
Transmission							
Capacity Expansion	180,527	145,345	8,642	16,808	6,796	5,789	5,789
Customer Driven	413,543	331,083	42,380	16,765	22,569	21,563	21,563
Other Asset Investment - Motor Vehicle Fleet and							
Mobile Plant.....	69,637	37,726	7,458	7,608	8,433	7,935	7,935
Safety							
Bushfire Mitigation	84,334	73,776	2,061	1,965	2,943	2,825	2,825
Conductor Management	805,498	581,680	32,944	51,233	59,575	56,505	56,505
Connection Management.....	202,179	168,902	3,590	4,109	9,886	9,641	9,641
Emerging Technologies	15,117	3,000	3,000	12,117	-	-	-
Grid Transformation.....	164,318	968	968	12,595	50,755	50,000	50,000
Pole Management.....	2,350,333	1,785,303	190,720	163,185	146,995	127,424	127,424
Standalone Power System	192,711	21,720	7,826	20,990	50,000	50,000	50,000
Security							
Thermal Management.....	41,553	3,055	-	-	12,832	12,833	12,833
Voltage and Fault Level Management.....	59,304	32,060	20,838	943	8,805	8,748	8,748
Service							
Business Support and ICT.....	1,082,190	637,803	101,711	110,759	121,514	107,173	104,941
Corporate Real Estate	310,456	183,478	14,754	62,496	37,332	13,575	13,575
Metering.....	424,234	206,389	37,176	36,446	52,937	64,229	64,233
Regulatory Compliance	311,481	166,113	31,203	48,723	34,161	31,242	31,242
Reliability Driven Asset Replacement.....	935,813	598,087	88,973	70,433	91,911	87,691	87,691
Total Cost of Asset Investment Program	10,145,352	6,625,088	742,643	834,213	946,908	870,684	868,456
FUNDED BY							
Asset Sales			10,489	-	-	-	-
Borrowings			356,675	174,048	365,260	257,504	251,826
Internal Funds and Balances.....			(22,124)	-	-	-	-
Other			397,603	660,165	581,648	613,180	616,630
Total Funding.....			742,643	834,213	946,908	870,684	868,456

Financial Statements

Income Statement

Expenses

1. Over the forward estimates period, in the absence of the ERA determination on the access arrangement (AA5), a conservative forecasting approach to network tariff revenue has been applied, with operating expenditure escalated by CPI.

Income

2. Western Power primarily receives revenue from the rendering of network tariff services. Network tariff revenue is approved by the ERA under the Electricity Network Access Code 2004 including an efficient level of operating expenditure.
3. Each year, Western Power submits a price list submission that recovers the revenue target set in the access arrangement. Network tariff revenue for 2021-22 is aligned to the price list approved by the ERA on 21 May 2021 which commenced on 1 July 2021. The average increase in tariffs from the 2020-21 price list is 2.27%. Charges for individual customers will vary depending on the type of tariff they are on and their usage.
4. The extent to which these increases in network tariffs will affect retail electricity prices for residential customers is determined by the Government.

Statement of Financial Position

5. The increase in Net Assets over the forward estimates period reflects the ongoing investment in the AIP, which is funded by internally-generated funds and part borrowings from the Western Australian Treasury Corporation.

Statement of Cashflows

6. Western Power will retain its forecast 2021-22 dividend payment of \$530.9 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of Western Power.
7. The increase in Net cash from financing activities between the 2020-21 Estimated Actual and the 2021-22 Budget Estimate is predominantly attributed to an increase in borrowings for the retained dividends held as cash and increase in AIP investment.
8. Over the forward estimates period, Western Power's Net cash from investing activities will be largely financed by borrowings.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	1,598,536	1,690,033	1,690,033	1,720,535	1,753,645	1,809,356	1,793,830
Other revenue.....	242,911	196,032	196,032	177,453	177,131	170,225	170,225
Revenue from government							
Capital subsidies.....	3,402	3,063	1,300	2,895	-	-	-
Other subsidies.....	33	-	-	-	-	-	-
TOTAL REVENUE	1,844,882	1,889,128	1,887,365	1,900,883	1,930,776	1,979,581	1,964,055
Expenses							
Employee benefits ^(b)	212,266	210,948	195,936	208,565	213,779	219,123	224,602
Grants and subsidies	-	-	-	284	-	-	-
Supplies and services.....	159,631	173,206	173,291	178,102	181,441	185,297	189,235
Accommodation.....	2,097	2,451	3,477	3,040	3,094	3,156	3,219
Depreciation and amortisation	364,428	397,393	396,870	418,425	434,495	467,343	482,403
Finance and interest costs.....	263,594	264,198	248,105	247,811	247,488	267,703	282,333
Other expenses	112,737	76,020	105,481	85,583	89,313	92,465	96,318
Tariff Equalisation Contribution.....	171,000	185,000	185,000	187,000	189,000	188,000	192,000
TOTAL EXPENSES	1,285,753	1,309,216	1,308,160	1,328,810	1,358,610	1,423,087	1,470,110
NET PROFIT/(LOSS) BEFORE TAX	559,129	579,912	579,205	572,073	572,166	556,494	493,945
National Tax Equivalent Regime							
Current tax equivalent expense	98,944	115,827	115,251	105,463	120,582	127,780	103,234
Deferred tax equivalent expense	69,537	57,164	57,185	65,173	49,964	37,969	44,951
NET PROFIT/(LOSS) AFTER TAX	390,648	406,921	406,769	401,437	401,620	390,745	345,760
Dividends	80,492	491,311	299,599	-	301,215	295,081	267,758

(a) Full audited financial statements are published in Western Power's Annual Report.

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 2,912, 2,939 and 2,946 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	28,255	28,269	50,393	25,000	25,000	25,000	25,000
Cash assets - Retained dividends	-	-	-	530,889	530,889	530,889	530,889
Receivables	243,477	275,371	275,371	275,500	272,979	273,867	280,173
Assets held for sale	71	71	71	71	71	71	71
Other.....	97,454	96,734	96,734	96,028	95,289	94,535	94,535
Total current assets.....	369,257	400,445	422,569	927,488	924,228	924,362	930,668
NON-CURRENT ASSETS							
Property, plant and equipment.....	11,236,855	11,797,094	11,612,791	12,057,115	12,606,400	13,035,421	13,426,818
Intangibles	167,300	170,688	190,528	218,999	253,019	302,289	361,417
Receivables	506	506	506	516	516	529	529
Total non-current assets.....	11,404,661	11,968,288	11,803,825	12,276,630	12,859,935	13,338,239	13,788,764
TOTAL ASSETS	11,773,918	12,368,733	12,226,394	13,204,118	13,784,163	14,262,601	14,719,432
CURRENT LIABILITIES							
Employee provisions.....	116,906	87,173	87,173	89,563	91,130	92,953	95,123
Payables.....	160,838	151,711	165,573	155,730	157,143	167,016	136,873
Borrowings and leases	44,933	44,933	44,933	44,933	44,933	44,933	44,933
Other.....	162,173	119,659	130,846	134,097	133,811	127,627	125,457
Total current liabilities.....	484,850	403,476	428,525	424,323	427,017	432,529	402,386
NON-CURRENT LIABILITIES							
Employee provisions.....	10,118	10,007	10,007	10,315	11,816	12,052	12,293
Borrowings and leases	7,471,090	7,979,400	7,653,513	7,982,588	8,311,095	8,542,089	8,799,079
Other.....	1,117,849	1,203,894	1,203,643	1,284,604	1,339,226	1,394,004	1,455,418
Total non-current liabilities.....	8,599,057	9,193,301	8,867,163	9,277,507	9,662,137	9,948,145	10,266,790
TOTAL LIABILITIES	9,083,907	9,596,777	9,295,688	9,701,830	10,089,154	10,380,674	10,669,176
NET ASSETS	2,690,011	2,771,956	2,930,706	3,502,288	3,695,009	3,881,927	4,050,256
EQUITY							
Contributed Equity	1,554,726	1,721,061	1,688,251	1,858,396	1,950,712	2,041,966	2,132,293
Accumulated surplus/(deficit).....	1,253,803	1,169,413	1,360,973	1,762,410	1,862,815	1,958,479	2,036,481
Reserves	(118,518)	(118,518)	(118,518)	(118,518)	(118,518)	(118,518)	(118,518)
TOTAL EQUITY	2,690,011	2,771,956	2,930,706	3,502,288	3,695,009	3,881,927	4,050,256

(a) Full audited financial statements are published in Western Power's Annual Report.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	1,576,527	1,685,327	1,685,327	1,749,765	1,754,677	1,813,651	1,798,125
GST receipts.....	158,327	174,445	174,445	183,059	174,942	184,335	184,335
Other receipts.....	116,862	80,777	91,964	133,560	110,408	106,636	106,636
Payments							
Employee benefits.....	(183,934)	(239,867)	(210,355)	(208,455)	(213,724)	(219,035)	(224,513)
Supplies and services.....	(139,567)	(171,026)	(171,107)	(189,880)	(180,454)	(185,109)	(189,248)
Accommodation ^(b)	(635)	(572)	(1,598)	(3,040)	(3,094)	(3,156)	(3,219)
GST payments.....	(158,043)	(174,447)	(174,447)	(183,060)	(174,942)	(184,335)	(184,335)
Finance and interest costs.....	(263,858)	(252,171)	(239,289)	(233,668)	(231,798)	(245,765)	(265,203)
Tariff Equalisation Fund.....	(171,000)	(185,000)	(185,000)	(187,000)	(189,000)	(188,000)	(192,000)
Other payments.....	(100,943)	(88,373)	(102,359)	(93,654)	(88,116)	(93,169)	(96,329)
Net cash from operating activities.....	833,736	829,093	867,581	967,627	958,899	986,053	934,249
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	12,355	-	10,489	26,000	-	-	-
Payments							
Purchase of non-current assets.....	(831,507)	(892,154)	(742,643)	(834,213)	(946,908)	(870,684)	(868,456)
Net cash from investing activities.....	(819,152)	(892,154)	(732,154)	(808,213)	(946,908)	(870,684)	(868,456)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	1,675,000	1,302,895	977,007	857,187	1,028,164	903,046	924,452
Other proceeds.....	9,664	-	-	-	-	-	-
Payments							
Repayment of borrowings and leases.....	(1,550,114)	(799,702)	(799,702)	(528,280)	(700,001)	(669,489)	(667,461)
Other payments.....	(15,832)	(1,705)	(16,205)	(16,248)	(15,792)	(15,837)	(15,883)
Net cash from financing activities.....	118,718	501,488	161,100	312,659	312,371	217,720	241,108
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Capital subsidies.....	2,554	3,063	1,300	3,687	792	-	-
Equity Contributions.....	33,106	166,338	133,528	170,146	92,316	91,255	90,326
Other subsidies.....	282	-	-	-	-	-	-
Payments							
Dividends to government.....	(80,492)	(491,312)	(299,601)	-	(301,217)	(295,083)	(267,757)
National Tax Equivalent Regime - Income tax...	(90,634)	(114,741)	(107,855)	(138,605)	(114,602)	(127,569)	(127,736)
Local Government Rates Equivalent.....	(1,462)	(1,761)	(1,761)	(1,805)	(1,651)	(1,692)	(1,734)
Net cash provided to State Government.....	136,646	438,413	274,389	(33,423)	324,362	333,089	306,901
NET INCREASE/(DECREASE) IN CASH HELD.....	(3,344)	14	22,138	505,496	-	-	-
Cash assets at the beginning of the reporting period.....	31,599	28,255	28,255	50,393	555,889	555,889	555,889
Cash assets at the end of the reporting period.....	28,255	28,269	50,393	555,889	555,889	555,889	555,889

(a) Full audited financial statements are published in Western Power's Annual Report.

(b) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

Horizon Power

Part 12 Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	2,666	5,386	2,901	2,232	4,026	4,830	5,964
Local Government Rates Equivalent	252	685	685	695	704	722	736
Dividends ^{(a) (b) (c)}	2,424	13,586	4,206	-	7,214	8,924	9,864
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies ^(d)	34,941	40,174	47,090	8,298	8,307	9,628	10,856
Other Subsidies.....	350	200	200	200	200	200	200
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution ^(e)	17,050	-	-	27,516	-	-	-
RATIOS							
Dividend Payout Ratio (%)	75	75	75	75	75	75	75
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	523,155	521,468	517,062	518,536	519,463	520,471	527,408
Revenue from State Government.....	35,291	42,374	49,290	8,498	8,507	9,828	11,056
Total Expenses ^(f)	546,703	546,973	558,579	517,899	513,443	513,176	518,692
Total Borrowings	690,896	837,993	753,554	848,671	878,830	901,606	924,078
NET PROFIT AFTER TAX.....	8,852	11,483	4,872	6,903	10,501	12,293	13,808
CASH ASSETS ^(g)	89,919	106,168	118,075	166,969	210,310	247,157	279,922

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.
- (d) The reduction in Operating Subsidies and associated Revenue from State Government between 2021-22 and 2020-21 is due to one-off COVID-19 response measures.
- (e) Equity contribution for 2021-22 includes \$13.5 million for the Western Australian microgrids project, \$10.5 million for the Electric Vehicle Project and \$3.5 million for Kununurra Cotton Gin Electricity Infrastructure.
- (f) Excludes current tax expense, deferred tax expense and dividends.
- (g) As at 30 June each financial year.

Financial Changes

Net operating balance adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Key Adjustments					
2021-22 Dividend Retention	-	(10,008)	-	-	-
Aboriginal and Remote Communities Subsidy	(2,182)	-	-	-	-
Denham Power Station Refurbishment	-	239	56	19	27
Derby Port Connection	-	(9)	(37)	(42)	(42)
Electric Vehicle Fast Charging Infrastructure	-	(256)	(942)	(1,032)	(1,014)
Energy Contract	-	2,356	2,833	2,885	2,949
Gas Contract Update	-	763	1,639	1,643	1,449
Gas Pipeline Contract Update	-	(1,062)	(1,667)	(1,790)	(1,835)
Mungullah Power Station Overhauls	-	(1,421)	(1,092)	(156)	-
Tariff Adjustment Payment Update	-	1,790	1,246	568	406
Tariff Equalisation Contribution Update	-	6,244	12,281	12,506	15,150
Tariff Update	-	(3,506)	(7,658)	(11,746)	(14,952)

Significant Issues Impacting the Government Trading Enterprise

Energy Affordability

Solar Generation

- Horizon Power encourages the uptake of rooftop solar and has a plan for zero refusals when connecting solar by 2025. To achieve this, the business is undertaking detailed technical studies, product development and investment modelling with a view to easing hosting capacity constraints allowing more customers to safely connect Distributed Energy Resources (DER) without compromising a region's system reliability. Across nine regions, Battery Energy Storage Systems are to be installed with the intent of managing higher levels of DER without adverse impact on network reliability, resulting in a shifting of peak loads and providing critical solar smoothing functionality to mitigate power fluctuations.

Standalone Power Systems (SPS)

- Horizon Power continues the wider rollout of the next generation of SPS for remote use applications where SPS are a more viable alternative than traditional overhead network asset maintenance and replacement.

Sustainable Business

North West Interconnected System (NWIS) Reform

- Horizon Power is working with the Government to facilitate the NWIS Reform, aimed at implementing a regulatory regime which is a lower-cost and more effective alternative to facilitate third-party access. The introduction of network open access to the Horizon Power and Alinta networks through the implementation of a light-handed regulatory regime is expected to deliver better outcomes for electricity consumers and assist in driving economic development in the Pilbara region. Horizon Power has established a fit-for-purpose ring-fencing arrangement to separate its retail and network divisions.

Electric Vehicles (EVs)

- Horizon Power supports the State Electric Vehicle Strategy for Western Australia and associated actions that can assist the uptake of EVs as the electrification transition supports an increasingly decarbonised energy system. Whilst the projection of local EV uptake remains uncertain, Horizon Power is furthering the Government's strategy through a network of charging infrastructure to create the world's longest EV fast charging highway, for customers traveling north from Perth to Kununurra, along the south west coast to Esperance and east to Kalgoorlie.

Hydrogen Strategy

- Horizon Power will leverage its assets, resources and vertically-integrated structure to complement the Western Australian Renewable Hydrogen Strategy. As evidence of this, Horizon Power is investigating future production of 'green hydrogen' through renewable offtake agreements. Beyond this, Horizon Power has an aspiration to build network infrastructure to connect third-party renewable energy producers to hydrogen producers.

Connecting Communities

- Horizon Power's Aboriginal Community Embedded Networks Regularisation Program will standardise the electricity supply, future operations and maintenance of 13 unregulated Aboriginal communities across regional Western Australia. This will result in the community networks being brought up to a utility standard and ensure the appropriate provision and management of reliable power to these communities.

COVID-19 Response: Renew the Regions

- Horizon Power is supporting the Government's regional economic recovery with an investment of \$78.4 million in major energy projects through its Renew the Regions program. This program of works includes the Government's COVID-19 Response investment of \$57.4 million, enabling Horizon Power to expedite the delivery of 18 energy projects located across more than 110 different sites throughout the Kimberley, Pilbara, Gascoyne, Mid West and Goldfields-Esperance regions.

2021-22 Dividend Retention

- Horizon Power will retain its forecast 2021-22 dividend payment of \$10 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of Horizon Power.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Sustainable business.	1. Optimising and extending core business
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	People, safety, and wellbeing.	2. Minimise the risk of harm 3. Be a high-performing business

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Optimising and extending core business:					
Cost to supply unit cost (cents/kWh) ^(a)	34.2	39.9	34.3	38.7	1
Return on assets ^(b)	4.1%	4.1%	3.5%	3.3%	2
Net Profit After Tax	\$8.9 million	\$11.5 million	\$4.9 million	\$6.9 million	2
Outcome: Minimise the risk of harm:					
Lost time injury frequency rate ^(c)	nil	nil	nil	nil	
Total number of notifiable incidents ^(d)	13	nil	14	nil	
Unassisted pole failure rate ^(e)	0.65	1.6	0.65	1.6	3
Outcome: Be a high-performing business:					
Customer satisfaction ^(f)	82%	70%	77%	70%	4
System Average Interruption Duration Index (SAIDI) ^(g)	134 minutes	290 minutes	115 minutes	290 minutes	5
System Average Interruption Frequency Index (SAIFI) ^(h)	2	6.6	1.8	6.6	5
Number of compliant systems (out of 38) ⁽ⁱ⁾	35	33	36	33	5
Major project completion within +/- 5% of approved budget ^(j)	100%	100%	100%	100%	

(a) All cost associated with Horizon Power's customers divided by kilowatt-hours supplied.

(b) Return to investors for every dollar of assets under Horizon Power's control.

(c) Lost Time Injury Frequency Rate is a formula to provide the number of lost time injuries, per one million hours worked, over a given 12-month period.

(d) A network operator must notify the Director of Building and Energy, the Department of Mines, Industry Regulation and Safety, of any incident or event that is caused or significantly contributed to by electricity that results in serious injury or serious damage.

(e) An unassisted pole failure is not caused by customer installation, lightning, vehicle, water ingress or vandalism or occurs when the pole failed under forces that were less than its design specification.

(f) Customer satisfaction is measured by an annual survey, undertaken by an external agency, amalgamating customer perceptions of reliability, service quality and product offering.

(g) The SAIDI measures the duration of sustained customer interruptions.

(h) The SAIFI measures the frequency of interruptions to customers.

(i) Achievement of SAIDI and SAIFI system reliability performance (as agreed or per the Reliability Code) for each system.

(j) Percentage of government-approved projects completed within the approved budget.

Explanation of Significant Movements

(Notes)

1. The 2020-21 Estimated Actual was lower than the 2020-21 Budget primarily due to lower than forecast fuel and operating expenditures.
2. The 2020-21 Estimated Actual was lower than the 2020-21 Budget primarily due to lower than forecast customer-funded works and revised sales and operating expenditure estimates, including COVID-19 sales reductions.
3. The reduction between the 2020-21 Budget and the 2020-21 Estimated Actual is driven by increased pole inspections and remediation.
4. Higher customer satisfaction between the 2020-21 Budget and the 2020-21 Estimated Actual is driven by Renew the Regions initiatives, the disconnections moratorium and the \$600 Household Electricity Credit.
5. The lower SAIDI and SAIFI and the increase in compliant systems between the 2020-21 Budget and the 2020-21 Estimated Actual is driven by investment in generation and the rolling asset management plan.

Asset Investment Program

1. Horizon Power will invest \$151.9 million during 2021-22 and a further \$145.2 million over the forward estimates period. This investment in regional Australia will continue to focus on providing safe and reliable electricity supply to regional customers and supporting jobs in regional areas.

Asset Management Plan

2. Horizon Power is forecast to invest \$44.9 million in 2021-22 and a further \$122.9 million over the forward estimates period 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.

Denham Hydrogen Demonstration Plant

3. The \$9.3 million Denham Hydrogen Demonstration Plant project will commence in 2021-22 allowing Horizon Power to test whether hydrogen can be used to meaningfully displace the use of diesel.
4. As part of the COVID-19 Response, Horizon Power has been allocated part of the project funding to proactively initiate testing and gain technical understanding for integrating this technology into electricity networks and small microgrid applications.

Energy Storage in Regional Towns

5. Horizon Power is to install \$30.8 million worth of Battery Energy Storage Systems (BESS) in nine regional towns over 2020-21 to 2022-23. This will help alleviate current limitations on rooftop solar installations and enable more customers in the regions to invest in renewable energy, lower their energy bills and decarbonise Horizon Power's service area.

Remote Communities Embedded Networks

6. As part of the COVID-19 Response, \$3.8 million over 2020-21 and 2021-22 has been allocated to regularise the electricity network of 13 small Aboriginal communities across the Kimberley, Gascoyne, Mid West and Goldfields-Esperance regions.
7. Regularisation will transfer ownership and responsibility for the networks, which are currently largely unmanaged, to Horizon Power. This will ensure Aboriginal communities receive the same level of safe, reliable electricity service as customers in nearby towns. Several construction and ongoing jobs, including Aboriginal employment opportunities, will be created.

Solar, Energy Storage and LED Streetlights for Derby Hospital and the Shire of Derby

8. As part of the COVID-19 Response, \$4.8 million will be invested over 2020-21 and 2021-22 for renewable energy solutions in the Shire of Derby and Derby Hospital. New rooftop solar systems will be installed across the Shire of Derby's portfolio of buildings and the town's conventional streetlights will be replaced with smart LED streetlights.
9. Horizon Power will also work with Derby Hospital to co-design and install a large-scale solar photovoltaic (PV) and battery solution. This will significantly reduce the Hospital's annual power costs and enable more funds to be redirected into frontline services in the community.

Standalone Power Systems (SPS)

10. SPS are the next generation of advanced technology specially designed for Horizon Power. SPS units are being provided to selected rural customers and are offering more reliable electricity without the need to be connected to the overhead electricity network.
11. As part of the COVID-19 Response, an investment of \$9.9 million will be made over 2020-21 and 2021-22 to support the deployment of 50 SPS across regional Western Australia. This includes four systems to be installed in the Kimberley, seven systems in the Gascoyne and Mid West, and 39 systems across the Goldfields-Esperance region.

Esperance Power Project

12. In January 2020, the Government announced a 20 year Power Purchase Agreement for Esperance awarded to Western Australia-based business Contract Power Australia, commencing March 2022. Horizon Power will spend \$15.5 million over 2020-21 and 2021-22 for new network connection assets to connect new power facilities to the local Esperance network.
13. Esperance's future power solution will include a newly constructed, highly efficient gas power station, a BESS, two new wind turbines and a central solar farm. It will reduce carbon emissions by almost 50% compared to the existing power supply arrangements and generate up to 46% of Esperance's electricity annually through a new renewables hub.

Hardship Response Infrastructure Upgrades

14. Horizon Power has historically provided a prepayment service to Aboriginal Communities. The success of the solution has seen wider demand for prepayment from customers and community support groups as prepayment is seen as an effective tool to assist customers to manage their financials and not be overwhelmed by large electricity bills. Horizon Power now aims to provide the prepayment option to all residential customers, but to support this wider rollout of prepayment Horizon Power requires upgrades to software. This is now in progress with completion expected early in 2022.

Karratha - Dampier Transmission Line Upgrade

15. In December 2019, the Government approved funding of \$23.8 million to upgrade the Karratha to Dampier 132 kilovolt transmission line. This upgrade is critical to the security of power supplies for the Pilbara region, connecting the Karratha terminal sub-station to the Dampier sub-station, and is key backbone infrastructure within the North West Interconnected System (NWIS), and could act as the transmission corridor to the Burrup Peninsula (including the Maitland Estate).
16. The upgrade will replace 13 km of aged equipment on the existing 19 km transmission line. It will create 14 regional jobs during the construction phase and engage up to three Aboriginal cultural heritage monitors.

Onslow Distributed Energy Resource Project

17. The Onslow Distributed Energy Resource Project is aiming to generate up to 50% of the town's electricity from customer owned renewable energy. Working with the community, Horizon Power facilitated the rapid uptake of renewables resulting in residential and business customers collectively installing 273 distributed rooftop solar systems and 25 distributed batteries. This project is leading the Government's goal of achieving a higher renewable energy future through testing the boundaries of new energy infrastructure and technology.

Refurbishment of Denham Power Station

18. The town of Denham is supplied by power station assets that are partly owned by Synergy (wind farm, switchboard, control system) and partly by Horizon Power (diesel assets and land for the diesel assets). The current power supply assets in Denham are aged and much of the equipment has reached the end of its life. In line with Horizon Power's strategic renewable energy goals, works have commenced on the refurbishment and building of a new hybrid power station with wind, solar and battery technologies.

Remote Communities Photovoltaics

19. The Government will invest \$11.6 million to enable the design and construction of solar farms in six remote Kimberley Aboriginal communities, which will reduce the reliance on diesel generated power and deliver cleaner energy to communities. Construction of the first centralised solar project commenced in Kalumburu in March 2021 and includes the installation of 700 kilowatts of solar and 1.56 megawatt hour battery capacity.

Broome Customer Experience Centre

20. The Broome Customer Experience Centre project is a Renew the Regions investment aimed at returning Horizon Power's contact centre services to regional Western Australia and stimulating the Broome economy.
21. Horizon Power worked closely with its long-time contact centre partner, Computershare, to move 10 contact centre jobs from Melbourne to the centre in Broome. This created long-term full-time equivalent jobs for the community including two newly created Aboriginal and Torres Strait Islander traineeship positions. To construct and fit-out the contact centre Horizon Power engaged more than 10 local contractors creating 20 work opportunities.

22. The centre has been named Nila Janyba, which means 'knowledge sharing' in the local Yawuru language. Horizon Power chose the name in consultation with the Nyamba Buru Yawuru traditional owner organisation to reflect the utility's strategic decision to be guided by community involvement and leaving positive impacts on Aboriginal and Torres Strait Islander customers, suppliers, employees and communities. The centre allows local customers to walk in for energy-related advice, discuss accounts face-to-face or explore the centre's innovative educational activities.

Derby Port

23. Horizon Power will rebuild and then assume ownership of the current embedded network at the Port of Derby, including rebuilding the high voltage distribution line and upgrading the low voltage network (e.g. rectifying faulty streetlights). This will safeguard the provision of electricity, remove uncertainty over ownership, and ensure that future loads at the Port of Derby can be met and have the capacity to grow.

Distributed Energy Buyback Scheme (DEBS) Infrastructure Upgrade

24. The new renewable export tariff, DEBS, will support the continued installation of solar PV by customers through efficient price signals and allows electricity to be exported from new battery systems, electric vehicles (EVs), and renewable energy systems.
25. DEBS encourages households to make the most of a solar resource by using or storing electricity produced during the middle of the day. DEBS will also provide greater flexibility for DER and more value to the grid as these technologies mature. System implementation costs for Horizon Power are estimated at \$600,000 in 2021-22.

Electric Vehicle Charging Infrastructure

26. The State Electric Vehicle Strategy is a key element of the Western Australian Climate Policy that commits to delivering a cleaner, more sustainable environment through the increased uptake of low and zero emission vehicles. The strategy will facilitate the creation of Australia's longest, and one of the world's longest, EV charging infrastructure networks - from Perth to Kununurra in the north, Esperance in the south and Kalgoorlie in the east. Western Australians and visitors will be able to access fast charging stations along major travel routes in the regions, town and city centres, and tourism sites. Construction of the network will also create jobs in metropolitan and regional areas. Global and domestic uptake of EVs also presents significant opportunities for industry and jobs growth in Western Australia.

Feasibility Studies for the Regularisation of 13 Ngaanyatjarra Lands Aboriginal Communities

27. Horizon Power will spend \$725,000 in 2021-22 to undertake feasibility studies for the regularisation of 13 Ngaanyatjarra Lands Aboriginal Communities. The feasibility studies will produce a plan for the 13 Aboriginal Communities to upgrade to utility standard electricity services, including clean, lower cost solar-diesel hybrid generation; safe, utility-owned and operated distribution networks; and the use of prepayment billing and smart phone application.

Kununurra Cotton Gin Electricity Infrastructure

28. The investment will provide 5 megawatts of power and an upgraded electrical connection to the proposed Kununurra Cotton Gin project. Funding the connection will enable a significant State development project, creating significant regional employment and economic activity, and secure the project's location in Kununurra over the Northern Territory.

Mid West Pipeline

29. The Mid West Pipeline (the Pipeline) is owned equally by Horizon Power and APT Pipelines (WA) Pty Limited under an unincorporated joint venture. Horizon Power will invest \$300,000 in 2021-22 (its share of the capital expenditure) to connect the pipeline to a proponent to supply gold mining customers.

Western Australian Microgrids

30. Remote communities and towns are heavily reliant on diesel generation for energy, and the implementation of renewable energy generation sources would provide affordable, secure and reliable electricity. Horizon Power and Energy Policy WA have obtained federal funding for seven remote Aboriginal communities and regional towns to install renewables due to their reliance on diesel fuel to generate electricity.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
Asset Management Plan							
Asset Replacement.....	167,486	95,789	11,139	19,881	19,432	15,982	16,402
Capacity.....	31,540	18,495	3,092	3,166	3,293	3,293	3,293
Knowledge and Technology Investment.....	63,085	39,668	5,551	5,684	5,911	5,911	5,911
Mobile Plant and Operational Fleet.....	45,111	28,975	3,794	3,899	4,079	4,079	4,079
Property Management	40,734	28,686	7,216	3,780	406	3,931	3,931
Regulatory Compliance	35,647	34,169	351	359	373	373	373
Reliability	53,404	45,889	1,781	1,824	1,897	1,897	1,897
Safety	167,291	144,821	9,804	6,332	2,966	6,586	6,586
COVID-19 Response							
Denham Hydrogen Demonstration Plant	9,255	3,255	3,255	6,000	-	-	-
Energy Storage in Regional Towns							
Broome	10,300	1,700	1,700	3,500	5,100	-	-
Carnarvon	5,800	350	350	5,450	-	-	-
Exmouth.....	7,800	3,000	3,000	4,800	-	-	-
Gascoyne Junction	600	15	15	585	-	-	-
Marble Bar	1,700	550	550	1,150	-	-	-
Menzies.....	600	15	15	585	-	-	-
Wiluna.....	1,700	560	560	1,140	-	-	-
Yalgoo.....	600	15	15	585	-	-	-
Yungngora	1,700	270	270	1,430	-	-	-
Remote Communities Embedded Networks	3,811	606	606	3,205	-	-	-
Solar, Energy Storage and LED Streetlights for Derby Hospital and the Shire of Derby	4,760	2,660	2,660	2,100	-	-	-
Standalone Power Systems.....	13,502	6,564	2,982	6,938	-	-	-
Customer-funded Works.....	162,326	141,804	3,046	9,263	3,753	3,753	3,753
Major Projects							
Esperance Power Project	16,616	4,524	3,724	12,092	-	-	-
Hardship Response Infrastructure Upgrades.....	740	240	240	500	-	-	-
Karratha - Dampier Transmission Line Upgrade	23,844	21,526	14,639	2,318	-	-	-
Onslow Distributed Energy Resource Project.....	105,293	100,943	7,787	4,350	-	-	-
Refurbishment of Denham Power Station.....	11,819	4,000	4,000	7,819	-	-	-
Remote Communities Photovoltaics.....	11,610	2,810	2,046	8,800	-	-	-
COMPLETED WORKS							
COVID-19 Response - Broome Customer Experience Centre.....	1,151	1,151	1,151	-	-	-	-
NEW WORKS							
Major Projects							
Derby Port	1,200	-	-	480	720	-	-
Distributed Energy Buyback Scheme Infrastructure Upgrade	600	-	-	600	-	-	-
Electric Vehicle Charging Infrastructure.....	10,516	-	-	5,258	5,258	-	-
Feasibility Studies for the Regularisation of 13 Ngaanyatjarra Lands Aboriginal Communities	725	-	-	725	-	-	-
Kununurra Cotton Gin Electricity Infrastructure	3,500	-	-	3,500	-	-	-
Mid West Pipeline.....	300	-	-	300	-	-	-
Western Australian Microgrids.....	13,500	-	-	13,500	-	-	-
Total Cost of Asset Investment Program	1,030,166	733,050	95,339	151,898	53,188	45,805	46,225
FUNDED BY							
Borrowings			81,846	109,727	44,177	42,052	42,472
Capital Appropriation.....			-	24,016	-	-	-
Commonwealth Grants.....			-	3,298	-	-	-
Drawdowns from Royalties for Regions Fund			-	3,500	-	-	-
Internal Funds and Balances.....			6,767	1,094	5,258	-	-
Other			6,726	9,263	3,753	3,753	3,753
Other Grants and Subsidies			-	1,000	-	-	-
Total Funding.....			95,339	151,898	53,188	45,805	46,225

Financial Statements

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	327,413	304,633	309,592	304,147	305,214	306,355	308,695
Other revenue.....	24,742	31,835	22,470	27,389	25,249	26,116	26,713
Tariff Equalisation Contribution.....	171,000	185,000	185,000	187,000	189,000	188,000	192,000
Revenue from government							
Operating subsidies.....	34,941	40,174	47,090	8,298	8,307	9,628	10,856
Capital subsidies.....	-	725	-	-	-	-	-
Other subsidies.....	350	1,475	2,200	200	200	200	200
TOTAL REVENUE	558,446	563,842	566,352	527,034	527,970	530,299	538,464
Expenses							
Employee benefits ^(b)	64,076	59,925	60,707	61,620	63,213	65,128	66,187
Grants and subsidies	22,251	28,592	36,932	5,193	5,145	5,202	5,239
Supplies and services.....	270,670	266,673	271,173	264,431	255,329	263,037	278,213
Accommodation.....	4,554	4,137	4,137	4,343	4,431	4,540	4,631
Depreciation and amortisation	96,467	95,600	97,125	103,882	105,374	101,938	95,414
Finance and interest costs.....	62,231	61,714	58,137	57,803	55,448	49,990	45,197
Other expenses	26,454	30,332	30,368	20,627	24,503	23,341	23,811
TOTAL EXPENSES	546,703	546,973	558,579	517,899	513,443	513,176	518,692
NET PROFIT/(LOSS) BEFORE TAX	11,743	16,869	7,773	9,135	14,527	17,123	19,772
National Tax Equivalent Regime							
Current tax equivalent expense	2,666	5,386	2,901	2,232	4,026	4,830	5,964
Deferred tax equivalent expense	225	-	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX.....	8,852	11,483	4,872	6,903	10,501	12,293	13,808
Dividends	2,424	13,586	4,206	-	7,214	8,924	9,864

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 435, 464 and 465 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	89,919	106,168	118,075	156,961	200,302	237,149	269,914
Cash assets - Retained dividends	-	-	-	10,008	10,008	10,008	10,008
Receivables	35,391	43,508	43,508	43,328	42,536	42,432	42,432
Other.....	27,194	28,521	28,521	28,521	28,521	28,521	28,521
Total current assets.....	152,504	178,197	190,104	238,818	281,367	318,110	350,875
NON-CURRENT ASSETS							
Property, plant and equipment.....	1,576,027	1,667,720	1,582,097	1,767,037	1,720,716	1,669,247	1,621,477
Intangibles	22,268	18,736	15,898	10,243	5,140	1,264	633
Receivables	2,884	2,884	2,884	2,884	2,884	2,884	2,884
Other.....	111,162	111,162	111,162	111,162	111,162	111,162	111,162
Total non-current assets.....	1,712,341	1,800,502	1,712,041	1,891,326	1,839,902	1,784,557	1,736,156
TOTAL ASSETS	1,864,845	1,978,699	1,902,145	2,130,144	2,121,269	2,102,667	2,087,031
CURRENT LIABILITIES							
Employee provisions.....	16,077	16,077	16,077	16,077	16,077	16,077	16,077
Payables.....	62,476	63,387	63,387	68,059	68,059	68,059	68,059
Borrowings and leases	61,509	67,490	68,146	72,143	74,916	72,654	74,190
Other.....	17,471	17,796	17,796	17,796	17,796	20,616	20,616
Total current liabilities.....	157,533	164,750	165,406	174,075	176,848	177,406	178,942
NON-CURRENT LIABILITIES							
Employee provisions.....	3,211	3,211	3,211	3,211	3,211	3,211	3,211
Borrowings and leases	956,750	1,065,990	986,011	1,171,310	1,158,243	1,139,774	1,120,763
Other.....	151,428	149,828	149,828	149,440	147,572	143,512	141,407
Total non-current liabilities.....	1,111,389	1,219,029	1,139,050	1,323,961	1,309,026	1,286,497	1,265,381
TOTAL LIABILITIES	1,268,922	1,383,779	1,304,456	1,498,036	1,485,874	1,463,903	1,444,323
NET ASSETS	595,923	594,920	597,689	632,108	635,395	638,764	642,708
EQUITY							
Contributed Equity	392,097	392,097	392,097	419,613	419,613	419,613	419,613
Accumulated surplus/(deficit).....	203,826	201,723	204,492	211,395	214,682	218,051	221,995
Reserves	-	1,100	1,100	1,100	1,100	1,100	1,100
TOTAL EQUITY	595,923	594,920	597,689	632,108	635,395	638,764	642,708

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	317,832	294,257	299,216	302,247	303,314	304,446	306,757
Grants and subsidies.....	-	-	725	-	-	-	-
GST receipts.....	43,367	37,616	37,616	38,333	36,338	37,407	37,844
Other receipts.....	29,129	22,010	16,794	26,818	19,236	20,152	19,881
Tariff Equalisation Contribution.....	171,000	185,000	185,000	187,000	189,000	188,000	192,000
Payments							
Employee benefits.....	(63,579)	(59,925)	(60,634)	(60,579)	(63,137)	(65,050)	(66,187)
Supplies and services.....	(287,104)	(270,748)	(275,248)	(270,333)	(256,248)	(263,947)	(277,589)
Accommodation ^(b)	(4,302)	(5,749)	(5,749)	(5,766)	(2,763)	(2,832)	(2,889)
GST payments.....	(44,195)	(37,774)	(37,774)	(38,329)	(36,323)	(37,407)	(37,844)
Finance and interest costs.....	(63,528)	(57,003)	(53,426)	(53,021)	(51,009)	(45,961)	(41,499)
Other payments.....	(24,606)	(47,268)	(55,717)	(18,714)	(29,536)	(28,464)	(28,872)
Net cash from operating activities.....	74,014	60,416	50,803	107,656	108,872	106,344	101,602
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	9	-	-	-	-	-	-
Payments							
Purchase of non-current assets.....	(71,710)	(183,204)	(95,339)	(151,898)	(53,188)	(45,805)	(46,225)
Net cash from investing activities.....	(71,701)	(183,204)	(95,339)	(151,898)	(53,188)	(45,805)	(46,225)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	232,693	343,552	259,113	270,722	210,314	190,045	138,936
Payments							
Repayment of borrowings and leases.....	(264,101)	(228,332)	(227,019)	(210,673)	(219,220)	(209,107)	(156,040)
Net cash from financing activities.....	(31,408)	115,220	32,094	60,049	(8,906)	(19,062)	(17,104)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Capital subsidies.....	-	725	-	-	-	-	-
Operating subsidies.....	35,227	40,174	47,090	8,298	8,307	9,628	10,856
Equity Contributions.....	17,050	-	-	27,516	-	-	-
Other subsidies.....	-	1,475	200	200	200	200	200
Payments							
Dividends to government.....	(2,424)	(13,586)	(4,206)	-	(7,214)	(8,924)	(9,864)
National Tax Equivalent Regime - Income tax ...	(8,750)	(5,386)	(2,901)	(2,232)	(4,026)	(4,830)	(5,964)
Local Government Rates Equivalent	(252)	(685)	(685)	(695)	(704)	(704)	(736)
Net cash provided to State Government	(40,851)	(22,717)	(39,498)	(33,087)	3,437	4,630	5,508
NET INCREASE/(DECREASE) IN CASH HELD.....	11,756	15,149	27,056	48,894	43,341	36,847	32,765
Cash assets at the beginning of the reporting period	78,163	91,019	91,019	118,075	166,969	210,310	247,157
Cash assets at the end of the reporting period	89,919	106,168	118,075	166,969	210,310	247,157	279,922

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

(b) Payment of Local Government Rates Equivalent is included within Accommodation expense on the Income Statement, however within the Statement of Cashflows this is recorded as a payment to State Government and not as a payment from operating activities.

Water Corporation

Part 12 Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	366,070	341,778	373,534	371,019	406,760	432,532	438,971
Local Government Rates Equivalent	6,833	7,845	7,784	8,021	8,202	8,386	8,575
Dividends (a) (b) (c)	3,767	1,258,331	642,412	-	737,220	789,428	799,460
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	239,441	216,924	218,579	364,349	416,260	448,984	392,669
Other Subsidies	17,540	30,003	14,658	36,658	54,696	19,451	3,127
Royalties for Regions	191,471	250,000	250,000	126,816	82,657	43,185	117,809
RATIOS							
Dividend Payout Ratio (%)	85	85	85	85	85	85	85
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	2,404,531	2,349,464	2,452,859	2,420,637	2,559,909	2,705,374	2,770,355
Revenue from State Government	448,452	496,927	483,237	527,823	553,613	511,620	513,605
Total Expenses (d)	1,705,395	1,721,567	1,704,977	1,725,822	1,744,544	1,770,133	1,825,785
Total Borrowings	5,980,000	6,093,734	5,785,650	6,160,650	6,164,530	6,160,010	6,160,010
NET PROFIT AFTER TAX	807,903	787,781	864,873	855,593	958,711	1,013,209	1,021,127
CASH ASSETS (e)	602,505	205	346,135	1,385,548	1,423,303	1,439,609	1,437,078

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) The 2020-21 Budget included the deferred 2019-20 interim dividend payment. The 2020-21 Estimated Actual reflects that the 2020-21 interim dividend payment was deferred to 2021-22, and subsequently approved to be retained.
- (d) Excludes current tax expense, deferred tax expense and dividends.
- (e) As at 30 June each financial year.

Financial Changes

Net operating balance adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Election Commitments					
Gross Pollution Traps	-	(18)	(121)	(2,049)	(2,081)
Morley Galleria Drainage Basin	-	(1)	(8)	(8)	(8)
COVID-19 Response					
COVID-19 Response	(456)	(4,016)	(42)	-	-
Other					
2020-21 Estimated Actual Outturn	24,662	35,996	(10)	11	28
2020-21 Mid-year Review and Pre-election Financial Projections Statement Adjustments	(612,490)	644,414	(2,343)	2,844	802,412

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
2021-22 Dividend Retention	-	(1,354,875)	-	-	-
2021-22 Tariffs, Fees and Charges (including Operating Subsidies)	-	(13,037)	(14,233)	(15,256)	(16,393)
Developer Contributions	-	(27,708)	(444)	(142)	(146)
Essential Municipal Services Upgrade Program	(230)	(101)	1,435	179	818
Operating Expenditure	358	(6,711)	11,138	22,449	148
Other Items	1,790	7,623	(18,816)	(18,140)	(37,234)
Regulated Revenue and Other Revenue (including Operating Subsidies)	-	(7,575)	(19,572)	48	(10,973)

Significant Issues Impacting the Government Trading Enterprise

1. Based on the Corporation's scenario planning work, key trends and assumptions associated with the operating environment over the next five years will mostly relate to increasing social and environmental expectations, scale of supply and demand stress, and a degree of post-COVID-19 and geopolitical impact.

Increasing Social and Environmental Expectations

2. The Corporation understands that customers want to continue to maintain safe, secure, fit-for-purpose water services, while keeping the cost of services as low as possible in the long term. There is also a growing expectation that we deliver services in an increasingly environmentally-sensitive way.

Impact of Climate Change

3. Climate change will continue to impact the availability of water sources, customers' demand for water, the Corporation's need to address greenhouse gas emissions, the options available for energy consumption and the need for infrastructure adaptation. In this context, the implementation of the Western Australian Climate Change Policy will be one of the key drivers which will help align the Corporation's actions with those of the rest of the State.
4. Reduced rainfall, particularly in the South West area of the State, has significantly reduced surface water dam inflows and is likely to constrain groundwater availability. This will continue to impact the capacity of city and town water supplies, increasing the need for augmentation with climate-independent sources such as seawater desalination and groundwater replenishment to grow and maintain liveability. This will also continue to drive the need to save water and promote the efficient use of water resources.

Degree of Post-COVID-19 and Geopolitical Impact

5. The COVID-19 pandemic has affected the Corporation's operating environment, as well as that of the Corporation's suppliers, customers, regulators and other stakeholders. In this context, response and recovery from the COVID-19 pandemic, as well as building future resilience, will be one of the focus areas over the next five years. Community sentiment and Government policy will elevate the importance of building local industry and manufacturing capability, while growing reliance on desalination and complex plants will drive closer links between the Corporation and energy utilities. Co-optimising water and power will be a key theme in the Corporation's economics and sourcing strategy.

2021-22 Dividend Retention

6. The Corporation will retain its forecast 2021-22 dividend payments of \$1,354.9 million to instead contribute to funding a new desalination plant, which will be fuelled by renewable energy. The funds will be quarantined until the Government approves the business case for the desalination plant at a future Budget process.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	The Corporation's customers expect convenient, affordable and reliable services to support their lifestyle and businesses.	1. Continue to satisfy customers when the Corporation interacts with them, achieving a high performing score when surveyed 2. Keep total cost per property as low as possible over six years
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	People are at the core of the Corporation's business, and everyone should feel valued, empowered, engaged, safe and respected.	3. Create a workplace that reflects the diversity in Western Australia (including women in leadership) 4. Continuously strengthen the Corporation's commitment to reconciliation, equity and Aboriginal engagement in the ways in which the Corporation operates
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	All Western Australians have the right to safe drinking water and the Corporation must not harm its people or the public.	5. Demonstrate advanced health and safety practices by 2024-25
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	The Corporation is uniquely positioned to leverage its assets, operations and talent to improve Western Australia's liveability and to be an economic enabler for the State.	6. Support the Government to deliver the Waterwise Perth Action Plan
	The environment underpins Western Australians' lifestyle and prosperity, so the Corporation should operate with the lowest environmental impact.	7. Achieve net zero carbon emissions before 2050 8. Increase the percentage of materials recovered from solid waste over six years

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Continue to satisfy customers when the Corporation interacts with them, achieving a high performing score when surveyed:					
Voice of customer - customer experience (score)	8.49	8.00	8.29	8.00	
Outcome: Keep total cost per property as low as possible over six years:					
Total cost per property (\$)	1,995	1,998	1,987	2,025	
Outcome: Create a workplace that reflects the diversity in Western Australia (including women in leadership):					
Workplace diversity targets achieved - women in leadership (% and number of) ...	34.8%, 55	34%, 61	36.3%, 65	36%, 64	
Outcome: Continuously strengthen the Corporation's commitment to reconciliation, equity and Aboriginal engagement in the ways in which the Corporation operates:					
Aboriginal and Torres Strait Islander employment (% and number of)	4.6%, 159	6%, 204	4.8%, 179	6%, 220	
Contracts >\$50,000 awarded to Aboriginal suppliers	2.5%	3%	3.1%	3.2%	
Outcome: Demonstrate advanced health and safety practices by 2024-25:					
Public drinking water advisories (number of)	nil	nil	nil	nil	
Total recordable injury frequency rate	3.4	2.9	4.5	2.2	
Outcome: Support the Government to deliver the Waterwise Perth Action Plan:					
Support the Government to deliver the Waterwise Perth Action Plan (number of the Corporation's actions completed on time)	9	10	9	10	
Outcome: Achieve net zero carbon emissions before 2050:					
Reported greenhouse gas emissions (kilotonnes CO ₂ equivalent)	740	n/a	753	n/a	1
Outcome: Increase the percentage of materials recovered from solid waste over six years:					
Material recovered - solid waste	81%	73%	80%	73%	

Explanation of Significant Movements

(Notes)

1. There is a long-term target of net zero greenhouse gas emissions by 2050. The current measure is consistent with National Greenhouse and Energy Reporting Scheme (Scope 1 and Scope 2, does not include offsets).

Asset Investment Program

1. In 2021-22, \$699.2 million has been committed to asset investment projects across the State. These projects will improve the Corporation's services and continue to ensure its customers have access to reliable, high-quality water and wastewater services.

Expenditure in the Metropolitan Area

2. A total of \$296.6 million has been committed in 2021-22 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.
3. In 2021-22, \$133.3 million has been committed to water network and supply projects, including:
 - 3.1. \$5.6 million to meet future planning requirements in Alkimos. The project will lay 2.5 km of pipe along the proposed pipeline route at the Alkimos commercial and cultural precinct, integrating with the Mitchell Freeway/Romeo Road extension; and
 - 3.2. \$4.1 million on the Perth CBD pipe renewal project to replace 1 km of pipe from the corner of Bennett Street and Terrace Road to the Causeway Bridge to ensure security of supply. The project has an estimated total value of \$12.1 million.
4. Other features of the metropolitan program include \$147.1 million in 2021-22 on wastewater treatment projects in both the northern and southern corridors, including:
 - 4.1. \$10.1 million towards the Quinns Sewer Main. The project will design and construct 2 km of main sewer to enable flow from the Neerabup Pump Station to be conveyed to the Alkimos Wastewater Treatment Plant (WTP) to cater for increased flows. The project has an estimated total value of \$39.1 million; and
 - 4.2. \$7.1 million to service existing flows and future growth in Bullsbrook. The project will design and construct a pump station and 18 km of sewer main to divert flows from the Bullsbrook WTP to the Ellenbrook Pump Station. The project has an estimated total value of \$22.9 million.

Expenditure in the Regions

5. Regional Western Australia will continue to benefit from the development and upgrading of water and wastewater infrastructure, with \$247.3 million committed in 2021-22 to several projects across the regions.
6. A total of \$136.2 million has been committed in 2021-22 on water projects, including:
 - 6.1. \$26.8 million towards building new water storage tanks in Merredin, Karratha and Dedari. These projects include construction of new 20 to 42 million litre water storage tanks and associated pipework. These projects have a combined estimated total value of \$61.5 million; and
 - 6.2. \$3.7 million upgrading the Moora Kolburn Water Treatment Plant. The upgrade will increase plant performance and treatment capacity. The project has an estimated total value of \$7.7 million.
7. A total of \$85.3 million will be spent in 2021-22 on wastewater projects, including:
 - 7.1. \$19.2 million towards upgrading the wastewater treatment and management in Broome North. The upgrade will increase the capacity and improve the treatment of wastewater and operational efficiency of the plant. The project has an estimated total value of \$40.9 million; and
 - 7.2. \$7.4 million to upgrade the Collie and Kemerton WTPs. The upgrade will improve the treatment of wastewater and operational efficiencies of the plants. The projects have an estimated total value of \$11.7 million.
8. The Corporation will spend \$6.5 million in 2021-22 for the Essential and Municipal Services Upgrade Program for Aboriginal communities to deliver more reliable and improved water and wastewater services. The communities that have been identified to participate in the program include Mowanjum, Bayulu and Bidadanga. The project has an estimated total value of \$23.3 million.

Election Commitments

9. The Corporation will spend \$2.5 million in 2021-22 towards installing seven gross pollution traps to storm drains at various locations to reduce plastic pollution into our waterways. The project has an estimated total value of \$10 million.

10. An amount of \$0.1 million will be spent in 2021-22 to improve the appearance of the Morley Galleria drainage basin. The project will include replacement of the perimeter fencing.

COVID-19 Response

11. The Corporation will continue to invest \$9.9 million in 2021-22 as part of the COVID-19 Response to drive economic and social recovery and create local jobs. This includes investment in major water and wastewater infrastructure upgrades to improve services across regional Western Australia. The COVID-19 Response has an estimated total value of \$48.5 million.

	Estimated Total Cost \$'000 (a)	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Coral Bay WTP Evaporation Pond Relining	3,162	145	145	2,921	96	-	-
Irrigation of Public Open Space in Broome.....	6,462	786	786	1,176	4,500	-	-
Other Works in Progress							
Election Commitments							
Essential and Municipal Services Upgrade Program	23,300	841	141	6,515	7,732	5,400	2,727
Olga Road - Albany Highway and Kelvin Road Intersection (Pipe Relocation)	6,131	272	272	4,940	919	-	-
Metropolitan							
Drainage							
Capacity	60,602	32,840	19,313	10,648	5,882	4,633	6,599
Renewals	20,891	9,436	4,288	3,047	2,114	3,103	3,191
Wastewater							
Network Capacity	368,366	97,917	29,476	56,356	86,157	64,664	63,272
Network Renewals	153,757	81,022	28,361	22,263	17,375	13,098	19,999
Treatment Capacity	366,803	120,750	28,409	36,129	81,093	68,187	60,644
Treatment Renewals	124,004	33,448	12,926	32,315	10,993	19,677	27,571
Water							
Network Capacity	295,645	133,588	43,919	49,236	30,280	33,226	49,315
Network Renewals	237,520	146,880	60,556	25,518	20,371	32,565	12,186
Supply Capacity	386,254	235,193	27,787	32,616	59,240	44,221	14,984
Supply Renewals	157,813	64,931	20,450	20,954	28,607	19,804	23,517
Regional							
Drainage							
Capacity	34,171	30,046	27,189	1,880	400	1,600	245
Renewals	32,379	12,400	2,785	6,425	3,476	6,125	3,953
Irrigation	49,014	20,186	1,744	1,000	480	8,105	19,243
Wastewater							
Network Capacity	69,505	38,595	2,644	6,783	5,811	4,417	13,899
Network Renewals	69,451	30,633	8,246	16,310	7,049	10,260	5,199
Treatment Capacity	249,413	76,766	29,101	54,827	22,144	23,670	72,006
Treatment Renewals	28,945	8,390	3,541	7,362	2,729	7,419	3,045
Water							
Network Capacity	159,257	66,349	28,352	18,090	17,541	11,765	45,512
Network Renewals	230,388	109,753	54,476	47,327	19,700	34,639	18,969
Supply Capacity	436,208	179,217	94,824	60,302	71,629	82,607	42,453
Supply Renewals	38,487	20,154	9,903	10,529	3,582	1,995	2,227
Service							
Business Support Costs	558,087	217,408	73,546	81,544	78,628	90,583	89,924
Capital Support Costs	198,696	85,360	29,487	28,259	28,218	28,358	28,501
Corporate Real Estate	134,415	61,915	22,429	18,500	18,000	18,000	18,000
Operational Information and Control	174,604	66,604	24,163	27,000	27,000	27,000	27,000
NEW WORKS							
COVID-19 Response							
Remote Aboriginal Communities Accelerated Works	38,900	-	-	5,832	12,672	15,067	4,801
Other New Works							
Election Commitments							
Gross Pollution Traps	10,000	-	-	2,500	7,500	-	-
Morley Galleria Drainage	125	-	-	125	-	-	-
Total Cost of Asset Investment Program	4,722,755	1,981,825	689,259	699,229	681,918	680,188	678,982
FUNDED BY							
Internal Funds and Balances			689,259	699,229	681,918	680,188	678,982
Total Funding			689,259	699,229	681,918	680,188	678,982

(a) For rolling capital programs, the estimated total cost is the total spend from the commencement of the rolling program from 2018-19 up until the last year of the forward estimates period.

Financial Statements

Income Statement

Expenses

1. The 2021-22 Budget Estimate Total Expenses increases by \$20.8 million compared to the 2020-21 Estimated Actual due to a depreciation expense increase of \$26.5 million. The increase in depreciation is driven by accelerated depreciation over the forward estimates period and additional short-lived projects being brought forward.

Revenue

2. The 2021-22 Budget Estimate Total Revenue is up \$12.4 million compared to the 2020-21 Estimated Actual as a result of greater expected returns from Sale of goods and services, and subsidies.

Statement of Financial Position

3. The 2021-22 Budget Estimate Net Assets is expected to increase by \$855.6 million compared to the 2020-21 Estimated Actual. Retention of the forecast 2021-22 government dividend and borrowings increases Cash assets by \$1,039.4 million. This is partially offset by the associated increase of \$358.7 million in non-current borrowings liabilities.

Statement of Cashflows

4. The 2021-22 Budget Estimate Cash assets at the end of the reporting period is expected to grow by \$1,039.4 million due to the retained forecast 2021-22 government dividend and increased borrowings.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	2,243,916	2,217,283	2,231,339	2,282,189	2,344,421	2,452,118	2,510,762
Other revenue.....	160,615	132,181	221,520	138,448	215,488	253,256	259,593
Revenue from government							
Operating subsidies.....	239,441	216,924	218,579	364,349	416,260	448,984	392,669
Capital subsidies.....	5,611	17,469	2,733	25,130	42,890	7,359	2,727
Royalties for Regions ^(b)	191,471	250,000	250,000	126,816	82,657	43,185	117,809
Other subsidies.....	11,929	12,534	11,925	11,528	11,806	12,092	400
TOTAL REVENUE	2,852,983	2,846,391	2,936,096	2,948,460	3,113,522	3,216,994	3,283,960
Expenses							
Employee benefits ^(c)	333,734	424,362	455,175	441,382	443,511	445,914	449,950
Grants and subsidies	-	-	-	-	-	-	-
Supplies and services.....	500,378	411,034	402,181	412,207	417,960	424,998	432,237
Accommodation.....	6,833	7,845	7,784	8,021	8,202	8,386	8,575
Depreciation and amortisation	516,568	531,843	531,879	558,354	575,089	591,029	601,680
Finance and interest costs.....	213,467	205,581	182,938	175,950	180,899	180,312	184,705
Other expenses	134,415	140,902	125,020	129,908	118,883	119,494	148,638
TOTAL EXPENSES	1,705,395	1,721,567	1,704,977	1,725,822	1,744,544	1,770,133	1,825,785
NET PROFIT/(LOSS) BEFORE TAX	1,147,588	1,124,824	1,231,119	1,222,638	1,368,978	1,446,861	1,458,175
National Tax Equivalent Regime							
Current tax equivalent expense	366,070	341,778	373,534	371,019	406,760	432,532	438,971
Deferred tax equivalent expense	(26,385)	(4,735)	(7,288)	(3,974)	3,507	1,120	(1,923)
NET PROFIT/(LOSS) AFTER TAX	807,903	787,781	864,873	855,593	958,711	1,013,209	1,021,127
Dividends	3,767	1,258,331	642,412	-	737,220	789,428	799,460

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

(b) In 2020-21 the annual pricing subsidy was funded to the value of \$250 million from Royalties for Regions. From 2021-22 onwards, contributions to the pricing subsidy from the Royalties for Regions fund will be reduced, with the reduction offset by an increase in Consolidated Account funding.

(c) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 3,277, 3,499 and 3,499 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	602,505	205	346,135	30,675	68,430	84,736	82,205
Cash assets - Retained dividends	-	-	-	1,354,873	1,354,873	1,354,873	1,354,873
Receivables	225,153	228,156	224,322	216,352	222,624	229,755	237,323
Other.....	86,929	86,929	84,901	87,097	89,402	91,784	94,300
Total current assets.....	914,587	315,290	655,358	1,688,997	1,735,329	1,761,148	1,768,701
NON-CURRENT ASSETS							
Property, plant and equipment.....	17,541,636	17,759,717	17,783,521	17,967,695	18,158,960	18,369,219	18,570,025
Intangibles	110,308	110,308	110,308	110,308	110,308	110,308	110,308
Receivables	23,174	23,174	23,522	23,934	24,353	24,670	25,015
Total non-current assets.....	17,675,118	17,893,199	17,917,351	18,101,937	18,293,621	18,504,197	18,705,348
TOTAL ASSETS	18,589,705	18,208,489	18,572,709	19,790,934	20,028,950	20,265,345	20,474,049
CURRENT LIABILITIES							
Employee provisions.....	100,216	100,216	99,008	99,014	100,814	100,800	100,801
Payables.....	357,593	340,566	331,554	343,753	357,124	380,082	372,950
Borrowings and leases	18,411	21,427	16,617	19,688	20,482	20,067	19,748
Interest Payable.....	-	-	-	-	-	-	-
Other.....	57,255	57,255	57,532	49,237	47,922	48,164	48,909
Total current liabilities.....	533,475	519,464	504,711	511,692	526,342	549,113	542,408
NON-CURRENT LIABILITIES							
Employee provisions.....	43,796	47,796	46,505	49,001	49,701	52,215	54,715
Borrowings and leases	6,207,304	6,311,387	6,002,895	6,360,224	6,357,892	6,344,101	6,337,266
Other.....	251,211	246,476	242,218	238,044	241,551	242,671	240,748
Total non-current liabilities.....	6,502,311	6,605,659	6,291,618	6,647,269	6,649,144	6,638,987	6,632,729
TOTAL LIABILITIES.....	7,035,786	7,125,123	6,796,329	7,158,961	7,175,486	7,188,100	7,175,137
NET ASSETS.....	11,553,919	11,083,366	11,776,380	12,631,973	12,853,464	13,077,245	13,298,912
EQUITY							
Contributed Equity	234,698	234,698	234,698	234,698	234,698	234,698	234,698
Accumulated surplus/(deficit).....	3,992,545	3,521,992	4,215,006	5,070,599	5,292,090	5,515,871	5,737,538
Reserves	7,326,676	7,326,676	7,326,676	7,326,676	7,326,676	7,326,676	7,326,676
TOTAL EQUITY	11,553,919	11,083,366	11,776,380	12,631,973	12,853,464	13,077,245	13,298,912

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	2,213,103	2,187,241	2,217,823	2,272,180	2,341,713	2,438,668	2,496,757
GST receipts.....	114,941	117,784	117,784	119,224	117,182	116,008	117,589
Other receipts.....	105,716	90,303	147,640	109,332	150,493	149,384	153,108
Payments							
Employee benefits.....	(321,421)	(424,877)	(448,862)	(434,998)	(436,981)	(439,230)	(443,113)
Supplies and services.....	(500,378)	(411,034)	(402,181)	(412,207)	(417,960)	(424,998)	(432,237)
Accommodation ^(b)	-	-	-	-	(1)	-	-
GST payments.....	(115,440)	(118,324)	(118,324)	(119,770)	(117,719)	(116,539)	(118,127)
Finance and interest costs.....	(241,488)	(215,132)	(199,083)	(185,901)	(187,744)	(188,171)	(190,024)
Other payments.....	(104,518)	(112,003)	(103,359)	(116,609)	(125,134)	(105,783)	(133,997)
Net cash from operating activities.....	1,150,515	1,113,958	1,211,438	1,231,251	1,323,849	1,429,339	1,449,956
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	2,022	1,600	1,600	1,600	1,600	1,600	1,601
Other receipts.....	-	-	1	-	-	-	-
Payments							
Purchase of non-current assets.....	(634,569)	(694,219)	(689,259)	(699,229)	(681,918)	(680,188)	(678,982)
Net cash from investing activities.....	(632,547)	(692,619)	(687,658)	(697,629)	(680,318)	(678,588)	(677,381)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings.....	1,155,100	921,034	612,950	1,156,064	834,189	827,691	831,602
Payments							
Repayment of borrowings and leases.....	(1,165,711)	(817,299)	(818,514)	(793,328)	(844,425)	(845,737)	(844,692)
Other payments.....	(8,094)	(8,350)	(8,350)	(8,729)	(7,336)	(7,459)	(7,579)
Net cash from financing activities.....	(18,705)	95,385	(213,914)	354,007	(17,572)	(25,505)	(20,669)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Capital subsidies.....	4,182	29,369	-	32,000	30,547	4,802	-
Operating subsidies.....	239,441	216,924	218,579	364,349	416,260	448,984	392,669
Royalties for Regions.....	191,471	250,000	250,000	126,816	82,657	43,185	117,810
Other subsidies.....	11,929	12,534	11,925	11,528	11,806	12,092	400
Payments							
Dividends to government.....	(3,767)	(1,258,331)	(642,412)	-	(737,220)	(789,428)	(799,460)
National Tax Equivalent Regime - Income tax ...	(358,964)	(361,671)	(396,640)	(374,888)	(384,052)	(420,189)	(457,281)
Local Government Rates Equivalent.....	(6,833)	(7,845)	(7,784)	(8,021)	(8,202)	(8,386)	(8,575)
Net cash provided to State Government.....	(77,459)	1,119,020	566,332	(151,784)	588,204	708,940	754,437
NET INCREASE/(DECREASE) IN CASH HELD.....	576,722	(602,296)	(256,466)	1,039,413	37,755	16,306	(2,531)
Cash assets at the beginning of the reporting period.....	25,783	602,501	602,601	346,135	1,385,548	1,423,303	1,439,609
Cash assets at the end of the reporting period.....	602,505	205	346,135	1,385,548	1,423,303	1,439,609	1,437,078

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

(b) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

Bunbury Water Corporation

Part 12

Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	1,275	986	840	1,687	833	966	1,124
Local Government Rates Equivalent	84	83	84	86	88	90	92
Dividends ^{(a) (b)}	2,614	1,840	2,110	-	3,370	1,632	1,901
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	768	726	786	798	814	830	847
EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR							
Equity Contribution	-	-	11,900	-	664	-	-
RATIOS							
Dividend Payout Ratio (%)	85	85	85	-	85	85	85
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	15,589	15,755	16,481	19,004	16,653	17,089	17,487
Revenue from State Government.....	768	726	786	798	814	830	847
Total Expenses ^(c)	12,575	13,608	14,513	14,085	14,646	14,647	14,526
Total Borrowings	7,360	20,250	6,591	11,364	13,864	13,044	14,891
NET PROFIT AFTER TAX	2,507	1,887	1,914	4,030	1,988	2,306	2,684
CASH ASSETS ^(d)	3,067	2,994	11,107	4,415	3,927	4,275	4,288

- (a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.
- (b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.
- (c) Excludes current tax expense, deferred tax expense and dividends.
- (d) As at 30 June each financial year.

Financial Changes

Net operating balance impact of adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
2020-21 Mid-year Operating Revenue and Expenditure Update.....	245	187	226	203	-
2021-22 Budget Operating Revenue and Expenditure Update	(180)	268	685	62	57
2021-22 Dividend Retention	-	(1,826)	-	-	-
Contributions for Bunbury Water Resource Recovery Scheme.....	-	664	1,348	-	-

Significant Issues Impacting the Government Trading Enterprise

Climate Change

1. Aqwest's Urban Water Supply Strategy 2020-2069 predicts that over the next 10 years, water use for the existing Aqwest supplied network will remain relatively stable. This assumes a continuation of the water use behaviour trends observed over the past 30 years, that is, average consumption per service, per annum will continue to reduce at a rate at least equal to the additional demand created by service growth (new services).
2. Aqwest is progressing its long-term plan to relocate production away from the sensitive seawater/freshwater interface of the Yarragadee Aquifer with the commissioning of the Ngoora Moolinap Water Treatment Plant (Glen Iris) at the start of 2020-21.
3. The Aqwest Integrated Water Management Strategy provides a strong vision and framework for the staged consideration of new sustainable water sources as well as potable and non-potable water supply schemes.
4. As a direct result of this strategy and in line with the Western Australian Climate Change Policy's commitments for enhancing regional water security, the \$14.1 million Bunbury Water Resource Recovery Scheme has been approved by the Government, which will provide recycled water to Bunbury's public open space and a range of industrial and construction fit-for-purpose applications.
5. Aqwest developed an Environmental Sustainability Strategic Plan 2019-20 - 2023-24. The plan aligns with the sustainability commitments and objectives of the Statement of Corporate Intent and the aspirations of the Western Australian Climate Change Policy to transition to net zero emissions by 2050.
6. The plan sets priorities, activities and measures of success for water use, renewable energy, waste and recycling, printing, best practice and training.

Response to the effects of COVID-19

7. Aqwest has continued to maintain a safe working environment reducing any risk of a localised outbreak of COVID-19. All Aqwest offices are hygienically maintained, and staff are offered working from home opportunities to limit social contact. During the peak of the pandemic, Aqwest's Incident Management Team was assembled to oversee the safe and continuous supply of potable water to the community. This team remains on standby as part of Aqwest's Business Continuity Plan.
8. Aqwest will continue to support its customers experiencing financial difficulty as a result of COVID-19. Aqwest also supports the local economy by engaging local suppliers as a priority.

Retained Dividends

9. Aqwest will retain its forecast 2021-22 dividend payment of \$1.8 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of Aqwest.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Utilise our assets to generate sustainable and responsible financial outcomes.	1. Long term financial viability
	Maintain safe, reliable and affordable water services for our customers.	2. Satisfied customers
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Support the Greater Bunbury economy.	3. Local jobs and local suppliers
	Develop innovation opportunities within the circular economy.	4. Highly skilled and diversified workforce
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Provide accessibility and support for employees, vulnerable customers and the Greater Bunbury community.	5. Strong supported community
Growing Our Communities: Protecting our environment with thriving suburbs and regions.	Provide sustainable, fit for purpose water to the community.	6. Safe, reliable, high quality drinking water 7. Safe, reliable, recycled water available 8. Environmentally sustainable operations

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Long term financial viability:					
Economic real rate of return	3.2%	2.2%	2.4%	3.6%	
Outcome: Satisfied customers:					
Overall customer satisfaction rating	87%	n/a	n/a	85%	1
Outcome: Local jobs and local suppliers:					
Percentage of local suppliers (Buy Local Policy target).....	n/a	n/a	n/a	70%	1
Outcome: Highly skilled and diversified workforce:					
Increase jobs by >2% per annum ^(a)	n/a	n/a	n/a	>2	1
Training expenditure per annum against salaries and wages.....	2%	n/a	2.6%	>3%	1
Safety index.....	1	n/a	0.85	1	1
Outcome: Strong supported community:					
Strong communities index	n/a	n/a	n/a	1	1
Employee diversity and wellbeing index.....	n/a	n/a	n/a	1	1
Customer awareness of Aqwest services.....	68%	n/a	n/a	85%	1
Outcome: Safe, reliable, high quality drinking water:					
Customers agree water is safe to drink	86%	n/a	n/a	85%	1
Microbiological compliance	100%	100%	100%	100%	
Average frequency of an unplanned interruption (per 1000 properties)	157	<250	<250	<250	
Outcome: Safe, reliable, recycled water available:					
Make available 2GL of recycled water per annum.....	n/a	n/a	n/a	2	1
Outcome: Environmentally sustainable operations:					
Environmental sustainability index	n/a	n/a	n/a	1	1

(a) This indicator targets an increase to full-time jobs by decreasing contracted work, without negatively impacting on operating expenses.

Explanation of Significant Movements

(Notes)

1. Aqwest developed a number of new strategic performance indicators for the 2021-22 Statement of Corporate Intent. A detailed explanation of the composition of the new indices is provided in Aqwest's 2021-22 Statement of Corporate Intent. Where comparative data was available this has been shown, otherwise, the indicators will first be reported for 2021-22.

Asset Investment Program

Key Deliverables

1. Aqwest's Asset Investment Program totals \$32.5 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 City).
2. The total investment in the City over the Budget and forward estimates period includes:
 - 2.1. \$3.7 million to replace ageing water mains; and
 - 2.2. \$11.3 million to refurbish and maintain existing reservoir and water treatment plant infrastructure.

COVID-19 Response

3. Aqwest will invest \$14.1 million as part of the COVID-19 Response for the Bunbury Water Resource Recovery Scheme. The Scheme will provide recycled water for use on major infrastructure projects and irrigation of public open spaces, reducing the impact on groundwater sources.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
WORKS IN PROGRESS							
COVID-19 Response							
Water Resource Recovery Scheme	14,150	800	800	13,350	-	-	-
Other Works in Progress							
Ngoora Moolinap Water Treatment Plant	14,408	14,308	710	100	-	-	-
COMPLETED WORKS							
Fleet, Information and Communications Technology							
(ICT) and Other - 2020-21 Program	546	546	546	-	-	-	-
Mains - 2020-21 Program	966	966	966	-	-	-	-
Reservoirs							
2019-20 Program	1,286	1,286	1,148	-	-	-	-
2020-21 Program	2,205	2,205	2,205	-	-	-	-
Services - 2020-21 Program	19	19	19	-	-	-	-
Treatment Plants - 2020-21 Program	386	386	386	-	-	-	-
NEW WORKS							
Fleet, ICT and Other							
2021-22 Program	1,224	-	-	1,224	-	-	-
2022-23 Program	1,362	-	-	-	1,362	-	-
2023-24 Program	535	-	-	-	-	535	-
2024-25 Program	412	-	-	-	-	-	412
Mains							
2021-22 Program	843	-	-	843	-	-	-
2022-23 Program	983	-	-	-	983	-	-
2023-24 Program	1,058	-	-	-	-	1,058	-
2024-25 Program	867	-	-	-	-	-	867
Reservoirs							
2021-22 Program	1,222	-	-	1,222	-	-	-
2022-23 Program	1,500	-	-	-	1,500	-	-
2023-24 Program	300	-	-	-	-	300	-
2024-25 Program	800	-	-	-	-	-	800
Services							
2021-22 Program	325	-	-	325	-	-	-
2022-23 Program	77	-	-	-	77	-	-
2023-24 Program	78	-	-	-	-	78	-
2024-25 Program	80	-	-	-	-	-	80
Treatment Plants							
2021-22 Program	1,400	-	-	1,400	-	-	-
2022-23 Program	1,490	-	-	-	1,490	-	-
2023-24 Program	795	-	-	-	-	795	-
2024-25 Program	3,686	-	-	-	-	-	3,686
Total Cost of Asset Investment Program	53,003	20,516	6,780	18,464	5,412	2,766	5,845
FUNDED BY							
Capital Appropriation			11,900	-	-	-	-
Internal Funds and Balances			(5,120)	18,464	5,412	2,766	5,845
Total Funding			6,780	18,464	5,412	2,766	5,845

Financial Statements

Income Statement

Expenses

1. Total Expenses are forecast to reduce by \$0.4 million for the 2021-22 Budget Estimate. Aqwest claimed a significant amount of depreciation on fixed assets in 2020-21, to adjust historical depreciation underclaimed. The forecasts for depreciation return to normal levels over the forward estimates period.

Revenue

2. Revenue from water sales is forecast to increase through minor tariff increases over the forward estimates period.
3. Other revenue peaks in the 2021-22 Budget Estimate due to forecast capital contributions for the Bunbury Water Resource Recovery Scheme, and water sales for the Bunbury Outer Ring Road construction.

Statement of Financial Position

4. Total non-current assets are expected to increase by \$15.5 million in 2021-22. This is due to the completion of the Bunbury Water Resource Recovery Scheme.
5. Borrowings are also forecast to increase to fund a large proportion of Aqwest's current Asset Investment Program.

Statement of Cashflows

6. The decrease in cash between the 2021-22 Budget Estimate and 2020-21 Estimated Actual is due to the funds being used on the Bunbury Water Resource Recovery Scheme. These funds were received in 2020-21 via an equity contribution.

INCOME STATEMENT ^(a) (Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	14,965	14,768	15,123	15,382	15,720	16,092	16,475
Other revenue ^(b)	624	987	1,358	3,622	933	997	1,012
Revenue from government							
Operating subsidies.....	768	726	786	798	814	830	847
TOTAL REVENUE	16,357	16,481	17,267	19,802	17,467	17,919	18,334
Expenses							
Employee benefits ^(c)	4,357	4,571	4,661	4,767	4,822	4,875	4,927
Supplies and services.....	2,777	3,222	2,703	3,234	3,525	3,262	3,073
Accommodation.....	796	863	739	861	878	896	914
Depreciation and amortisation ^(d)	2,672	2,882	4,112	3,035	3,210	3,331	3,298
Finance and interest costs.....	114	240	116	118	117	105	108
Other expenses	1,859	1,830	2,182	2,070	2,094	2,178	2,206
TOTAL EXPENSES	12,575	13,608	14,513	14,085	14,646	14,647	14,526
NET PROFIT/(LOSS) BEFORE TAX	3,782	2,873	2,754	5,717	2,821	3,272	3,808
National Tax Equivalent Regime - Current tax equivalent expense	1,275	986	840	1,687	833	966	1,124
NET PROFIT/(LOSS) AFTER TAX	2,507	1,887	1,914	4,030	1,988	2,306	2,684
Dividends	2,614	1,840	2,110	-	3,370	1,632	1,901

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

(b) Includes a forecast \$2.25 million capital contribution towards the Bunbury Water Resource Recovery Scheme in 2021-22.

(c) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 37, 36 and 43 respectively.

(d) A historical depreciation underclaim of \$1 million was accounted for entirely in 2020-21.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	3,067	2,994	11,107	2,589	2,101	2,449	2,462
Cash assets - Retained dividends	-	-	-	1,826	1,826	1,826	1,826
Receivables	1,243	1,281	1,561	1,585	1,610	1,635	1,660
Other.....	929	945	1,010	1,024	1,038	1,053	1,068
Total current assets.....	5,239	5,220	13,678	7,024	6,575	6,963	7,016
NON-CURRENT ASSETS							
Property, plant and equipment.....	101,132	114,158	118,216	133,710	135,979	135,483	138,100
Other ^(b)	14,350	14,350	-	-	-	-	-
Total non-current assets.....	115,482	128,508	118,216	133,710	135,979	135,483	138,100
TOTAL ASSETS	120,721	133,728	131,894	140,734	142,554	142,446	145,116
CURRENT LIABILITIES							
Employee provisions.....	812	829	811	812	812	812	813
Payables.....	1,301	1,333	1,686	1,723	1,761	1,799	1,838
Borrowings and leases	770	784	784	1,353	1,623	1,627	1,899
Other.....	13	13	13	13	13	13	13
Total current liabilities.....	2,896	2,959	3,294	3,901	4,209	4,251	4,563
NON-CURRENT LIABILITIES							
Employee provisions.....	21	22	22	22	22	22	22
Borrowings and leases ^(c)	6,590	19,466	5,807	10,011	12,241	11,417	12,992
Other.....	11,179	11,179	11,179	11,179	11,179	11,179	11,179
Total non-current liabilities.....	17,790	30,667	17,008	21,212	23,442	22,618	24,193
TOTAL LIABILITIES	20,686	33,626	20,302	25,113	27,651	26,869	28,756
NET ASSETS	100,035	100,102	111,592	115,621	114,903	115,577	116,360
EQUITY							
Contributed Equity ^(c)	-	-	11,900	11,900	12,564	12,564	12,564
Accumulated surplus/(deficit).....	35,963	35,299	37,388	41,417	40,035	40,709	41,492
Reserves	64,072	64,803	62,304	62,304	62,304	62,304	62,304
TOTAL EQUITY	100,035	100,102	111,592	115,621	114,903	115,577	116,360

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

(b) Works in progress, included in Property, Plant and Equipment across the forward estimates period.

(c) Aqwest received an equity contribution to fund the Bunbury Water Resource Recovery Scheme COVID-19 Response project. The project was originally estimated to be funded by borrowings.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	15,198	14,991	15,084	15,344	15,681	16,053	16,434
GST receipts.....	1,688	700	1,760	1,796	1,832	1,868	1,906
Other receipts ^(b)	560	858	1,230	3,536	802	864	879
Payments							
Employee benefits	(4,357)	(4,561)	(4,646)	(4,752)	(4,806)	(4,859)	(4,911)
Supplies and services.....	(437)	(452)	(441)	(459)	(468)	(476)	(478)
Accommodation ^(c)	(712)	(780)	(655)	(775)	(790)	(806)	(822)
GST payments.....	(1,726)	(700)	(1,759)	(1,794)	(1,830)	(1,868)	(1,904)
Finance and interest costs.....	(114)	(240)	(116)	(118)	(117)	(105)	(108)
Other payments	(4,854)	(4,869)	(4,582)	(4,867)	(5,130)	(4,941)	(4,778)
Net cash from operating activities ^(b)	5,246	4,947	5,875	7,911	5,174	5,730	6,218
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets	-	64	64	63	63	63	63
Payments							
Purchase of non-current assets.....	(12,120)	(15,858)	(6,780)	(18,464)	(5,412)	(2,766)	(5,845)
Net cash from investing activities	(12,120)	(15,794)	(6,716)	(18,401)	(5,349)	(2,703)	(5,782)
CASHFLOWS FROM FINANCING ACTIVITIES							
Receipts							
Proceeds from borrowings ^(d)	7,500	14,400	-	6,000	4,200	1,000	4,000
Payments							
Repayment of borrowings and leases ^(d)	(412)	(1,443)	(770)	(1,227)	(1,700)	(1,821)	(2,153)
Net cash from financing activities	7,088	12,957	(770)	4,773	2,500	(821)	1,847
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Operating subsidies	768	726	786	798	814	830	847
Equity Contributions ^(d)	-	-	11,900	-	664	-	-
Payments							
Dividends to government.....	(2,614)	(1,840)	(2,110)	-	(3,370)	(1,632)	(1,901)
National Tax Equivalent Regime - Income tax...	(1,670)	(986)	(840)	(1,687)	(833)	(966)	(1,124)
Local Government Rates Equivalent	(84)	(83)	(85)	(86)	(88)	(90)	(92)
Net cash provided to State Government	3,600	2,183	(9,651)	975	2,813	1,858	2,270
NET INCREASE/(DECREASE) IN CASH HELD.....	(3,386)	(73)	8,040	(6,692)	(488)	348	13
Cash assets at the beginning of the reporting period	6,453	3,067	3,067	11,107	4,415	3,927	4,275
Cash assets at the end of the reporting period	3,067	2,994	11,107	4,415	3,927	4,275	4,288

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

(b) Includes a forecast \$2.25 million capital contribution towards the Bunbury Water Resource Recovery Scheme.

(c) Payment of Local Government Rates Equivalent are included within Accommodation expense on the Income Statement, however within the Statement of Cashflows they are recorded as a payment to State Government and not as a payment from operating activities.

(d) Aqwest received an equity contribution to fund the Bunbury Water Resource Recovery Scheme COVID-19 Response project. The project was originally estimated to be funded by borrowings.

Busselton Water Corporation

Part 12

Utilities

Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE TO GENERAL GOVERNMENT SECTOR							
National Tax Equivalent Regime - Income Tax.....	1,091	517	868	551	647	613	601
Local Government Rates Equivalent	63	61	61	61	66	67	69
Dividends ^{(a) (b)}	1,017	1,125	757	-	562	725	733
EXPENSES FROM GENERAL GOVERNMENT SECTOR							
Operating Subsidies	563	670	670	768	707	721	742
RATIOS							
Dividend Payout Ratio (%)	85	85	85	85	85	85	85
GOVERNMENT TRADING ENTERPRISE INFORMATION							
Revenue from Operations	11,625	11,434	12,868	11,754	12,035	12,390	12,760
Revenue from State Government.....	563	670	670	768	707	721	742
Total Expenses ^(c)	10,421	10,330	9,942	11,238	11,246	11,644	12,124
Total Borrowings	548	240	240	-	-	-	-
NET PROFIT AFTER TAX.....	1,063	1,257	2,728	733	849	854	777
CASH ASSETS ^(d)	10,808	10,024	12,192	11,962	10,907	9,569	8,300

(a) In determining the dividend payment to general government, Net Profit After Tax may be adjusted based on other factors as permitted by relevant legislation.

(b) Most Government Trading Enterprises (GTEs) will retain 2021-22 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise and to Budget Paper No. 3 for further detail.

(c) Excludes current tax expense, deferred tax expense and dividends.

(d) As at 30 June each financial year.

Financial Changes

Net operating balance adjustments, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the GTE's Income Statement since presentation of the 2020-21 Budget to Parliament on 8 October 2020, are outlined below:

	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
Other					
2020-21 Mid-year Review Operating Revenue and Expenditure Update	(436)	13	-	-	-
2021-22 Budget Operating Revenue and Expenditure Update	419	1,030	43	48	(63)
2021-22 Dividend Retention	-	(1,637)	-	-	-

Significant Issues Impacting the Government Trading Enterprise

Climate Change

1. In response to the impacts of climate change, the Corporation is conducting preliminary works to support the Inland Borefield Transition (Plant 8) Investment. As a result of strong persistent growth that is driving an increased demand for potable water, the Corporation has been required to look at increasing bore capacity to facilitate this demand. At the same time, there are numerous physical constraints preventing additional bores being constructed at existing treatment plants. Climate change, saltwater intrusion and aquifer performance have all necessitated the need for future Busselton bores to be constructed inland.

COVID-19 Response

2. Since the announcement of the Government's Building Stimulus program the City of Busselton has seen significant growth in development and housing investment. The Corporation has benefited from additional income received from Developer Infrastructure Contributions and from income related to new connections and services. It is anticipated that this high level of growth will reduce to lower levels from 2021-22 and across the forward estimates period and therefore budget income projections reflect this lower level of development activity.

Retained Dividends

3. The Corporation will retain its forecast 2021-22 dividend payment of \$1.6 million to instead contribute to funding future infrastructure investment. The funds will be quarantined until the Government approves business cases for the strategic infrastructure requirements of the Corporation.

Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, signed by the Board, Minister and Treasurer.

Objectives, Outcomes and Key Performance Information

Relationship to Government Goals

Broad government goals are supported at GTE level by objectives and outcomes. The following table illustrates the relationship between the GTE's objectives and outcomes and the Government Goal it contributes to. The key performance indicators measure the extent of the impact of desired outcomes on the achievement of the GTE objectives.

Government Goals	Strategic Objectives	Desired Outcomes
Strong and Sustainable Finances: Responsible, achievable, affordable service delivery.	Process management, improvement and innovation.	1. Committed to supply value to stakeholders through our processes and to encourage innovation and improvement to our processes and therefore improve the quality of our outputs
	Results and sustainable performance.	2. Committed to achieving excellent results and using effective methods to monitor and demonstrate performance and review and improve performance
	Information and knowledge.	3. Effective application of the information and knowledge required to achieve business objectives together with efficient and effective processes to acquire, analyse and manage this process
WA Jobs Plan: Local manufacturing and production, creating WA jobs and training for the jobs of the future.	People.	4. Valuing our people and creating a great place to work. This will be achieved through initial attraction, then continued engagement and development which will lead to retention of these staff members
	Growth.	5. Committed to growing our business by expanding and diversifying our existing water services
Safe, Strong and Fair Communities: Developing healthy and resilient communities.	Customers and other stakeholders.	6. Committed to analysing customer and other stakeholder requirements, then using this knowledge while managing relationships to deliver increasing value to customers and other stakeholders
Growing our Communities: Protecting our environment with thriving suburbs and regions.	Leadership.	7. Committed to developing and using leadership concepts, processes and management systems to develop an organisational culture consistent with identified values and supporting community and environment
	Strategy and planning.	8. Commitment to establishing systems to set strategic direction, where we have come from, where we are going and how we will get there. Deploying plans to achieve our strategies

Outcomes and Key Performance Indicators

	2019-20 Actual	2020-21 Budget	2020-21 Estimated Actual	2021-22 Budget Target	Note
Outcome: Committed to supply value to stakeholders through our processes and to encourage innovation and improvement to our processes and therefore improve the quality of our outputs:					
Business Excellence Index.....	4	4	4	5	1
Outcome: Committed to achieving excellent results and using effective methods to monitor and demonstrate performance and review and improve performance:					
Drinking water quality compliance with health standards	100%	100%	100%	100%	
Outcome: Effective application of the information and knowledge required to achieve business objectives together with efficient and effective processes to acquire, analyse and manage this process:					
Information and Knowledge Index	4	4	4	4	2
Outcome: Valuing our people and creating a great place to work. This will be achieved through initial attraction, then continued engagement and development which will lead to retention of these staff members:					
People Index	4	4	4	4	3
WorkSafe and Industrial Foundation for Accident Prevention assessments	Gold	Gold	Platinum	Gold	
Outcome: Committed to growing our business by expanding and diversifying our existing water services:					
New water services	176	105	401	100	
Outcome: Committed to analysing customer and other stakeholder requirements, then using this knowledge while managing relationships to deliver increasing value to customers and other stakeholders:					
Number of complaints per 1,000 customers (rolling average)	2.6	<10	2.3	<10	
Outcome: Committed to developing and using leadership concepts, processes and management systems to develop an organisational culture consistent with identified values and supporting community and environment:					
Residential water efficiency kL/pp/year	104	111	105	110	
Outcome: Commitment to establishing systems to set strategic direction, where we have come from, where we are going and how we will get there. Deploying plans to achieve our strategies:					
Strategic Development Plan and Statement of Corporate Intent submitted to Minister	April 2019	April 2020	April 2020	April 2021	

Explanation of Significant Movements

(Notes)

1. The Business Excellence Index measures progress towards best practice across seven elements of the Business Excellence Framework.
2. Information and Knowledge Index comprises the following elements: freedom of information requests completed on time, information and communications technology (ICT) support tickets logged and closed out, ICT forecast achieved, cyber security controls enforced and breach reporting carried out.
3. People Index comprises code of conduct grievances, performance management, learning and development and staff turnover.

Asset Investment Program

1. The Corporation's Asset Investment Program (AIP) reflects its capital investment requirements for the forward estimates period. A total of \$17.6 million is required over this period to enable the Corporation to continue to support a strong regional economy.
2. Key projects over the forward estimates period include:
 - 2.1. \$1.5 million to upgrade operational building facilities to allow greater functionality with a more sustainable footprint;
 - 2.2. \$1.6 million for ICT including cyber security and Intelligent Water Network (IWN) projects;
 - 2.3. \$1.4 million for the installation of new connections, new meters and ongoing meter replacement;
 - 2.4. \$1.8 million to upgrade reticulation mains and services within the network;
 - 2.5. \$0.75 million for the ongoing upgrade and renewal of mobile plant and vehicles;
 - 2.6. \$8.7 million for the replacement and maintenance of tanks and delivery pumps used to store treated water and to ensure greater efficiency and energy consumption; and
 - 2.7. \$1.8 million for preliminary works relating to the development of a new Inland Borefield and Water Treatment Plant (Plant 8) adjacent to the Busselton Regional Airport.
3. This AIP ensures that existing infrastructure is maintained, and new infrastructure is provided to maintain water supplies and sustain growth into the future.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-21 \$'000	2020-21 Estimated Expenditure \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
COMPLETED WORKS							
Building, Land and Land Improvements - 2020-21 Program.....	93	93	93	-	-	-	-
ICT - 2020-21 Program.....	75	75	75	-	-	-	-
New Connections and Meters - 2020-21 Program	440	440	440	-	-	-	-
New Mains and Services - 2020-21 Program.....	578	578	578	-	-	-	-
Plant, Mobile and Other Purchases - 2020-21 Program.....	170	170	170	-	-	-	-
Treatment Plants - 2020-21 Program	1,052	1,052	1,052	-	-	-	-
NEW WORKS							
Building, Land and Land Improvements							
2021-22 Program.....	115	-	-	115	-	-	-
2022-23 Program.....	760	-	-	-	760	-	-
2023-24 Program.....	372	-	-	-	-	372	-
2024-25 Program.....	218	-	-	-	-	-	218
ICT							
2021-22 Program.....	184	-	-	184	-	-	-
2022-23 Program.....	500	-	-	-	500	-	-
2023-24 Program.....	493	-	-	-	-	493	-
2024-25 Program.....	400	-	-	-	-	-	400
New Connections and Meters							
2021-22 Program.....	334	-	-	334	-	-	-
2022-23 Program.....	253	-	-	-	253	-	-
2023-24 Program.....	429	-	-	-	-	429	-
2024-25 Program.....	401	-	-	-	-	-	401
New Mains and Services							
2021-22 Program.....	345	-	-	345	-	-	-
2022-23 Program.....	177	-	-	-	177	-	-
2023-24 Program.....	289	-	-	-	-	289	-
2024-25 Program.....	975	-	-	-	-	-	975
Plant, Mobile and Other Purchases							
2021-22 Program.....	133	-	-	133	-	-	-
2022-23 Program.....	254	-	-	-	254	-	-
2023-24 Program.....	148	-	-	-	-	148	-
2024-25 Program.....	213	-	-	-	-	-	213
Treatment Plants							
2021-22 Program.....	2,687	-	-	2,687	-	-	-
2022-23 Program.....	2,454	-	-	-	2,454	-	-
2023-24 Program.....	2,894	-	-	-	-	2,894	-
2024-25 Program.....	2,534	-	-	-	-	-	2,534
Total Cost of Asset Investment Program	19,970	2,408	2,408	3,798	4,398	4,625	4,741
FUNDED BY							
Asset Sales			43	56	139	56	89
Internal Funds and Balances.....			2,365	3,742	4,259	4,569	4,652
Total Funding.....			2,408	3,798	4,398	4,625	4,741

Financial Statements

Income Statement

Expenses

- The Corporation will retain its forecast 2021-22 dividend payment to instead contribute to funding future infrastructure investment. Dividend payments over the forward estimates period have been impacted by the Government's COVID-19 Response measures, which limited tariff increases in 2019-20 and 2020-21, resulting in a flow-on effect to future dividend accruals.

Revenue

- The increase in Total Revenue across the forward estimates period is mainly as a result of the increase in population reflecting greater water sales.

Statement of Cashflows

- The decrease in cash balance over the forward estimates period reflects an increased capital investment program, specifically the impact of the investment in the Inland Borefield and Water Treatment Plant (Plant 8) project.

INCOME STATEMENT ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
REVENUE							
Revenue from operations							
Sale of goods and services.....	10,090	10,089	10,409	10,327	10,578	10,888	11,247
Other revenue.....	1,535	1,345	2,459	1,427	1,457	1,502	1,513
Revenue from government							
Operating subsidies.....	563	670	670	768	707	721	742
TOTAL REVENUE	12,188	12,104	13,538	12,522	12,742	13,111	13,502
Expenses							
Employee benefits ^(b)	3,798	3,625	3,544	3,696	3,811	3,910	4,018
Supplies and services.....	2,033	2,563	2,547	2,623	2,580	2,668	2,770
Accommodation.....	821	951	939	947	975	998	1,024
Depreciation and amortisation.....	2,798	2,958	2,958	3,103	2,986	3,195	3,420
Finance and interest costs.....	62	43	43	19	6	6	6
Other expenses	909	190	(89)	850	888	867	886
TOTAL EXPENSES	10,421	10,330	9,942	11,238	11,246	11,644	12,124
NET PROFIT/(LOSS) BEFORE TAX.....	1,767	1,774	3,596	1,284	1,496	1,467	1,378
National Tax Equivalent Regime							
Current tax equivalent expense	1,091	517	868	551	647	613	601
Deferred tax equivalent expense	(387)	-	-	-	-	-	-
NET PROFIT/(LOSS) AFTER TAX.....	1,063	1,257	2,728	733	849	854	777
Dividends	1,017	1,125	757	-	562	725	733

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

(b) The full-time equivalents for 2019-20 Actual, 2020-21 Estimated Actual and 2021-22 Budget Estimate are 31, 32 and 32 respectively.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2019-20 Actual \$'000	2020-21 Budget \$'000	2020-21 Estimated Actual \$'000	2021-22 Budget Estimate \$'000	2022-23 Forward Estimate \$'000	2023-24 Forward Estimate \$'000	2024-25 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets.....	9,134	8,375	12,004	9,656	8,726	7,400	6,445
Cash assets - Retained dividends	-	-	-	1,637	1,637	1,637	1,637
Restricted Cash	1,674	1,649	188	669	544	532	218
Receivables	3,298	3,068	3,015	3,014	3,015	3,015	3,015
Other.....	614	614	614	614	614	614	614
Total current assets.....	14,720	13,706	15,821	15,590	14,536	13,198	11,929
NON-CURRENT ASSETS							
Property, plant and equipment.....	100,392	100,574	99,952	100,726	101,774	103,055	104,277
Intangibles	308	311	330	363	743	1,022	1,202
Total non-current assets.....	100,700	100,885	100,282	101,089	102,517	104,077	105,479
TOTAL ASSETS	115,420	114,591	116,103	116,679	117,053	117,275	117,408
CURRENT LIABILITIES							
Employee provisions.....	1,182	1,215	1,263	1,284	1,305	1,327	1,349
Payables.....	761	762	425	428	430	434	434
Borrowings and leases	417	337	349	110	110	110	110
Other.....	2	2	-	-	-	-	-
Total current liabilities.....	2,362	2,316	2,037	1,822	1,845	1,871	1,893
NON-CURRENT LIABILITIES							
Employee provisions.....	46	94	46	108	171	236	303
Borrowings and leases	363	237	122	120	121	121	121
Other.....	18,157	18,544	18,157	18,157	18,157	18,157	18,157
Total non-current liabilities.....	18,566	18,875	18,325	18,385	18,449	18,514	18,581
TOTAL LIABILITIES	20,928	21,191	20,362	20,207	20,294	20,385	20,474
NET ASSETS	94,492	93,400	95,741	96,472	96,759	96,890	96,934
EQUITY							
Accumulated surplus/(deficit) ^(b)	29,805	29,673	41,701	42,434	42,721	42,850	42,894
Reserves	64,687	63,727	54,040	54,038	54,038	54,040	54,040
TOTAL EQUITY	94,492	93,400	95,741	96,472	96,759	96,890	96,934

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

(b) From the 2021-22 year Accumulated surplus/(deficit) now includes the Corporation's Investments which were previously classified as Reserves.

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2019-20	2020-21	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM OPERATING ACTIVITIES							
Receipts							
Sale of goods and services.....	10,320	10,090	10,410	10,328	10,577	10,889	11,247
GST receipts	675	482	482	482	482	482	482
Other receipts	1,797	1,300	2,450	1,427	1,457	1,486	1,511
Payments							
Employee benefits.....	(3,722)	(3,544)	(3,463)	(3,613)	(3,726)	(3,823)	(3,929)
Supplies and services	(690)	(1,077)	(926)	(1,066)	(1,068)	(1,111)	(1,152)
Accommodation ^(b)	(758)	(890)	(878)	(886)	(909)	(931)	(955)
GST payments	(588)	(482)	(482)	(482)	(482)	(482)	(482)
Finance and interest costs.....	(61)	(43)	(43)	(19)	(6)	(6)	(6)
Other payments.....	(2,953)	(2,264)	(2,022)	(2,404)	(2,383)	(2,419)	(2,502)
Net cash from operating activities	4,020	3,572	5,528	3,767	3,942	4,085	4,214
CASHFLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds from sale of non-current assets.....	66	43	43	56	139	56	89
Payments							
Purchase of non-current assets	(2,535)	(2,886)	(2,408)	(3,798)	(4,398)	(4,625)	(4,741)
Net cash from investing activities.....	(2,469)	(2,843)	(2,365)	(3,742)	(4,259)	(4,569)	(4,652)
CASHFLOWS FROM FINANCING ACTIVITIES							
Payments							
Repayment of borrowings and leases	(386)	(480)	(480)	(411)	(170)	(170)	(170)
Net cash from financing activities.....	(386)	(480)	(480)	(411)	(170)	(170)	(170)
CASHFLOWS FROM STATE GOVERNMENT							
Receipts							
Operating subsidies.....	563	670	670	768	707	721	742
Payments							
Dividends to government.....	(1,017)	(1,125)	(757)	-	(562)	(725)	(733)
National Tax Equivalent Regime - Income tax...	(1,144)	(517)	(1,151)	(551)	(647)	(613)	(601)
Local Government Rates Equivalent.....	(63)	(61)	(61)	(61)	(66)	(67)	(69)
Net cash provided to State Government.....	1,661	1,033	1,299	(156)	568	684	661
NET INCREASE/(DECREASE) IN CASH HELD	(496)	(784)	1,384	(230)	(1,055)	(1,338)	(1,269)
Cash assets at the beginning of the reporting period	11,304	10,808	10,808	12,192	11,962	10,907	9,569
Cash assets at the end of the reporting period	10,808	10,024	12,192	11,962	10,907	9,569	8,300

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

(b) Payment of the Local Government Rates Equivalent is included within Accommodation expense on the Income Statement, however within the Statement of Cashflows this is recorded as a payment to State Government and not as a payment from operating activities.

	Vol	Page		Vol	Page
Animal Resources Authority	1	359	Office of the Information Commissioner	1	111
Biodiversity, Conservation and Attractions	2	704	Office of the Inspector of Custodial Services	2	498
Bunbury Water Corporation	2	834	Parliamentary Commissioner for		
Burswood Park Board	1	303	Administrative Investigations	1	46
Busselton Water Corporation	2	842	Parliamentary Inspector of the Corruption		
Chemistry Centre (WA)	2	489	and Crime Commission	2	504
Commissioner for Children and Young			Parliamentary Services	1	40
People	1	104	Pilbara Ports Authority	2	660
Commissioner of Main Roads	2	601	Planning, Lands and Heritage	2	727
Communities	2	513	Premier and Cabinet	1	57
Corruption and Crime Commission	2	481	Primary Industries and Regional		
DevelopmentWA	2	768	Development	1	221
Economic Regulation Authority	1	273	Public Sector Commission	1	72
Education	1	363	Public Transport Authority of Western		
Energy Policy WA	1	280	Australia	2	620
Finance	1	162	Racing and Wagering Western Australia	1	301
Fire and Emergency Services	2	456	Registrar, Western Australian Industrial		
Forest Products Commission	1	293	Relations Commission	1	118
Fremantle Port Authority	2	636	Rural Business Development Corporation	1	268
Gold Corporation	1	189	Salaries and Allowances Tribunal	1	98
Governor's Establishment	1	81	Small Business Development Corporation	1	260
Health and Disability Services Complaints			Southern Ports Authority	2	668
Office	1	352	State Solicitor's Office	2	447
Heritage Council of Western Australia	2	778	Synergy	2	793
Horizon Power	2	813	TAFE Colleges	1	401
Infrastructure WA	1	287	Training and Workforce Development	1	383
Insurance Commission of Western Australia	1	176	Transport	2	583
Jobs, Tourism, Science and Innovation	1	201	Treasury	1	127
Justice	2	424	WA Health	1	307
Keystart Housing Scheme Trust	2	539	Water and Environmental Regulation	2	679
Kimberley Ports Authority	2	646	Water Corporation	2	824
Legal Aid Commission of Western Australia	2	455	Western Australia Police Force	2	409
Legislative Assembly	1	35	Western Australian Electoral Commission	1	89
Legislative Council	1	29	Western Australian Greyhound Racing		
Local Government, Sport and Cultural			Association	1	302
Industries	2	540	Western Australian Institute of Sport	2	577
Lotteries Commission	2	578	Western Australian Land Information		
Mental Health Commission	1	336	Authority (Landgate)	2	755
METRONET Projects Under Development	2	635	Western Australian Meat Industry Authority	1	259
Metropolitan Cemeteries Board	2	579	Western Australian Planning Commission	2	743
Mid West Ports Authority	2	653	Western Australian Sports Centre Trust	2	567
Mines, Industry Regulation and Safety	1	244	Western Australian Treasury Corporation	1	146
National Trust of Australia (WA)	2	784	Western Power	2	803
Office of the Auditor General	1	153	WorkCover WA Authority	1	117
Office of the Director of Public Prosecutions	2	472			

