



# Western Australia State Budget

2023-24

**Budget Paper No. 2**  
Budget Statements Volume 2

**2023-24 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

Budget Overview

Reader’s Guide to the 2023-24 Budget Statements (available in digital format from [www.ourstatebudget.wa.gov.au](http://www.ourstatebudget.wa.gov.au))



# **2023-24 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 11 MAY 2023**

2023-24 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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# 2023-24 BUDGET

## BUDGET STATEMENTS

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## **CHAPTER 3**

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# **AGENCY INFORMATION IN SUPPORT OF THE ESTIMATES**

## **Part 7 – 12**

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Further information pertaining to the 2023-24 Budget Statements can be found in the associated Reader's Guide to the Budget Statements which can be accessed at the Western Australian State Budget website: <https://ourstatebudget.wa.gov.au>.



## 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	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
<b>Western Australia Police Force</b>		
– Total Cost of Services .....	1,869,122	1,892,883
– Asset Investment Program .....	95,707	146,588
<b>Justice</b>		
– Total Cost of Services .....	1,913,391	1,890,130
– Asset Investment Program .....	80,372	137,513
<b>State Solicitor's Office</b>		
– Total Cost of Services .....	67,303	63,720
<b>Legal Aid Commission of Western Australia</b>		
– Asset Investment Program .....	958	3,422
<b>Fire and Emergency Services</b>		
– Total Cost of Services .....	566,357	565,312
– Asset Investment Program .....	49,210	55,647
<b>Office of the Director of Public Prosecutions</b>		
– Total Cost of Services .....	61,340	65,307
– Asset Investment Program .....	4,521	6,409

Agency	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
<b>Corruption and Crime Commission</b>		
– Total Cost of Services .....	31,481	32,666
– Asset Investment Program .....	1,780	1,300
<b>Chemistry Centre (WA)</b>		
– Total Cost of Services .....	33,103	35,730
– Asset Investment Program .....	2,500	2,680
<b>Office of the Inspector of Custodial Services</b>		
– Total Cost of Services .....	3,877	3,906
<b>Parliamentary Inspector of the Corruption and Crime Commission</b>		
– Total Cost of Services .....	871	895

## Ministerial Responsibilities

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



# Division 26 **Western Australia Police Force**<sup>1</sup>

## Part 7 **Community Safety**

### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 60 Net amount appropriated to deliver services .....	1,537,217	1,566,181	1,622,078	<b>1,607,290</b>	1,638,889	1,639,030	1,653,944
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	4,640	4,661	4,661	<b>4,682</b>	4,799	4,919	5,042
Total appropriations provided to deliver services.....	1,541,857	1,570,842	1,626,739	<b>1,611,972</b>	1,643,688	1,643,949	1,658,986
<b>ADMINISTERED TRANSACTIONS</b>							
Item 61 Amount provided for Administered Grants, Subsidies and Other Transfer Payments .....	-	-	1,000	<b>500</b>	-	-	-
<b>CAPITAL</b>							
Item 134 Capital Appropriation.....	78,002	73,228	75,329	<b>140,475</b>	124,905	67,481	56,477
<b>TOTAL APPROPRIATIONS</b> .....	<b>1,619,859</b>	<b>1,644,070</b>	<b>1,703,068</b>	<b>1,752,947</b>	<b>1,768,593</b>	<b>1,711,430</b>	<b>1,715,463</b>
<b>EXPENSES</b>							
Total Cost of Services .....	1,715,517	1,791,922	1,869,122	<b>1,892,883</b>	1,906,711	1,934,296	1,973,203
Net Cost of Services (a) .....	1,545,788	1,631,543	1,692,186	<b>1,731,708</b>	1,740,195	1,766,558	1,804,639
Adjusted Total Cost of Services (b).....	1,674,497	1,739,875	1,818,204	<b>1,834,665</b>	1,854,409	1,882,087	1,921,177
<b>CASH ASSETS</b> (c) .....	<b>149,883</b>	<b>76,577</b>	<b>122,181</b>	<b>96,284</b>	<b>95,180</b>	<b>94,771</b>	<b>95,293</b>

- (a) Represents Total Cost of Services (expenses) less retained revenues applied to Western Australia Police Force's services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) 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 2023-24 to 2026-27. Further detail is provided in the Total Cost of Services - Reconciliation Table.
- (c) As at 30 June each financial year.

<sup>1</sup> 'Western Australia Police Force' includes persons appointed to the Police Force under Part I of the *Police Act 1892* and employees of the Police Service, which is the agency principally assisting the Minister for Police in the administration of the *Police Act 1892*. For the purposes of the 2023-24 Budget, Budget Paper No. 2 references to Western Australia Police Force are interchangeable with references to Western Australia Police in the Appropriation Bills.

## Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on Western Australia Police Force's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiatives</b>					
Firearms Amendment Bill.....	-	927	2,637	-	-
RTTA - Safety Cameras.....	-	4,936	5,479	4,756	4,553
<b>Ongoing Initiatives</b>					
950 Police Officer Infrastructure Program - Planning and Accommodation					
Refits.....	-	1,000	-	-	-
Criminal Law (Mental Impairment) Reforms.....	-	589	-	-	-
Dangerous Goods.....	169	174	180	187	198
Digital Capability Fund - Technology Improvement Program.....	-	12,500	-	-	-
Emergency Services Radio Network.....	1,801	4,806	2,098	193	198
Living Safe Together Intervention Program.....	748	748	748	-	-
National Anti-Gangs Squad.....	1,650	-	-	-	-
Operation Regional Shield (Royalties for Regions).....	-	11,700	-	-	-
Police and Community Youth Centres (Kununurra).....	940	949	957	-	-
Policing Major Events.....	600	-	-	-	-
RTTA					
Impaired Driving Detection (Alcohol and Drug) Program.....	-	327	-	-	-
Preventing Alcohol and Risk-Related Trauma in Youth.....	(90)	(95)	(101)	(88)	-
Road Safety Programs and Initiatives.....	-	5,931	5,341	5,351	5,403
State Trauma Registry.....	33	45	58	71	-
<b>Other</b>					
2023-24 Tariffs, Fees and Charges.....	-	941	1,255	1,432	2,193
Government Regional Officer Housing.....	-	8,151	8,084	8,698	9,251
Non-Government Human Services Sector Indexation Adjustment.....	11	23	31	39	80
Police Services Expenditure.....	-	4,740	13,440	-	-
Public Sector Wages Policy.....	58,657	53,790	72,815	105,674	139,246
Salaries and Allowances Tribunal.....	-	-	98	218	341

## Significant Issues Impacting the Agency

### Safe, Strong and Fair Communities

#### Demand for Police Services

- Over the long term, Western Australia's population is increasing, and the concentration of the population in the Perth metropolitan area is projected to increase. Demand for police response to complex community issues continues.
- Crime in the Kimberley and Pilbara Districts, specifically the level of violence and at-risk behaviour displayed by juveniles while committing offences, has resulted in the continued deployment of extra police resources to the regions, including Operation Regional Shield, with \$11.7 million committed by Government as part of this Budget to continue this targeted operation into 2023-24. Western Australia's collective response will shape the risk of offending, particularly by young people, now and in future generations.
- Cyber-enabled crime including identity theft and online extortion bring new technical challenges for law enforcement and impact a growing number of victims in the community. Global factors including extreme weather, pandemics, technological acceleration, and geopolitical tension will continue to challenge the balance of functions which police perform. The Western Australia Police Force has confirmed its focus on policing fundamentals to support community and officer safety now and in the future.



*Workforce and Assets*

4. The Western Australia Police Force is committed to fostering a culture where its officers and staff are supported, capable and passionate about policing in a competitive, changing labour market. Recruitment, retention, officer safety and welfare support are priorities. The Western Australia Police Force is committed to recruiting in line with its values, to enhancing workforce diversity, and building capability. In addition to local and national recruitment, an international recruitment campaign has been launched. Promotional processes are being modernised, including for the crucial Sergeant rank. Existing mental health support for officers is being built on and appropriate flexible work options are being explored so that officers can continue to serve the community across different phases of their life and career. Officers continue to be trained and equipped to meet the evolving challenges of policing.
5. The Western Australia Police Force is focused on building new and refurbishing existing police stations and looking into support facilities so that it can meet demand for police services. An additional \$26.4 million will support the delivery of Fremantle Police Complex, Baldivis Police Station and Forrestfield Police Station for a greater police presence in these localities thereby enhancing community safety.

*Technological Capability*

6. Improving technologies present opportunities to enhance the capabilities of officers on the frontline including faster access to information for better decision-making. Early adoption can help in the management of increased community expectations around emerging crime types and in the delivery of a more responsive service to the community. Unified, interoperable communications, forensics and intelligence are priority capabilities for the Western Australia Police Force. Streamlined communications, especially with partner agencies, produce time efficiencies so that police officers can focus on community safety.
7. The Government is investing \$81.7 million across the forward estimates shared by the Western Australia Police Force, the Department of Fire and Emergency Services, and the Department of Justice to replace the State's aging emergency radio equipment used by frontline public safety agencies, addressing communications black spots at critical locations and providing improved resilience for existing Department of Fire and Emergency Services radio communications networks within the greater metropolitan area.
8. The Western Australia Police Force is focused on air fleet innovation which offers the potential for rapid situational awareness and officer deployment, with positive implications for community and officer safety. The increasing reliance upon information holdings places a greater requirement for the Western Australia Police Force to maintain resilience and recovery capabilities to protect its systems against emerging cyber security threats.

*Community Perceptions of Police*

9. Over recent years, high levels of community satisfaction in police services have been found through surveys in Western Australia. Trust in police can impact public willingness to report crimes and follow police directions. Media coverage of exceptional incidents and police conduct and performance may impact on local attitudes towards police. Community trust in police is built through routine police activities and crisis response. The policing with consent approach through the COVID-19 pandemic appears to have supported generally positive relationships between police and the Western Australian community. The Western Australia Police Force confirms its focus on policing fundamentals to provide clear messaging to the community and partner agencies on where police efforts will be directed. The behaviours and decisions of the Western Australia Police Force officers and staff will continue to be guided by the Code of Conduct and agency values.

*Firearms Reform*

10. Firearms legislative reform is part of the Government's commitment to overhaul Western Australia's 50-year-old gun laws, to strengthen controls and procedures relating to firearms ownership, and to enhance community safety.

## **Road Safety**

### *Regional Road Safety*

11. In recent years, around two-thirds of Western Australia's road deaths have consistently occurred on regional roads. While the number of people who died on metropolitan roads decreased slightly in 2022 compared to the previous five-year average, the number of people dying on regional roads increased by 17%. Of particular concern are high-speed rural roads, which accounted for 90% of the regional road deaths in 2022. The Safety Camera Trial revealed an urgent need to improve driver behaviour on regional roads, particularly around speed, mobile phones and seatbelts, through greater education and enforcement. Continued investment in safety camera technology in regional Western Australia is essential to reducing high-risk driver behaviour.

### *Road Safety Culture*

12. While serious injuries resulting from road crashes have declined, fatalities are persisting at high levels. Recent data indicates nearly two-thirds of crashes were suspected to involve speed, inattention, alcohol, fatigue or not wearing a seatbelt. This data, combined with compelling evidence from the Safety Camera Trial, indicates a need to fundamentally change the road safety culture in Western Australia. Targeted and effective road safety partnerships and education are needed to engage and empower community members of all ages and backgrounds to make sure every journey is safe. Through an additional \$10 million invested in this budget, the Road Safety Commission (the Commission) continues to explore opportunities to build and expand inclusive education and engagement programs delivered together with a broad network of road safety partners to support the attitudes and behaviours needed to achieve a positive shift in road safety culture.

### *Road Safety Technology*

13. New technology has significant potential to make drivers, vehicles and roads safer. The ability to collect, integrate and analyse timely quality road safety data from existing and emerging sources is essential in better understanding and influencing driver behaviour. The Commission is positioning itself to not only keep pace with existing technology but embrace emerging technology with the capability to improve road safety outcomes. Technology and data are both rapidly evolving and offer new opportunities to inform innovative, evidence-based road safety policies and programs to reduce the burden of road trauma for all Western Australians. The Commission is striving to build this strong evidence base to implement new, data-driven road safety solutions.

### *Post-Crash Response and Support Services*

14. Road trauma experienced by people bereaved or injured by road crashes, witnesses, first responders and drivers who cause crashes and their families can result in long-lasting psychological impacts and social distress. Post-crash response is identified as one of the priorities of the Driving Change - Road Safety Strategy 2020-2030. Every year, thousands of families are impacted by road crashes and the impacts of such traumatic events can be profound. Injury Matters' Road Trauma Support service has been in operation since 2013 and has provided thousands of hours of evidence-based support to people across the State who have been involved in or injured in a road crash, as well as their families, friends, carers, witnesses and first responders. Ongoing funding for the Road Trauma Support Service has been provided from the RTTA. To change the road safety culture in Western Australia, it is necessary to continue to work on understanding driver attitudes and behaviours, preventing crashes, minimising the severity of crashes that do occur and expanding focus on the post-crash impacts on families and the broader community.

## Resource Agreement

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

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the 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: Supporting our local and regional communities to thrive.	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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Metropolitan Policing Services .....	578,522	598,685	622,245	631,431	643,311	653,970	668,162
2. Regional and Remote Policing Services ....	469,612	488,540	505,695	548,126	545,014	552,694	563,376
3. Specialist Policing Services .....	608,622	625,404	663,888	619,386	632,768	642,645	656,671
4. Road Safety Commission .....	58,761	79,293	77,294	93,940	85,618	84,987	84,994
<b>Total Cost of Services .....</b>	<b>1,715,517</b>	<b>1,791,922</b>	<b>1,869,122</b>	<b>1,892,883</b>	<b>1,906,711</b>	<b>1,934,296</b>	<b>1,973,203</b>

### Total Cost of Services - Reconciliation Table

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
<b>Total Cost of Service .....</b>	<b>1,715,517</b>	<b>1,791,922</b>	<b>1,869,122</b>	<b>1,892,883</b>	<b>1,906,711</b>	<b>1,934,296</b>	<b>1,973,203</b>
Less: RTTA Grants to Other Entities <sup>(a)</sup> .....	41,020	52,047	50,918	58,218	52,302	52,209	52,026
<b>Adjusted Total Cost of Services.....</b>	<b>1,674,497</b>	<b>1,739,875</b>	<b>1,818,204</b>	<b>1,834,665</b>	<b>1,854,409</b>	<b>1,882,087</b>	<b>1,921,177</b>

(a) The Western Australia Police Force distributes RTTA grants to other government agencies, local government and non-government organisations. These grants are included in Service 4 in the Service Summary table.

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Contribute to community safety and security:</b>					
Rate of offences against the person (excluding family violence-related offences) per 100,000 people .....	862	810	905.6	810	1
Rate of offences against property (excluding family violence-related offences) per 100,000 people .....	4,248.3	6,200	4,448.2	6,200	2
Percentage of sworn police officer hours available for frontline policing duties .....	69%	75%	68.4%	75%	3
Percentage of priority one and two incidents in the metropolitan area responded to within 12 minutes .....	80.8%	80%	86.7%	80%	
Percentage of priority three incidents in the metropolitan area responded to within 60 minutes .....	83.1%	80%	86.7%	80%	
Percentage of family and domestic-related incidents where an offender was processed for an offence against the person within seven days .....	74.4%	75%	74.8%	75%	
Percentage of offences against the person investigations finalised within 60 days .....	87.6%	85%	89%	85%	
Percentage of offences against property investigations finalised within 30 days .....	88%	90%	88.6%	90%	
Percentage of traffic law enforcement contacts made by police officers that target 'Category A' offences .....	98.5%	90%	98.7%	90%	4
The percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police.....	84%	82%	82.8%	82%	
The percentage of the community who 'agreed' or 'strongly agreed' that they have confidence in police.....	82.4%	85%	80.5%	85%	
<b>Outcome: Improve coordination and community awareness of road safety in Western Australia:</b>					
Effectiveness of road safety awareness campaigns.....	78%	70%	77%	70%	5

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

**Explanation of Significant Movements**

(Notes)

1. The increase in the 2022-23 Estimated Actual compared with the 2022-23 Budget and 2021-22 Actual is mainly due to an increase in assault (non-family) offences.
2. The increase in the 2022-23 Estimated Actual compared with the 2021-22 Actual is mainly due to an increase in stealing offences. Overall, the rate of offences against property (excluding family violence-related offences) remains below the rate observed prior to the start of the COVID-19 pandemic in March 2020, leading to a decrease in the 2022-23 Estimated Actual compared to the 2022-23 Budget.
3. The decrease in the 2022-23 Estimated Actual relative to the 2022-23 Budget has been caused by a decrease in frontline available hours. The main contributing factor was an increase in COVID-19 sick/quarantine leave.
4. Performance has remained over 97% since 2016-17 as a reflection of Western Australia Police Force focus on targeting 'Category A' offences to contribute to the outcome of community safety.
5. The increase in the 2022-23 Estimated Actual compared with the 2022-23 Budget is due to the continued increased awareness of the Commission's education campaigns.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 578,522	\$'000 598,685	\$'000 622,245	\$'000 631,431	1
Less Income .....	11,747	10,779	12,712	12,313	
Net Cost of Service .....	566,775	587,906	609,533	619,118	
<b>Employees (Full-Time Equivalents) .....</b>	<b>3,717</b>	<b>3,952</b>	<b>3,729</b>	<b>3,827</b>	<b>2</b>
<b>Efficiency Indicators</b>					
Average cost of metropolitan policing services per person in the Perth metropolitan area .....	\$270	\$276	\$279	\$278	

### Explanation of Significant Movements

(Notes)

- The movements across the period have been impacted by a combination of the redirection of police effort from the COVID-19 response as part of Specialist Policing Services back to Metropolitan Policing Services, the 950 Police Officer Program and the public sector wages policy including the 2022-23 one-off cost of living payment.
- The decrease from 2022-23 Budget to 2022-23 Estimated Actual is mainly due to the proportion of attrition relating to this service.

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 469,612	\$'000 488,540	\$'000 505,695	\$'000 548,126	1
Less Income .....	15,045	15,258	16,282	15,770	
Net Cost of Service .....	454,567	473,282	489,413	532,356	
<b>Employees (Full-Time Equivalents) .....</b>	<b>2,206</b>	<b>2,280</b>	<b>2,253</b>	<b>2,299</b>	
<b>Efficiency Indicators</b>					
Average cost of regional and remote policing services per person in regional Western Australia.....	\$870	\$911	\$912	\$984	2

### Explanation of Significant Movements

(Notes)

- The movements across the period have been impacted by a combination of the 950 Police Officer Program, the public sector wages policy including the 2022-23 one-off cost of living payment, the effort in Operation Regional Shield and additional budget for the Government Regional Officers' Housing.
- The increase from 2022-23 Estimated Actual to 2023-24 Budget Target is due to an increase in the Total Cost of Service.

### 3. Specialist Policing Services

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	608,622	625,404	663,888	619,386	1
Less Income .....	28,005	31,707	30,308	29,356	
Net Cost of Service .....	580,617	593,697	633,580	590,030	
<b>Employees (Full-Time Equivalents) .....</b>	<b>3,375</b>	<b>3,342</b>	<b>3,151</b>	<b>3,216</b>	<b>2</b>
<b>Efficiency Indicators</b>					
Average cost of specialist services per person in Western Australia .....	\$227	\$231	\$238	\$219	

#### Explanation of Significant Movements

(Notes)

- The movements across the period have been impacted by a combination of the redirection of effort from the COVID-19 response as part of Specialist Policing Services back to Metropolitan Policing Services, the 950 Police Officer Program and the public sector wages policy including the 2022-23 one-off cost of living payment.
- The decrease from 2022-23 Budget to 2022-23 Estimated Actual is mainly due to the proportion of attrition relating to this service and the redirection of effort due to the COVID-19 pandemic.

### 4. Road Safety Commission

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	58,761	79,293	77,294	93,940	1
Less Income .....	114,931	102,634	117,634	103,736	2
Net Cost of Service .....	(56,170)	(23,341)	(40,340)	(9,796)	
<b>Employees (Full-Time Equivalents) .....</b>	<b>42</b>	<b>52</b>	<b>49</b>	<b>56</b>	
<b>Efficiency Indicators</b>					
Percentage of Road Safety Commission projects completed on time.....	96%	90%	100%	90%	
Percentage of Road Safety Commission projects completed on budget.....	100%	95%	100%	95%	

#### Explanation of Significant Movements

(Notes)

- The increase in the 2023-24 Budget Target compared to the 2022-23 Budget and 2022-23 Estimated Actual is primarily due to additional spending relating to the new safety cameras and the expansion of road safety programs and initiatives.
- The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to an increase in speeding and red-light related infringements.

## Asset Investment Program

1. The Western Australia Police Force has a diverse range of asset classes used to support police officers in the delivery of policing services across the State. The Asset Investment Program (AIP) in the 2023-24 Budget largely focuses on major projects currently under construction and the renewal of aged ICT platforms and applications to current technology.

### Infrastructure Commitments and Challenges

2. The current heated construction market is presenting challenges for the Western Australia Police Force in delivering its infrastructure program, particularly the Fremantle Police Complex, as well as the Government's 2021 election commitments for new police stations in Baldvis and Forrestfield. An additional \$26.4 million will be invested to meet cost pressures on these projects. When operational, these projects will provide for a greater police presence in these localities thereby enhancing community safety.

### 950 Police Officer Infrastructure Program

3. To address immediate and short-term accommodation pressures as a result of the impact from the 950 Police Officer program, an additional \$2.5 million will be invested for accommodation refits, further infrastructure planning and the delivery of future accommodation solutions.

### Digital Capability Fund - Technology Improvement Program

4. An additional \$25 million will be invested from the Digital Capability Fund to continue modernisation of ICT systems (\$12.5 million of AIP spending and \$12.5 million of operating expense) for the Western Australia Police Force in 2023-24. This brings the total approved capital funding from the Digital Capability Fund to \$69 million from 2021-22 to 2023-24.

### Emergency Services Radio Network

5. To address critical operational risks associated with the emergency radio network shared by the Western Australia Police Force, Fire and Emergency Services, and Justice, an additional \$81.7 million will be invested to deliver essential works associated with radio devices and network upgrades across the agencies. Of this investment, \$52.7 million has been allocated to the Western Australia Police Force as the lead agency (including \$43.6 million for capital investment).

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>Election Commitments</b>							
Fleet and Equipment - Mobile State Operations							
Command Centre (Vehicles) .....	3,500	500	500	3,000	-	-	-
Land and Buildings Infrastructure							
Baldvis Police Station .....	25,277	3,428	3,424	12,598	9,182	69	-
Forrestfield Police Station .....	25,920	2,468	718	11,273	12,123	56	-
<b>COVID-19 Response</b>							
Land and Buildings Infrastructure							
Fremantle Police Complex .....	99,625	2,725	2,696	36,809	39,085	16,000	5,006
Kununurra Police Station Alterations .....	1,220	886	720	334	-	-	-
Multifunctional Policing Facilities							
Heating Ventilation and Air Conditioning (HVAC)							
Replacement Tranche 2 (Royalties for Regions) .....	6,775	6,175	3,497	600	-	-	-
HVAC Replacement Tranche 3 .....	9,006	5,981	5,405	2,352	673	-	-
<b>Other Works in Progress</b>							
Fleet and Equipment							
Aircraft Fleet Safety Case Trials .....	250	100	100	150	-	-	-
Asset Equipment Management Program 2022-2024 .....	26,165	17,535	3,768	8,630	-	-	-
Helicopter Replacement .....	46,660	25,660	15,353	21,000	-	-	-
ICT and Radio Infrastructure							
Emergency Services Radio Network .....	47,022	21,165	20,561	13,771	12,086	-	-
ICT Optimisation Program 2022-2024 .....	6,574	4,748	2,619	1,826	-	-	-
Police Compensation ICT System .....	1,045	413	413	632	-	-	-
Land and Buildings Infrastructure							
950 Police Officer Infrastructure Program - Planning and							
Accommodation Refits .....	2,717	1,217	1,157	750	750	-	-
Armadale Courthouse and Police Complex .....	76,906	71,049	9,932	5,857	-	-	-
Custodial Facilities Upgrade Program 2022-2024 .....	9,425	4,437	640	4,988	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
Office Space and Child Friendly Interview Rooms in Remote Western Australia (Commonwealth).....	3,632	2,810	450	822	-	-	-
Police Station Upgrade Program 2022-2024.....	9,728	4,802	1,960	4,926	-	-	-
Westralia Square Accommodation.....	5,318	4,888	1,400	430	-	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Land and Buildings Infrastructure							
Fremantle Water Police - Wharf and Jetty Renewal .....	2,560	2,560	186	-	-	-	-
Refurbishment of Police Stations.....	29,607	29,607	817	-	-	-	-
<b>Other Completed Works</b>							
Fleet and Equipment - Election Commitment - Meth							
Border Force .....	5,148	5,148	1,080	-	-	-	-
ICT and Radio Infrastructure							
Digital Capability Fund - ICT Transformation Program ...	23,944	23,944	14,132	-	-	-	-
Digital Policing - Mobility.....	7,477	7,477	651	-	-	-	-
National Criminal Intelligence System.....	5,810	5,810	1,391	-	-	-	-
Police Radio Network - Commonwealth Legislated							
Radio Frequency Change (Royalties for Regions).....	11,054	11,054	535	-	-	-	-
Land and Buildings Infrastructure							
Election Commitment - Capel Police Station.....	4,901	4,901	175	-	-	-	-
Multifunctional Policing Facilities HVAC Replacement							
Tranche 1 (Royalties for Regions).....	11,386	11,386	78	-	-	-	-
Optus Stadium Deployment Centre .....	744	744	149	-	-	-	-
Road Trauma Trust Account - Breath and Drug Bus							
Replacement 2021-2023 .....	1,200	1,200	1,200	-	-	-	-
<b>NEW WORKS</b>							
Fleet and Equipment - Asset Equipment Management							
Program 2024-2028 .....	21,600	-	-	-	7,200	7,200	7,200
ICT and Radio Infrastructure							
ICT Optimisation Program 2024-2028.....	16,800	-	-	-	2,800	7,000	7,000
Digital Capability Fund - Technology Improvement							
Program .....	12,500	-	-	12,500	-	-	-
Land and Buildings Infrastructure							
950 Police Officer Infrastructure Program - West							
Kimberley District Support Facility.....	30,443	-	-	3,340	12,190	14,913	-
Custodial Facilities Upgrade Program 2024-2028 .....	7,920	-	-	-	2,640	2,640	2,640
Police Station Upgrade Program 2024-2028.....	11,880	-	-	-	3,960	3,960	3,960
<b>Total Cost of Asset Investment Program.....</b>	<b>611,739</b>	<b>284,818</b>	<b>95,707</b>	<b>146,588</b>	<b>102,689</b>	<b>51,838</b>	<b>25,806</b>
<b>FUNDED BY</b>							
Asset Sales.....			3,226	-	-	-	-
Capital Appropriation .....			32,219	96,436	80,499	22,725	11,606
Commonwealth Grants .....			1,471	-	-	-	-
Drawdown from the Holding Account.....			22,310	20,921	10,000	14,200	14,200
Funding Included in Department of Treasury Administered							
Item.....			-	3,340	12,190	14,913	-
Internal Funds and Balances.....			21,824	12,529	-	-	-
Major Special Purpose Account(s)							
Drawdown from Digital Capability Fund .....			13,602	12,500	-	-	-
Drawdown from Royalties for Regions Fund .....			1,055	600	-	-	-
Other .....			-	262	-	-	-
<b>Total Funding .....</b>			<b>95,707</b>	<b>146,588</b>	<b>102,689</b>	<b>51,838</b>	<b>25,806</b>



## **Financial Statements**

### **Statement of Financial Position**

#### **Income Statement**

##### *Expenses*

1. The increase in the Total Cost of Services from 2022-23 Budget to the 2022-23 Estimated Actual is mainly attributable to the public sector wages policy. The implications of the wages policy, additional police officer recruits under the 950 Police Officer Program, and Operation Regional Shield are the main drivers of the increase from the 2022-23 Estimated Actual to the 2023-24 Budget Year.

#### **Statement of Financial Position**

2. 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 (offset by depreciation).

#### **Statement of Cashflows**

3. The net decrease in cash held in the 2023-24 Budget Year relative to the 2022-23 Estimated Actual is mainly due to a higher AIP in 2022-23 with the use of internal funds resulting from prior year carryovers in comparison to the 2023-24 Budget Year.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b).....	1,216,191	1,271,374	1,332,406	1,352,901	1,392,379	1,434,299	1,469,614
Grants and subsidies (c).....	51,977	59,618	65,119	67,257	61,002	59,947	59,764
Supplies and services.....	217,246	221,090	232,611	220,797	203,175	188,731	191,187
Accommodation.....	53,151	54,837	54,743	58,869	59,127	56,190	56,657
Depreciation and amortisation.....	109,410	102,969	102,403	113,882	117,366	119,667	119,751
Finance and interest costs.....	1,912	1,700	2,715	3,571	3,568	3,374	3,288
Other expenses.....	65,630	80,334	79,125	75,606	70,094	72,088	72,942
<b>TOTAL COST OF SERVICES.....</b>	<b>1,715,517</b>	<b>1,791,922</b>	<b>1,869,122</b>	<b>1,892,883</b>	<b>1,906,711</b>	<b>1,934,296</b>	<b>1,973,203</b>
<b>Income</b>							
Sale of goods and services.....	425	1,129	500	497	496	496	496
Regulatory fees and fines.....	20,572	26,763	27,363	27,267	28,158	28,864	29,590
Grants and subsidies.....	7,583	1,263	4,732	1,258	1,258	510	510
Other revenue.....	26,590	28,890	27,007	28,817	30,198	31,397	31,432
RTTA Revenue (Service Delivery Agreement).....	114,559	102,334	117,334	103,336	106,406	106,471	106,536
<b>Total Income.....</b>	<b>169,729</b>	<b>160,379</b>	<b>176,936</b>	<b>161,175</b>	<b>166,516</b>	<b>167,738</b>	<b>168,564</b>
<b>NET COST OF SERVICES.....</b>	<b>1,545,788</b>	<b>1,631,543</b>	<b>1,692,186</b>	<b>1,731,708</b>	<b>1,740,195</b>	<b>1,766,558</b>	<b>1,804,639</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	1,541,857	1,570,842	1,626,739	1,611,972	1,643,688	1,643,949	1,658,986
Resources received free of charge.....	5,075	4,264	4,264	4,264	4,264	4,264	4,264
Special Purpose Account(s) (d)							
Climate Action Fund.....	-	283	-	-	-	-	-
Digital Capability Fund.....	-	16,535	-	-	-	-	-
Royalties for Regions Fund							
Regional Community Services Fund.....	16,686	18,582	15,891	30,442	19,535	19,571	19,623
Other appropriations.....	-	-	3,026	42,951	58,317	84,789	111,923
Other revenues.....	14,742	12,824	13,387	9,213	6,144	6,151	6,162
<b>TOTAL INCOME FROM GOVERNMENT.....</b>	<b>1,578,360</b>	<b>1,623,330</b>	<b>1,663,307</b>	<b>1,698,842</b>	<b>1,731,948</b>	<b>1,758,724</b>	<b>1,800,958</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>32,572</b>	<b>(8,213)</b>	<b>(28,879)</b>	<b>(32,866)</b>	<b>(8,247)</b>	<b>(7,834)</b>	<b>(3,681)</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 9,340, 9,182 and 9,398 respectively.

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

(d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
CCTV State Strategy .....	27	-	-	-	-	-	-
Community Safety and Crime Prevention Partnership Fund.....	28	1,250	2,699	1,250	1,250	1,250	1,250
COVID-19 Vaccination Community Funding Program .....	194	-	-	-	-	-	-
Election Commitments							
Kalgoorlie CCTV .....	1,000	-	-	-	-	-	-
Police and Community Youth Centres (PCYC) - Carnarvon and Kununurra .....	1,252	-	-	-	-	-	-
PCYC - Sustainability Funding.....	4,367	4,455	4,455	4,544	4,634	4,634	4,634
Small Commitments .....	216	-	200	-	-	-	-
Emergency Services Radio Network .....	-	-	406	434	-	-	-
Local Projects Local Jobs Grant .....	104	-	-	-	-	-	-
PCYC							
Kununurra .....	-	-	940	949	957	-	-
Maintenance and Upgrades .....	2,300	-	2,565	-	-	-	-
Road Safety Initiatives							
Government Organisations .....	37,849	48,781	47,652	54,870	48,872	48,898	48,715
Non-Government Organisations.....	3,171	3,266	3,266	3,348	3,430	3,311	3,311
Special Plates Fund .....	1,469	1,866	2,936	1,862	1,859	1,854	1,854
<b>TOTAL .....</b>	<b>51,977</b>	<b>59,618</b>	<b>65,119</b>	<b>67,257</b>	<b>61,002</b>	<b>59,947</b>	<b>59,764</b>

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	35,592	12,020	15,291	3,077	3,017	2,956	2,895
Restricted cash .....	18,173	1,517	6,139	4,780	4,780	4,780	4,780
Restricted cash (RTTA) .....	70,900	35,365	72,203	56,549	52,175	48,497	44,877
Holding Account receivables .....	29,592	13,639	20,921	10,000	14,200	14,200	14,200
Receivables .....	14,270	11,520	14,270	14,270	14,270	14,270	14,270
Other .....	13,775	7,730	13,775	13,775	13,775	13,775	13,775
Assets held for sale .....	2,098	2,098	2,098	2,098	2,098	2,098	2,098
<b>Total current assets .....</b>	<b>184,400</b>	<b>83,889</b>	<b>144,697</b>	<b>104,549</b>	<b>104,315</b>	<b>100,576</b>	<b>96,895</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	773,064	862,394	861,828	965,710	1,068,876	1,174,343	1,279,894
Property, plant and equipment .....	1,164,150	1,127,907	1,193,194	1,253,081	1,285,385	1,266,408	1,220,586
Intangibles .....	57,803	70,413	67,029	75,692	71,280	68,068	64,856
Restricted cash .....	25,218	27,675	28,548	31,878	35,208	38,538	42,741
<b>Total non-current assets .....</b>	<b>2,020,235</b>	<b>2,088,389</b>	<b>2,150,599</b>	<b>2,326,361</b>	<b>2,460,749</b>	<b>2,547,357</b>	<b>2,608,077</b>
<b>TOTAL ASSETS .....</b>	<b>2,204,635</b>	<b>2,172,278</b>	<b>2,295,296</b>	<b>2,430,910</b>	<b>2,565,064</b>	<b>2,647,933</b>	<b>2,704,972</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	242,326	237,570	246,529	250,732	254,935	259,138	263,341
Payables .....	4,076	5,247	4,076	4,076	4,076	4,076	4,076
Borrowings and leases .....	31,088	26,890	34,116	34,098	33,519	34,129	34,507
Other .....	22,881	19,928	22,881	22,881	22,881	22,881	22,881
<b>Total current liabilities .....</b>	<b>300,371</b>	<b>289,635</b>	<b>307,602</b>	<b>311,787</b>	<b>315,411</b>	<b>320,224</b>	<b>324,805</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	87,443	96,386	87,443	87,443	87,443	87,443	87,443
Borrowings and leases .....	42,394	33,078	48,811	40,634	39,377	40,531	41,072
Other .....	1,357	2,308	1,357	1,357	1,357	1,357	1,357
<b>Total non-current liabilities .....</b>	<b>131,194</b>	<b>131,772</b>	<b>137,611</b>	<b>129,434</b>	<b>128,177</b>	<b>129,331</b>	<b>129,872</b>
<b>TOTAL LIABILITIES .....</b>	<b>431,565</b>	<b>421,407</b>	<b>445,213</b>	<b>441,221</b>	<b>443,588</b>	<b>449,555</b>	<b>454,677</b>
<b>EQUITY</b>							
Contributed equity .....	1,115,131	1,193,642	1,221,935	1,394,407	1,534,442	1,620,058	1,676,535
Accumulated surplus/(deficit) .....	265,347	217,576	236,468	203,602	195,355	187,521	183,840
Reserves .....	392,592	339,653	391,680	391,680	391,679	390,799	389,920
<b>Total equity .....</b>	<b>1,773,070</b>	<b>1,750,871</b>	<b>1,850,083</b>	<b>1,989,689</b>	<b>2,121,476</b>	<b>2,198,378</b>	<b>2,250,295</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>2,204,635</b>	<b>2,172,278</b>	<b>2,295,296</b>	<b>2,430,910</b>	<b>2,565,064</b>	<b>2,647,933</b>	<b>2,704,972</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	1,445,036	1,467,873	1,524,336	1,498,090	1,526,322	1,524,282	1,539,235
Capital appropriation .....	78,002	73,228	75,329	140,475	124,905	67,481	56,477
Administered equity contribution.....	-	3,622	-	3,340	12,190	14,913	-
Holding Account drawdowns .....	17,762	29,592	22,310	20,921	10,000	14,200	14,200
Special Purpose Account(s)							
Climate Action Fund .....	-	283	283	287	-	-	-
Digital Capability Fund.....	17,126	30,137	30,137	27,770	2,940	3,222	-
Royalties for Regions Fund							
Regional Community Services Fund.....	16,686	18,582	15,891	30,442	19,535	19,571	19,623
Regional Infrastructure and Headworks							
Fund.....	6,990	1,155	1,055	600	-	-	-
Receipts paid into Consolidated Account.....	(2,480)	-	-	-	-	-	-
Other.....	13,865	12,082	12,645	8,471	5,402	5,409	5,420
Administered appropriations .....	-	-	3,026	42,951	58,317	84,789	111,923
<b>Net cash provided by Government .....</b>	<b>1,592,987</b>	<b>1,636,554</b>	<b>1,685,012</b>	<b>1,773,347</b>	<b>1,759,611</b>	<b>1,733,867</b>	<b>1,746,878</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(1,210,727)	(1,267,171)	(1,328,203)	(1,348,698)	(1,388,176)	(1,430,096)	(1,465,411)
Grants and subsidies.....	(53,464)	(59,618)	(65,119)	(67,257)	(61,002)	(59,947)	(59,764)
Supplies and services .....	(216,248)	(215,542)	(227,063)	(215,039)	(197,325)	(182,881)	(185,337)
Accommodation .....	(54,093)	(54,837)	(54,743)	(58,869)	(59,127)	(56,190)	(56,657)
GST payments .....	(51,357)	(49,911)	(49,911)	(49,911)	(49,911)	(49,911)	(49,911)
Finance and interest costs.....	(1,912)	(1,700)	(2,715)	(3,571)	(3,568)	(3,374)	(3,288)
Other payments.....	(64,691)	(72,865)	(74,016)	(74,158)	(68,738)	(70,732)	(71,586)
<b>Receipts (b)</b>							
Regulatory fees and fines.....	21,645	26,763	27,363	27,267	28,158	28,864	29,590
Grants and subsidies.....	6,540	1,263	4,732	1,258	1,258	510	510
Sale of goods and services.....	421	1,129	500	497	496	496	496
GST receipts.....	50,817	49,911	49,911	49,911	49,911	49,911	49,911
Other receipts .....	25,727	24,330	24,807	26,617	27,998	29,197	29,232
RTTA receipts (Service Delivery Agreement) ....	113,749	102,334	117,334	103,336	106,406	106,471	106,536
<b>Net cash from operating activities .....</b>	<b>(1,433,593)</b>	<b>(1,515,914)</b>	<b>(1,577,123)</b>	<b>(1,608,617)</b>	<b>(1,613,620)</b>	<b>(1,637,682)</b>	<b>(1,675,679)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(98,613)	(102,460)	(95,707)	(146,588)	(102,689)	(51,838)	(25,806)
Proceeds from sale of non-current assets.....	1,023	3,226	3,226	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(97,590)</b>	<b>(99,234)</b>	<b>(92,481)</b>	<b>(146,588)</b>	<b>(102,689)</b>	<b>(51,838)</b>	<b>(25,806)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases .....	(42,374)	(35,686)	(43,110)	(44,039)	(44,406)	(44,756)	(44,871)
<b>Net cash from financing activities.....</b>	<b>(42,374)</b>	<b>(35,686)</b>	<b>(43,110)</b>	<b>(44,039)</b>	<b>(44,406)</b>	<b>(44,756)</b>	<b>(44,871)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>19,430</b>	<b>(14,280)</b>	<b>(27,702)</b>	<b>(25,897)</b>	<b>(1,104)</b>	<b>(409)</b>	<b>522</b>
Cash assets at the beginning of the reporting period .....	130,453	90,857	149,883	122,181	96,284	95,180	94,771
<b>Cash assets at the end of the reporting period .....</b>	<b>149,883</b>	<b>76,577</b>	<b>122,181</b>	<b>96,284</b>	<b>95,180</b>	<b>94,771</b>	<b>95,293</b>

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

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

**NET APPROPRIATION DETERMINATION (a)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Regulatory Fees and Fines</b>							
Departmental .....	8,363	9,665	10,265	10,005	10,331	10,589	10,853
Licenses .....	13,291	17,109	17,109	17,273	17,838	18,286	18,748
<b>Grants and Subsidies</b>							
Commonwealth - Other .....	6,539	1,264	4,733	1,259	1,259	511	511
Departmental .....	13,006	9,765	10,365	6,390	3,325	3,325	3,325
<b>Sale of Goods and Services</b>							
Departmental .....	733	1,941	1,481	1,473	1,468	1,475	1,486
<b>GST Receipts</b>							
GST Input Credits .....	48,264	47,211	47,211	47,211	47,211	47,211	47,211
GST Receipt on Sales .....	2,553	2,700	2,700	2,700	2,700	2,700	2,700
<b>Other Receipts</b>							
Commonwealth - Other .....	3,274	2,150	2,150	2,033	2,034	2,036	2,036
Departmental .....	22,992	23,673	23,944	25,677	27,057	28,254	28,289
<b>TOTAL .....</b>	<b>119,015</b>	<b>115,478</b>	<b>119,958</b>	<b>114,021</b>	<b>113,223</b>	<b>114,387</b>	<b>115,159</b>

(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**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>INCOME</b>							
<b>Fines</b>							
Firearms Licensing Infringements .....	380	100	100	100	100	100	100
Minor Infringement Penalties .....	953	710	710	710	710	710	710
<b>Other</b>							
Administered Revenue .....	-	-	1,000	500	-	-	-
Sale of Lost, Stolen and Forfeited Property .....	451	600	600	600	600	600	600
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>1,784</b>	<b>1,410</b>	<b>2,410</b>	<b>1,910</b>	<b>1,410</b>	<b>1,410</b>	<b>1,410</b>
<b>EXPENSES</b>							
<b>Other</b>							
All Other Expenses .....	4	250	250	250	250	250	250
Firearms Amendment Bill (a) .....	-	-	1,000	500	-	-	-
Receipts Paid into the Consolidated Account .....	1,780	1,160	1,160	1,160	1,160	1,160	1,160
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>1,784</b>	<b>1,410</b>	<b>2,410</b>	<b>1,910</b>	<b>1,410</b>	<b>1,410</b>	<b>1,410</b>

(a) Refers to buyback scheme payments for the returns of lawfully licensed firearms prohibited under the new firearms legislation.

## Division 27 **Justice**

### Part 7 **Community Safety**

#### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual <sup>(a)</sup>	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 62 Net amount appropriated to deliver services .....	1,376,058	1,381,694	1,423,623	<b>1,421,290</b>	1,395,771	1,423,027	1,457,938
<b>Amount Authorised by Other Statutes</b>							
- Children's Court of Western Australia							
- Act 1988 .....	427	407	407	<b>408</b>	413	413	413
- Criminal Injuries Compensation Act 2003....	97,587	41,738	75,000	<b>41,738</b>	41,738	41,738	41,738
- District Court of Western Australia							
- Act 1969 .....	15,040	15,673	15,673	<b>16,964</b>	18,319	19,384	19,384
- Judges' Salaries and Pensions Act 1950...	12,020	12,700	12,700	<b>13,619</b>	14,785	15,784	16,145
- Salaries and Allowances Act 1975 .....	33,333	35,699	35,699	<b>38,186</b>	41,321	43,311	44,301
- State Administrative Tribunal Act 2004 .....	5,953	6,689	6,689	<b>7,211</b>	7,727	7,727	7,727
Total appropriations provided to deliver services.....	1,540,418	1,494,600	1,569,791	<b>1,539,416</b>	1,520,074	1,551,384	1,587,646
<b>CAPITAL</b>							
Item 135 Capital Appropriation.....	94,114	92,871	95,036	<b>113,989</b>	93,503	44,864	43,491
<b>TOTAL APPROPRIATIONS</b> .....	<b>1,634,532</b>	<b>1,587,471</b>	<b>1,664,827</b>	<b>1,653,405</b>	<b>1,613,577</b>	<b>1,596,248</b>	<b>1,631,137</b>
<b>EXPENSES</b>							
Total Cost of Services .....	2,315,926	1,805,832	1,913,391	<b>1,890,130</b>	1,867,379	1,894,238	1,941,281
Net Cost of Services <sup>(b)</sup> .....	2,067,998	1,567,346	1,674,268	<b>1,645,129</b>	1,608,476	1,633,036	1,680,079
<b>CASH ASSETS</b> <sup>(c)</sup> .....	<b>49,897</b>	<b>29,147</b>	<b>46,749</b>	<b>21,317</b>	<b>21,653</b>	<b>22,172</b>	<b>22,691</b>

(a) The 2021-22 Actual has been recast, for comparability purposes, to account for Machinery of Government changes that took effect from 1 October 2021, with the establishment of the State Solicitor's Office as an independent sub-department.

(b) Represents Total Cost of Services (expenses) less retained revenues applied to the Department'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 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>Election Commitments</b>					
Casuarina Prison Alcohol and Other Drug (AOD) Unit .....	-	5,979	-	-	-
Criminal Law (Mental Impairment) Reforms.....	-	1,870	-	-	-
Legal Aid - Criminal Law (Mental Impairment) Reforms .....	-	265	-	-	-
<b>New Initiatives</b>					
Community Industry and Recovery Officer Program .....	93	278	185	-	-
Countering Violent Extremism High Risk Program .....	850	500	500	-	-
Digital Capability Fund - Office of the Public Advocate Customer Relationship Management System.....	-	1,541	1,256	842	682
Emergency Services Radio Network .....	382	1,602	2,186	2,747	2,747
Establish an Interim Office of the Privacy Commissioner .....	-	951	486	-	-
Information Release for Banksia Hill Litigation.....	-	530	537	-	-

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Legal Aid</b>					
Digital Capability Fund - Digital Transformation Program .....	-	300	2,250	1,075	577
Private Practitioner Rate .....	-	1,993	2,392	2,481	2,562
Legal Practising Certificates .....	35	18	18	18	18
Offender Digital Services Platform .....	-	1,897	-	-	-
Review of Public Trustee Fee Model .....	-	250	250	-	-
<b>Ongoing Initiatives</b>					
Banksia Hill Detention Centre .....	7,635	7,419	7,619	4,911	4,195
Community Legal Centres .....	-	4,665	4,819	-	-
Enhanced Driver Training Program .....	-	195	200	205	210
Justice Services Expenditure .....	-	1,078	2,185	2,845	3,474
Kimberley Juvenile Justice Strategy .....	-	3,701	5,397	-	-
<b>Other</b>					
Criminal Injuries Compensation .....	33,262	-	-	-	-
Government Regional Officer Housing .....	3,087	3,188	3,224	3,377	3,500
Legal Aid - Public Sector Wages Policy .....	2,696	2,311	3,191	4,552	5,416
Non-Government Human Services Sector Indexation Adjustments .....	350	867	1,232	1,508	3,245
Public Sector Wages Policy .....	44,046	35,382	47,653	60,896	73,014
RiskCover Fund Insurance Premiums .....	-	55,608	-	-	-
Salaries and Allowances Tribunal .....	-	-	650	1,363	2,714
State Fleet Policy and Procurement Initiatives .....	380	735	801	587	603

## Significant Issues Impacting the Agency

1. The Department is progressing the Government's legislative reform of the justice system with the passage and enactment of the *Civil Procedure (Representative Proceedings) Act 2022*, the *Bail Amendment Act 2022*, the *Animal Welfare and Trespass Legislation Amendment Act 2023*, the *Directors' Liability Reform Act 2023*, and the *Criminal Appeals Amendment Act 2022*. The *Criminal Law (Mental Impairment) Act 2023* received the Royal Assent on 13 April 2023. Bills currently before Parliament include the Statutes (Repeals and Minor Amendments) Bill 2021 and Guardianship and Administration Amendment (Medical Research) Bill 2023.
2. The Department is focusing on Closing the Gap outcomes by continuing to deliver place-based, community-led initiatives across the Kimberley, through the Kimberley Juvenile Justice Strategy, to keep young people engaged in a range of culturally safe activities and address the over-representation and incarceration of Aboriginal people in the criminal justice system.
3. The Department has implemented an Aboriginal Justice Advisory Committee to provide cultural advice and guidance to ensure key departmental policies and programs operate with meaningful involvement from significant Aboriginal community advisors.
4. The Equal Opportunity Commission (EOC) is working to significantly reduce a backlog of complaints, which resulted from a significant increase in enquiries and complaints related to the COVID-19 pandemic.
5. The Western Australian Office of Crime Statistics and Research continues to provide cross-agency, evidence-based approaches to criminal justice decision-making, policy development and the evaluation of strategic initiatives, along with establishing a non-statutory Advisory Board comprising of representatives from the justice sector and university partners to provide strategic advice.
6. Infrastructure upgrades at the Banksia Hill Detention Centre continue to be undertaken to strengthen security and improve accommodation and educational units, as well as provide additional mental health services and support programs.
7. The Department has undertaken a substantial program of work to implement a contemporary model of care to better respond to the complex support needs of young detainees and enhance the care and rehabilitation of young people - including the development of a new purpose-built Crisis Care Unit.
8. The Department continues to deliver reforms in publicly run prisons - through the Prison Services Evaluation - that aim to improve prisoner outcomes, increase operational efficiency and improve safety and security.



9. Implementation of strategies such as the review of the At Risk Management System manual, ligature minimisation, and the establishment of the Suicide Prevention Governance Unit continue to strengthen a preventative approach, reduce suicide and self-harm within prisons, and mitigate the risk to vulnerable prisoners and detainees.
10. The Department continues to strengthen its efforts to break the cycle of AOD-related crime and support the Government's Methamphetamine Action Plan by providing offenders with mental health, alcohol, and other drug needs with access to appropriate services, including through the extension of the AOD service at Casuarina Prison.
11. In partnership with the community services sector, the Department is further expanding its drug and alcohol through-care services to sentenced prisoners in regional areas with the introduction of a new AOD reintegration service at Bunbury Regional Prison.
12. The Department is nearing completion of the first tranche of construction for the Casuarina Prison Expansion Project, as part of the Department's long-term custodial infrastructure plan. The project has a focus on providing accommodation and supporting infrastructure to manage male prisoners with complex needs including mental illness.
13. The Department is progressing the installation of air conditioning in Roebourne Regional Prison.
14. The Legal Assistance Branch continues to work extensively with the Community Legal Sector to ensure that Western Australians experiencing disadvantage or vulnerability can access justice, wherever they reside. To enhance the sustainability of the sector, additional State funding has been provided over the next two years.
15. Due to an increasing number of multi-accused trials, increasing length and complexity of cases, and the ongoing impacts of COVID-19 on court operations, the median time to trial for criminal cases heard before the District Court and the Supreme Court continue to exceed targets.
16. The Department continues to monitor time to trial for criminal and civil matters in the Magistrates Court. Criminal and civil time to trial is higher than the target, which reflects a sustained high proportion of matters listed for trial, a significant increase in the seriousness of cases finalised by trial, and an increase in the proportion of multi-day trials.
17. The number of awards assessed under the *Criminal Injuries Compensation Act 2003* has increased following the appointment of an additional assessor and support staff to address the existing case backlog and meet growing demand, resulting from greater awareness of the scheme within the community.
18. In response to the recommendations of the two-year review into the National Redress Scheme, the Office of the Commissioner for Victims of Crime continues to pay service provider invoices on behalf of an increasing number of Western Australian applicants who elect to receive counselling and psychological care, rather than receiving a lump sum payment.
19. Due to Western Australia's transition to the National Disability Insurance Scheme (NDIS), the Office of the Public Advocate continues to experience increasing demand for its statutory services, including referrals for investigation by the State Administrative Tribunal and appointments as guardian of last resort.
20. Legal Aid WA is working to further improve access to legal services in regional and remote areas by using video technology to set up virtual offices in areas without Legal Aid WA offices, hosted by local services. In addition, Health Justice Partnerships are being established with major hospitals to provide legal assistance to patients in areas including debt, social security, and guardianship and administration, and connect them with wrap-around services, including supporting those with mental health concerns and those experiencing family or domestic violence.
21. Legal Aid WA is undertaking a significant package of works under the Transforming Our Business program. This program will deliver a number of multi-stage enterprise ICT lead projects, aimed at bringing about enduring innovative change and the capacity to leverage technology to improve delivery and accessibility of legal information and advice. As part of this Budget, an additional \$4.2 million has been allocated through the Digital Capability Fund to progress the 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 Goal	Desired Outcomes	Services
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	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
	People who experience discrimination and harassment have efficient and accessible avenues of redress.	7. Equal Opportunity Commission Services
	Equitable access to legal services and information.	8. Legal 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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Court and Tribunal Services .....	483,782	431,280	483,621	464,878	476,582	487,908	496,631
2. Advocacy, Guardianship and Administration Services .....	11,858	13,996	14,674	17,588	18,869	19,342	20,225
3. Trustee Services .....	26,947	27,594	30,125	31,346	31,893	32,688	34,083
4. National Redress Scheme for Institutional Child Sexual Abuse .....	510,983	41,688	41,656	41,745	21,059	10,757	10,740
5. Births, Deaths and Marriages .....	8,487	9,223	9,645	9,961	10,070	10,461	10,793
6. Services to Government .....	26,588	31,904	29,395	32,398	32,015	28,956	29,309
7. Equal Opportunity Commission Services ...	3,316	3,547	3,685	3,651	3,687	3,772	3,849
8. Legal Assistance .....	126,556	128,182	135,047	141,349	145,586	137,320	138,241
9. Adult Corrective Services .....	1,012,487	1,009,123	1,047,014	1,030,206	1,010,662	1,044,846	1,076,056
10. Youth Justice Services .....	104,922	109,295	118,529	117,008	116,956	118,188	121,354
<b>Total Cost of Services .....</b>	<b>2,315,926</b>	<b>1,805,832</b>	<b>1,913,391</b>	<b>1,890,130</b>	<b>1,867,379</b>	<b>1,894,238</b>	<b>1,941,281</b>

## Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: An efficient, accessible court and tribunal system:</b>					
Supreme Court - Criminal - Time to trial .....	54 weeks	39 weeks	45 weeks	39 weeks	1
Supreme Court - Civil - Time to finalise non-trial matters .....	16 weeks	19 weeks	19 weeks	19 weeks	
District Court - Criminal - Time to trial .....	66 weeks	32 weeks	70 weeks	32 weeks	2
State Administrative Tribunal - Time to finalise .....	19 weeks	15 weeks	20 weeks	15 weeks	3
Family Court of Western Australia - Time to finalise non-trial matters.....	44 weeks	27 weeks	50 weeks	27 weeks	4
Magistrates Court - Criminal and Civil - Time to trial .....	26 weeks	19 weeks	22 weeks	19 weeks	5
Coroner's Court - Time to trial .....	130 weeks	128 weeks	120 weeks	128 weeks	
Fines Enforcement Registry - Percentage of fines satisfied within 12 months:					
Fines and costs .....	30%	35%	32%	35%	
Infringements .....	51%	57%	52%	57%	
<b>Outcome: Trustee, guardianship and administration services are accessible to all Western Australians:</b>					
Percentage of guardians of last resort allocated in one day .....	91%	95%	91%	95%	
Percentage of Western Australian deceased estates administered by the Public Trustee .....	4.7%	4.0%	4.5%	4.0%	6
Percentage of clients who have services provided by the Public Trustee under an operating subsidy .....	66%	60%	62%	60%	
Percentage of requests for information under the National Redress Scheme responded to within eight weeks .....	88%	90%	86%	90%	
<b>Outcome: Western Australian birth, death, marriage and change of name certificates are accurate and accessible:</b>					
Percentage of certified certificates issued within two days .....	78%	90%	80%	90%	7
Extent to which registration source information is recorded error-free .....	96%	97%	96%	97%	
<b>Outcome: Government receives quality and timely legislative drafting and publication services:</b>					
Extent to which legislation is drafted in a timely manner to effect the Government's legislative program.....	100%	95%	100%	95%	
<b>Outcome: People who experience discrimination and harassment have efficient and accessible avenues of redress:</b>					
Percentage of complaints finalised within 12 months .....	92%	95%	78%	95%	8
<b>Outcome: Equitable access to legal services and information:</b>					
Percentage of eligible applicants who receive a grant of legal aid .....	89%	86%	89%	86%	
Percentage of people who are provided with a duty lawyer service .....	21%	20%	21%	21%	
Percentage of people receiving an outcome from Infoline services .....	78%	77%	76%	76%	

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: A safe, secure and decent corrective services which contributes to community safety and reduces offenders' involvement in the justice system:</b>					
Adult:					
Number of escapes .....	4	nil	3	nil	9
Rate of return - Offender programs .....	34.8%	39%	42.1%	39%	
Average out of cell hours .....	10.03	12	9.55	12	10
Rate of serious assault per 100 prisoners .....	0.81	<0.48	0.85	<0.48	11
Successful completion of community correction orders .....	72.4%	64%	69.8%	64%	
Youth:					
Number of escapes .....	1	nil	nil	nil	
Rate of return to detention .....	49.2%	50%	52.6%	50%	
Successful completion of community-based orders .....	55.9%	68%	62.1%	68%	

(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 2022-23 Estimated Actual is higher than the 2022-23 Budget and the 2023-24 Budget Target due to the relisting of lengthy multiple-accused trials.
2. The 2022-23 Estimated Actual is higher than the 2022-23 Budget and the 2023-24 Budget Target due to an ongoing increase in demand for trials and pre-trial determinations as a result of legislative changes made in 2019 and an increase in the complexity of matters. This has been exacerbated by the limited availability of legal counsel, and trials which have been re-listed as a result of the pause in jury trials due to COVID-19 pandemic restrictions.
3. The 2022-23 Estimated Actual is higher than the 2022-23 Budget and the 2023-24 Budget Target in part due to an increase in the proportion of older cases finalised in the Commercial and Civil stream and the Development and Resources stream. Further impacting the result is an increase in workload associated with Building Commission matters, an increase in firearms matters, the complexity of some planning disputes and the complexity of many proceedings in the Tribunal's vocational regulation jurisdiction.
4. The 2022-23 Estimated Actual is higher than the 2022-23 Budget and the 2023-24 Budget Target primarily due to a long-term trend of growth in the complexity and volume of final order parenting applications lodged, and growth in the finalisation of these applications by court order or direction.
5. The 2022-23 Estimated Actual is higher than the 2022-23 Budget and the 2023-24 Budget Target due to a sustained increase in the seriousness of cases finalised by trial, in addition to an increase in the proportion of criminal trials that were multi-day trials.
6. The 2022-23 Estimated Actual exceeds the 2022-23 Budget and the 2023-24 Budget Target due to an increase in the number of deceased files administered by the Public Trustee during 2022-23.
7. The 2022-23 Estimated Actual is lower than the 2022-23 Budget and the 2023-24 Budget Target due to a shift in the workforce demographic and turnover of Registry of Births, Deaths and Marriages staff in the 2022-23 financial year, contributing to increased processing time.
8. The 2022-23 Estimated Actual is lower than the 2022-23 Budget and the 2023-24 Budget Target due to a reduction in the overall percentage of complaints finalised within twelve months. During 2022-23, the EOC made a concerted effort to clear a backlog of older complaints that built up during the COVID-19 pandemic, which resulted in a larger number of complaints that took over twelve months to finalise.
9. The 2022-23 Estimated Actual is higher than the 2022-23 Budget and the 2023-24 Budget Target by three 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 2022-23 Estimated Actual is lower than the 2022-23 Budget and the 2023-24 Budget Target due to the combined impact of restrictions and practices in place as part of the Department's COVID-19 response and ongoing data improvement and quality assurance activities across the adult custodial estate.

11. The 2022-23 Estimated Actual exceeds the 2022-23 Budget and the 2023-24 Budget Target. 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.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	483,782	431,280	483,621	464,878	1
Less Income .....	113,214	115,043	111,997	114,600	
Net Cost of Service .....	370,568	316,237	371,624	350,278	
<b>Employees (Full-Time Equivalents) <sup>(a)</sup></b> .....	1,265	1,254	1,302	1,307	
<b>Efficiency Indicators <sup>(b)</sup></b>					
Supreme Court - Criminal - Cost per case .....	\$203,706	\$224,087	\$261,965	\$273,687	2
Supreme Court - Civil - Cost per case .....	\$15,904	\$15,116	\$16,401	\$16,298	
Court of Appeal - Cost per case .....	\$24,933	\$23,560	\$27,659	\$27,168	3
District Court - Criminal - Cost per case.....	\$24,714	\$23,963	\$26,526	\$25,932	4
District Court - Civil - Cost per case.....	\$2,655	\$2,653	\$2,378	\$2,436	5
State Administrative Tribunal - Cost per case .....	\$3,751	\$3,782	\$4,018	\$4,039	
Family Court of Western Australia - Cost per case .....	\$2,420	\$2,385	\$3,240	\$3,303	6
Magistrates Court - Criminal - Cost per case .....	\$1,169	\$1,040	\$1,226	\$1,263	7
Magistrates Court - Civil - Cost per case .....	\$874	\$872	\$1,057	\$1,038	8
Coroner's Court - Cost per case.....	\$6,254	\$6,174	\$4,955	\$5,959	9
Children's Court - Criminal - Cost per case.....	\$1,029	\$804	\$935	\$954	10
Children's Court - Civil - Cost per case.....	\$2,016	\$1,746	\$1,729	\$1,765	
Fines Enforcement Registry - Cost per enforcement.....	\$32	\$39	\$41	\$42	

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

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

## Explanation of Significant Movements

(Notes)

- The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to an increase in the number of Criminal Injuries Compensation payments awarded during the year.
- The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to a lower than anticipated number of finalisations, primarily due to the listing of lengthy multi-accused complex trials.
- The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to less finalisations as a result of a lower than anticipated number of criminal appeal lodgements.
- The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to less finalisations as a result of an increase in demand for trials, the re-listing of jury trials that were vacated as a result of COVID-19 restrictions, and an increase in the complexity of cases, including multi-accused trials. Cost allocations between the Criminal and Civil Divisions of the District Court have also been reviewed under the Outcome Based Management framework.
- The 2022-23 Estimated Actual is lower than the 2022-23 Budget due to a change in cost allocations between the Criminal and Civil Divisions of the District Court following a review under the Outcome Based Management framework.

6. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to less finalisations resulting from 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.
7. The 2022-23 Estimated Actual is higher than the 2022-23 Budget primarily due to a change in cost allocations between the Criminal and Civil workload of the Magistrates Court following a review into the apportionments under the Outcome Based Management framework. The result is further impacted by an increase in Western Australia Police Force court security costs as resources received free of charge.
8. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to a change in cost allocations between the Criminal and Civil workload of the Magistrates Court following a review under the Outcome Based Management framework.
9. The 2022-23 Estimated Actual is lower than the 2022-23 Budget and 2023-24 Budget Target primarily due to an increase in finalisations as a result of additional focus between the Western Australia Police Force and the Court finalising natural cause of death matters not requiring investigation.
10. The 2022-23 Estimated Actual is higher than the 2022-23 Budget primarily due to a change in cost allocations between the Criminal and Civil workload of the Children's Court following a review under the Outcome Based Management framework. The result is further impacted by an increase in Western Australia Police Force court security costs as resources received free of charge.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	11,858	13,996	14,674	17,588	1
Less Income .....	10	52	51	52	
Net Cost of Service .....	11,848	13,944	14,623	17,536	
<b>Employees (Full-Time Equivalents) .....</b>	82	100	92	103	2
<b>Efficiency Indicators</b>					
Average cost of providing advocacy and guardianship services.....	\$1,665	\$1,694	\$1,907	\$1,953	3

### Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to continued demand growth for the services of the Office of the Public Advocate.
2. The 2022-23 Estimated Actual is lower than the 2022-23 Budget and 2023-24 Budget Target due to delays in filling vacant positions.
3. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to increased case complexity of guardianship orders for NDIS clients.

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 26,947	\$'000 27,594	\$'000 30,125	\$'000 31,346	
Less Income.....	26,837	27,129	29,112	29,261	
Net Cost of Service.....	110	465	1,013	2,085	
<b>Employees (Full-Time Equivalents) .....</b>	<b>183</b>	<b>198</b>	<b>195</b>	<b>197</b>	
<b>Efficiency Indicators</b>					
Average cost per deceased estate administered .....	\$2,145	\$2,116	\$2,092	\$2,207	
Average cost per trust managed.....	\$2,117	\$2,082	\$2,328	\$2,349	1
Average cost per will prepared.....	\$704	\$589	\$692	\$691	2

#### Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to increased complexity in trust management services and a change to cost allocations following a review of the Outcome Based Management framework.
2. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to a lower number of wills prepared.

### 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 Coordination 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 Government.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 510,983	\$'000 41,688	\$'000 41,656	\$'000 41,745	
Less Income.....	nil	nil	nil	nil	
Net Cost of Service.....	510,983	41,688	41,656	41,745	
<b>Employees (Full-Time Equivalents) .....</b>	<b>13</b>	<b>10</b>	<b>10</b>	<b>9</b>	
<b>Efficiency Indicators</b>					
Average cost per claim.....	\$52,508	\$59,811	\$60,901	\$61,390	

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	8,487	9,223	9,645	9,961	
Less Income .....	8,706	9,011	7,816	8,669	1
Net Cost of Service .....	(219)	212	1,829	1,292	
<b>Employees (Full-Time Equivalents) .....</b>	57	54	56	60	
<b>Efficiency Indicators</b>					
Average cost of registration services .....	\$1.92	\$2.05	\$2.17	\$2.17	

### Explanation of Significant Movements

(Notes)

- The 2022-23 Estimated Actual is lower than the 2022-23 Budget due to lower than forecast demand for services.

## 6. Services to Government

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	26,588	31,904	29,395	32,398	1
Less Income .....	868	301	639	655	
Net Cost of Service .....	25,720	31,603	28,756	31,743	
<b>Employees (Full-Time Equivalents) .....</b>	120	109	128	137	1
<b>Efficiency Indicators</b>					
Percentage of new and amended legislation titles published within two days ...	100%	98%	100%	98%	

### Explanation of Significant Movements

(Notes)

- The 2023-24 Budget Target is higher than the 2022-23 Estimated Actual, reflecting additional funding for the Department to establish an interim Office of the Privacy Commissioner.



## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 3,316	\$'000 3,547	\$'000 3,685	\$'000 3,651	
Less Income .....	19	142	142	110	
Net Cost of Service .....	3,297	3,405	3,543	3,541	
<b>Employees (Full-Time Equivalents) .....</b>	19	20	19	21	
<b>Efficiency Indicators</b>					
Average cost per complaint finalised <sup>(a)</sup> .....	\$3,711	\$4,312	\$4,397	\$4,344	

(a) This key efficiency indicator was approved on 1 August 2022, with effect from the 2022-23 reporting year. Historical information is provided for comparative purposes.

## 8. Legal 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 126,556	\$'000 128,182	\$'000 135,047	\$'000 141,349	
Less Income .....	59,044	60,463	60,889	61,883	
Net Cost of Service .....	67,512	67,719	74,158	79,466	
<b>Employees (Full-Time Equivalents) .....</b>	361	415	412	447	
<b>Efficiency Indicators</b>					
Average cost per legal representation .....	\$4,420	\$3,926	\$4,269	\$3,977	
Average cost per legal information service .....	\$51	\$50	\$53	\$56	
Average cost per legal advice .....	\$404	\$378	\$401	\$420	
Average cost per application for a grant of legal aid processed.....	\$478	\$452	\$525	\$542	1
Weighted average cost per wrap-around support service <sup>(a)</sup> .....	\$1,288	\$1,251	\$1,264	\$1,304	

(a) This key efficiency indicator was approved on 1 August 2022, with effect from the 2022-23 reporting year. The 2021-22 Actual is provided based on historical information maintained by Legal Aid WA.

## Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual is higher than the 2022-23 Budget, reflecting an increase in the number of assessors considering applications for legal aid assistance.

## 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 re-offending and imprisonment.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,012,487	1,009,123	1,047,014	1,030,206	
Less Income .....	35,162	25,423	27,277	28,245	
Net Cost of Service .....	977,325	983,700	1,019,737	1,001,961	
<b>Employees (Full-Time Equivalents) .....</b>	<b>4,631</b>	<b>4,800</b>	<b>4,598</b>	<b>4,796</b>	
<b>Efficiency Indicators</b>					
Cost per day of keeping an offender in custody .....	\$371	\$348	\$392	\$366	1
Cost per day of managing an offender through community supervision.....	\$37	\$33	\$40	\$36	2

### Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to a reduced average daily number of offenders managed in custody, compared to the budgeted number of adult offenders. The higher average cost reflects reduced economies of scale in managing a lower prison population.
2. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to a reduced average daily number of offenders managed through community supervision, compared to the budgeted number, resulting in reduced economies of scale and a higher average cost. The 2023-24 Budget Target is lower than the 2022-23 Estimated Actual due to a higher projected number of adult offenders managed in the community.

## 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 re-offending and detention.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	104,922	109,295	118,529	117,008	
Less Income .....	4,068	922	1,200	1,526	
Net Cost of Service .....	100,854	108,373	117,329	115,482	
<b>Employees (Full-Time Equivalents) .....</b>	<b>639</b>	<b>672</b>	<b>668</b>	<b>720</b>	
<b>Efficiency Indicators</b>					
Cost per day of keeping a young person in detention .....	\$1,361	\$1,352	\$1,880	\$1,659	1
Cost per day of managing a young person through community supervision.....	\$139	\$159	\$126	\$112	2

### Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to a lower average daily number of young persons managed in detention, compared to the budgeted number, combined with an increase in the total cost of managing young people in detention during 2022-23. The 2023-24 Budget Target is lower than the 2022-23 Estimated Actual due to a higher projected number of young persons managed in detention.
2. The 2022-23 Estimated Actual is lower than the 2022-23 Budget due to a higher average daily number of young persons managed through community supervision, compared to the budgeted number of young people managed, resulting in increased economies of scale and a lower average cost. The 2023-24 Budget Target is lower than the 2022-23 Estimated Actual due to a higher projected number of young persons managed through community supervision.

## Asset Investment Program

1. To support the delivery of the Department's services, a total of \$137.5 million is budgeted to be spent on asset investment in 2023-24, which includes the following:
  - 1.1. \$57.7 million on the Casuarina Prison Expansion project, which will provide additional accommodation and support infrastructure to manage a capacity of 1,900 prisoners;
  - 1.2. \$30.4 million for a range of infrastructure upgrades at Banksia Hill Detention Centre to provide a secure environment for juveniles in detention, including additional roof and fence treatments, CCTV upgrade, educational ICT upgrade, improved media streaming capabilities and the commencement of construction of a dedicated Crisis Care Unit;
  - 1.3. \$14.5 million for the design and installation of air conditioning at Roebourne Regional Prison;
  - 1.4. \$3.7 million for the procurement of replacement radio terminal devices for the Department;
  - 1.5. \$3.4 million to undertake building upgrades and replacements throughout the prison estate, including a range of maintenance upgrades and mechanical, electrical and security obsolescence programs;
  - 1.6. \$3 million for asset replacement and upgrades at Acacia Prison according to the Acacia Private Prison Management Contract;
  - 1.7. \$2.8 million to provide a specialist Family Violence Court in Broome to offer support to Aboriginal women who have experienced family violence;
  - 1.8. \$2.8 million to provide building infrastructure and maintenance upgrades for adult custodial facilities; and
  - 1.9. \$2.4 million for the building and upgrading of ICT infrastructure at custodial facilities.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Administrative							
Information Projects							
Corporate Information Management Systems .....	14,730	11,526	1,140	1,176	676	676	676
Digital Transformation Projects - Western Australian Registration System - Registry of Births, Deaths and Marriages.....	714	590	254	124	-	-	-
ICT Infrastructure Upgrade .....	33,995	29,083	1,474	1,228	1,228	1,228	1,228
Public Trustee - Management Accounting Trust Environment System Refresh.....	2,593	1,943	814	650	-	-	-
Physical Infrastructure							
Replacement Office and Other Equipment .....	17,586	10,526	2,655	1,888	1,724	1,724	1,724
Specialist Equipment .....	3,973	1,421	856	848	568	568	568
Community Corrections - Office Establishment and Refurbishment.....	8,227	4,891	1,602	834	834	834	834
Courts							
Broome Aboriginal-led Specialist Family Violence Court ...	2,808	12	-	2,796	-	-	-
Building Infrastructure and Maintenance.....	13,517	8,393	2,231	1,281	1,281	1,281	1,281
Court and Judicial Security .....	14,550	12,230	580	580	580	580	580
Court Audiovisual Maintenance and Enhancements .....	29,502	23,794	1,514	1,427	1,427	1,427	1,427
Custodial							
Acacia Prison Procurement Process.....	4,303	1,308	1,000	2,995	-	-	-
Adult Facilities.....	59,138	48,110	2,757	2,757	2,757	2,757	2,757
Banksia Hill Detention Centre Upgrades and Urgent Works....	47,796	12,646	12,119	30,350	3,500	1,300	-
Broome Custodial Facility - Major Remedial Works.....	2,400	1,400	1,400	1,000	-	-	-
Building Upgrades and Replacement.....	97,681	84,025	4,938	3,414	3,414	3,414	3,414
Bunbury Prison AOD Unit.....	3,370	1,484	1,484	1,886	-	-	-
Casuarina Prison Expansion - Stage Two.....	203,748	98,151	22,477	57,687	45,410	2,500	-
Custodial ICT Infrastructure Package .....	3,675	1,316	1,316	2,359	-	-	-
Election Commitment - Methamphetamine Action Plan - Drug Testing.....	569	328	154	241	-	-	-
Emergency Services Radio Network.....	19,274	10,328	10,328	3,711	5,235	-	-
Greenough Regional Prison - Female Unit Upgrade .....	12,129	11,579	2,008	550	-	-	-
Ligature Minimisation Program .....	4,282	1,500	168	1,645	1,137	-	-
Prison Industries - Mobile Plant .....	7,868	5,076	1,307	698	698	698	698
Roebourne Regional Prison Air-Conditioning.....	14,797	300	300	14,497	-	-	-
Youth Facilities.....	6,715	5,319	735	349	349	349	349
<b>COMPLETED WORKS</b>							
Courts							
Criminal Law (Mental Impairment) Reforms - ICT Project.....	125	125	125	-	-	-	-
Expansion of Restraining Orders Conferencing Pilot.....	1,000	1,000	932	-	-	-	-
Integrated Case Management System Development for the Family Court of Western Australia .....	2,467	2,467	301	-	-	-	-
Custodial							
Central Pharmacy Expansion .....	1,623	1,623	1,145	-	-	-	-
Regional Prison Planning .....	787	787	218	-	-	-	-
Security System Upgrade.....	3,273	3,273	2,040	-	-	-	-
<b>NEW WORKS</b>							
Administrative - High Risk Offenders Board.....	542	-	-	542	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>639,757</b>	<b>396,554</b>	<b>80,372</b>	<b>137,513</b>	<b>70,818</b>	<b>19,336</b>	<b>15,536</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			60,986	78,137	56,193	6,411	3,911
Drawdown from the Holding Account.....			11,625	11,625	11,625	11,625	11,625
Funding Included in Department of Treasury Administered Item.....			200	17,397	3,000	1,300	-
Internal Funds and Balances.....			2,575	25,483	-	-	-
Major Special Purpose Account(s)							
Drawdown from Digital Capability Fund .....			2,616	1,059	-	-	-
Drawdown from Royalties for Regions Fund .....			2,370	3,812	-	-	-
<b>Total Funding.....</b>			<b>80,372</b>	<b>137,513</b>	<b>70,818</b>	<b>19,336</b>	<b>15,536</b>

## Financial Statements

### Income Statement

#### *Expenses*

1. The increase in Total Cost of Services between the 2022-23 Budget and the 2022-23 Estimated Actual (\$108 million or 6%) is mainly due to the new public sector wages policy (\$44 million), higher than expected Criminal Injuries Compensation payments (\$33 million) and an increase in services provided by the Western Australia Police Force (\$12 million). The increase in Total Cost of Services between the 2022-23 Budget and the 2023-24 Budget Year (\$84 million or 5%) is mainly due to the new public sector wages policy (\$35 million), an increase in services provided by the Western Australia Police Force (\$12 million), an increase in services and contracts due to cost and demand factors (\$18 million) and increased RiskCover Fund insurance premiums due to a high level of workers compensation claims (\$8 million).

#### *Income*

2. The increase in total income between the 2022-23 Budget and the 2022-23 Estimated Actual (\$0.6 million or 0.3%) is mainly due to additional funding for the Countering Violent Extremism High Risk Program (\$0.9 million). The increase in total income between the 2022-23 Budget and the 2023-24 Budget Year (\$6 million or 2%) is mainly due to increased tariffs, fees and charges (\$4 million) and additional funding for the Countering Violent Extremism High Risk Program (\$0.5 million).

### Statement of Financial Position

3. The increase in total liabilities between the 2022-23 Budget and the 2022-23 Estimated Actual is mainly due to the provision for National Redress Scheme payments in response to the Royal Commission into Institutional Responses to Child Sexual Abuse. The Department is responsible for managing the operation of the National Redress Scheme on behalf of government agencies. The provision has been recorded in accordance with AASB 137: *Provisions, Contingent Liabilities and Contingent Assets* for the first time in the 2021-22 Actual at a value of \$473 million.

### Statement of Cashflows

4. The decrease in cash assets at the end of the reporting period in the 2023-24 Budget Year relates to the Asset Investment Program in 2023-24, which is partly funded by \$25 million of internal funds carried over from prior years.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b).....	836,489	821,665	867,259	873,850	907,121	945,856	972,910
Grants and subsidies (c).....	748,059	235,264	272,618	240,106	223,671	215,700	219,369
Supplies and services.....	373,780	393,158	405,805	422,261	428,940	421,897	434,995
Accommodation.....	100,666	98,600	99,718	98,942	99,739	102,197	103,519
Depreciation and amortisation.....	79,201	74,373	81,504	82,078	81,349	81,028	82,840
Finance and interest costs.....	34,294	31,722	32,136	30,114	30,574	28,674	27,340
Other expenses.....	143,437	151,050	154,351	142,779	95,985	98,886	100,308
<b>TOTAL COST OF SERVICES .....</b>	<b>2,315,926</b>	<b>1,805,832</b>	<b>1,913,391</b>	<b>1,890,130</b>	<b>1,867,379</b>	<b>1,894,238</b>	<b>1,941,281</b>
<b>Income</b>							
Sale of goods and services.....	34,454	38,141	39,641	33,044	33,690	44,204	44,204
Regulatory fees and fines.....	84,800	90,562	88,562	90,384	102,434	102,434	102,434
Grants and subsidies.....	75,971	77,663	78,513	79,184	80,139	79,889	79,889
Other revenue.....	47,892	27,470	27,757	37,739	37,990	30,025	30,025
Resources received free of charge - Commonwealth.....	4,811	4,650	4,650	4,650	4,650	4,650	4,650
<b>Total Income.....</b>	<b>247,928</b>	<b>238,486</b>	<b>239,123</b>	<b>245,001</b>	<b>258,903</b>	<b>261,202</b>	<b>261,202</b>
<b>NET COST OF SERVICES .....</b>	<b>2,067,998</b>	<b>1,567,346</b>	<b>1,674,268</b>	<b>1,645,129</b>	<b>1,608,476</b>	<b>1,633,036</b>	<b>1,680,079</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	1,540,418	1,494,600	1,569,791	1,539,416	1,520,074	1,551,384	1,587,646
Resources received free of charge.....	24,415	11,281	22,867	22,867	22,867	22,867	22,867
Special Purpose Account(s) (d) National Redress Scheme.....	37,982	40,695	40,695	40,701	20,274	10,276	10,277
Royalties for Regions Fund Regional Community Services Fund.....	9,835	11,475	11,143	13,788	13,462	12,710	12,810
Other appropriations.....	-	-	19,578	16,089	21,580	27,492	38,830
Other revenues.....	5,591	8,056	8,149	8,539	7,560	7,375	7,375
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>1,618,241</b>	<b>1,566,107</b>	<b>1,672,223</b>	<b>1,641,400</b>	<b>1,605,817</b>	<b>1,632,104</b>	<b>1,679,805</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>(449,757)</b>	<b>(1,239)</b>	<b>(2,045)</b>	<b>(3,729)</b>	<b>(2,659)</b>	<b>(932)</b>	<b>(274)</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 7,370, 7,480 and 7,797 respectively.

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

(d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Accused Costs Payments .....	5,647	4,992	6,774	5,105	5,219	5,337	5,337
Criminal Injuries Compensation Payments .....	97,574	41,738	75,000	41,738	41,738	41,738	41,738
Legal Assistance Grants .....	114,204	115,608	118,797	124,412	128,651	129,114	130,625
National Redress Scheme.....	509,893	40,000	40,000	40,000	20,000	10,000	10,000
Other Grants, Subsidies and Transfer							
Payments.....	8,050	19,106	18,812	13,442	11,767	12,357	12,334
Prisoner Gratuity Payments .....	12,691	13,820	13,235	15,409	16,296	17,154	19,335
<b>TOTAL .....</b>	<b>748,059</b>	<b>235,264</b>	<b>272,618</b>	<b>240,106</b>	<b>223,671</b>	<b>215,700</b>	<b>219,369</b>

STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>  
(Controlled)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	30,904	14,142	27,351	2,972	3,491	4,010	4,529
Restricted cash .....	3,096	2,469	3,676	2,806	2,806	2,806	2,806
Holding Account receivables .....	13,925	11,625	13,925	13,925	13,925	13,925	13,925
Receivables .....	23,914	16,409	23,916	23,916	23,916	23,916	23,916
Other.....	11,588	15,986	11,590	11,590	11,590	11,590	11,590
Total current assets .....	83,427	60,631	80,458	55,209	55,728	56,247	56,766
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	631,045	693,793	698,726	769,356	839,408	909,277	980,958
Property, plant and equipment.....	2,527,080	2,433,429	2,548,849	2,622,268	2,632,806	2,588,291	2,542,301
Intangibles .....	7,264	6,437	5,726	4,353	2,983	1,717	(363)
Restricted cash .....	15,897	12,536	15,722	15,539	15,356	15,356	15,356
Total non-current assets .....	3,181,286	3,146,195	3,269,023	3,411,516	3,490,553	3,514,641	3,538,252
<b>TOTAL ASSETS .....</b>	<b>3,264,713</b>	<b>3,206,826</b>	<b>3,349,481</b>	<b>3,466,725</b>	<b>3,546,281</b>	<b>3,570,888</b>	<b>3,595,018</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	190,332	185,018	188,474	188,916	188,733	188,733	188,733
Payables .....	62,513	77,598	63,325	64,542	64,542	64,542	64,542
Borrowings and leases .....	28,760	29,320	32,419	33,119	34,144	34,527	36,948
Other.....	44,802	-	44,803	44,803	44,803	44,803	44,803
Total current liabilities .....	326,407	291,936	329,021	331,380	332,222	332,605	335,026
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	34,141	37,126	34,141	34,141	34,141	34,141	34,141
Borrowings and leases .....	365,087	346,577	348,738	328,798	310,161	287,237	264,470
Other.....	428,500	-	428,500	428,500	428,500	428,500	428,500
Total non-current liabilities .....	827,728	383,703	811,379	791,439	772,802	749,878	727,111
<b>TOTAL LIABILITIES.....</b>	<b>1,154,135</b>	<b>675,639</b>	<b>1,140,400</b>	<b>1,122,819</b>	<b>1,105,024</b>	<b>1,082,483</b>	<b>1,062,137</b>
<b>EQUITY</b>							
Contributed equity .....	2,515,127	2,615,437	2,615,672	2,754,227	2,854,236	2,902,317	2,947,067
Accumulated surplus/(deficit).....	(535,972)	(84,250)	(538,017)	(541,746)	(544,405)	(545,337)	(545,611)
Reserves.....	131,423	-	131,426	131,425	131,426	131,425	131,425
Total equity .....	2,110,578	2,531,187	2,209,081	2,343,906	2,441,257	2,488,405	2,532,881
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>3,264,713</b>	<b>3,206,826</b>	<b>3,349,481</b>	<b>3,466,725</b>	<b>3,546,281</b>	<b>3,570,888</b>	<b>3,595,018</b>

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



**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	1,466,468	1,420,227	1,488,185	1,457,161	1,438,397	1,469,890	1,504,340
Capital appropriation .....	94,114	92,871	95,036	113,989	93,503	44,864	43,491
Administered equity contribution.....	-	200	200	17,397	3,000	1,300	-
Holding Account drawdowns .....	11,625	13,925	13,925	11,625	11,625	11,625	11,625
Special Purpose Account(s)							
Digital Capability Fund.....	-	2,936	2,936	3,357	3,506	1,917	1,259
Royalties for Regions Fund							
Regional Community Services Fund.....	9,835	11,475	11,143	13,788	13,462	12,710	12,810
Regional Infrastructure and Headworks							
Fund.....	-	5,128	2,370	3,812	-	-	-
Other.....	43,807	48,751	48,844	49,240	27,834	17,651	17,652
Administered appropriations .....	-	-	19,578	16,089	21,580	27,492	38,830
<b>Net cash provided by Government .....</b>	<b>1,625,849</b>	<b>1,595,513</b>	<b>1,682,217</b>	<b>1,686,458</b>	<b>1,612,907</b>	<b>1,587,449</b>	<b>1,630,007</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(838,841)	(823,558)	(869,152)	(873,443)	(907,337)	(945,856)	(972,910)
Grants and subsidies.....	(262,767)	(220,317)	(257,671)	(225,143)	(208,708)	(200,737)	(204,406)
Supplies and services .....	(373,381)	(385,191)	(386,252)	(400,761)	(407,441)	(400,389)	(413,487)
Accommodation .....	(95,162)	(93,950)	(95,068)	(92,414)	(93,211)	(95,669)	(96,991)
GST payments .....	(76,468)	(61,378)	(61,378)	(61,378)	(61,378)	(61,378)	(61,378)
Finance and interest costs.....	(34,294)	(30,926)	(31,340)	(30,114)	(30,574)	(28,674)	(27,340)
Other payments.....	(124,590)	(147,280)	(150,581)	(142,038)	(96,462)	(99,405)	(100,827)
<b>Receipts (b)</b>							
Regulatory fees and fines.....	84,800	90,562	88,562	90,384	102,434	102,434	102,434
Grants and subsidies.....	75,971	77,663	78,513	79,184	80,139	79,889	79,889
Sale of goods and services.....	34,222	37,508	39,008	32,395	33,041	42,836	42,836
GST receipts .....	77,351	61,378	61,378	61,378	61,378	61,378	61,378
Other receipts .....	14,221	13,156	13,443	23,425	23,676	16,430	16,430
<b>Net cash from operating activities .....</b>	<b>(1,518,938)</b>	<b>(1,482,333)</b>	<b>(1,570,538)</b>	<b>(1,538,525)</b>	<b>(1,504,443)</b>	<b>(1,529,141)</b>	<b>(1,574,372)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(72,003)	(102,602)	(80,372)	(137,513)	(70,818)	(19,336)	(15,536)
<b>Net cash from investing activities.....</b>	<b>(72,003)</b>	<b>(102,602)</b>	<b>(80,372)</b>	<b>(137,513)</b>	<b>(70,818)</b>	<b>(19,336)</b>	<b>(15,536)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(31,438)	(31,418)	(34,455)	(35,852)	(37,310)	(38,453)	(39,580)
<b>Net cash from financing activities.....</b>	<b>(31,438)</b>	<b>(31,418)</b>	<b>(34,455)</b>	<b>(35,852)</b>	<b>(37,310)</b>	<b>(38,453)</b>	<b>(39,580)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>3,470</b>	<b>(20,840)</b>	<b>(3,148)</b>	<b>(25,432)</b>	<b>336</b>	<b>519</b>	<b>519</b>
Cash assets at the beginning of the reporting period .....	46,427	49,987	49,897	46,749	21,317	21,653	22,172
<b>Cash assets at the end of the reporting period .....</b>	<b>49,897</b>	<b>29,147</b>	<b>46,749</b>	<b>21,317</b>	<b>21,653</b>	<b>22,172</b>	<b>22,691</b>

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

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

## NET APPROPRIATION DETERMINATION

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Regulatory Fees and Fines</b>							
District Court Fees.....	8,949	8,780	8,780	9,490	9,727	10,705	10,705
Family Court Fees.....	7,274	7,560	7,560	7,789	7,979	8,178	8,178
Fines Enforcement Registry Fees.....	49,402	52,000	50,000	52,250	59,468	57,659	57,659
Jurors Infringement Fees.....	19	15	15	15	15	16	16
Magistrates Court Fees.....	7,172	8,052	8,052	7,829	10,427	10,688	10,688
Sheriff's Office Fees.....	216	315	315	324	332	340	340
State Administrative Tribunal Fees.....	658	882	882	950	974	998	998
Supreme Court Fees.....	11,110	12,958	12,958	11,737	13,512	13,850	13,850
<b>Grants and Subsidies</b>							
Commonwealth Grants.....	75,468	77,663	78,513	79,184	80,139	79,889	79,889
Departmental.....	503	1,360	1,453	1,643	664	479	479
<b>Sale of Goods and Services</b>							
Commissioner for Equal Opportunity.....	18	105	105	105	105	105	105
Other Receipts.....	238	528	528	534	565	708	708
Proceeds from Sale of Industry Goods.....	2,179	2,689	2,716	2,927	3,092	3,253	3,253
Public Trustee Contributions - Estate Fees and Other Revenue.....	23,121	26,037	27,916	20,265	20,970	30,461	30,461
Registry Births, Deaths and Marriages Fees ...	8,665	8,149	7,743	8,564	8,309	8,309	8,309
<b>GST Receipts</b>							
GST Input Credits.....	73,550	56,861	56,861	56,861	56,861	56,861	56,861
GST Receipts on Sales.....	3,801	4,517	4,517	4,517	4,517	4,517	4,517
<b>Other Receipts</b>							
Public Trustee Contribution - Common Account Surplus Interest.....	3,604	1,800	1,800	2,500	2,500	2,500	2,500
Public Trustee Contribution from Reserve.....	-	-	-	8,621	8,967	-	-
Recoup of Building Disputes Revenue.....	1,708	1,200	1,200	1,200	1,200	1,200	1,200
Recoup of Criminal Injury Awards.....	7,023	1,776	1,776	1,776	1,776	1,776	1,776
Recoup of Employee Contributions - Housing Leased from Government Regional Officers' Housing.....	2,143	2,523	2,310	2,804	3,157	3,447	3,447
Recoup of Employee Contributions - Vehicles Leased from State Fleet.....	255	668	668	668	668	668	668
Recoup of Other Costs.....	2,650	6,254	6,754	7,121	6,673	8,104	8,104
Recoup of Prisoner Telephone Calls.....	2,413	4,122	4,122	4,122	4,122	4,122	4,122
Recoup of Residential Tenancy Payments....	1,668	1,500	1,500	1,500	1,500	1,500	1,500
Recoup of Salary Costs.....	163	9	9	9	9	9	9
<b>TOTAL</b> .....	293,970	288,323	289,053	295,305	308,228	310,342	310,342

## DETAILS OF ADMINISTERED TRANSACTIONS

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>INCOME</b>							
<b>Other</b>							
Confiscation of Assets .....	27,882	15,000	15,000	15,000	15,000	15,000	15,000
Infringements Penalties .....	8,819	9,902	9,898	9,898	9,898	9,898	9,898
Judicial Fines and Penalties.....	35,195	38,160	38,160	38,206	38,206	38,206	38,206
Other Revenue .....	804	742	746	746	746	746	746
Speed and Red Light Fines.....	18,073	22,728	22,728	22,728	22,728	22,728	22,728
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>90,773</b>	<b>86,532</b>	<b>86,532</b>	<b>86,578</b>	<b>86,578</b>	<b>86,578</b>	<b>86,578</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
Grants Paid from the Confiscation Proceeds Account.....	2,171	4,000	4,000	4,000	4,000	4,000	4,000
<b>Other</b>							
Confiscation Expenses Paid from the Confiscation Proceeds Account.....	20,600	14,400	14,400	10,400	10,400	10,900	10,900
Other Expenses .....	(9,076)	736	736	736	736	736	736
Payment to Road Trauma Trust Account ...	18,073	22,728	22,728	22,728	22,728	22,728	22,728
Receipts Paid into the Consolidated Account .....	44,014	48,068	48,068	48,114	48,114	48,114	48,114
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>75,782</b>	<b>89,932</b>	<b>89,932</b>	<b>85,978</b>	<b>85,978</b>	<b>86,478</b>	<b>86,478</b>

Division 28 **State Solicitor's Office**

Part 7 **Community Safety**

**Appropriations, Expenses and Cash Assets**

	2021-22 Actual <sup>(a)</sup> \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 63 Net amount appropriated to deliver services .....	47,615	45,222	49,316	<b>44,325</b>	41,471	40,840	41,754
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	3,388	4,411	5,126	<b>5,158</b>	5,287	5,419	5,555
- Solicitor General Act 1969 .....	595	596	596	<b>597</b>	612	627	643
- Suitors' Fund Act 1964 .....	31	31	31	<b>31</b>	31	31	31
Total appropriations provided to deliver services.....	51,629	50,260	55,069	<b>50,111</b>	47,401	46,917	47,983
<b>CAPITAL</b>							
Item 136 Capital Appropriation.....	110	148	129	<b>131</b>	133	134	134
<b>TOTAL APPROPRIATIONS</b> .....	<b>51,739</b>	<b>50,408</b>	<b>55,198</b>	<b>50,242</b>	<b>47,534</b>	<b>47,051</b>	<b>48,117</b>
<b>EXPENSES</b>							
Total Cost of Services .....	59,726	62,805	67,303	<b>63,720</b>	58,307	57,421	58,487
Net Cost of Services <sup>(b)</sup> .....	59,103	61,890	66,388	<b>62,805</b>	57,392	56,506	57,572
<b>CASH ASSETS</b> <sup>(c)</sup> .....	<b>7,731</b>	<b>1,281</b>	<b>8,021</b>	<b>8,204</b>	<b>7,024</b>	<b>7,024</b>	<b>7,024</b>

- (a) The 2021-22 Actual has been recast for the full year. The SSO became an independent sub-department on 1 October 2021.
- (b) Represents Total Cost of Services (expenses) less retained revenues applied to the SSO'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 SSO's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiatives</b>					
Commercial Legal Services.....	1,500	-	-	-	-
Disability Royal Commission.....	-	660	-	-	-
Election Commitment - Criminal Law (Mental Impairment) Reforms.....	-	169	-	-	-
Racial Discrimination Class Action.....	-	421	-	-	-
<b>Ongoing Initiatives</b>					
Banksia Hill Detention Centre Class Actions.....	-	1,622	1,670	-	-
WA Stolen Wages Class Action.....	1,000	3,109	-	-	-
<b>Other</b>					
Legal Practising Certificates.....	224	112	112	112	112
Public Sector Wages Policy.....	1,917	1,784	2,220	3,182	4,074
Salaries and Allowances Tribunal.....	-	-	104	219	356

## Significant Issues Impacting the Agency

1. The SSO continues to provide legal advice on all remaining COVID-19 and related matters.
2. The SSO is assisting the State in matters relating to the Griffin coal mine.
3. The volume and complexity of child sexual abuse claims against the State continue to rise. The SSO is looking at opportunities to better manage these claims for the State.
4. The SSO continues to provide legal advice on significant commercial matters, including a range of infrastructure projects.
5. The Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability is due to deliver a final report by 29 September 2023. The SSO will continue to support the State's response to the report and implementation of any recommendations.
6. The SSO continues to act for the State in the *Mervyn Street v State of Western Australia* (WA Stolen Wages) class action.
7. The SSO is undertaking a critical role in supporting the Government's key law reform initiatives, including providing substantial advice and legal support to agencies and Ministers in relation to a number of significant Bills.

## 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 SSO'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: Supporting our local and regional communities to thrive.	Government receives quality and timely legal services.	1. Legal Services to Government

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual <sup>(a)</sup> \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Legal Services to Government.....	59,726	62,805	67,303	63,720	58,307	57,421	58,487
<b>Total Cost of Services .....</b>	<b>59,726</b>	<b>62,805</b>	<b>67,303</b>	<b>63,720</b>	<b>58,307</b>	<b>57,421</b>	<b>58,487</b>

(a) The 2021-22 Actual Total Cost of Services has been recast for the full year. The 2021-22 Actual Total Cost of Services reported in the SSO's Annual Report for the period 1 October 2021 to 30 June 2022 was \$45,342,000.

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22	2022-23	2022-23	2023-24	Note
	Actual	Budget	Estimated Actual	Budget Target	
<b>Outcome: Government receives quality and timely legal services:</b>					
Extent to which government agencies are satisfied with legal services .....	93.2%	95%	95%	95%	

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

## Services and Key Efficiency Indicators

### 1. Legal Services to Government

	2021-22 Actual <sup>(a)</sup>	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	59,726	62,805	67,303	63,720	
Less Income.....	623	915	915	915	
Net Cost of Service.....	59,103	61,890	66,388	62,805	
<b>Employees (Full-Time Equivalents) .....</b>	<b>253</b>	<b>264</b>	<b>263</b>	<b>263</b>	
<b>Efficiency Indicators</b>					
Average cost per legal matter <sup>(b)</sup> .....	\$5,760	\$5,824	\$6,242	\$6,423	1

(a) The 2021-22 Actual has been recast for the full year. The SSO became an independent sub-department on 1 October 2021.

(b) The 2021-22 Actual average cost per legal matter is as reported in the SSO's Annual Report for the period 1 October 2021 to 30 June 2022. This indicator is calculated by dividing the Total Cost of Service by the number of recorded matters for the period.

### Explanation of Significant Movements

(Notes)

- The average cost per legal matter is higher in the 2022-23 Estimated Actual compared to the 2022-23 Budget, mainly reflecting additional expenditure in relation to public sector wages policy, the WA Stolen Wages Class Action, and higher legal costs on behalf of the State.

### Asset Investment Program

- The replacement of the SSO's Legal Practice Management System is currently planned to commence in 2024-25.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>NEW WORKS</b>							
Legal Practice Systems.....	1,363	-	-	-	1,363	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>1,363</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,363</b>	<b>-</b>	<b>-</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			-	-	1,363	-	-
<b>Total Funding .....</b>			<b>-</b>	<b>-</b>	<b>1,363</b>	<b>-</b>	<b>-</b>

## Financial Statements

### Income Statement

#### Expenses

1. The increase in Total Cost of Services between the 2022-23 Budget and the 2022-23 Estimated Actual (\$4.5 million or 7%) is primarily due to the public sector wages policy, the WA Stolen Wages Class Action, and higher legal costs associated with commercial negotiations. The decrease in Total Cost of Services between the 2022-23 Estimated Actual and the 2023-24 Budget Year (\$3.6 million or 5%) reflects fixed-term funding for COVID-19 matters and commercial negotiations ceasing in 2022-23.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	40,347	47,429	49,401	48,509	45,421	44,764	45,793
Grants and subsidies <sup>(c)</sup> .....	6,608	-	4,776	2,550	-	-	-
Supplies and services .....	5,293	7,925	5,376	4,942	4,935	4,727	4,788
Accommodation .....	6,568	6,481	6,913	6,913	6,913	6,913	6,913
Depreciation and amortisation .....	284	440	315	278	508	485	457
Finance and interest costs .....	19	18	15	21	23	25	29
Other expenses .....	607	512	507	507	507	507	507
<b>TOTAL COST OF SERVICES</b> .....	<b>59,726</b>	<b>62,805</b>	<b>67,303</b>	<b>63,720</b>	<b>58,307</b>	<b>57,421</b>	<b>58,487</b>
<b>Income</b>							
Sale of goods and services .....	138	-	-	-	-	-	-
Other revenue .....	485	915	915	915	915	915	915
<b>Total Income</b> .....	<b>623</b>	<b>915</b>	<b>915</b>	<b>915</b>	<b>915</b>	<b>915</b>	<b>915</b>
<b>NET COST OF SERVICES</b> .....	<b>59,103</b>	<b>61,890</b>	<b>66,388</b>	<b>62,805</b>	<b>57,392</b>	<b>56,506</b>	<b>57,572</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	51,629	50,260	55,069	50,111	47,401	46,917	47,983
Resources received free of charge .....	2,959	2,793	2,793	2,798	2,807	2,807	2,807
Special Purpose Account(s) <sup>(d)</sup>							
National Redress Scheme .....	3,074	3,026	3,026	3,114	-	-	-
Other revenues .....	5,603	5,811	5,500	6,782	6,782	6,782	6,782
<b>TOTAL INCOME FROM GOVERNMENT</b> .....	<b>63,265</b>	<b>61,890</b>	<b>66,388</b>	<b>62,805</b>	<b>56,990</b>	<b>56,506</b>	<b>57,572</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD</b> .....	<b>4,162</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(402)</b>	<b>-</b>	<b>-</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 253, 263 and 263 respectively.

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

(d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.



## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
Act of Grace Payments .....	3,103	-	-	-	-	-	-
Legal Costs on Behalf of the State .....	3,505	-	4,776	2,550	-	-	-
<b>TOTAL .....</b>	<b>6,608</b>	<b>-</b>	<b>4,776</b>	<b>2,550</b>	<b>-</b>	<b>-</b>	<b>-</b>

STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>  
(Controlled)

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>CURRENT ASSETS</b>							
Cash assets .....	6,903	301	7,010	7,010	5,647	5,647	5,647
Receivables .....	1,796	516	1,359	1,361	1,361	1,361	1,361
Other.....	865	44	863	863	863	863	863
Total current assets .....	9,564	861	9,232	9,234	7,871	7,871	7,871
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	9,088	9,529	9,403	9,681	10,189	10,674	11,131
Property, plant and equipment.....	912	767	722	689	565	507	496
Intangibles .....	72	1,260	33	-	1,090	818	546
Restricted cash .....	828	980	1,011	1,194	1,377	1,377	1,377
Total non-current assets .....	10,900	12,536	11,169	11,564	13,221	13,376	13,550
<b>TOTAL ASSETS .....</b>	<b>20,464</b>	<b>13,397</b>	<b>20,401</b>	<b>20,798</b>	<b>21,092</b>	<b>21,247</b>	<b>21,421</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	9,996	8,187	10,179	10,362	10,545	10,545	10,545
Payables .....	311	166	-	-	-	-	-
Borrowings and leases .....	118	125	117	142	139	132	143
Other.....	710	-	711	711	711	711	711
Total current liabilities .....	11,135	8,478	11,007	11,215	11,395	11,388	11,399
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	2,216	1,608	2,216	2,216	2,216	2,216	2,216
Borrowings and leases .....	218	165	154	210	191	219	248
Total non-current liabilities .....	2,434	1,773	2,370	2,426	2,407	2,435	2,464
<b>TOTAL LIABILITIES.....</b>	<b>13,569</b>	<b>10,251</b>	<b>13,377</b>	<b>13,641</b>	<b>13,802</b>	<b>13,823</b>	<b>13,863</b>
<b>EQUITY</b>							
Contributed equity .....	3,162	4,298	3,273	3,389	3,907	4,022	4,156
Accumulated surplus/(deficit).....	3,733	(1,152)	3,733	3,733	3,331	3,331	3,331
Reserves.....	-	-	18	35	52	71	71
Total equity .....	6,895	3,146	7,024	7,157	7,290	7,424	7,558
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>20,464</b>	<b>13,397</b>	<b>20,401</b>	<b>20,798</b>	<b>21,092</b>	<b>21,247</b>	<b>21,421</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	51,433	49,820	54,754	49,833	46,893	46,432	47,526
Capital appropriation .....	110	148	129	131	133	134	134
Special Purpose Account(s)							
Digital Capability Fund .....	1,198	-	-	-	402	-	-
Other.....	7,170	8,837	8,526	9,896	6,782	6,782	6,782
<b>Net cash provided by Government .....</b>	<b>59,911</b>	<b>58,805</b>	<b>63,409</b>	<b>59,860</b>	<b>54,210</b>	<b>53,348</b>	<b>54,442</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(36,967)	(47,246)	(49,218)	(48,326)	(45,239)	(44,764)	(45,793)
Grants and subsidies.....	(6,711)	-	(4,776)	(2,550)	-	-	-
Supplies and services .....	(2,416)	(5,132)	(2,583)	(2,144)	(2,127)	(1,920)	(1,981)
Accommodation .....	(6,510)	(6,481)	(6,913)	(6,913)	(6,913)	(6,913)	(6,913)
GST payments .....	(1,167)	-	-	-	-	-	-
Finance and interest costs.....	(19)	(18)	(15)	(21)	(23)	(25)	(29)
Other payments.....	(507)	(512)	(507)	(507)	(507)	(507)	(507)
<b>Receipts (b)</b>							
Sale of goods and services.....	132	-	-	-	-	-	-
GST receipts .....	1,080	-	107	-	-	-	-
Other receipts .....	494	915	915	915	915	915	915
<b>Net cash from operating activities .....</b>	<b>(52,591)</b>	<b>(58,474)</b>	<b>(62,990)</b>	<b>(59,546)</b>	<b>(53,894)</b>	<b>(53,214)</b>	<b>(54,308)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(3)	(1,363)	-	-	(1,363)	-	-
<b>Net cash from investing activities.....</b>	<b>(3)</b>	<b>(1,363)</b>	<b>-</b>	<b>-</b>	<b>(1,363)</b>	<b>-</b>	<b>-</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases .....	(95)	(148)	(129)	(131)	(133)	(134)	(134)
<b>Net cash from financing activities.....</b>	<b>(95)</b>	<b>(148)</b>	<b>(129)</b>	<b>(131)</b>	<b>(133)</b>	<b>(134)</b>	<b>(134)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>7,222</b>	<b>(1,180)</b>	<b>290</b>	<b>183</b>	<b>(1,180)</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	509	2,461	7,731	8,021	8,204	7,024	7,024
<b>Cash assets at the end of the reporting period .....</b>	<b>7,731</b>	<b>1,281</b>	<b>8,021</b>	<b>8,204</b>	<b>7,024</b>	<b>7,024</b>	<b>7,024</b>

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

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by 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**

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Sale of Goods and Services</b>							
State Solicitor Fees .....	5,603	5,500	5,500	6,782	6,782	6,782	6,782
<b>Other Receipts</b>							
Recoup of Legal Costs .....	414	915	915	915	915	915	915
Recoup of Other Costs .....	209	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>6,226</b>	<b>6,415</b>	<b>6,415</b>	<b>7,697</b>	<b>7,697</b>	<b>7,697</b>	<b>7,697</b>

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>INCOME</b>							
<b>Other</b>							
Land Acquisition .....	124,815	-	-	-	-	-	-
Suitors' Fund .....	85	164	164	164	164	164	164
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>124,900</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>
<b>EXPENSES</b>							
<b>Other</b>							
Payment of Land Acquisition .....	126,241	-	-	-	-	-	-
Payment of Suitors' Fund .....	43	164	164	164	164	164	164
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>126,284</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>

# Legal Aid Commission of Western Australia

## Part 7 Community Safety

### Asset Investment Program

1. The Commission's Asset Investment Program (AIP) for 2023-24 is estimated at \$3.4 million, 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 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Computer Hardware and Software Replacement Program <sup>(a)</sup> .....	12,446	7,409	165	2,872	1,601	-	564
Office Refurbishment and Fit-outs .....	5,899	4,910	793	550	165	205	69
<b>Total Cost of Asset Investment Program.....</b>	<b>18,345</b>	<b>12,319</b>	<b>958</b>	<b>3,422</b>	<b>1,766</b>	<b>205</b>	<b>633</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			958	3,422	1,766	205	633
<b>Total Funding .....</b>			<b>958</b>	<b>3,422</b>	<b>1,766</b>	<b>205</b>	<b>633</b>

(a) The 2025-26 allocation has been brought forward to meet program requirements over 2022-23 to 2024-25.

## Division 29 Fire and Emergency Services

### Part 7 Community Safety

#### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 64 Net amount appropriated to deliver services .....	87,564	58,585	67,568	103,739	78,698	72,237	52,237
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	1,045	1,048	754	756	758	760	762
Total appropriations provided to deliver services.....	88,609	59,633	68,322	104,495	79,456	72,997	52,999
<b>ADMINISTERED TRANSACTIONS</b>							
Item 65 Amount provided for Administered Grants, Subsidies and Other Transfer Payments .....	166,960	96,900	96,900	89,127	96,202	56,939	45,000
<b>CAPITAL</b>							
Item 137 Capital Appropriation.....	7,266	1,833	7,097	11,325	13,415	20	20
<b>TOTAL APPROPRIATIONS .....</b>	<b>262,835</b>	<b>158,366</b>	<b>172,319</b>	<b>204,947</b>	<b>189,073</b>	<b>129,956</b>	<b>98,019</b>
<b>EXPENSES</b>							
Total Cost of Services .....	526,860	545,084	566,357	565,312	534,950	536,545	530,286
Net Cost of Services (a) .....	125,483	129,914	129,029	150,144	92,683	77,590	50,454
<b>CASH ASSETS (b) .....</b>	<b>85,845</b>	<b>34,971</b>	<b>68,666</b>	<b>47,375</b>	<b>60,620</b>	<b>83,875</b>	<b>112,479</b>

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

(b) As at 30 June each financial year.

#### Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>New Initiatives</b>					
Coastal and Estuarine Risk Mitigation Program.....	17,791	492	1,425	-	-
Digital Capability Fund					
Marine Rescue Log On/Log Off Application .....	-	270	772	340	350
Western Australian Emergency Services Digital Strategy.....	-	864	-	-	-
Emergency Services Radio Network .....	276	1,656	2,155	2,102	2,102
Ex-Tropical Cyclone Ellie (ex-TC Ellie)					
Clean-up Program - Disaster Recovery Funding					
Arrangements (DRFAWA).....	1,000	500	-	-	-
Community and Industry Recovery Officer Program - DRFAWA .....	207	620	414	-	-
Recovery Taskforce .....	2,162	6,894	4,096	119	56
Severe Tropical Cyclone Seroja (STC Seroja) - Community Benefit Fund and Resilience Grant Program.....	-	9,200	-	-	-
State Disaster Recovery Capability .....	-	6,310	5,876	5,940	6,004
<b>Ongoing Initiatives</b>					
Australia Fire Danger Rating System.....	1,950	498	497	508	454
Bushfire Framework Review .....	-	478	-	-	-

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
Cardup Career Fire and Rescue Service Station (CFRS) - Operational Costs..	-	1,301	4,419	6,472	6,540
Consolidated Emergency Services Acts .....	802	1,056	-	-	-
Indian Ocean Territories - Service Delivery Arrangements.....	539	544	549	553	-
Mitigation Activity Fund .....	839	-	-	-	-
Radio Over Internet Protocol.....	-	247	-	-	-
STC Seroja <sup>(a)</sup> .....	(25,100)	(100)	-	-	-
<b>Other</b>					
Accommodation Leases - Cost Increase .....	778	910	959	998	1,036
Aviation Services - Cost Increase.....	2,172	1,252	1,252	1,252	1,252
Local Government Fire and Emergency Services Fleet - Cost Increase.....	1,270	-	-	-	-
On-Country Planned Burning Training Program.....	80	-	-	-	-
Operational Cost Pressures .....	2,550	141	-	-	-
Public Sector Wages Policy .....	3,565	3,218	4,185	5,216	6,477
RiskCover Fund Insurance Premiums .....	-	1,541	-	-	-
Salaries and Allowances Tribunal.....	106	109	111	113	115

(a) Reflects lower than expected spending on the Recovery and Resilience Grants and the Monitoring and Evaluation programs under the DRFAWA.

## Significant Issues Impacting the Agency

### Climate Change

1. Western Australia has experienced an increase in the frequency, intensity, and impact of natural disasters over the past decade. Climate change modelling indicates this trend will continue, resulting in more communities, industries, and ecosystems at risk of significant disruption.
2. The increasing frequency and intensity of emergencies and climate adaptation policy responses require the Department to enhance the way it works in partnership with the community, the private sector and across Government to prevent, prepare for, respond to, and recover from major emergencies.

### Recovery Capability

3. The Department has the function of coordinating State recovery, maintaining recovery policy and administering recovery funding in Western Australia. The increasing number and scale of natural disaster events have amplified the importance of an effective recovery function for Western Australian communities. As a result, the Government is establishing a new \$24.9 million State Disaster Recovery capability to drive whole-of-government recovery efforts, as well as a dedicated taskforce in direct response to ex-TC Ellie.
4. The Department will also deliver priority Community Benefit Fund and Resilience Grant programs to local governments affected by STC Seroja as they continue to lead the recovery efforts for their respective communities.

### Legislative Reform

5. Changes in legislative arrangements such as the modernised *Work Health and Safety Act 2020* and the proposed Consolidated Emergency Services Act affect the sector in terms of the emergency services workforce and emergency management responsibilities. These reforms are being considered as part of the Department's planning for future strategies and operating models.

### Emergency Services Digital Strategy

6. Malicious, repeated, and prolonged cyber attacks are on the rise, and there is a growing requirement for data to support decision-making and the ability to share data across the public sector. Consequently, the Department will lead the development of a Western Australian Emergency Services Digital Strategy focused on:
  - 6.1. enabling faster data-sharing to inform decisions during emergencies;
  - 6.2. accelerating digital service delivery;
  - 6.3. improving decision-making and resource allocation; and
  - 6.4. implementing systems that improve service provision and the safety of the community via a coordinated and collaborative approach.

## 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: Supporting our local and regional communities to thrive.	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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Community Awareness, Education and Information Services.....	10,249	11,345	13,005	12,821	12,772	12,981	12,873
2. Health, Safety, Wellbeing and Training Services.....	27,314	27,190	30,196	33,063	30,879	28,963	28,720
3. Delivery of Frontline Services Before, During and After Incidents .....	489,297	506,549	523,156	519,428	491,299	494,601	488,693
<b>Total Cost of Services .....</b>	<b>526,860</b>	<b>545,084</b>	<b>566,357</b>	<b>565,312</b>	<b>534,950</b>	<b>536,545</b>	<b>530,286</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Western Australian communities recognise and understand their local hazard risks and can effectively manage them:</b>					
Proportion of community members who recognise their local natural hazard risks and are prepared to take action.....	21%	20%	20%	20%	
<b>Outcome: A diverse team of volunteers and staff with a wide range of skills, who have access to development programs:</b>					
Proportions of scheduled operational courses delivered .....	82%	80%	83%	80%	
<b>Outcome: Risk is reduced and managed through innovation and continuous improvement across all hazards before, during and after emergencies:</b>					
Proportion of Level Three incident impact statements completed and endorsed by the State Recovery Coordinator <sup>(b)</sup> .....	100%	80%	100%	90%	1
Proportion of structure fire reports completed within specified timeframes ....	89%	90%	89%	90%	
Proportion of responses to Emergency Service Levy One and Emergency Service Levy Two incidents within target timeframes .....	94%	90%	93%	90%	
Proportion of structure fires confined to object or room of origin.....	78%	72%	76%	72%	

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

(b) 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.

**Explanation of Significant Movements**

(Notes)

1. The 2023-24 Budget Target for this indicator has been increased, relative to the 2022-23 Budget, to better reflect performance trends.

**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 centres, television and radio interviews to increase community awareness of preventable and natural hazards and support their ability to take action.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 10,249	\$'000 11,345	\$'000 13,005	\$'000 12,821	1
Less Income .....	7,808	7,955	9,602	9,533	
Net Cost of Service .....	2,441	3,390	3,403	3,288	
<b>Employees (Full-Time Equivalents) .....</b>	<b>38</b>	<b>45</b>	<b>45</b>	<b>45</b>	
<b>Efficiency Indicators</b>					
Average cost per household to deliver education and awareness programs and emergency hazard information to the community .....	\$9.75	\$10.66	\$12.21	\$11.85	1



**Explanation of Significant Movements**

(Notes)

1. The increases in Total Cost of Service and corresponding increases in the efficiency indicator between the 2022-23 Budget, the 2022-23 Estimated Actual and the 2023-24 Budget Target mainly reflect cost escalations associated with the public sector wages policy, insurance premiums and various service contracts.

**2. Health, Safety, Wellbeing and Training Services**

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 27,314	\$'000 27,190	\$'000 30,196	\$'000 33,063	1
Less Income .....	20,809	19,888	22,295	22,135	2
Net Cost of Service .....	6,505	7,302	7,901	10,928	
<b>Employees (Full-Time Equivalents) .....</b>	<b>106</b>	<b>119</b>	<b>119</b>	<b>119</b>	
<b>Efficiency Indicators</b>					
Average cost per population to deliver health, safety, wellbeing and training services.....	\$10.12	\$9.91	\$11.01	\$11.53	1

**Explanation of Significant Movements**

(Notes)

1. The increases in Total Cost of Service and the corresponding increases in the efficiency indicator between the 2022-23 Budget and both the 2022-23 Estimated Actual and the 2023-24 Budget Target mainly reflect cost escalations associated with the public sector wages policy, insurance premiums and other various service contracts, as well as additional trainee firefighter school instructor salaries costs.
2. The increase in income between the 2022-23 Budget and the 2023-24 Budget Target is less than the increase in Total Cost of Service, mainly due to Government-funded training costs associated with additional firefighters for country CFRS stations, and the Cardup CFRS station allowing Emergency Services Levy (ESL) to remain affordable for households and businesses.

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

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 489,297	\$'000 506,549	\$'000 523,156	\$'000 519,428	1
Less Income .....	372,760	387,327	405,431	383,500	2
Net Cost of Service .....	116,537	119,222	117,725	135,928	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,653</b>	<b>1,676</b>	<b>1,723</b>	<b>1,771</b>	<b>1</b>
<b>Efficiency Indicators</b>					
Average cost per population to deliver frontline services.....	\$181.32	\$184.66	\$190.71	\$181.11	3

**Explanation of Significant Movements**

(Notes)

1. The increase in Total Cost of Service between the 2022-23 Budget and the 2022-23 Estimated Actual relates mainly to cost escalation associated with the public sector wages policy, insurance premiums and various service contracts. The increases in Total Cost of Service and full-time equivalents between the 2022-23 Budget and the 2023-24 Budget Target reflect the establishment of recovery initiatives including the State Disaster Recovery Capability and the ex-TC Ellie Recovery Task Force.
2. The increase in income between the 2022-23 Budget and the 2022-23 Estimated Actual is less than the increase in Total Cost of Services, primarily due to an increase in Government funding allowing ESL to remain affordable for households and businesses.
3. Changes in the efficiency indicator between the 2022-23 Budget and the 2022-23 Estimated Actual and the 2023-24 Budget Target reflect the increases in Total Cost of Services explained above, offset by an increase in the population forecast for 2023-24.

**Asset Investment Program**

1. An overview of the Department’s Asset Investment Program (AIP) for 2023-24 is as follows:
  - 1.1. \$19.4 million has been provided for land and building works, comprising of:
    - 1.1.1. \$7 million for facility modifications. The elevated expenditure for this program in 2022-23 was due to the carryover of delayed works from prior years that were impacted by construction supply and labour constraints;
    - 1.1.2. \$8 million for the upgrade and/or replacement of volunteer facilities;
    - 1.1.3. \$1.9 million for the CFRS Cardup Fire Station; and
    - 1.1.4. \$2.4 million for the purchase of land for the CFRS North Coastal Metropolitan Fire Station.
  - 1.2. \$22.4 million for ongoing vehicle replacement programs in line with the Department’s maintenance and serviceable life replacement strategies;
  - 1.3. \$7.1 million for plant and equipment works, including \$5.2 million for the Emergency Services Radio Network Upgrade; and
  - 1.4. \$6.8 million for intangible assets, including \$6.5 million for the upgrade and replacement of critical ICT systems including the Workforce Management Solution, and Emergency WA.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Land and Building Works - Volunteer Fire Rescue Service (VFRS)/Volunteer Fire and Emergency Service (VFES) Facilities Upgrades.....							
	9,380	6,305	4,048	3,075	-	-	-
<b>Other Works in Progress</b>							
Intangible Asset Development.....							
	27,823	4,794	2,303	6,752	9,133	4,804	2,340
Land and Building Works							
CFRS North Coastal Metropolitan Fire Station.....							
	2,500	100	100	2,400	-	-	-
CFRS South East Metropolitan Fire Station.....							
	12,455	1,675	1,675	1,880	8,900	-	-
Facility Modifications.....							
	66,160	45,659	12,577	7,048	4,485	4,484	4,484
VFRS/VFES Upgrade and Replacement Program.....							
	24,479	6,144	1,867	4,953	3,800	3,582	2,000
Plant and Equipment Works							
Emergency Services Radio Network Upgrade.....							
	10,325	2,954	2,954	5,176	2,195	-	-
Equipment Replacement Program.....							
	28,782	18,846	1,164	1,936	2,000	2,000	2,000
Vehicle Programs							
Primary Fire and Emergency Fleet.....							
	140,697	57,898	19,265	21,744	21,744	21,743	17,568
Secondary Fire and Emergency Fleet.....							
	9,246	3,161	1,940	683	1,574	1,742	2,086

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COMPLETED WORKS</b>							
Land and Building Works							
Bushfire Centre of Excellence.....	13,623	13,623	110	-	-	-	-
CFRS Cockburn Fire Station .....	10,778	10,778	60	-	-	-	-
Koolinup Emergency Service Centre in Collie.....	12,899	12,899	792	-	-	-	-
Plant and Equipment Works - Fixed Repeater Tower (Esperance).....							
	355	355	355	-	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>369,502</b>	<b>185,191</b>	<b>49,210</b>	<b>55,647</b>	<b>53,831</b>	<b>38,355</b>	<b>30,478</b>
<b>FUNDED BY</b>							
Asset Sales.....			-	403	420	420	420
Capital Appropriation .....			7,097	11,325	13,415	20	20
Emergency Services Levy.....			2,991	6,038	9,690	8,560	6,920
Internal Funds and Balances.....			36,093	33,790	26,283	28,531	23,118
Major Special Purpose Account(s)							
Drawdown from Digital Capability Fund.....			1,050	3,657	4,023	824	-
Drawdown from Royalties for Regions Fund.....			1,573	-	-	-	-
Other Grants and Subsidies .....			406	434	-	-	-
<b>Total Funding.....</b>			<b>49,210</b>	<b>55,647</b>	<b>53,831</b>	<b>38,355</b>	<b>30,478</b>

## Financial Statements

### Income Statement

#### Expenses

- The Total Cost of Services in the 2023-24 Budget Year is estimated to increase by \$20.2 million compared to the 2022-23 Budget. This is mainly due to cost escalation associated with salaries and wages, insurance premiums and various service contracts, as well as additional expenditure on the State Disaster Recovery capability (\$6.3 million), ex-TC Ellie Recovery Task Force (\$6.9 million) and Community Benefit Fund and Resilience Grant programs to local governments impacted by STC Seroja (\$9.2 million).
- The \$21.2 million increase in the Total Cost of Services between the 2022-23 Estimated Actual and the 2022-23 Budget is due to cost escalation associated with the public sector wages policy and various service contracts.

#### Income

- Consistent with the increase in Total Cost of Services, income from Government is estimated to increase by \$19.9 million from the 2022-23 Budget to the 2023-24 Budget Year.

### Statement of Financial Position

- The significant increase in total assets and total liabilities from the 2022-23 Budget to the 2023-24 Budget Year reflects the right of use asset and lease liability associated with a new contract to secure emergency rescue helicopter service aircraft.

### Statement of Cashflows

- The \$33.7 million increase in cash balances between the 2022-23 Budget and the 2022-23 Estimated Actual is predominately due to delays in grant disbursements.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b).....	245,151	247,375	261,907	264,934	268,514	271,440	262,594
Grants and subsidies (c).....	67,496	96,853	97,031	89,586	66,352	62,289	62,903
Supplies and services.....	105,794	94,933	102,084	96,190	86,068	84,884	86,176
Accommodation.....	14,743	10,860	11,012	11,073	11,031	11,163	11,295
Depreciation and amortisation.....	44,254	42,399	43,362	49,120	51,199	53,551	53,746
Finance and interest costs.....	1,463	2,424	2,458	6,639	6,195	5,800	5,715
Other expenses.....	47,959	50,240	48,503	47,770	45,591	47,418	47,857
<b>TOTAL COST OF SERVICES.....</b>	<b>526,860</b>	<b>545,084</b>	<b>566,357</b>	<b>565,312</b>	<b>534,950</b>	<b>536,545</b>	<b>530,286</b>
<b>Income</b>							
Sale of goods and services.....	10,237	9,339	11,089	9,242	9,147	9,147	9,147
Emergency Services Levy.....	371,043	394,415	392,087	392,501	423,203	439,872	461,302
Grants and subsidies.....	12,490	6,985	29,240	7,529	5,028	5,032	4,479
Other revenue.....	7,607	4,431	4,912	5,896	4,889	4,904	4,904
<b>Total Income.....</b>	<b>401,377</b>	<b>415,170</b>	<b>437,328</b>	<b>415,168</b>	<b>442,267</b>	<b>458,955</b>	<b>479,832</b>
<b>NET COST OF SERVICES.....</b>	<b>125,483</b>	<b>129,914</b>	<b>129,029</b>	<b>150,144</b>	<b>92,683</b>	<b>77,590</b>	<b>50,454</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	88,609	59,633	68,322	104,495	79,456	72,997	52,999
Resources received free of charge.....	838	2,273	2,273	2,273	2,273	2,273	2,273
Special Purpose Account(s) (d)							
Digital Capability Fund.....	-	3,669	-	-	-	-	-
Royalties for Regions Fund							
Regional Community Services Fund.....	1,086	4,185	4,091	5,838	5,871	6,275	5,871
Other appropriations.....	-	-	4,608	3,586	6,839	9,374	-
Other revenues.....	36,168	63,254	53,813	36,737	30,231	30,926	31,948
<b>TOTAL INCOME FROM GOVERNMENT.....</b>	<b>126,701</b>	<b>133,014</b>	<b>133,107</b>	<b>152,929</b>	<b>124,670</b>	<b>121,845</b>	<b>93,091</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>1,218</b>	<b>3,100</b>	<b>4,078</b>	<b>2,785</b>	<b>31,987</b>	<b>44,255</b>	<b>42,637</b>

- (a) Full audited financial statements are published in the Department's Annual Report.
- (b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 1,797, 1,887 and 1,935 respectively.
- (c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
- (d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
All West Australians Reducing Emergencies Program .....	-	125	148	238	200	200	200
Australian Fire Danger Rating System.....	233	-	501	207	216	225	168
Bushfire Mitigation Activity Fund							
ESL <sup>(a)</sup> .....	6,217	11,348	5,765	13,551	6,835	6,906	6,982
Royalties for Regions .....	1,384	1,149	1,988	1,019	-	-	-
Bushfire Risk Management Planning.....	1,778	1,409	1,423	1,423	1,423	1,440	1,458
Chemistry Centre - Emergency Response							
Services .....	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Coastal and Estuarine Risk Mitigation Program <sup>(b)</sup> ..	-	-	17,791	492	1,425	-	-
Deputy Commissioner Operations -							
Operational Efficiency Payment.....	894	928	928	928	928	928	940
ESL Private Brigade Subsidy .....	210	275	275	275	275	278	282
Local Government - Community Emergency							
Service Managers .....	2,347	2,713	2,713	2,713	2,713	2,746	2,782
Local Government Emergency Services							
Grants .....	38,320	35,149	36,419	35,150	35,408	35,836	36,298
National Disaster Risk Reduction .....	-	1,525	1,965	4,395	2,890	-	-
Natural Disaster Resilience Program.....	268	257	689	98	-	-	-
Other .....	623	984	1,191	1,604	1,398	984	984
Shire of Gingin .....	1,631	-	-	-	-	-	-
Shire of Trayning .....	364	-	284	-	-	-	-
STC Seroja <sup>(c)</sup> .....	78	28,850	13,317	14,095	-	-	-
Surf Life Saving Western Australia .....	1,381	1,381	1,381	1,381	1,381	1,381	1,381
Volunteer Fuel Card.....	545	1,070	1,070	1,070	1,070	1,070	1,020
Volunteer Marine Rescue Service .....	9,723	8,190	7,683	9,447	8,690	8,795	8,908
<b>TOTAL .....</b>	<b>67,496</b>	<b>96,853</b>	<b>97,031</b>	<b>89,586</b>	<b>66,352</b>	<b>62,289</b>	<b>62,903</b>

- (a) The 2023-24 Budget Year shows an increase of \$7.8 million compared to the 2022-23 Estimated Actual as a result of a \$6.7 million carryover from 2022-23 to 2023-24, due to program delays relating to a shortage of local government resources as well as \$1.2 million being reallocated for Aerial Fire Suppression during grain harvest season.
- (b) The 2022-23 Estimated Actual and forward estimates period reflect \$19.7 million relating to eight successful applications approved for Commonwealth grant funding and State co-contribution for the Shire of Shark Bay Project.
- (c) The reduction of \$15.5 million in the 2022-23 Estimated Actual compared to the 2022-23 Budget is the net impact of a reduction in forecast expenditure, offset by carryovers from previous years predominately associated with Recovery and Resilience Grants. Estimated expenditure for 2023-24 relates to the Community Benefit Fund and Resilience Grants Programs to local governments of \$9.2 million and finalisation of the Recovery and Resilience Grants program.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	72,703	31,204	58,992	39,766	53,757	77,032	105,636
Restricted cash .....	11,600	3,016	8,132	6,067	5,321	5,301	5,301
Receivables .....	9,726	14,440	9,726	9,726	9,726	9,726	9,726
Other.....	18,837	18,965	18,837	18,837	18,837	18,837	18,837
<b>Total current assets .....</b>	<b>112,866</b>	<b>67,625</b>	<b>95,687</b>	<b>74,396</b>	<b>87,641</b>	<b>110,896</b>	<b>139,500</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	70,256	78,466	78,721	88,560	98,505	110,468	122,574
Property, plant and equipment.....	485,283	525,204	500,668	637,467	639,688	631,518	617,504
Intangibles .....	7,127	11,853	9,430	16,182	24,945	27,421	22,423
Restricted cash .....	1,542	751	1,542	1,542	1,542	1,542	1,542
<b>Total non-current assets .....</b>	<b>564,208</b>	<b>616,274</b>	<b>590,361</b>	<b>743,751</b>	<b>764,680</b>	<b>770,949</b>	<b>764,043</b>
<b>TOTAL ASSETS .....</b>	<b>677,074</b>	<b>683,899</b>	<b>686,048</b>	<b>818,147</b>	<b>852,321</b>	<b>881,845</b>	<b>903,543</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	33,524	33,668	34,786	35,562	35,686	35,686	35,686
Payables.....	13,174	5,596	12,398	12,274	12,150	12,150	12,150
Borrowings and leases .....	19,852	18,921	16,389	17,842	18,487	19,487	18,886
Other.....	158	231	158	158	158	158	158
<b>Total current liabilities .....</b>	<b>66,708</b>	<b>58,416</b>	<b>63,731</b>	<b>65,836</b>	<b>66,481</b>	<b>67,481</b>	<b>66,880</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	11,289	12,189	11,289	11,289	11,289	11,289	11,289
Borrowings and leases .....	42,996	83,433	32,584	143,134	126,123	109,208	87,273
<b>Total non-current liabilities .....</b>	<b>54,285</b>	<b>95,622</b>	<b>43,873</b>	<b>154,423</b>	<b>137,412</b>	<b>120,497</b>	<b>98,562</b>
<b>TOTAL LIABILITIES.....</b>	<b>120,993</b>	<b>154,038</b>	<b>107,604</b>	<b>220,259</b>	<b>203,893</b>	<b>187,978</b>	<b>165,442</b>
<b>EQUITY</b>							
Contributed equity .....	380,275	384,418	393,664	410,230	428,725	429,909	430,279
Accumulated surplus/(deficit).....	89,253	82,779	93,331	96,116	128,103	172,358	214,995
Reserves.....	86,553	62,664	91,449	91,542	91,600	91,600	92,827
<b>Total equity .....</b>	<b>556,081</b>	<b>529,861</b>	<b>578,444</b>	<b>597,888</b>	<b>648,428</b>	<b>693,867</b>	<b>738,101</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>677,074</b>	<b>683,899</b>	<b>686,048</b>	<b>818,147</b>	<b>852,321</b>	<b>881,845</b>	<b>903,543</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	81,465	51,423	59,857	94,656	69,511	61,034	40,893
Capital appropriation.....	7,266	1,833	7,097	11,325	13,415	20	20
Special Purpose Account(s)							
Digital Capability Fund.....	-	4,719	4,719	5,241	5,080	1,164	350
Royalties for Regions Fund							
Regional Community Services Fund.....	1,086	4,185	4,091	5,838	5,871	6,275	5,871
Regional Infrastructure and Headworks							
Fund.....	577	774	1,573	-	-	-	-
Other.....	35,993	63,154	53,813	36,737	30,231	29,876	30,898
Administered appropriations.....	-	-	4,608	3,586	6,839	9,374	-
<b>Net cash provided by Government .....</b>	<b>126,387</b>	<b>126,088</b>	<b>135,758</b>	<b>157,383</b>	<b>130,947</b>	<b>107,743</b>	<b>78,032</b>
<b>CASHFLOWS FROM OPERATING</b>							
<b>ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(245,376)	(246,904)	(261,436)	(264,402)	(268,789)	(271,669)	(262,835)
Grants and subsidies.....	(68,808)	(94,095)	(94,273)	(89,586)	(66,352)	(62,289)	(62,910)
Supplies and services.....	(96,204)	(95,026)	(101,902)	(93,250)	(83,212)	(82,118)	(83,384)
Accommodation.....	(13,841)	(10,968)	(11,115)	(11,045)	(11,003)	(11,134)	(11,266)
GST payments.....	(27,480)	(18,794)	(18,794)	(18,794)	(18,794)	(18,794)	(18,794)
Finance and interest costs.....	(1,489)	(2,424)	(2,458)	(6,639)	(6,195)	(5,800)	(5,715)
Other payments.....	(51,995)	(50,375)	(48,918)	(48,257)	(45,872)	(47,712)	(48,157)
<b>Receipts (b)</b>							
Emergency Services Levy.....	371,203	394,415	392,087	392,501	423,203	439,872	461,302
Grants and subsidies.....	18,723	7,085	29,240	7,529	5,028	5,032	4,479
Sale of goods and services.....	9,783	9,339	11,089	9,242	9,147	10,197	10,197
GST receipts.....	27,002	18,794	18,794	18,794	18,794	18,794	18,794
Other receipts.....	6,347	3,541	4,022	3,550	3,569	3,584	3,584
<b>Net cash from operating activities .....</b>	<b>(72,135)</b>	<b>(85,412)</b>	<b>(83,664)</b>	<b>(100,357)</b>	<b>(40,476)</b>	<b>(22,037)</b>	<b>5,295</b>
<b>CASHFLOWS FROM INVESTING</b>							
<b>ACTIVITIES</b>							
Purchase of non-current assets.....	(33,406)	(46,282)	(49,210)	(55,647)	(53,831)	(38,355)	(30,478)
Proceeds from sale of non-current assets.....	700	-	-	403	420	420	420
<b>Net cash from investing activities .....</b>	<b>(32,706)</b>	<b>(46,282)</b>	<b>(49,210)</b>	<b>(55,244)</b>	<b>(53,411)</b>	<b>(37,935)</b>	<b>(30,058)</b>
<b>CASHFLOWS FROM FINANCING</b>							
<b>ACTIVITIES</b>							
Repayment of borrowings and leases.....	(19,842)	(43,316)	(44,012)	(47,022)	(47,764)	(48,465)	(48,614)
Proceeds from borrowings.....	-	23,949	23,949	23,949	23,949	23,949	23,949
<b>Net cash from financing activities.....</b>	<b>(19,842)</b>	<b>(19,367)</b>	<b>(20,063)</b>	<b>(23,073)</b>	<b>(23,815)</b>	<b>(24,516)</b>	<b>(24,665)</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>							
<b>HELD .....</b>	<b>1,704</b>	<b>(24,973)</b>	<b>(17,179)</b>	<b>(21,291)</b>	<b>13,245</b>	<b>23,255</b>	<b>28,604</b>
Cash assets at the beginning of the reporting period.....	84,141	59,944	85,845	68,666	47,375	60,620	83,875
<b>Cash assets at the end of the reporting period .....</b>	<b>85,845</b>	<b>34,971</b>	<b>68,666</b>	<b>47,375</b>	<b>60,620</b>	<b>83,875</b>	<b>112,479</b>

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

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

**NET APPROPRIATION DETERMINATION**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Grants and Subsidies</b>							
Commonwealth Grants .....	15,963	2,818	4,737	2,870	1,942	3,371	2,818
DRFAWA .....	634	37,027	22,850	6,829	414	-	-
Emergency Service Radio Network .....	186	-	406	434	-	-	-
National Partnership Agreements							
Coastal and Estuarine Risk Mitigation .....	-	-	17,791	492	1,425	-	-
COVID-19 Response .....	248	-	-	-	-	-	-
National Disaster Risk Reduction .....	-	2,506	5,012	2,506	-	-	-
National Flood Mitigation Infrastructure Program .....	700	-	-	-	-	-	-
Provision of Fire Services .....	1,661	1,661	1,661	1,661	1,661	1,661	1,661
Other Grants .....	1,412	1,149	2,068	1,019	-	-	-
Road Trauma Trust Grant .....	4,650	-	-	-	-	-	-
<b>Sale of Goods and Services</b>							
Sale of Goods and Services .....	5,356	-	400	-	-	-	-
<b>GST Receipts</b>							
GST Input Credits .....	24,162	17,544	17,544	17,544	17,544	17,544	17,544
GST Receipts on Sales .....	2,840	1,250	1,250	1,250	1,250	1,250	1,250
<b>Other Receipts</b>							
Other Sundry Receipts .....	7,652	4,496	5,297	4,648	4,069	4,084	4,084
<b>TOTAL .....</b>	<b>65,464</b>	<b>68,451</b>	<b>79,016</b>	<b>39,253</b>	<b>28,305</b>	<b>27,910</b>	<b>27,357</b>

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>INCOME</b>							
<b>Other</b>							
Appropriations .....	166,960	96,900	149,205	148,441	98,821	56,939	45,000
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>166,960</b>	<b>96,900</b>	<b>149,205</b>	<b>148,441</b>	<b>98,821</b>	<b>56,939</b>	<b>45,000</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
DRFAWA <sup>(a)</sup> .....	74,395	96,900	298,479	162,433	98,821	56,939	45,000
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>74,395</b>	<b>96,900</b>	<b>298,479</b>	<b>162,433</b>	<b>98,821</b>	<b>56,939</b>	<b>45,000</b>

(a) The DRFAWA are jointly funded by State and Commonwealth Governments and administered by the Department to provide assistance to communities to recover from eligible natural disaster events. The 2022-23 Estimated Actual and forward estimates period include additional funding of \$205.8 million in recovery assistance packages for ex-TC Ellie, including \$33 million for temporary accommodation and \$42 million for freight subsidies.



**RURAL FIRE DIVISION**

	2021-22	2022-23	2022-23 Estimated	2023-24 Budget	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Actual \$'000	Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
<b>Bushfire Centre of Excellence (BCoE) <sup>(a)</sup></b>							
Capital Costs.....	486	302	110	-	-	-	-
Operating Costs .....	4,517	5,801	8,240	5,855	5,856	5,858	5,858
Bushfire Risk Management <sup>(b)</sup> .....	16,764	21,936	17,459	23,062	14,869	14,958	15,052
Bushfire Technical Services .....	1,157	1,314	1,387	1,627	1,471	1,473	1,476
Land Use Planning.....	624	900	949	921	757	757	757
Office of Bushfire Risk Management .....	1,002	1,470	1,517	1,495	1,330	1,331	1,331
Rural Fire Executive.....	1,200	1,158	1,185	1,378	1,388	1,397	1,340
<b>TOTAL RURAL FIRE DIVISION .....</b>	<b>25,750</b>	<b>32,881</b>	<b>30,847</b>	<b>34,338</b>	<b>25,671</b>	<b>25,774</b>	<b>25,814</b>

(a) BCoE expenditure includes operating costs and capital works included in the AIP. The 2022-23 Estimated Actual for operating expenditure shows an increase of \$2.4 million compared to the 2022-23 Budget due to an Australia Fire Danger Rating System (AFDRS) Commonwealth grant of \$2 million and an AFDRS National Disaster Risk Reduction grant carryover of \$0.3 million.

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

**BUSHFIRE RISK MANAGEMENT**

	2021-22	2022-23	2022-23 Estimated	2023-24 Budget	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Actual \$'000	Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
<b>Local Government</b>							
Mitigation Activity Fund (MAF) ESL Grants Program <sup>(a)</sup> .....	6,217	11,348	5,765	13,551	6,835	6,906	6,982
MAF Royalties for Regions Grants Program <sup>(b)</sup> .....	1,384	1,149	1,988	1,019	-	-	-
Bushfire Risk Planning Coordinator Support Program .....	1,778	1,409	1,423	1,423	1,423	1,440	1,458
<b>Department Mitigation Works</b>							
Bushfire Awareness Campaign.....	804	1,020	1,020	1,030	1,030	1,030	1,030
Grain Harvest - Aerial Fire Suppression.....	1,083	-	1,200	-	-	-	-
Bushfire Risk Management Officers.....	1,694	2,055	2,108	2,081	2,081	2,082	2,082
Services provided to Education <sup>(c)</sup> .....	326	455	455	458	-	-	-
Unallocated Crown Land							
ESL Contribution .....	2,978	4,000	3,000	3,000	3,000	3,000	3,000
Planning, Lands and Heritage (DPLH) Contribution .....	500	500	500	500	500	500	500
<b>TOTAL BUSHFIRE RISK MANAGEMENT .....</b>	<b>16,764</b>	<b>21,936</b>	<b>17,459</b>	<b>23,062</b>	<b>14,869</b>	<b>14,958</b>	<b>15,052</b>

(a) The 2023-24 Budget Year shows an increase of \$7.8 million compared to the 2022-23 Estimated Actual. The increase is the result of a \$6.7 million retiming of expenditure from 2022-23 to 2023-24 (due to program delays relating to a shortage of local government resources), as well as \$1.2 million Grain Harvest - Aerial Fire Suppression funded from MAF ESL in 2022-23.

(b) The Department administers bushfire mitigation activity grant funding on behalf of DPLH. The funding for this initiative is provided to DPLH from the Royalties for Regions program. This table reflects the allocation of the funding to the Department based on estimates provided by DPLH. The currently approved Phase Two of the program expires in 2023-24.

(c) The Memorandum of Understanding (MOU) between the Department and Education for the provision of bushfire risk services expires in 2023-24. A new MOU is still to be negotiated.

# Division 30 Office of the Director of Public Prosecutions

## Part 7 Community Safety

### Appropriations, Expenses and Cash Assets

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 66 Net amount appropriated to deliver services .....	45,773	46,442	48,979	51,370	56,217	58,886	57,580
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	4,125	4,145	4,145	4,178	4,282	4,390	4,499
Total appropriations provided to deliver services .....	49,898	50,587	53,124	55,548	60,499	63,276	62,079
<b>CAPITAL</b>							
Item 138 Capital Appropriation .....	-	286	1,988	125	127	131	132
<b>TOTAL APPROPRIATIONS</b> .....	49,898	50,873	55,112	55,673	60,626	63,407	62,211
<b>EXPENSES</b>							
Total Cost of Services .....	55,046	57,863	61,340	65,307	70,308	73,202	69,511
Net Cost of Services <sup>(a)</sup> .....	54,915	57,813	61,290	65,257	70,258	73,152	69,461
<b>CASH ASSETS</b> <sup>(b)</sup> .....	8,912	4,352	11,973	10,697	9,607	8,213	8,213

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

(b) As at 30 June each financial year.

### Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Office's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiatives</b>					
Election Commitment - Criminal Law (Mental Impairment) Reforms .....	-	293	-	-	-
Mental Health and Wellbeing Strategy .....	940	1,276	1,090	1,394	-
<b>Ongoing Initiatives</b>					
Cost and Demand Pressures .....	232	39	281	785	1,282
Strategic Asset Portfolio .....	-	400	400	200	200
<b>Other</b>					
Legal Practising Certificates .....	208	113	113	113	113
Public Sector Wages Policy .....	2,123	1,985	2,817	4,073	1,251
Salaries and Allowances Tribunal .....	-	-	76	179	288

## Significant Issues Impacting the Agency

1. The *Criminal Law (Mental Impairment) Act 2023*, which received the Royal Assent on 13 April 2023, will repeal the *Criminal Law (Mentally Impaired Accused) Act 1996* and the *Criminal Law (Mentally Impaired Accused) Regulations 1997*. The Office has received funding for the preparation of the new limiting term proceedings in 2023-24, providing six months of preparation time.
2. The current corporate business systems solutions are to be updated to ensure the essential support networks exist to enable the provision of the prosecution service delivery. Provisioned through the Digital Capability Fund, the Office has established a program of works over the forward estimates period to mitigate critical system procurement and maintenance risks associated with its corporate systems.
3. The increasing use of digital evidence in the criminal justice system is continuing to make case handling much more complex and time consuming. In response, the Office has established a program of works over the forward estimates period to transform the receipt, handling, distribution and storage of case matters. This program of works targets change and justice pipeline process management, digitisation of evidence handling, automation and data collaboration across the criminal justice sector. This program will provide for better prosecutions for the State, prepare the Office for the continued evolution and growth in digital evidence, and support the Digital Strategy for the Western Australian Government 2021-2025 within the criminal justice system.

## 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: Supporting our local and regional communities to thrive.	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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Criminal Prosecutions .....	51,199	54,063	57,540	61,507	66,508	69,402	65,711
2. Confiscation of Assets .....	3,847	3,800	3,800	3,800	3,800	3,800	3,800
<b>Total Cost of Services .....</b>	<b>55,046</b>	<b>57,863</b>	<b>61,340</b>	<b>65,307</b>	<b>70,308</b>	<b>73,202</b>	<b>69,511</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: That the people of Western Australia are provided with a fair and just criminal prosecution service:</b>					
Early advice to Court on charges: Indictment filed within three months of committal .....	59.5%	85%	60%	85%	1
Establishing a case to answer .....	100%	98%	99%	98%	
Convictions after trial .....	60.2%	50%	57.8%	50%	2
Application for a Declaration of Confiscations filed within four months of the Drug Trafficker Declaration.....	6.3%	20%	12%	20%	3

(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 2022-23 Estimated Actual number of indictments filed within three months of committal did not meet the 2022-23 Budget of 85% due to the increased complexity of cases across the broader justice system. This has caused delays in cases progressing to committal stage and adjournments of committal hearings. The Office will continue to progress the backlog of committals and meet the prosecution service demands.
2. The 2022-23 Estimated Actual exceeds the 2022-23 Budget, reflecting the consistent approach of the Office in assessing and preparing matters prior to trial, and effectively preparing and prosecuting trials.
3. The Office manages Drug Trafficker Declarations which includes confiscated property, land and assets. The preparation of applications for confiscation in these matters is a complex process and requires significant liaison with numerous engagements throughout the process, including input from numerous 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 2022-23 Estimated Actual remaining lower than the 2022-23 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 51,199	\$'000 54,063	\$'000 57,540	\$'000 61,507	
Less Income .....	131	50	50	50	
Net Cost of Service .....	51,068	54,013	57,490	61,457	
<b>Employees (Full-Time Equivalents) <sup>(a)</sup></b> .....	260	324	298	338	1
<b>Efficiency Indicators</b>					
Cost per prosecution.....	\$19,490	\$18,000	\$20,559	\$20,000	2

(a) The 2022-23 Budget has been recast from 347 to 324 FTEs in line with actual staffing expenses.

## Explanation of Significant Movements

(Notes)

1. The change in full-time equivalents (FTEs) from the 2022-23 Budget to 2022-23 Estimated Actual is due to the Office's reduced ability to recruit under the current economic conditions. The Office has prioritised senior level appointments and will focus on junior intake programs in the outyears which will result in an increase in FTEs. The 2022-23 Estimated Actual to 2023-24 Budget Target will increase as a result of the increase in demand and the activity across the broader justice system.
2. The 2022-23 Estimated Actual for the cost per prosecution continues to trend upward compared to the 2022-23 Budget as a result of: the relatively low 2022-23 Budget base, the increase in case management complexity driven by the growth in the volume of digital evidence and costs required to securely manage and store this material, the increase in court trial days, and the increase in the salary costs.

### 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 confiscation legal work is generally recouped from the Confiscation Proceeds Account established under the *Criminal Property Confiscation Act 2000*.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 3,847	\$'000 3,800	\$'000 3,800	\$'000 3,800	
Less Income.....	nil	nil	nil	nil	
Net Cost of Service.....	3,847	3,800	3,800	3,800	
<b>Employees (Full-Time Equivalents) .....</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>	
<b>Efficiency Indicators</b>					
Ratio of cost to return <sup>(a)</sup> .....	13.8%	25%	15.2%	25%	1

(a) The ratio of cost to return is calculated by dividing the total cost to operate the Office's confiscation activity by the total confiscation revenue collected.

## Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual ratio of cost to return is lower than the 2022-23 Budget due to confiscation collections expected to be substantially lower than previous years.

**Asset Investment Program**

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Digital Transformation and Change Management							
Digital Transformation and Service Enhancement.....	981	503	-	-	189	289	-
Strategic Asset Portfolio .....	9,415	2,570	2,570	5,970	775	-	100
Equipment Replacement							
Desktop Devices .....	2,012	1,048	225	125	250	250	339
Furniture and Fittings, Portable and Attractive Items, including Dictation and Transcript Equipment.....	220	20	-	-	100	-	100
Print and Photocopy Services.....	279	165	-	114	-	-	-
<b>COMPLETED WORKS</b>							
Accommodation Fit-out.....	1,726	1,726	1,726	-	-	-	-
<b>NEW WORKS</b>							
Equipment Replacement - Prosecution Services - Video Recording and Conferencing.....							
	200	-	-	200	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>14,833</b>	<b>6,032</b>	<b>4,521</b>	<b>6,409</b>	<b>1,314</b>	<b>539</b>	<b>539</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			1,914	-	-	-	-
Drawdown from the Holding Account.....			106	439	539	539	539
Internal Funds and Balances.....			920	-	-	-	-
Major Special Purpose Account(s) Drawdown from Digital Capability Fund .....			1,581	5,970	775	-	-
<b>Total Funding.....</b>			<b>4,521</b>	<b>6,409</b>	<b>1,314</b>	<b>539</b>	<b>539</b>

## Financial Statements

### Income Statement

#### *Expenses*

1. The 2022-23 Estimated Actual Total Cost of Services is higher than the 2022-23 Budget as the Office responded to unavoidable and sustained service demand pressures to meet criminal prosecution caseloads. The Total Cost of Services for the 2023-24 Budget Year has increased by \$4 million compared to the 2022-23 Estimated Actual, as the Office increases its prosecution workforce, associated accommodation needs, and core operating platforms to effectively address the growth in demand and complexities associated with delivery of criminal prosecution activities.

#### *Income*

2. The increase in total income from Government from the 2022-23 Budget to the 2022-23 Estimated Actual is driven by the increase in service appropriations provided to address cost and demand pressures to effectively manage the Mental Health and Wellbeing Strategy, Strategic Asset Portfolio, and preparation of the *Criminal Law (Mental Impairment) Act 2023*.

### Statement of Financial Position

3. Total current assets for the 2022-23 Estimated Actual exceed 2022-23 Budget as cash assets are provisioned for the Office's Asset Investment Program (AIP). The total non-current assets for the 2023-24 Budget Year exceed the 2022-23 Estimated Actual, largely attributable to a \$5.8 million increase in intangibles, as the Office progresses program of works within the AIP. There is a corresponding increase of \$7 million over this period in the Office's contributed equity which substantially funds the AIP and Mental Health and Wellbeing Strategy.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	39,217	43,904	46,375	50,161	54,345	56,140	52,916
Supplies and services .....	5,110	4,122	4,927	5,878	6,084	6,979	6,496
Accommodation .....	5,111	5,493	5,720	5,100	5,376	5,380	5,380
Depreciation and amortisation .....	785	1,091	1,068	885	1,199	1,202	1,204
Finance and interest costs .....	14	21	18	21	21	23	26
Other expenses .....	4,809	3,232	3,232	3,262	3,283	3,478	3,489
<b>TOTAL COST OF SERVICES</b> .....	<b>55,046</b>	<b>57,863</b>	<b>61,340</b>	<b>65,307</b>	<b>70,308</b>	<b>73,202</b>	<b>69,511</b>
<b>Income</b>							
Other revenue .....	131	50	50	50	50	50	50
<b>Total Income</b> .....	<b>131</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>NET COST OF SERVICES</b> .....	<b>54,915</b>	<b>57,813</b>	<b>61,290</b>	<b>65,257</b>	<b>70,258</b>	<b>73,152</b>	<b>69,461</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	49,898	50,587	53,124	55,548	60,499	63,276	62,079
Resources received free of charge .....	793	793	793	793	793	793	793
Special Purpose Account(s)							
National Redress Scheme .....	305	324	324	327	-	-	-
Other revenues .....	10,768	6,351	6,351	6,363	6,376	6,389	6,389
<b>TOTAL INCOME FROM GOVERNMENT</b> .....	<b>61,764</b>	<b>58,055</b>	<b>60,592</b>	<b>63,031</b>	<b>67,668</b>	<b>70,458</b>	<b>69,261</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD</b> .....	<b>6,849</b>	<b>242</b>	<b>(698)</b>	<b>(2,226)</b>	<b>(2,590)</b>	<b>(2,694)</b>	<b>(200)</b>

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

(b) The FTEs for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 281, 319 and 359 respectively.



**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	8,072	3,662	11,133	9,857	8,767	7,373	7,373
Holding Account receivables .....	458	150	439	539	539	539	539
Receivables .....	5,107	2,256	428	428	428	428	428
Other.....	1,087	950	1,087	1,087	1,087	1,087	1,087
<b>Total current assets .....</b>	<b>14,724</b>	<b>7,018</b>	<b>13,087</b>	<b>11,911</b>	<b>10,821</b>	<b>9,427</b>	<b>9,427</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	6,813	8,019	7,780	8,126	8,786	9,449	10,114
Property, plant and equipment.....	1,101	1,157	3,006	2,803	2,584	2,370	2,276
Intangibles .....	168	4,965	1,869	7,678	8,118	7,783	7,448
Restricted cash .....	840	690	840	840	840	840	840
<b>Total non-current assets .....</b>	<b>8,922</b>	<b>14,831</b>	<b>13,495</b>	<b>19,447</b>	<b>20,328</b>	<b>20,442</b>	<b>20,678</b>
<b>TOTAL ASSETS .....</b>	<b>23,646</b>	<b>21,849</b>	<b>26,582</b>	<b>31,358</b>	<b>31,149</b>	<b>29,869</b>	<b>30,105</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	8,184	7,579	7,830	7,830	7,830	7,830	7,830
Payables.....	863	884	863	863	863	863	863
Borrowings and leases.....	-	-	136	135	132	127	138
Other.....	309	226	309	309	309	309	309
<b>Total current liabilities .....</b>	<b>9,356</b>	<b>8,689</b>	<b>9,138</b>	<b>9,137</b>	<b>9,134</b>	<b>9,129</b>	<b>9,140</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	2,330	2,625	2,384	2,384	2,384	2,384	2,384
Borrowings and leases .....	329	258	251	209	191	179	272
<b>Total non-current liabilities .....</b>	<b>2,659</b>	<b>2,883</b>	<b>2,635</b>	<b>2,593</b>	<b>2,575</b>	<b>2,563</b>	<b>2,656</b>
<b>TOTAL LIABILITIES.....</b>	<b>12,015</b>	<b>11,572</b>	<b>11,773</b>	<b>11,730</b>	<b>11,709</b>	<b>11,692</b>	<b>11,796</b>
<b>EQUITY</b>							
Contributed equity .....	7,906	11,773	11,475	18,520	20,922	22,353	22,685
Accumulated surplus/(deficit).....	3,725	(1,996)	3,027	801	(1,789)	(4,483)	(4,683)
Reserves.....	-	-	7	7	7	7	7
Other.....	-	500	300	300	300	300	300
<b>Total equity .....</b>	<b>11,631</b>	<b>10,277</b>	<b>14,809</b>	<b>19,628</b>	<b>19,440</b>	<b>18,177</b>	<b>18,309</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>23,646</b>	<b>21,849</b>	<b>26,582</b>	<b>31,358</b>	<b>31,149</b>	<b>29,869</b>	<b>30,105</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	48,109	49,466	52,026	54,663	59,300	62,074	60,875
Capital appropriation .....	-	286	1,988	125	127	131	132
Holding Account drawdowns .....	1,101	150	150	439	539	539	539
Special Purpose Account(s)							
Digital Capability Fund.....	-	3,581	1,581	6,920	2,275	1,300	200
Other.....	7,960	6,675	11,375	6,690	6,376	6,389	6,389
<b>Net cash provided by Government .....</b>	<b>57,170</b>	<b>60,158</b>	<b>67,120</b>	<b>68,837</b>	<b>68,617</b>	<b>70,433</b>	<b>68,135</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(38,348)	(43,904)	(46,375)	(50,161)	(54,345)	(56,140)	(52,916)
Supplies and services .....	(5,224)	(2,630)	(3,435)	(4,587)	(4,793)	(5,688)	(5,205)
Accommodation .....	(5,114)	(5,493)	(5,493)	(5,018)	(5,294)	(5,298)	(5,298)
GST payments .....	(924)	(840)	(840)	(840)	(840)	(840)	(840)
Finance and interest costs.....	(14)	(21)	(18)	(21)	(21)	(23)	(26)
Other payments.....	(4,597)	(3,916)	(4,143)	(3,836)	(3,857)	(4,052)	(4,063)
<b>Receipts (b)</b>							
GST receipts.....	1,077	834	834	834	834	834	834
Other receipts .....	131	50	50	50	50	50	50
<b>Net cash from operating activities .....</b>	<b>(53,013)</b>	<b>(55,920)</b>	<b>(59,420)</b>	<b>(63,579)</b>	<b>(68,266)</b>	<b>(71,157)</b>	<b>(67,464)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(260)	(4,795)	(4,521)	(6,409)	(1,314)	(539)	(539)
Proceeds from sale of non-current assets.....	362	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>102</b>	<b>(4,795)</b>	<b>(4,521)</b>	<b>(6,409)</b>	<b>(1,314)</b>	<b>(539)</b>	<b>(539)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	-	(142)	(118)	(125)	(127)	(131)	(132)
<b>Net cash from financing activities.....</b>	<b>-</b>	<b>(142)</b>	<b>(118)</b>	<b>(125)</b>	<b>(127)</b>	<b>(131)</b>	<b>(132)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>4,259</b>	<b>(699)</b>	<b>3,061</b>	<b>(1,276)</b>	<b>(1,090)</b>	<b>(1,394)</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	4,653	5,051	8,912	11,973	10,697	9,607	8,213
<b>Cash assets at the end of the reporting period .....</b>	<b>8,912</b>	<b>4,352</b>	<b>11,973</b>	<b>10,697</b>	<b>9,607</b>	<b>8,213</b>	<b>8,213</b>

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

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

**NET APPROPRIATION DETERMINATION**

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Grants and Subsidies</b>							
Contribution from the Confiscation Proceeds Account .....	7,786	6,351	11,051	6,363	6,376	6,389	6,389
<b>GST Receipts</b>							
GST Input Credits .....	1,068	832	832	832	832	832	832
GST Receipts on Sales .....	9	2	2	2	2	2	2
<b>Other Receipts</b>							
Employee Contributions to Employee Vehicle Scheme .....	-	50	50	50	50	50	50
<b>TOTAL .....</b>	<b>8,863</b>	<b>7,235</b>	<b>11,935</b>	<b>7,247</b>	<b>7,260</b>	<b>7,273</b>	<b>7,273</b>

## Division 31 **Corruption and Crime Commission**

### Part 7 **Community Safety**

#### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 67 Net amount appropriated to deliver services .....	27,351	30,190	30,540	<b>31,724</b>	32,282	32,352	33,114
<b>Amount Authorised by Other Statutes - Corruption, Crime and Misconduct Act 2003</b> .....	503	504	556	<b>557</b>	557	557	557
Total appropriations provided to deliver services.....	27,854	30,694	31,096	<b>32,281</b>	32,839	32,909	33,671
<b>CAPITAL</b>							
Item 139 Capital Appropriation.....	219	695	732	<b>267</b>	275	273	264
<b>TOTAL APPROPRIATIONS</b> .....	28,073	31,389	31,828	<b>32,548</b>	33,114	33,182	33,935
<b>EXPENSES</b>							
Total Cost of Services .....	26,868	31,451	31,481	<b>32,666</b>	33,224	33,294	34,056
Net Cost of Services <sup>(a)</sup> .....	26,731	31,411	31,271	<b>32,456</b>	33,014	33,084	33,846
<b>CASH ASSETS</b> <sup>(b)</sup> .....	11,055	9,397	11,055	<b>11,055</b>	11,055	11,055	11,055

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

(b) As at 30 June each financial year.

#### Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Commission's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>Ongoing Initiative</b>					
Continuance of the Unexplained Wealth Functions.....	-	2,895	2,991	3,076	3,153
<b>Other</b>					
2023-24 Streamlined Budget Process Incentive Funding.....	-	577	-	-	-
AASB 16: Leases.....	9	15	64	101	133
Public Sector Wages Policy .....	853	753	1,033	1,321	1,892
Salaries and Allowances Tribunal.....	52	52	51	51	51
State Fleet Policy and Procurement Initiatives.....	13	26	53	53	42

#### Significant Issues Impacting the Agency

1. Additional expenditure of \$12.1 million over 2023-24 to 2026-27 was approved for the Commission to continue and further develop its unexplained wealth functions which seek to deter crime (particularly organised crime) by investigating and confiscating assets from individuals whose wealth exceeds the value of what has been lawfully acquired.

2. The Commission must assess every allegation of serious misconduct or police misconduct under the *Corruption, Crime and Misconduct Act 2003* (the CCM Act). The number of allegations assessed in 2022-23 is consistent with the previous year, placing continued pressure on the assessment process. The assessment process is increasingly complex as more information, such as body worn camera footage, becomes available to the Commission. In addition, continued high staff vacancy rates have impacted the assessment process further. The Commission is continuing to explore opportunities to identify efficiencies and process improvements for the assessment process.
3. The Border Search Areas Proposed Amendment Bill to the *Misuse of Drugs Act 1981* will create permanent border search areas at designated entry points in to and exits points out of Western Australia. The proposed amendments will provide the Western Australia Police Force with enhanced powers to search persons and vehicles entering the State for illegal drugs. The Bill will empower the Commission to inspect records held by the Commissioner of Police to determine compliance with the amendments.

## 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 Outcomes	Services
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	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
	Remove the financial incentive for criminal activity and to reduce harm to the community.	3. Investigating Unexplained Wealth Referrals

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Assessing All Allegations of Serious Misconduct Received .....	4,261	4,544	4,991	6,212	6,326	6,350	6,499
2. Investigating Allegations of Serious Misconduct.....	22,607	26,907	26,490	17,636	17,932	17,963	18,371
3. Investigating Unexplained Wealth Referrals <sup>(a)</sup> .....	n.a.	n.a.	n.a.	8,818	8,966	8,981	9,186
<b>Total Cost of Services .....</b>	<b>26,868</b>	<b>31,451</b>	<b>31,481</b>	<b>32,666</b>	<b>33,224</b>	<b>33,294</b>	<b>34,056</b>

(a) The Commission's Outcome Based Management (OBM) structure was amended effective from the 2023-24 Budget Year to include investigating unexplained wealth referrals. There is no comparable data available for previous years and it is impracticable to recreate the comparative information. The service summary has been amended from the 2023-24 Budget Year to reflect the Total Cost of Services distributed across three services.

**Outcomes and Key Effectiveness Indicators** <sup>(a)(b)</sup>

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: The integrity of the Public Sector continuously improves and the incidence of misconduct is reduced:</b>					
Number of allegations received <sup>(c)</sup> .....	7,008	5,000	5,000	3,000	1
Allegations as a percentage of people employed within public authorities under the Commission's jurisdiction <sup>(d)</sup> .....	3.32%	2.6%	2.6%	n.a.	
Number of investigations .....	57	50	50	50	
Number of reports published .....	38	40	35	45	2
<b>Outcome: Remove the financial incentive for criminal activity and to reduce harm to the community:</b>					
Number of full investigations <sup>(e)</sup> .....	n.a.	n.a.	n.a.	10	

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

(b) The Commission's OBM structure was amended effective from the 2023-24 Budget Year.

(c) The measurement of the number of allegations received was amended, with the definition of an allegation simplified to match the CCM Act. This change will reduce the total volume of allegations recognised as the previous measure recognised additional specific allegations within a single notification, report or referral. The impact of this change reduces the number of allegations received to 2,968 in 2019-20, 2,972 in 2020-21 and 2,825 in 2021-22.

(d) The OBM structure was amended to remove allegations as a percentage of people employed within public authorities under the Commission's jurisdiction and will no longer be reported from the 2023-24 Budget Year.

(e) The OBM structure was amended to include the number of full investigations related to the unexplained wealth functions. This indicator will be reported from the 2023-24 Budget Year. There is no comparable data available for previous years and it is impracticable to recreate the comparative information.

**Explanation of Significant Movements**

(Notes)

1. The 2023-24 Budget Target is lower than the preceding years due to the change in the definition of an allegation used in the measurement of this key effectiveness indicator.
2. The 2022-23 Estimated Actual reflects a decrease in the number of reports published compared to the 2022-23 Budget and is mainly due to the increased complexity of reports published together with the diversion of resources from the serious misconduct function to the unexplained wealth functions. The Commission anticipates that additional funding provided for the unexplained wealth functions will allow the return of resources to the serious misconduct function. This is reflected in the higher 2023-24 Budget Target.

**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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service .....	\$'000 4,261	\$'000 4,544	\$'000 4,991	\$'000 6,212	1
Less Income .....	nil	nil	nil	nil	
Net Cost of Service .....	4,261	4,538	4,991	6,212	
<b>Employees (Full-Time Equivalents) .....</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>29</b>	
<b>Efficiency Indicators</b>					
Percentage of assessments completed within 28 days .....	46%	80%	80%	80%	2
Average cost of assessment .....	\$576	\$908	\$908	\$2,070	

## Explanation of Significant Movements

(Notes)

- The Total Cost of Service for the 2023-24 Budget Target is higher than previous years due to changes to the service costing model following an amendment to the Commission's OBM structure effective from the 2023-24 Budget Year.
- The 2023-24 Budget Target for the average cost of assessment is higher than preceding years and reflects the decrease in the number of allegations due to the revised definition of an allegation effective from 2023-24.

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 22,607	\$'000 26,907	\$'000 26,490	\$'000 17,636	1
Less Income .....	137	34	210	210	
Net Cost of Service .....	22,470	26,873	26,280	17,426	
<b>Employees (Full-Time Equivalents) .....</b>	93	105	105	77	1
<b>Efficiency Indicators</b>					
Average time (days) to complete an investigation into serious misconduct....	395	350	350	350	
Percentage of investigations completed within 12 months .....	62%	80%	80%	80%	

## Explanation of Significant Movements

(Notes)

- The decrease to Total Cost of Service and employees (full-time equivalents) for the 2023-24 Budget Target compared to the 2022-23 Budget and the 2022-23 Estimated Actual is mainly due to changes to the service costing model following amendments to the Commission's OBM structure. This includes the creation and transfer of resources to investigating unexplained wealth referrals effective from the 2023-24 Budget Year.

### 3. Investigating Unexplained Wealth Referrals <sup>(a)</sup>

Investigate and litigate both unexplained wealth matters and in doing so disrupt and deter organised crime.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 n.a.	\$'000 n.a.	\$'000 n.a.	\$'000 8,818	
Less Income .....	n.a.	n.a.	n.a.	nil	
Net Cost of Service .....	n.a.	n.a.	n.a.	8,818	
<b>Employees (Full-Time Equivalents) .....</b>	n.a.	n.a.	n.a.	38	
<b>Efficiency Indicators</b>					
Percentage of full investigations in which <i>Criminal Property Confiscation Act 2000</i> proceedings have been initiated or a decision to discontinue has been made within 12 months.....	n.a.	n.a.	n.a.	80%	

- (a) The Commission's OBM structure was amended effective from the 2023-24 Budget Year to include an additional service of investigating unexplained wealth referrals. There is no comparable data available for previous years and it is impracticable to recreate the comparative information.

## Asset Investment Program

1. The Commission's Asset Investment Program provides for the replacement of business systems and equipment across the forward estimates period, including:
  - 1.1. the renewal and upgrades to the Commission's office furniture, fixtures, and security equipment;
  - 1.2. upgrades to the existing surveillance systems to ensure they remain contemporary and reliable to meet operational requirements; and
  - 1.3. maintaining and improving audio-visual equipment and network capability by replacing assets that have reached the end of their useful life.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COMPLETED WORKS</b>							
Office and Security Equipment - 2022-23 Program.....	39	39	39	-	-	-	-
Operations Support Equipment - 2022-23 Program.....	789	789	789	-	-	-	-
Technology and Business Support Systems - 2022-23 Program .....	472	472	472	-	-	-	-
Unexplained Wealth Functions - Accommodation Fit-out..	480	480	480	-	-	-	-
<b>NEW WORKS</b>							
Office and Security Equipment							
2023-24 Program .....	140	-	-	140	-	-	-
2024-25 Program .....	60	-	-	-	60	-	-
2025-26 Program .....	20	-	-	-	-	20	-
2026-27 Program .....	80	-	-	-	-	-	80
Operations Support Equipment							
2023-24 Program .....	775	-	-	775	-	-	-
2024-25 Program .....	660	-	-	-	660	-	-
2025-26 Program .....	765	-	-	-	-	765	-
2026-27 Program .....	1,095	-	-	-	-	-	1,095
Technology and Business Support Systems							
2023-24 Program .....	385	-	-	385	-	-	-
2024-25 Program .....	580	-	-	-	580	-	-
2025-26 Program .....	515	-	-	-	-	515	-
2026-27 Program .....	125	-	-	-	-	-	125
<b>Total Cost of Asset Investment Program.....</b>	<b>6,980</b>	<b>1,780</b>	<b>1,780</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			480	-	-	-	-
Drawdown from the Holding Account.....			1,300	1,300	1,300	1,300	1,300
<b>Total Funding.....</b>			<b>1,780</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>



## Financial Statements

### Income Statement

#### *Expenses*

1. Supplies and services are estimated to increase by \$500,000 in the 2023-24 Budget Year compared to the 2022-23 Estimated Actual. This is mainly due to streamlined budget process incentive funding that will allow the Commission to deliver a number of short-term business improvement initiatives within the 2023-24 Budget Year.
2. Depreciation and amortisation are estimated to decrease by \$400,000 in the 2022-23 Estimated Actual compared to the 2022-23 Budget, largely due to the delay in the capitalisation of significant ICT system expenditure during 2022-23.

#### *Income*

3. Other revenue is estimated to increase by \$200,000 in the 2022-23 Estimated Actual compared to the 2022-23 Budget. This is mainly due to an increasing trend of inter-agency service recoup and insurance recoverable revenues.
4. Resources received free of charge are estimated to decrease by \$300,000 in the 2023-24 Estimated Actual compared to the 2022-23 Budget, impacted by a decreasing trend of inter-agency placements.

### Statement of Financial Position

5. Cash assets are estimated to increase by \$1.7 million in the 2022-23 Estimated Actual compared to the 2022-23 Budget. This is largely due to the recognition of the \$1.5 million operating surplus due to the underspend in salary expenses related to delays in recruitment of vacant positions within 2021-22 that increased the Commission's cash at bank.

### Statement of Cashflows

6. Other receipts are estimated to increase by \$200,000 in the 2022-23 Estimated Actual compared to the 2022-23 Budget. This is mainly due to an increasing trend of service recoup and insurance recoverable receipts.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b) .....	17,648	21,150	22,003	22,481	23,067	23,427	24,062
Supplies and services .....	4,707	5,160	4,873	5,387	4,866	4,770	4,849
Accommodation .....	2,351	2,565	2,463	2,515	2,551	2,589	2,628
Depreciation and amortisation .....	1,247	1,764	1,379	1,540	1,597	1,422	1,423
Finance and interest costs .....	9	13	15	30	34	27	19
Other expenses .....	906	799	748	713	1,109	1,059	1,075
<b>TOTAL COST OF SERVICES .....</b>	<b>26,868</b>	<b>31,451</b>	<b>31,481</b>	<b>32,666</b>	<b>33,224</b>	<b>33,294</b>	<b>34,056</b>
<b>Income</b>							
Other revenue .....	137	40	210	210	210	210	210
<b>Total Income .....</b>	<b>137</b>	<b>40</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>
<b>NET COST OF SERVICES .....</b>	<b>26,731</b>	<b>31,411</b>	<b>31,271</b>	<b>32,456</b>	<b>33,014</b>	<b>33,084</b>	<b>33,846</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	27,854	30,694	31,096	32,281	32,839	32,909	33,671
Resources received free of charge .....	289	475	175	175	175	175	175
Other revenues .....	68	-	-	-	-	-	-
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>28,211</b>	<b>31,169</b>	<b>31,271</b>	<b>32,456</b>	<b>33,014</b>	<b>33,084</b>	<b>33,846</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD .....</b>	<b>1,480</b>	<b>(242)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 125, 137 and 144 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	10,660	8,941	10,595	10,530	10,465	10,400	10,335
Holding Account receivables .....	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Receivables .....	321	248	321	321	321	321	321
Other.....	989	1,080	1,000	1,028	1,037	1,060	1,049
<b>Total current assets .....</b>	<b>13,270</b>	<b>11,569</b>	<b>13,216</b>	<b>13,179</b>	<b>13,123</b>	<b>13,081</b>	<b>13,005</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	16,009	16,473	16,088	16,328	16,625	16,747	16,870
Property, plant and equipment.....	2,832	2,796	3,482	3,841	3,581	3,360	3,308
Receivables .....	146	146	146	146	146	146	146
Intangibles .....	625	436	672	668	678	788	898
Restricted cash .....	395	456	460	525	590	655	720
<b>Total non-current assets .....</b>	<b>20,007</b>	<b>20,307</b>	<b>20,848</b>	<b>21,508</b>	<b>21,620</b>	<b>21,696</b>	<b>21,942</b>
<b>TOTAL ASSETS .....</b>	<b>33,277</b>	<b>31,876</b>	<b>34,064</b>	<b>34,687</b>	<b>34,743</b>	<b>34,777</b>	<b>34,947</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	4,126	3,581	4,126	4,126	4,126	4,126	4,126
Payables .....	311	131	311	311	311	311	311
Borrowings and leases .....	207	226	247	281	262	240	217
Other.....	93	125	93	93	93	93	93
<b>Total current liabilities .....</b>	<b>4,737</b>	<b>4,063</b>	<b>4,777</b>	<b>4,811</b>	<b>4,792</b>	<b>4,770</b>	<b>4,747</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	729	1,325	729	729	729	729	729
Borrowings and leases .....	227	175	242	564	364	147	76
<b>Total non-current liabilities .....</b>	<b>956</b>	<b>1,500</b>	<b>971</b>	<b>1,293</b>	<b>1,093</b>	<b>876</b>	<b>805</b>
<b>TOTAL LIABILITIES.....</b>	<b>5,693</b>	<b>5,563</b>	<b>5,748</b>	<b>6,104</b>	<b>5,885</b>	<b>5,646</b>	<b>5,552</b>
<b>EQUITY</b>							
Contributed equity .....	13,884	13,623	14,616	14,883	15,158	15,431	15,695
Accumulated surplus/(deficit).....	13,700	12,690	13,700	13,700	13,700	13,700	13,700
<b>Total equity .....</b>	<b>27,584</b>	<b>26,313</b>	<b>28,316</b>	<b>28,583</b>	<b>28,858</b>	<b>29,131</b>	<b>29,395</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>33,277</b>	<b>31,876</b>	<b>34,064</b>	<b>34,687</b>	<b>34,743</b>	<b>34,777</b>	<b>34,947</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	26,088	28,930	29,717	30,741	31,242	31,487	32,248
Capital appropriation .....	219	695	732	267	275	273	264
Holding Account drawdowns .....	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Other.....	68	-	-	-	-	-	-
<b>Net cash provided by Government .....</b>	<b>27,675</b>	<b>30,925</b>	<b>31,749</b>	<b>32,308</b>	<b>32,817</b>	<b>33,060</b>	<b>33,812</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(17,429)	(21,090)	(21,943)	(22,421)	(23,007)	(23,367)	(24,002)
Supplies and services .....	(4,470)	(4,752)	(4,912)	(5,425)	(4,904)	(4,800)	(4,876)
Accommodation .....	(2,351)	(2,565)	(2,463)	(2,515)	(2,551)	(2,589)	(2,628)
GST payments .....	(969)	(1,232)	(938)	(941)	(934)	(922)	(935)
Finance and interest costs.....	(9)	(12)	(15)	(30)	(34)	(27)	(21)
Other payments.....	(747)	(732)	(598)	(563)	(959)	(909)	(925)
<b>Receipts</b>							
GST receipts .....	912	1,236	942	945	938	926	947
Other receipts .....	141	40	210	210	210	210	210
<b>Net cash from operating activities .....</b>	<b>(24,922)</b>	<b>(29,107)</b>	<b>(29,717)</b>	<b>(30,740)</b>	<b>(31,241)</b>	<b>(31,478)</b>	<b>(32,230)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(1,225)	(1,780)	(1,780)	(1,300)	(1,300)	(1,300)	(1,300)
<b>Net cash from investing activities.....</b>	<b>(1,225)</b>	<b>(1,780)</b>	<b>(1,780)</b>	<b>(1,300)</b>	<b>(1,300)</b>	<b>(1,300)</b>	<b>(1,300)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases .....	(226)	(216)	(252)	(268)	(276)	(282)	(282)
<b>Net cash from financing activities.....</b>	<b>(226)</b>	<b>(216)</b>	<b>(252)</b>	<b>(268)</b>	<b>(276)</b>	<b>(282)</b>	<b>(282)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>1,302</b>	<b>(178)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	9,753	9,575	11,055	11,055	11,055	11,055	11,055
<b>Cash assets at the end of the reporting period .....</b>	<b>11,055</b>	<b>9,397</b>	<b>11,055</b>	<b>11,055</b>	<b>11,055</b>	<b>11,055</b>	<b>11,055</b>

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

## Division 32 **Chemistry Centre (WA)**

### Part 7 **Community Safety**

#### Appropriations, Expenses and Cash Assets

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 68 Net amount appropriated to deliver services .....	6,771	6,938	8,363	9,527	9,129	9,434	9,140
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	252	253	253	254	260	267	274
Total appropriations provided to deliver services.....	7,023	7,191	8,616	9,781	9,389	9,701	9,414
<b>CAPITAL</b>							
Item 140 Capital Appropriation.....	2,500	2,500	2,500	2,680	2,750	2,500	2,500
<b>TOTAL APPROPRIATIONS</b> .....	9,523	9,691	11,116	12,461	12,139	12,201	11,914
<b>EXPENSES</b>							
Total Cost of Services .....	29,969	31,084	33,103	35,730	36,166	36,488	36,438
Net Cost of Services (a) .....	24,120	25,080	27,080	29,175	29,533	29,713	29,507
<b>CASH ASSETS</b> (b) .....	6,734	5,007	7,218	7,941	8,722	9,690	11,021

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

(b) As at 30 June each financial year.

#### Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Centre's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiative</b>					
A New Human Identification Technique .....	508	1,602	1,103	1,103	-
<b>Other</b>					
2023-24 Streamlined Budget Process Incentive Funding .....	-	171	-	-	-
Public Sector Wages Policy .....	917	806	1,082	1,356	1,564
Revenue and Expense Update.....	594	1,252	1,299	1,262	1,863

## Significant Issues Impacting the Agency

### Safe, Strong and Fair Communities

1. The Centre works closely with police, the justice system and emergency services to help keep the State safe.
  - 1.1. The Centre supports the Western Australia Police Force to improve road safety through the provision of forensic toxicology services, including testing of drivers who may be affected by alcohol and/or drugs, as well as ongoing expansion of drug testing capabilities for those involved in traffic accidents.
  - 1.2. The Centre works closely with the Western Australia Police Force in targeting the supply of illicit drugs by established criminal networks through the forensic analysis of illicit drug samples, clandestine drug laboratories and drug profiling. The Centre's expertise in analysis and identification of 'designer drugs' continues to help save lives and reduce the health impacts of illicit drug use in the community.
  - 1.3. The Centre is working with the Western Australia Police Force, the Sexual Assault Resource Centre and the Royal Perth Hospital Emergency Department in a world-first initiative to address community safety concerns related to drink spiking and support police investigations into drink spiking crimes. The Centre's forensic toxicology experts have developed an analytical strategy - covering more than 600 substances - for testing samples collected from people who suspect they have been a victim of drink spiking.
  - 1.4. Public health concerns surround the issue of vaping in the community and the illegal importation and distribution of e-cigarettes containing nicotine. The Centre is assisting the Western Australia Police Force and health authorities to target illegal e-cigarette products through the forensic analysis of seized e-cigarette products.
  - 1.5. To help solve crime, the Centre will lead research to develop a world-first forensic proteomics technique utilising protein-based procedures for human identification. This capability will be complementary to DNA analyses and could be used to assist in identifying victims and offenders through analysis of hair strands recovered from crime scenes. The technique also has potential applications for coronial investigations, crisis and emergency response management, and disaster victim identification.
  - 1.6. The Centre continues to support coronial investigations through the delivery of extensive toxicology services. There has been an increase in coronial toxicology requests corresponding to a rise in the number of reportable deaths. The introduction of computerised tomography scanning into the coronial system has also led to an increase in the number of rapid toxicology services provided in cases of pathologist recommended external post-mortem examination.
  - 1.7. Hazardous Materials (HAZMAT) Emergency Response staff are on call 24/7 to support the Department of Fire and Emergency Services (DFES) in responding to hazardous threats that may impact public safety, public health and critical infrastructure. These incidents present complex challenges and require an ongoing program of training and exercises to develop and maintain essential capabilities.
  - 1.8. The Centre continues to participate in and provide specialist expertise to a range of working groups relating to chemical hazards and emergency response including the Lithium-ion Working Group and working with DFES and the Department of Mines, Industry Regulation and Safety to examine issues related to the safe use, recycling and disposal of these batteries in the community.
  - 1.9. The Centre continues to maintain and enhance its capacity to assist the Western Australia Police Force and other agencies in the response to terrorism threats and incidents, and is a member of the Chemical Warfare Agent Laboratory Network. HAZMAT specialist chemists participate in regular training, exercises and liaising with chemical hazard, emergency response and counter-terrorism agencies at a national and international level.

## Supports Diversifying the Economy and Creating Jobs for the Future

2. The Centre continues to focus efforts to develop scientific capability to solve complex problems for the State, grow its commercial business and pursue high-quality research and innovation to support the growth of established and emerging industries and job creation.
  - 2.1. The Centre is using the Leaching Environmental Assessment Framework to assess the long-term environmental impact of mining by-products for a variety of applications, such as use in construction and landfill. By diverting traditional waste materials into a new stream, the Centre continues to mitigate carbon generation, support the circular economy and reduce storage and disposal costs and the environmental footprint of these materials.
  - 2.2. The Centre is partnering with several Cooperative Research Centres (CRCs), such as:
    - 2.2.1. the CRC for Transformation in Mining Economies (CRC-TiME) and the CRC for Future Battery Industries (CRC-FBI). The Centre continues to explore 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; and
    - 2.2.2. the CRC Fight Food Waste. The Centre collaborates with this CRC to reduce food waste throughout the supply chain and transform waste into innovative high-value co-products.
  - 2.3. To support local, national and international business, the Centre is providing high-quality chemical analysis by:
    - 2.3.1. holding Therapeutic Goods Administration and National Association of Testing Authorities accreditation to undertake analysis to support the emerging hemp and medicinal cannabis industry; and
    - 2.3.2. assisting producers to verify the authenticity of a range of products, such as seafood, honey and pork for important domestic and export markets.
  - 2.4. The Centre is building a skilled workforce for the future by providing postgraduate student supervision, with multiple students completing higher education studies at the Master and Doctorate levels across a range of fields, including proteomics, explosives, gunshot residue, new illicit drug detection capability, trace evidence, toxicology, agriculture and environmental science.
  - 2.5. The Centre is also supporting the State's commitment to increase participation in science, technology, engineering and mathematics education through an education outreach program that includes a community Open Day, school visits, guest lectures, webinars, career expos and participation in science-related community events that promote chemistry-related education in the broader community.

## Supporting Sporting Sectors to Promote Vibrant Communities

3. The Centre supports the integrity of the horse and greyhound racing industries through the provision of comprehensive analytical and consultative services. Through dedicated research and innovation projects, the Centre continues to expand analytical capabilities to address emerging doping trends and to meet the current and future needs of the industries.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## 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 Centre'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: Diversifying the WA economy, creating local jobs for the future.	Quality research and innovation.	1. Research and Innovation
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Quality scientific advice.	2. Commercial and Scientific Information and Advice
	Quality emergency response.	3. Emergency Response Management

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Research and Innovation.....	2,666	2,962	3,362	4,570	3,982	4,081	3,115
2. Commercial and Scientific Information and Advice.....	25,308	25,915	27,531	28,920	29,888	30,053	30,910
3. Emergency Response Management.....	1,995	2,207	2,210	2,240	2,296	2,354	2,413
<b>Total Cost of Services .....</b>	<b>29,969</b>	<b>31,084</b>	<b>33,103</b>	<b>35,730</b>	<b>36,166</b>	<b>36,488</b>	<b>36,438</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22	2022-23	2022-23	2023-24	Note
	Actual	Budget	Estimated Actual	Budget Target	
<b>Outcome: Quality research and innovation:</b>					
Contribution to scientific forums .....	89	60	60	70	
<b>Outcome: Quality scientific advice:</b>					
Proficiency rating for the accredited services.....	96%	95%	95%	95%	
<b>Outcome: Quality emergency response:</b>					
Average mobilisation time for emergency response incidents.....	14 minutes	20 minutes	14 minutes	20 minutes	1
Availability of emergency response workforce to meet agreed interagency 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 improved 2022-23 Estimated Actual compared to the 2022-23 Budget reflects maintenance of a high level of capability and readiness of the Centre's emergency responders in minimising harm to the community through rapid mobilisation to HAZMAT incidents. The 2023-24 Budget Target is consistent with the mobilisation time target in the Centre's Memorandum of Understanding with DFES.



## Services and Key Efficiency Indicators

### 1. Research and Innovation

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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 2,666	\$'000 2,962	\$'000 3,362	\$'000 4,570	1
Less Income .....	619	1,166	957	1,057	
Net Cost of Service .....	2,047	1,796	2,405	3,513	
<b>Employees (Full-Time Equivalents) .....</b>	<b>8</b>	<b>9</b>	<b>7</b>	<b>10</b>	
<b>Efficiency Indicators</b>					
Publications per research and innovation full-time equivalent .....	2.6	2.9	2.9	3.2	

### Explanation of Significant Movements

(Notes)

- The \$0.4 million increase in the 2022-23 Estimated Actual as compared to the 2022-23 Budget is attributable to the commencement of the forensic proteomics research project part-way through the year. The continuation of the project is reflected by the \$1.2 million increase in the 2023-24 Budget Target as compared to the 2022-23 Estimated Actual.

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 25,308	\$'000 25,915	\$'000 27,531	\$'000 28,920	1
Less Income .....	5,230	4,838	5,066	5,498	
Net Cost of Service .....	20,078	21,077	22,465	23,422	
<b>Employees (Full-Time Equivalents) .....</b>	<b>104</b>	<b>107</b>	<b>111</b>	<b>116</b>	
<b>Efficiency Indicators</b>					
Average cost of providing commercial scientific information and advice per applicable full-time equivalents .....	\$245,000	\$243,000	\$248,000	\$246,000	2

### Explanation of Significant Movements

(Notes)

- The \$1.6 million increase in the 2022-23 Estimated Actual as compared to the 2022-23 Budget is primarily attributable to the increased salary rates and one-off cost of living payment under the new public sector wages policy, as well as laboratory costs to meet higher service demand from the Office of the State Coroner. The 2023-24 Budget Target is estimated to further increase by \$1.4 million compared to the 2022-23 Estimated Actual. This mainly reflects the laboratory costs of servicing higher levels of Western Australia Police Force forensic activities, the filling of positions that have been vacant for part of the 2022-23 financial year, and general annual cost increases.
- The increased 2022-23 Estimated Actual as compared to the 2022-23 Budget is primarily attributable to the increased salary rates and one-off cost of living payment under the new public sector wages policy.

### 3. Emergency Response Management

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,995	2,207	2,210	2,240	
Less Income.....	nil	nil	nil	nil	
Net Cost of Service.....	1,995	2,207	2,210	2,240	
<b>Employees (Full-Time Equivalents) .....</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	
<b>Efficiency Indicators</b>					
Average cost to maintain an emergency response capability per Western Australian .....	\$0.72	\$0.82	\$0.82	\$0.84	

### Asset Investment Program

- In 2023-24, the Centre's Asset Investment Program totals \$2.7 million, to be spent on the replacement of key scientific equipment to ensure that the Centre continues to provide high-quality specialised services to government and non-government clients. In addition, some capital will be invested into equipment used in the development of a world-first forensic proteomics technique utilising protein-based procedures for human identification.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COMPLETED WORKS</b>							
Capital Equipment Replacement - 2022-23 Program .....	2,500	2,500	2,500	-	-	-	-
<b>NEW WORKS</b>							
Capital Equipment Replacement							
2023-24 Program .....	2,680	-	-	2,680	-	-	-
2024-25 Program .....	2,750	-	-	-	2,750	-	-
2025-26 Program .....	2,500	-	-	-	-	2,500	-
2026-27 Program .....	2,500	-	-	-	-	-	2,500
<b>Total Cost of Asset Investment Program.....</b>	<b>12,930</b>	<b>2,500</b>	<b>2,500</b>	<b>2,680</b>	<b>2,750</b>	<b>2,500</b>	<b>2,500</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			2,500	2,680	2,750	2,500	2,500
<b>Total Funding.....</b>			<b>2,500</b>	<b>2,680</b>	<b>2,750</b>	<b>2,500</b>	<b>2,500</b>

## Financial Statements

### Income Statement

#### *Expenses*

1. The 2023-24 Budget Year Total Cost of Services is estimated to increase by \$2.6 million compared to the 2022-23 Estimated Actual. The increase mainly reflects the laboratory costs of servicing higher levels of Western Australia Police Force and Office of the State Coroner forensic activities, the continuation of the forensic proteomics research project, the filling of positions vacant for part of the 2022-23 financial year, and general annual cost increases.

#### *Income*

2. The 2023-24 Budget Year total income from Government is estimated to increase by \$2 million compared to the 2022-23 Estimated Actual, primarily reflecting increased Western Australian Police Force and Office of the State Coroner funding for forensic activities and the appropriation provided for the forensic proteomics research project.

### Statement of Financial Position

3. Total assets are expected to increase by \$1.6 million between the 2022-23 Estimated Actual and 2023-24 Budget Year. This is primarily attributable to increases in cash and receivables reflecting a higher scheduled fee for service revenue receipts received prior to the close of the financial year, and ongoing contributions to the Accommodation Sinking Fund for future building works expected to be undertaken.

### Statement of Cashflows

4. The cash balance is expected to increase by \$0.7 million between the 2023-24 Budget Target and 2022-23 Estimated Actual, reflecting differences in timing of cashflows, with increased client payments prior to the close of each financial year and improved cost recovery rates for services provided.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	15,922	16,233	17,776	18,708	19,374	19,699	20,225
Supplies and services .....	2,846	2,924	3,266	3,891	3,656	3,686	3,458
Accommodation .....	5,660	5,763	5,592	5,773	5,788	5,802	5,821
Depreciation and amortisation .....	2,100	2,270	2,419	2,579	2,730	2,717	2,668
Finance and interest costs .....	2	4	2	7	6	5	7
Other expenses .....	3,439	3,890	4,048	4,772	4,612	4,579	4,259
<b>TOTAL COST OF SERVICES</b> .....	<b>29,969</b>	<b>31,084</b>	<b>33,103</b>	<b>35,730</b>	<b>36,166</b>	<b>36,488</b>	<b>36,438</b>
<b>Income</b>							
Sale of goods and services .....	5,828	5,931	5,982	6,504	6,592	6,724	6,889
Other revenue .....	21	73	41	51	41	51	42
<b>Total Income</b> .....	<b>5,849</b>	<b>6,004</b>	<b>6,023</b>	<b>6,555</b>	<b>6,633</b>	<b>6,775</b>	<b>6,931</b>
<b>NET COST OF SERVICES</b> .....	<b>24,120</b>	<b>25,080</b>	<b>27,080</b>	<b>29,175</b>	<b>29,533</b>	<b>29,713</b>	<b>29,507</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	7,023	7,191	8,616	9,781	9,389	9,701	9,414
Resources received free of charge .....	15	-	-	-	10	10	12
Other revenues .....	16,290	16,305	17,283	18,142	18,568	18,868	19,216
<b>TOTAL INCOME FROM GOVERNMENT</b> .....	<b>23,328</b>	<b>23,496</b>	<b>25,899</b>	<b>27,923</b>	<b>27,967</b>	<b>28,579</b>	<b>28,642</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD</b> .....	<b>(792)</b>	<b>(1,584)</b>	<b>(1,181)</b>	<b>(1,252)</b>	<b>(1,566)</b>	<b>(1,134)</b>	<b>(865)</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 139, 145 and 153 respectively.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	6,068	4,551	6,572	7,315	8,156	9,154	10,339
Restricted cash .....	666	456	646	626	566	536	682
Receivables .....	1,808	2,997	2,285	2,637	2,288	2,438	2,878
Other.....	843	733	943	953	953	973	864
<b>Total current assets .....</b>	<b>9,385</b>	<b>8,737</b>	<b>10,446</b>	<b>11,531</b>	<b>11,963</b>	<b>13,101</b>	<b>14,763</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	6,680	7,456	6,666	6,801	6,895	7,327	7,920
Intangibles .....	1,325	893	1,538	1,592	1,515	875	303
Other.....	2,550	4,315	2,867	3,184	3,501	3,818	4,135
<b>Total non-current assets .....</b>	<b>10,555</b>	<b>12,664</b>	<b>11,071</b>	<b>11,577</b>	<b>11,911</b>	<b>12,020</b>	<b>12,358</b>
<b>TOTAL ASSETS .....</b>	<b>19,940</b>	<b>21,401</b>	<b>21,517</b>	<b>23,108</b>	<b>23,874</b>	<b>25,121</b>	<b>27,121</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	3,355	3,150	3,355	3,355	3,355	3,355	3,141
Payables .....	408	459	408	408	408	308	408
Borrowings and leases .....	17	24	46	60	60	77	89
Other.....	968	903	1,148	1,278	915	895	936
<b>Total current liabilities .....</b>	<b>4,748</b>	<b>4,536</b>	<b>4,957</b>	<b>5,101</b>	<b>4,738</b>	<b>4,635</b>	<b>4,574</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,435	1,440	1,435	1,435	1,435	1,435	1,435
Borrowings and leases .....	21	24	70	89	34	18	116
Other.....	-	26	-	-	-	-	-
<b>Total non-current liabilities .....</b>	<b>1,456</b>	<b>1,490</b>	<b>1,505</b>	<b>1,524</b>	<b>1,469</b>	<b>1,453</b>	<b>1,551</b>
<b>TOTAL LIABILITIES.....</b>	<b>6,204</b>	<b>6,026</b>	<b>6,462</b>	<b>6,625</b>	<b>6,207</b>	<b>6,088</b>	<b>6,125</b>
<b>EQUITY</b>							
Contributed equity .....	21,026	23,526	23,526	26,206	28,956	31,456	33,956
Accumulated surplus/(deficit).....	(7,290)	(8,151)	(8,471)	(9,723)	(11,289)	(12,423)	(13,288)
Other.....	-	-	-	-	-	-	328
<b>Total equity .....</b>	<b>13,736</b>	<b>15,375</b>	<b>15,055</b>	<b>16,483</b>	<b>17,667</b>	<b>19,033</b>	<b>20,996</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>19,940</b>	<b>21,401</b>	<b>21,517</b>	<b>23,108</b>	<b>23,874</b>	<b>25,121</b>	<b>27,121</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	7,023	7,191	8,616	9,781	9,389	9,701	9,414
Capital appropriation .....	2,500	2,500	2,500	2,680	2,750	2,500	2,500
Other.....	16,250	16,074	17,033	18,013	18,380	18,857	19,353
<b>Net cash provided by Government .....</b>	<b>25,773</b>	<b>25,765</b>	<b>28,149</b>	<b>30,474</b>	<b>30,519</b>	<b>31,058</b>	<b>31,267</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(15,797)	(16,210)	(17,750)	(18,682)	(19,275)	(19,599)	(20,698)
Supplies and services .....	(2,984)	(2,964)	(3,304)	(3,918)	(3,757)	(3,821)	(3,446)
Accommodation .....	(5,898)	(5,972)	(5,801)	(5,979)	(5,994)	(6,004)	(6,022)
GST payments .....	(2,142)	(2,015)	(2,030)	(2,223)	(2,112)	(2,384)	(2,373)
Finance and interest costs.....	(2)	(4)	(2)	(7)	(6)	(5)	(7)
Other payments.....	(3,447)	(4,019)	(4,175)	(4,734)	(4,716)	(4,764)	(4,281)
<b>Receipts</b>							
Sale of goods and services.....	6,419	5,866	5,896	6,325	6,806	6,634	6,945
GST receipts .....	2,268	2,014	2,029	2,192	2,112	2,400	2,491
Other receipts .....	12	11	11	11	11	11	12
<b>Net cash from operating activities .....</b>	<b>(21,571)</b>	<b>(23,293)</b>	<b>(25,126)</b>	<b>(27,015)</b>	<b>(26,931)</b>	<b>(27,532)</b>	<b>(27,379)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(2,525)	(2,500)	(2,500)	(2,680)	(2,750)	(2,500)	(2,500)
<b>Net cash from investing activities.....</b>	<b>(2,525)</b>	<b>(2,500)</b>	<b>(2,500)</b>	<b>(2,680)</b>	<b>(2,750)</b>	<b>(2,500)</b>	<b>(2,500)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(55)	(39)	(39)	(56)	(57)	(58)	(57)
<b>Net cash from financing activities.....</b>	<b>(55)</b>	<b>(39)</b>	<b>(39)</b>	<b>(56)</b>	<b>(57)</b>	<b>(58)</b>	<b>(57)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>1,622</b>	<b>(67)</b>	<b>484</b>	<b>723</b>	<b>781</b>	<b>968</b>	<b>1,331</b>
Cash assets at the beginning of the reporting period .....	5,112	5,074	6,734	7,218	7,941	8,722	9,690
<b>Cash assets at the end of the reporting period .....</b>	<b>6,734</b>	<b>5,007</b>	<b>7,218</b>	<b>7,941</b>	<b>8,722</b>	<b>9,690</b>	<b>11,021</b>

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

# Division 33 Office of the Inspector of Custodial Services

## Part 7 Community Safety

### Appropriations, Expenses and Cash Assets

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 69 Net amount appropriated to deliver services .....	3,353	3,426	3,538	<b>3,567</b>	3,571	3,639	3,685
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	249	250	250	<b>251</b>	257	264	270
Total appropriations provided to deliver services.....	3,602	3,676	3,788	<b>3,818</b>	3,828	3,903	3,955
<b>CAPITAL</b>							
Capital Appropriation .....	236	-	-	-	-	-	-
<b>TOTAL APPROPRIATIONS</b> .....	<b>3,838</b>	<b>3,676</b>	<b>3,788</b>	<b>3,818</b>	<b>3,828</b>	<b>3,903</b>	<b>3,955</b>
<b>EXPENSES</b>							
Total Cost of Services .....	3,737	3,763	3,877	<b>3,906</b>	3,915	3,990	4,042
Net Cost of Services (a) .....	3,732	3,758	3,872	<b>3,901</b>	3,910	3,985	4,037
<b>CASH ASSETS (b)</b> .....	<b>467</b>	<b>456</b>	<b>447</b>	<b>455</b>	<b>464</b>	<b>473</b>	<b>481</b>

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

(b) As at 30 June each financial year.

### Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Office's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Other</b>					
2023-24 Streamlined Budget Process Incentive Funding .....	-	68	-	-	-
Public Sector Wages Policy .....	112	100	133	190	231
Salaries and Allowances Tribunal.....	-	-	5	12	12

### Significant Issues Impacting the Agency

1. Australia signed the Optional Protocol to the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment in 2009 and ratified the agreement in 2017. The Office has been nominated as one of the two National Preventative Mechanisms for Western Australia, which will extend the Office's jurisdiction to include police lockups.
2. The ongoing challenges being experienced in juvenile detention have significantly increased the Office's monitoring and inspection commitments to cover both Unit 18 at Casuarina Prison and the Banksia Hill Detention Centre.

## 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: Supporting our local and regional communities to thrive.	The Parliament, Minister and other stakeholders are informed on the performance of custodial services.	1. Inspection and Review of Custodial Services

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Inspection and Review of Custodial Services .....	3,737	3,763	3,877	3,906	3,915	3,990	4,042
<b>Total Cost of Services .....</b>	<b>3,737</b>	<b>3,763</b>	<b>3,877</b>	<b>3,906</b>	<b>3,915</b>	<b>3,990</b>	<b>4,042</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22	2022-23	2022-23	2023-24	Note
	Actual	Budget	Estimated Actual	Budget Target	
<b>Outcome: The Parliament, Minister and other stakeholders are informed on the performance of custodial services:</b>					
Number of recommendations made .....	130	100	95	100	
Percentage of recommendations accepted.....	70%	80%	80%	80%	

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



## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 3,737	\$'000 3,763	\$'000 3,877	\$'000 3,906	
Less Income .....	5	5	5	5	
Net Cost of Service .....	3,732	3,758	3,872	3,901	
<b>Employees (Full-Time Equivalents) .....</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>18</b>	
<b>Efficiency Indicators <sup>(a)</sup></b>					
Average cost per report.....	\$265,862	\$245,000	\$250,000	\$245,000	
Average cost per independent visitors' scheme report.....	\$1,714	\$2,000	\$2,000	\$2,000	
Average cost per liaison visit.....	\$10,429	\$10,000	\$9,000	\$10,000	

(a) Previously reported in thousands.

## Financial Statements

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	2,459	2,560	2,672	2,624	2,691	2,755	2,796
Supplies and services .....	731	503	503	578	520	532	544
Accommodation .....	323	337	337	337	337	337	337
Depreciation and amortisation .....	9	8	10	9	8	8	8
Finance and interest costs.....	-	1	1	2	3	2	1
Other expenses.....	215	354	354	356	356	356	356
<b>TOTAL COST OF SERVICES .....</b>	<b>3,737</b>	<b>3,763</b>	<b>3,877</b>	<b>3,906</b>	<b>3,915</b>	<b>3,990</b>	<b>4,042</b>
<b>Income</b>							
Other revenue.....	5	5	5	5	5	5	5
<b>Total Income.....</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>NET COST OF SERVICES .....</b>	<b>3,732</b>	<b>3,758</b>	<b>3,872</b>	<b>3,901</b>	<b>3,910</b>	<b>3,985</b>	<b>4,037</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	3,602	3,676	3,788	3,818	3,828	3,903	3,955
Resources received free of charge .....	73	88	88	88	88	88	88
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>3,675</b>	<b>3,764</b>	<b>3,876</b>	<b>3,906</b>	<b>3,916</b>	<b>3,991</b>	<b>4,043</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>(57)</b>	<b>6</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 17, 18 and 18 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	419	434	399	407	416	425	433
Restricted cash .....	-	22	-	-	-	-	-
Holding Account receivables .....	-	1	-	1	1	1	1
Receivables .....	39	35	39	39	39	39	39
Other.....	44	27	44	44	44	44	44
<b>Total current assets .....</b>	<b>502</b>	<b>519</b>	<b>482</b>	<b>491</b>	<b>500</b>	<b>509</b>	<b>517</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	885	912	913	913	914	914	914
Property, plant and equipment.....	7	21	26	39	31	23	15
Restricted cash .....	48	-	48	48	48	48	48
<b>Total non-current assets .....</b>	<b>940</b>	<b>933</b>	<b>987</b>	<b>1,000</b>	<b>993</b>	<b>985</b>	<b>977</b>
<b>TOTAL ASSETS .....</b>	<b>1,442</b>	<b>1,452</b>	<b>1,469</b>	<b>1,491</b>	<b>1,493</b>	<b>1,494</b>	<b>1,494</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	648	601	648	648	648	648	648
Payables (b) .....	45	71	48	51	54	57	60
Borrowings and leases .....	5	7	8	10	10	10	10
Other.....	65	46	65	65	65	65	65
<b>Total current liabilities .....</b>	<b>763</b>	<b>725</b>	<b>769</b>	<b>774</b>	<b>777</b>	<b>780</b>	<b>783</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions (b) .....	105	72	105	105	105	105	105
Borrowings and leases .....	2	15	19	31	24	16	7
<b>Total non-current liabilities (b).....</b>	<b>107</b>	<b>87</b>	<b>124</b>	<b>136</b>	<b>129</b>	<b>121</b>	<b>112</b>
<b>TOTAL LIABILITIES.....</b>	<b>870</b>	<b>812</b>	<b>893</b>	<b>910</b>	<b>906</b>	<b>901</b>	<b>895</b>
<b>EQUITY</b>							
Contributed equity .....	964	964	964	964	964	964	964
Accumulated surplus/(deficit).....	(392)	(324)	(388)	(383)	(377)	(371)	(365)
<b>Total equity .....</b>	<b>572</b>	<b>640</b>	<b>576</b>	<b>581</b>	<b>587</b>	<b>593</b>	<b>599</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,442</b>	<b>1,452</b>	<b>1,469</b>	<b>1,491</b>	<b>1,493</b>	<b>1,494</b>	<b>1,494</b>

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

(b) The reduction in the 2022-23 Estimated Actual compared to the 2022-23 Budget reflects a change in accounting treatment associated with reclassification from current liabilities to non-current liabilities.

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	3,358	3,648	3,760	3,817	3,827	3,903	3,955
Capital appropriation .....	236	-	-	-	-	-	-
<b>Net cash provided by Government .....</b>	<b>3,594</b>	<b>3,648</b>	<b>3,760</b>	<b>3,817</b>	<b>3,827</b>	<b>3,903</b>	<b>3,955</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(2,427)	(2,560)	(2,672)	(2,624)	(2,691)	(2,755)	(2,796)
Supplies and services .....	(615)	(411)	(411)	(486)	(428)	(440)	(452)
Accommodation .....	(323)	(337)	(337)	(337)	(337)	(337)	(337)
GST payments .....	(134)	(42)	(42)	(42)	(42)	(42)	(42)
Finance and interest costs.....	-	(1)	(1)	(2)	(3)	(2)	(1)
Other payments.....	(274)	(355)	(355)	(357)	(357)	(357)	(357)
<b>Receipts (b)</b>							
GST receipts .....	126	42	42	42	42	42	42
Other receipts .....	54	5	5	5	5	5	5
<b>Net cash from operating activities .....</b>	<b>(3,593)</b>	<b>(3,659)</b>	<b>(3,771)</b>	<b>(3,801)</b>	<b>(3,811)</b>	<b>(3,886)</b>	<b>(3,938)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases .....	(8)	(8)	(9)	(8)	(7)	(8)	(9)
<b>Net cash from financing activities.....</b>	<b>(8)</b>	<b>(8)</b>	<b>(9)</b>	<b>(8)</b>	<b>(7)</b>	<b>(8)</b>	<b>(9)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(7)</b>	<b>(19)</b>	<b>(20)</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>8</b>
Cash assets at the beginning of the reporting period .....	474	475	467	447	455	464	473
<b>Cash assets at the end of the reporting period .....</b>	<b>467</b>	<b>456</b>	<b>447</b>	<b>455</b>	<b>464</b>	<b>473</b>	<b>481</b>

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

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

**NET APPROPRIATION DETERMINATION**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>GST Receipts</b>							
GST Receipts.....	126	42	42	42	42	42	42
<b>Other Receipts</b>							
Other Receipts .....	54	5	5	5	5	5	5
<b>TOTAL .....</b>	<b>180</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>

Division 34 **Parliamentary Inspector of the Corruption and Crime Commission**

Part 7 **Community Safety**

**Appropriations, Expenses and Cash Assets**

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 70 Net amount appropriated to deliver services .....	488	495	428	450	450	430	445
<b>Amount Authorised by Other Statutes - Corruption, Crime and Misconduct Act 2003</b> .....	180	181	301	303	304	305	305
Total appropriations provided to deliver services.....	668	676	729	753	754	735	750
<b>TOTAL APPROPRIATIONS</b> .....	668	676	729	753	754	735	750
<b>EXPENSES</b>							
Total Cost of Services .....	744	818	871	895	896	877	892
Net Cost of Services <sup>(a)</sup> .....	744	818	871	895	896	877	892
<b>CASH ASSETS</b> <sup>(b)</sup> .....	607	522	607	607	607	607	607

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

(b) As at 30 June each financial year.

**Spending Changes**

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Office's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Other</b>					
2023-24 Streamlined Budget Process Incentive Funding.....	-	8	-	-	-
Public Sector Wages Policy .....	13	19	26	33	46
Salaries and Allowances Tribunal.....	120	121	121	122	122
Salaries and Wages Realignment .....	(80)	(81)	(82)	(80)	(79)

**Significant Issues Impacting the Agency**

1. The staffing arrangements for the Office are settled. The term of the current Parliamentary Inspector, Mr Matthew Zilko SC, will end on 23 November 2025. The office also has two Acting Parliamentary Inspectors, the Hon John Chaney SC and Mr Matthew Howard SC.
2. There has been an increase in the number of investigations/cases undertaken by the Office since the 2020-21 financial year, reflecting a rise in the number of complaints received from members of the public due to a greater awareness of the Office's role.

## 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
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	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	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
1. Evaluation of the Effectiveness and Appropriateness of Corruption and Crime Commission Operations .....	744	818	871	895	896	877	892
<b>Total Cost of Services .....</b>	<b>744</b>	<b>818</b>	<b>871</b>	<b>895</b>	<b>896</b>	<b>877</b>	<b>892</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: An informed Parliament on the integrity of the Corruption and Crime Commission:</b>					
Number of reports completed and tabled in Parliament within target timeframes <sup>(b)</sup> .....	1	1	1	1	

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

(b) The Parliamentary Inspector is empowered to report to Parliament on any other matters arising in the exercise of his functions, and in 2022-23 he provided two such reports. These additional reports were tabled in Parliament on 30 March 2023. They are, however, not included in the above table as there was no target timeframe for them.

## Services and Key Efficiency Indicators

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	744	818	871	895	
Less Income.....	nil	nil	nil	nil	
Net Cost of Service.....	744	818	871	895	
<b>Employees (Full-Time Equivalents) .....</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	
<b>Efficiency Indicators</b>					
Average cost per investigation/case.....	\$3,688	\$5,500	\$4,282	\$4,475	1
Cost of audit function as a percentage of total cost of operations.....	41%	41%	41%	40%	

### Explanation of Significant Movements

(Notes)

- The 2022-23 Estimated Actual and 2023-24 Budget Target average cost per investigation/case is lower than the 2022-23 Budget primarily due to an increase in the number of investigations/cases undertaken compared to the number originally anticipated. The increase in the number of complaints received by the Office from members of the public is expected to continue in 2023-24.

## Financial Statements

### Income Statement

#### Expenses

- The Total Cost of Services increase from 2022-23 mainly reflects the net increase in employee benefits related to the Salaries and Allowances Tribunal Determination and the implementation of the public sector wages policy.

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	475	460	513	523	533	543	557
Supplies and services .....	124	200	200	208	200	200	200
Accommodation .....	68	79	79	93	93	93	93
Depreciation and amortisation .....	30	32	32	32	30	-	-
Other expenses.....	47	47	47	39	40	41	42
<b>TOTAL COST OF SERVICES .....</b>	<b>744</b>	<b>818</b>	<b>871</b>	<b>895</b>	<b>896</b>	<b>877</b>	<b>892</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	668	676	729	753	754	735	750
Resources received free of charge .....	116	142	142	142	142	142	142
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>784</b>	<b>818</b>	<b>871</b>	<b>895</b>	<b>896</b>	<b>877</b>	<b>892</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 2, 2 and 2 respectively.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	607	522	607	607	607	607	607
Receivables .....	2	4	2	2	2	2	2
Other.....	35	-	35	35	35	35	35
<b>Total current assets .....</b>	<b>644</b>	<b>526</b>	<b>644</b>	<b>644</b>	<b>644</b>	<b>644</b>	<b>644</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	323	355	355	387	417	417	417
Property, plant and equipment.....	97	63	65	33	3	3	3
<b>Total non-current assets .....</b>	<b>420</b>	<b>418</b>	<b>420</b>	<b>420</b>	<b>420</b>	<b>420</b>	<b>420</b>
<b>TOTAL ASSETS .....</b>	<b>1,064</b>	<b>944</b>	<b>1,064</b>	<b>1,064</b>	<b>1,064</b>	<b>1,064</b>	<b>1,064</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	100	25	100	100	100	100	100
Payables.....	10	7	10	10	10	10	10
<b>Total current liabilities .....</b>	<b>110</b>	<b>32</b>	<b>110</b>	<b>110</b>	<b>110</b>	<b>110</b>	<b>110</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	5	3	5	5	5	5	5
<b>Total non-current liabilities .....</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>TOTAL LIABILITIES.....</b>	<b>115</b>	<b>35</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>
<b>EQUITY</b>							
Contributed equity .....	160	160	160	160	160	160	160
Accumulated surplus/(deficit).....	789	749	789	789	789	789	789
<b>Total equity .....</b>	<b>949</b>	<b>909</b>	<b>949</b>	<b>949</b>	<b>949</b>	<b>949</b>	<b>949</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,064</b>	<b>944</b>	<b>1,064</b>	<b>1,064</b>	<b>1,064</b>	<b>1,064</b>	<b>1,064</b>

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

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	636	644	697	721	724	735	750
<b>Net cash provided by Government .....</b>	<b>636</b>	<b>644</b>	<b>697</b>	<b>721</b>	<b>724</b>	<b>735</b>	<b>750</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(417)	(460)	(513)	(523)	(533)	(543)	(557)
Supplies and services .....	(7)	(59)	(59)	(67)	(59)	(59)	(59)
Accommodation .....	(73)	(79)	(79)	(93)	(93)	(93)	(93)
GST payments .....	(13)	(16)	(16)	(16)	(16)	(16)	(16)
Other payments.....	(50)	(46)	(46)	(38)	(39)	(40)	(41)
<b>Receipts <sup>(b)</sup></b>							
GST receipts .....	9	16	16	16	16	16	16
<b>Net cash from operating activities .....</b>	<b>(551)</b>	<b>(644)</b>	<b>(697)</b>	<b>(721)</b>	<b>(724)</b>	<b>(735)</b>	<b>(750)</b>
Cash assets at the beginning of the reporting period .....	522	522	607	607	607	607	607
<b>Cash assets at the end of the reporting period .....</b>	<b>607</b>	<b>522</b>	<b>607</b>	<b>607</b>	<b>607</b>	<b>607</b>	<b>607</b>

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

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

**NET APPROPRIATION DETERMINATION**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>GST Receipts</b>							
GST Input Credits .....	9	16	16	16	16	16	16
<b>TOTAL .....</b>	<b>9</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>



## 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	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
<b>Communities</b>		
– Total Cost of Services .....	3,718,306	2,654,063
– Asset Investment Program .....	493,201	545,386
<b>Keystart Housing Scheme Trust</b>		
– Asset Investment Program .....	2,550	1,400
<b>Local Government, Sport and Cultural Industries</b>		
– Total Cost of Services .....	442,197	675,246
– Asset Investment Program .....	57,089	115,703
<b>Western Australian Sports Centre Trust</b>		
– Total Cost of Services .....	286,128	299,028
– Asset Investment Program .....	74,373	34,101
<b>Western Australian Institute of Sport</b>		
– Asset Investment Program .....	143	143

Agency	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Lotteries Commission		
– Asset Investment Program .....	6,261	2,300
Metropolitan Cemeteries Board		
– Asset Investment Program .....	11,014	8,596

## Ministerial Responsibilities

Minister	Agency	Services
Minister for Finance; Commerce; Women's Interests	Communities	1. Community Services 2. Homelessness Support Services 3. Earlier Intervention and Family Support Services
Minister for Emergency Services; Innovation and the Digital Economy; Medical Research; Volunteering		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 Training; Water; Youth		
Minister for Housing; Lands; Homelessness; Local Government		
Minister for Regional Development; Disability Services; Fisheries; Seniors and Ageing		
Minister for Early Childhood Education; Child Protection; Prevention of Family and Domestic Violence; Community Services		
Minister for Housing; Lands; Homelessness; Local Government	Communities	7. Rental Housing 8. Home Loans 9. Land and Housing Supply
Minister for Regional Development; Disability Services; Fisheries; Seniors and Ageing	Communities	10. Supporting People with Disability to Access Services and Participate in Their Community 11. Living Supports and Care for People with Disability
Minister for Housing; Lands; Homelessness; Local Government	Keystart Housing Scheme Trust	n.a.
Minister for Culture and the Arts; Sport and Recreation; International Education; Heritage	Local Government, Sport and Cultural Industries	1. Cultural and Arts Industry Support 3. Asset and Infrastructure Support Services to Client Agencies 6. Sport and Recreation Industry Support 7. Cultural Heritage Management and Conservation 8. Cultural Heritage Access and Community Engagement and Education 9. State Library Services 10. Public Library Support 11. Venue Management Services 12. Collections Management, Research and Conservation Services 13. Collections Effectively Documented and Digitised 14. Public Sites, Public Programs and Collections Accessed On-Site 15. Online Access to Collections, Expertise and Programs 16. Museum Services to the Regions
Minister for Housing; Lands; Homelessness; Local Government	Local Government, Sport and Cultural Industries	2. Regulation and Support of Local Government
Minister for Education; Aboriginal Affairs; Citizenship and Multicultural Interests	Local Government, Sport and Cultural Industries	4. Regulation of the Gambling and Liquor Industries 5. Office of the Independent Monitor (Oversight of Burswood Casino Remediation)
Minister for Environment; Climate Action; Racing and Gaming		

Minister for Culture and the Arts; Sport and Recreation; International Education; Heritage	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; Lands; Homelessness; Local Government	Metropolitan Cemeteries Board	n.a.

## Division 35 **Communities**

### Part 8 **Community Services**

#### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 71 Net amount appropriated to deliver services <sup>(a)</sup> .....	2,140,065	2,089,883	2,342,590	1,261,820	1,183,174	1,212,608	1,245,814
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	493	494	494	494	506	519	532
Total appropriations provided to deliver services.....	2,140,558	2,090,377	2,343,084	1,262,314	1,183,680	1,213,127	1,246,346
<b>ADMINISTERED TRANSACTIONS <sup>(a)</sup></b>							
Item 72 Amount provided for Administered Grants, Subsidies and Other Transfer Payments .....	-	-	-	1,297,846	1,265,358	1,264,788	1,265,474
<b>CAPITAL</b>							
Item 141 Capital Appropriation.....	107,813	281,006	251,351	222,172	162,733	118,747	90,829
<b>TOTAL APPROPRIATIONS</b> .....	2,248,371	2,371,383	2,594,435	2,782,332	2,611,771	2,596,662	2,602,649
<b>EXPENSES</b>							
Total Cost of Services <sup>(a)</sup> .....	3,150,339	3,298,098	3,718,306	2,654,063	2,509,099	2,523,859	2,471,124
Net Cost of Services <sup>(b)</sup> .....	2,538,095	2,710,228	3,094,472	2,001,359	1,836,753	1,853,297	1,801,856
<b>CASH ASSETS <sup>(c)</sup></b> .....	258,832	95,132	235,185	63,956	98,327	150,404	227,639

(a) National Disability Insurance Scheme (NDIS) contribution funding from 2023-24 onwards is now reflected as administered transactions. The Total Cost of Services from 2023-24 onwards does not include the NDIS contributions.

(b) Represents Total Cost of Services (expenses) less retained revenues applied to the Department'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 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>Election Commitments</b>					
Family and Domestic Violence (FDV) Commissioning Broome Hub.....	-	4,927	3,650	3,909	3,859
Safety and Security Rebate Additional Resourcing.....	-	351	359	-	-
<b>New Initiatives</b>					
Australian Disability Enterprises .....	4,000	-	-	-	-
Disaster Recovery Assistance Package for Ex-Tropical Cyclone Ellie.....	9,440	24,400	420	-	-
Establishing Keystart as a Government Trading Enterprise .....	-	154	159	-	-
Kimberley Housing and Orphan Roads Recovery <sup>(a)</sup> .....	-	-	-	-	-
Mental Health Awareness, Respect and Safety Program.....	100	-	-	-	-
Nationality Disability Data Asset.....	80	-	3,840	-	-
Respect in Mining Initiative.....	200	-	-	-	-
Unsupervised Children in Northbridge Policy - Youth Beat .....	739	-	-	-	-
Western Australia Seniors Strategy.....	-	620	870	250	250

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Ongoing Initiatives</b>					
Aboriginal Community Connectors Program .....	-	7,455	7,688	7,852	8,094
Aboriginal Short Stay Accommodation					
Perth .....	434	130	-	-	-
Geraldton .....	-	-	2,300	2,512	3,508
Child Protection - Delivery of Services .....	38,091	13,187	18,078	7,397	29,223
Civil Litigation Claim Costs .....	4,354	-	-	-	-
Community Housing - Crisis Accommodation .....	2,010	(415)	783	-	-
East Perth Common Ground .....	-	-	1,341	2,474	3,092
Election Commitment - Criminal Law (Mental Impairment) Reforms .....	-	752	-	-	-
Enhanced FDV Response Team Model .....	-	2,107	3,359	5,566	5,326
Establishment of Office of Homelessness .....	414	855	863	874	890
Extension Koort Boodja Homelessness Response .....	-	1,428	-	-	-
FDV Initiatives					
FDV Commissioning					
Kalgoorlie Hub .....	-	-	2,071	2,071	2,071
Mirrabooka Hub .....	-	909	2,093	2,093	2,093
FDV Refuge and Safe House Sustainability .....	-	4,385	4,501	4,621	4,743
FDV Response Teams - Coordinated Response Services .....	-	3,447	-	-	-
Respectful Relationships .....	218	218	218	218	218
Housing and Homelessness Investment Package - New Builds .....	(368)	(445)	-	-	-
METRONET Social and Affordable Housing and Jobs Package .....	(5)	(949)	188	-	-
National Partnership Agreement - Family Domestic and Sexual Violence Responses .....	22,605	-	-	-	-
North West Aboriginal Housing Fund					
East Kimberley Transitional Housing Program .....	111	(384)	(122)	21	368
Fitzroy Crossing .....	-	-	1,265	904	353
Hedland Transitional Housing .....	(606)	(220)	(244)	(146)	-
Yindjibarndi Ganallil .....	2,513	1,717	-	-	-
Yura Yungi .....	(1,083)	2,408	-	-	-
Out-of-Home Care Commissioning .....	2,900	6,110	-	-	-
Parenting Community Funding .....	539	551	563	575	588
Perth Homelessness Services .....	751	250	250	-	-
Regional Renewal Program .....	935	960	-	-	-
Remote Aboriginal Communities .....	(7,275)	(24,845)	1,028	4,179	-
Seniors Cost of Living Rebate .....	-	1,161	2,922	4,802	6,748
Social Housing Economic Recovery Package - New Builds .....	31,132	1,839	5,357	5,147	1,000
Social Housing Strategy					
DevelopmentWA .....	1,081	4,637	(855)	(18,646)	-
South West Native Title .....	(431)	221	226	225	-
State Welfare Incident Coordination Centre .....	2,834	5,704	5,604	5,390	5,462
Target 120 Extension .....	(3,014)	3,821	10,901	-	-
Test Isolation Payment Scheme .....	(1,875)	-	-	-	-
Water Wise Project .....	550	-	-	-	-
<b>Other</b>					
2023-24 Tariffs, Fees and Charges .....	100	231	186	182	206
Adjustment to Repayment of Borrowings and Commonwealth Debt .....	2,882	1,435	(125)	(47)	(591)
Cost Allocation Model .....	-	550	-	-	-
District Allowance .....	(266)	(266)	(266)	(266)	-
Government Office Accommodation .....	5,375	5,252	5,243	5,235	5,717
Government Regional Officer Housing .....	4,553	28,508	5,379	5,571	5,355
Government Regional Officer Housing Transformation .....	-	533	536	-	-
National Housing and Homelessness Agreement .....	4,091	-	-	-	-
NDIS Participants <sup>(b)</sup> .....	157,371	284,000	242,000	205,000	162,000
Non-Government Human Services Sector Indexation .....	3,188	3,026	3,073	3,241	3,287
Public Sector Wages Policy .....	48,776	42,102	55,227	71,145	73,816
Resources Received Free of Charge .....	2,633	2,633	2,633	2,633	2,633
RiskCover Fund Insurance Premiums .....	4,372	9,494	-	-	-
Salaries and Allowances Tribunal .....	-	-	12	25	38
Social Housing Investment Program Royalties for Regions Refund .....	1,008	-	-	-	-
State Fleet Policy and Procurement Initiatives .....	289	447	483	472	472
Transfer of NDIS Contribution to Administered Expenditure <sup>(b)</sup> .....	-	(1,297,846)	(1,265,358)	(1,264,788)	(1,265,474)

(a) Confidential - subject to ongoing negotiations with the Commonwealth.

(b) NDIS contribution funding from 2023-24 onwards is now reflected as Administered Transactions. The Total Cost of Services from 2023-24 onwards does not include the NDIS contributions.

## Significant Issues Impacting the Agency

### Social Housing and Homelessness

1. The Government has continued its investment to improve social housing and homelessness services with an additional \$450 million to top up the Social Housing Investment Fund, which will deliver around 700 additional dwellings. This investment increases the Government's commitment to the delivery of an additional 4,000 social housing dwellings and to provide maintenance and refurbishment to thousands more homes.
2. There have been several supply-side challenges caused by COVID-19, including a heated construction market. This includes supply chain challenges in sourcing construction materials.
3. Disaster recovery responses have also seen the redirection of material and resources, challenging smaller scale social housing delivery.
4. Despite these market conditions, since 1 July 2021, the Department was able to deliver more than 1,100 social homes which have been added to the State's public housing stock.
5. To achieve this milestone the Department expanded its spot purchase program, created a new panel contract for builders, partnered with the community housing sector through new build and refurbishment grants, and continues to use alternative building methods and materials to reduce a reliance on materials and trades that are in short supply. The spot purchase program will continue to be reviewed as housing market conditions change over time.
6. 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 through a new funding provision totalling \$49 million (with \$46 million funded from the Social Housing Investment Fund) for the implementation of a Regional Supportive Landlord Model. The regional service is proposed to complement the roll-out of the Supportive Landlord Model in Perth, Peel and Bunbury to assist and transition rough sleepers to social housing.

### Fitzroy Floods Management

7. The State and Commonwealth Governments are providing \$34.3 million to support recovery efforts in the Kimberley and the provision of temporary accommodation following ex-Tropical Cyclone Ellie.
8. The Department is responsible for leading the State's social recovery from the Kimberley floods and will continue to support vulnerable cohorts and services to promote recovery.
9. The Kimberley floods have impacted communities along the Fitzroy River Valley, including Aboriginal communities and pastoral properties.
10. The Kimberley floods have damaged 121 dwellings (91 Department owned or managed, and 30 Department of Planning, Lands and Heritage managed) that will require minor works, refurbishment, or demolish and rebuild works to return to service.
11. The floods caused major damage to informal internal and access roads in the Fitzroy Valley. These are roads that do not have any acknowledgement of ownership by any local, State or Commonwealth Government agency.
12. The Department is currently establishing temporary accommodation options to support any impacted residents whilst they are unable to return to their homes. Planning is also underway to refurbish or rebuild flood damaged dwellings owned or managed by the Department.
13. The Department is working with residents, community elders, local stakeholders and other government departments to ensure the ongoing supports provided are culturally responsive.

### Closing the Gap

14. Key focus areas for the Department within the National Agreement on Closing the Gap include early childhood education, appropriate and affordable housing, ensuring Aboriginal children are not over-represented in the child protection system, and ensuring Aboriginal families and households are safe.

### **Children in Care and Early Intervention Services**

15. The Department directly provides services, as well as funds services, to prevent children entering care and to care for those who need to enter into care. Between 2020-21 and 2021-22, the total number of children in care has reduced by 2.8%. The increased investment in earlier intervention and family support services has supported this outcome, including:
  - 15.1. The Aboriginal In-Home Support Service and Intensive Family Support Services, which are culturally responsive programs designed to assist Aboriginal families where children are at imminent risk of entering care, and support reunification where children are currently in care.
  - 15.2. Family Support Networks, which are delivered in partnership with Aboriginal Community Controlled Organisations (ACCOs), provide a common entry point to services and deliver earlier, targeted support to families experiencing complex issues and those most vulnerable to involvement with the child protection system.
  - 15.3. Target 120 works across local organisations and service providers, government agencies and the community to support young people and their families who are at risk of becoming repeat offenders, by connecting them with tailored services and supports.
  - 15.4. The Department is focused on reducing the number of children in care, particularly Aboriginal children, and providing culturally appropriate care arrangements. The establishment of ACCOs into the out of home care sector is a critical part of the Government's reform agenda and will support the Department to fulfill the Aboriginal and Torres Strait Islander Child Placement Principles.
16. The limited availability of care arrangements with Aboriginal carers or relatives, as well as complex factors that must be considered with care arrangement decision-making availability, continue to impact the Department's ability to fulfill the Aboriginal and Torres Strait Islander Child Placement Principle. The Department has extended existing out of home care service agreements into 2023-24 while reform progresses, and is acquiring 19 additional properties to support reforms.

### **Prevention of FDV**

17. Initiatives and investment continue to seek to prevent and address FDV in the Western Australian community, including its disproportionate impact on Aboriginal people and families.
18. The Government has boosted funding for the prevention of family and domestic violence by \$52.5 million over the forward estimates period. This includes additional funding for:
  - 18.1. refuges and safe houses to address sustainability of services;
  - 18.2. the Kalgoorlie and Mirrabooka hubs to enable continuation of these important services beyond June 2024;
  - 18.3. establishment of the new Broome one-stop hub;
  - 18.4. extended Coordinated Response Services to work with the Western Australia Police Force in the Family and Domestic Violence Response Teams; and
  - 18.5. respectful relationships initiatives and to support culturally responsive practice.
19. Commonwealth funding provided to States and Territories via the National Partnership Agreement on Family, Domestic and Sexual Violence was due to cease in 2022-23, however an extension is under negotiation.

### **Disability Services - NDIS Review and Full Scheme Bilateral Negotiations**

20. The Government supports the NDIS and recognises it is improving the lives of Western Australian participants, and their families and carers.
21. The future of the NDIS in Western Australia will be shaped by the 2023 NDIS Review, due to report in October 2023, and negotiations of a future NDIS full scheme Bilateral Agreement.



22. The additional impact on State finances over the forward estimates period will be determined by the outcome of bilateral negotiations between the State and the Commonwealth Government on its full scheme entry and the 2023 NDIS Review.

### **Seniors and Ageing**

23. Western Australia's population is ageing. In 2021, people 65 years and older made up 16.1% of the State's population, an increase from 14% in 2016. The State's older population has diverse needs, depending on age, health status, disability status, employment, cultural background, residential location, and other factors which impact marginalised groups of older people.
24. The Government is investing \$2 million over the forward estimates period, which includes:
- 24.1. \$750,000 to extend the existing Seniors Peak Body service contract;
  - 24.2. \$500,000 to support the Age-friendly Communities Social Connectivity Grants Program;
  - 24.3. \$340,000 to develop more accessible information to approve awareness of existing services and concessions available to seniors; and
  - 24.4. \$400,000 for an advertising campaign to raise awareness of ageism.
25. The Department has developed its first senior strategy, 'An Age-Friendly WA: State Seniors Strategy 2023-2033'. The Strategy provides a cohesive single vision so that Western Australian seniors feel valued, safe, and empowered to lead happy and fulfilling lives in age-friendly communities.

### **Workforce**

26. Challenges associated with skill shortages and labour market tightness to fill vacancies and retain frontline workers continue to be faced. The Department is undertaking a range of strategies and incentives to address these challenges including through international and interstate recruitment campaigns. Advertising across national and international platforms aims to entice qualified candidates to apply for frontline roles within the Department.
27. Commissioner's Instruction 39: Interim Arrangements to Fill Public Sector Vacancies has provided greater flexibility across the broader public sector, which has enabled the Department to expedite selection and appointment processes, assisting with recruiting pivotal frontline positions. Further, Commissioner's Instruction 38: Temporary Regional Attraction and Retention Incentives provides additional opportunity for the Department to address workforce challenges.

## 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: Supporting our local and regional communities to thrive.	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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Community Services .....	203,504	210,358	244,272	238,414	211,056	217,062	235,614
2. Homelessness Support Services .....	75,199	83,638	86,356	74,532	69,606	69,543	72,772
3. Earlier Intervention and Family Support Services .....	94,658	98,583	103,424	108,507	110,870	105,694	112,892
4. Preventing and Responding to FDV .....	89,555	73,658	108,216	84,524	85,399	89,199	88,980
5. Child Protection Assessments and Investigations .....	99,056	98,367	102,721	99,857	99,857	99,230	101,089
6. Care Arrangements and Support Services for Children in the CEO's Care .....	528,511	508,077	545,571	549,096	564,819	584,551	587,540
7. Rental Housing .....	842,762	1,013,986	1,028,390	1,046,723	945,482	930,113	834,023
8. Home Loans .....	40,858	68,218	159,291	156,490	140,420	148,636	158,962
9. Land and Housing Supply .....	61,506	69,307	55,250	161,658	141,260	141,301	140,393
10. Supporting People with Disability to Access Services and Participate in Their Community .....	53,679	68,681	46,528	45,101	46,495	45,856	45,922
11. Living Supports and Care for People with Disability .....	104,296	58,944	92,652	89,161	93,835	92,674	92,937
12. NDIS Contributions <sup>(a)</sup> .....	956,755	946,281	1,145,635	-	-	-	-
<b>Total Cost of Services .....</b>	<b>3,150,339</b>	<b>3,298,098</b>	<b>3,718,306</b>	<b>2,654,063</b>	<b>2,509,099</b>	<b>2,523,859</b>	<b>2,471,124</b>

(a) Represents cash payments to the National Disability Insurance Agency and reflects the State's cash contribution only. NDIS contribution funding from 2023-24 onwards is now reflected as administered transactions. The Total Cost of Services from 2023-24 onwards do not include the NDIS contributions.

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Access to quality services that enables active participation in the Western Australian community by individuals and families:</b>					
Percentage of assessed early childhood education and care services that met or exceeded national standards .....	80%	75%	75%	75%	1
The take-up rate of Seniors Card .....	94%	94%	93%	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.....	97%	97%	97%	97%	
<b>Outcome: Families and individuals experiencing FDV, homelessness or other crises are assisted to build their capabilities and be safe:</b>					
Percentage of homelessness clients with some or all goals achieved at the completion of a homelessness service support period .....	89%	88%	90%	90%	
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.....	86%	90%	88%	90%	
Percentage of departmental clients who were assessed and received a response as a result of a FDV incident and did not require another FDV-related response within 12 months .....	75%	80%	74%	80%	2
<b>Outcome: Children and young people needing protection are safe from abuse and harm:</b>					
Improved safety:					
Proportion of children not subject to a subsequent substantiation of harm within 12 months of a previous substantiation of harm.....	92%	95%	92%	95%	
Proportion of children not subject to a substantiation of harm 12 months after an assessment of harm that was unsubstantiated .....	95%	95%	95%	95%	
<b>Outcome: Children and young people in the CEO's care receive a high quality of care and have much improved life outcomes:</b>					
Proportion of Aboriginal children in the CEO's care placed in accordance with the Aboriginal and Torres Strait Islander Child Placement Principle ...	65%	80%	65%	80%	3
Proportion of children in the CEO's care with comprehensive care planning undertaken within set timeframes .....	73%	90%	86%	90%	4
<b>Outcome: Affordable housing options are available to eligible Western Australians:</b>					
Responsiveness - Total housing assistances provided relative to the public rental waiting list.....	0.50	0.45	0.34	0.37	5
Waiting times for accommodation - Applicants housed:					
Average (weeks) .....	116	115	129	130	6
Median (weeks).....	81	75	100	103	6
<b>Outcome: Life is enhanced for people with disability in the Western Australian community:</b>					
Proportion of quality evaluations which met national standards <sup>(b)</sup> .....	n.a.	n.a.	n.a.	n.a.	
Percentage of service users who achieved their individual plan outcomes....	80%	80%	72%	75%	7
Proportion of the population in need who received services <sup>(b)</sup> .....	n.a.	n.a.	n.a.	n.a.	
Proportion of service users who achieved community participation outcomes .....	72%	73%	68%	70%	8

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

(b) Data for this key effectiveness indicator is collected from external disability service providers. From 2020-21, the majority of State-funded clients and services had transitioned to the NDIS and the Department has been exempted from reporting on this indicator.

## Explanation of Significant Movements

(Notes)

1. The movement between the 2021-22 Actual and 2022-23 Estimated Actual reflects the focus on completing more assessments and ratings on services that were rated under the previous 2012 National Quality Standard, new services or services previously rated lower than meeting the new standards, rather than reassessing those services that were already meeting and exceeding the standards.
2. The movement between the 2022-23 Estimated Actual and 2022-23 Budget is reflective of the complex nature of family and domestic violence, compounded by experiencing increased impacts from the prolonged COVID-19 pandemic.
3. The limited availability of care arrangements with Aboriginal carers or relatives, as well as complex factors that must be considered with care arrangement decision-making continue to impact the Department's ability to fulfill the Aboriginal and Torres Strait Islander Child Placement Principle. The Western Australian results published in the 2023 Report on Government Services are better than other similar demographic jurisdictions and are similar to the national performance. The Department continues to work hard to identify and increase the number of culturally appropriate care arrangement options for Aboriginal children in care, through consultations with Aboriginal Representative Organisations and reinforcing the placement principle within the *Children and Community Services Act 2004*.
4. The movement between the 2021-22 Actual and 2022-23 Estimated Actual is a significantly improved performance and can be attributed to the introduction of a new governance structure to oversee when a care plan is not completed within 12 months.
5. The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual reflects the significant reduction in numbers of both bond assistance loans and new Keystart home loans approved in 2022-23. Escalating costs for private rentals have adversely impacted demand for bond assistance loans. The numbers of new home loans were also significantly lower in 2022-23 as consumer confidence was impacted by high inflation and rising interest rates. Changes to the Bond Assistant Loans Scheme to be implemented during 2023 may stimulate demand in the future, however the issuing of new home loans may continue to be subdued throughout 2023-24.
6. The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual reflects the impact on wait times in 2022-23. Continuing declines in affordable housing options led to increased wait list demand that outpaced public housing availability.
7. The 2022-23 Estimated Actual result is lower than both the 2022-23 Budget and 2021-22 Actual. Plan outcomes were compromised in 2022-23 due to sector capacity constraints and a reduction in the number of Department contracted providers. In addition, delays experienced in services being delivered and extensive waitlists, especially for therapy and behaviour support intervention, resulted in strategies not being implemented or met. Extensive waitlists presented further challenges for individuals accessing disability related supports and created barriers to plan outcomes being achieved.
8. The 2022-23 Estimated Actual is lower than both the 2022-23 Budget and 2021-22 Actual. Sector capacity issues have prevented people achieving community participation outcomes. In some cases, organisations have withdrawn part way through plans due to challenges with recruitment and retention of staff. In addition, individuals were also prevented from safely accessing the community due to COVID-19 restrictions.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 203,504	\$'000 210,358	\$'000 244,272	\$'000 238,414	1
Less Income .....	16,482	15,822	15,744	15,134	
Net Cost of Service .....	187,022	194,536	228,528	223,280	
<b>Employees (Full-Time Equivalents) .....</b>	<b>411</b>	<b>456</b>	<b>488</b>	<b>511</b>	<b>2</b>
<b>Efficiency Indicators</b>					
Average cost per licenced childcare service for regulation and support <sup>(a)</sup> .....	\$7,511	\$9,369	\$10,140	\$10,034	1
Average management cost per Seniors Card <sup>(b)</sup> .....	\$8.76	\$6.16	\$8.47	\$6.96	3
Average cost per Working with Children Card application processed <sup>(c)</sup> .....	\$38	\$38	\$39	\$39	

(a) The number of licensed childcare services for regulation and support for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 1,317, 1,412, 1,366 and 1,442 respectively.

(b) The number of Seniors Card applications for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 404,976, 400,023, 406,265 and 416,109 respectively.

(c) The number of Working with Children Card applications for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 146,193, 150,000, 150,000 and 150,000 respectively.

### Explanation of Significant Movements

(Notes)

- The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual mostly reflects additional expenditure in 2022-23 associated with disaster response and recovery, the establishment of the interim enhanced model to respond to State-wide hazards, and the delivery of essential and municipal services in remote Aboriginal communities.
- The increase in full-time equivalents (FTEs) from the 2021-22 Actual to 2022-23 Estimated Actual reflects additional resources to support disaster response and recovery, the establishment of the interim enhanced model to respond to State-wide hazards and to accommodate the increased demand for NDIS Worker Screening applications.
- The movement between the 2022-23 Budget and 2022-23 Estimated Actual against the 2023-24 Budget reflects an increase in expenditure associated with the migration of the Western Australian Seniors Card Microsoft Dynamics application to the cloud environment in 2022-23.

## 2. Homelessness Support Services

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	75,199	83,638	86,356	74,532	1
Less Income .....	29,243	29,391	31,105	23,723	
Net Cost of Service .....	45,956	54,247	55,251	50,809	
<b>Employees (Full-Time Equivalents) .....</b>	16	18	24	24	
<b>Efficiency Indicators</b>					
Average cost per homelessness support service client.....	\$4,296	\$4,647	\$4,885	\$4,384	1

### Explanation of Significant Movements

(Notes)

- The movement between the 2021-22 Actual and 2022-23 Estimated Actual is primarily due to increases in expenditure associated with the Homeless Engagement, Assessment Response Team (HEART), Koort Boodja and the Department of Communities commissioning plan, associated with addressing funding shortfalls in homelessness program budgets.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	94,658	98,583	103,424	108,507	1
Less Income .....	2,060	375	296	280	
Net Cost of Service .....	92,598	98,208	103,128	108,227	
<b>Employees (Full-Time Equivalents) .....</b>	333	384	382	384	2
<b>Efficiency Indicators</b>					
Average cost per earlier intervention and family support case <sup>(a)</sup> .....	\$7,706	\$7,824	\$8,299	\$8,833	

(a) The number of cases for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 12,283, 12,600, 12,462 and 12,284 respectively.

### Explanation of Significant Movements

(Notes)

- The movement between the 2021-22 Actual and 2022-23 Estimated Actual is mainly associated with additional Target 120 sites being implemented. The movement between the 2022-23 Budget and 2022-23 Estimated Actual is associated with additional costs in delivering child protection services.
- The increase in full-time equivalents (FTEs) from the 2021-22 Actual to 2022-23 Estimated Actual reflects additional resources to support the increased demand for child protection services.

#### 4. Preventing and Responding to FDV

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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	89,555	73,658	108,216	84,524	1
Less Income.....	26,381	21,376	45,996	17,271	
Net Cost of Service.....	63,174	52,282	62,220	67,253	
<b>Employees (Full-Time Equivalents) .....</b>	41	52	52	66	
<b>Efficiency Indicators</b>					
Average cost per family and domestic violence case <sup>(a)</sup> .....	\$5,075	\$4,150	\$5,481	\$4,434	1

(a) The number of cases for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 17,645, 17,750, 19,744 and 18,700 respectively.

#### Explanation of Significant Movements

(Notes)

1. The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual reflects an increase in expenditure associated with the National Partnership Agreement relating to Family Domestic and Sexual Violence Responses. The movement between 2022-23 Estimated Actual and 2023-24 Budget Target is associated with the cessation of the National Partnership Agreement, which supports the Government's response to Family, Domestic and Sexual Violence.

#### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	99,056	98,367	102,721	99,857	1
Less Income.....	3,376	578	458	435	
Net Cost of Service.....	95,680	97,789	102,263	99,422	
<b>Employees (Full-Time Equivalents) .....</b>	525	614	612	613	
<b>Efficiency Indicators</b>					
Average cost per child involved in child protection cases <sup>(a)</sup> .....	\$6,018	\$5,786	\$6,042	\$5,874	

(a) The number of cases for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 16,461, 17,000, 17,000 and 17,000 respectively.

#### Explanation of Significant Movements

(Notes)

1. The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual is mainly related to additional expenditure associated with the Historical Institutional Abuse in Care civil litigation settlement and legal costs, and additional costs allocated as part of the cost and demand model. The variance between the 2021-22 Actual and the 2022-23 Estimated Actual is due to additional expenditure associated with additional costs in delivering child protection services.



## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	528,511	508,077	545,571	549,096	1
Less Income.....	9,651	2,010	1,565	1,536	
Net Cost of Service.....	518,860	506,067	544,006	547,560	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,475</b>	<b>1,646</b>	<b>1,643</b>	<b>1,646</b>	
<b>Efficiency Indicators</b>					
Average cost per day of a foster care arrangement <sup>(a)</sup> .....	\$172	\$169	\$178	\$176	
Average cost per day of a residential-based care arrangement <sup>(b)</sup> .....	\$1,922	\$1,999	\$2,553	\$2,362	1
Average cost per day of an exceptionally complex needs care arrangement <sup>(c)</sup> .....	\$1,946	\$1,652	\$1,661	\$1,450	2
Average cost per day of a secure care arrangement <sup>(d)</sup> .....	\$10,119	\$7,513	\$11,419	\$11,001	3
Average cost per day to plan for and support a child in the CEO's care <sup>(e)</sup> ....	\$79	\$68	\$78	\$78	4

(a) The number of days in foster care arrangements for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 1,581,340, 1,600,000, 1,600,000 and 1,600,000 respectively.

(b) The number of residential-based care arrangements for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 32,525, 34,000, 27,809 and 32,000 respectively.

(c) The number of days of exceptionally complex needs care arrangements for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 11,338, 13,000, 13,008 and 15,000 respectively.

(d) The number of days of secure care arrangements for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 659, 850, 587 and 650 respectively.

(e) The number of days in the CEO's care for the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are 1,888,940, 1,900,000, 1,900,000 and 1,900,000 respectively.

### Explanation of Significant Movements

(Notes)

1. The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual is associated with additional expenditure in managing residential-based care services.
2. The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual is due to successive increases in high needs placements, noting that the anticipated number of placements have increased while funding has remained steady.
3. The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual mainly reflects additional cost of managing secure care due to pressures of COVID-19, continuing into 2022-23.
4. The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual is mainly related to additional expenditure associated with additional costs in delivering child protection services.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	842,762	1,013,986	1,028,390	1,046,723	1
Less Income .....	408,327	435,968	453,207	422,852	
Net Cost of Service .....	434,435	578,018	575,183	623,871	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,491</b>	<b>1,493</b>	<b>1,452</b>	<b>1,534</b>	
<b>Efficiency Indicators</b>					
Average operating cost per public rental property .....	\$15,947	\$19,015	\$19,047	\$18,789	2
Average operating cost per GROH rental property .....	\$13,583	\$13,621	\$14,257	\$14,555	

### Explanation of Significant Movements

(Notes)

1. The movement between the 2022-23 Estimated Actual and the 2021-22 Actual is due to the maintenance carryover from 2021-22, increased maintenance requirements for ageing properties, and increased grants payments in 2022-23 to deliver dwellings under the Social Housing Economic Recovery Package (SHERP). Furthermore, the increase in the Remote Communities program is due to carryover from 2021-22 for factors such as trades, and accessibility issues causing delays to upgrade works. The variation between the 2023-24 Budget and 2022-23 Estimated Actual is due to the pause on the rental properties sales program, to maintain social housing stock numbers to address the current waitlist.
2. The movement between the 2022-23 Estimated Actual and the 2021-22 Actual is due to the maintenance carryover from 2021-22, increased maintenance requirements for ageing properties, and increased grants payments in 2022-23 to deliver dwellings under SHERP.

## 8. Home Loans

Enabling the financing of home ownership for eligible applicants.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	40,858	68,218	159,291	156,490	1
Less Income .....	4,704	4,323	28,740	17,138	
Net Cost of Service .....	36,154	63,895	130,551	139,352	
<b>Employees (Full-Time Equivalents) .....</b>	<b>26</b>	<b>26</b>	<b>25</b>	<b>27</b>	
<b>Efficiency Indicators</b>					
Average operating cost per current loan account.....	\$802	\$3,390	\$4,437	\$4,679	2

## Explanation of Significant Movements

(Notes)

1. The movements between the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target largely reflect the level of Keystart borrowings and current cash rates.
2. The movement between the 2021-22 Actual, 2022-23 Budget and 2022-23 Estimated Actual are mainly due to a reduction in current loans, driven by lower volumes of approvals and higher levels of discharges as Keystart customers refinance, supported by increased property prices. This refinance activity is expected to continue into 2023-24. The variance between the 2022-23 Estimated Actual and the 2021-22 Actual is due to the reduction in bad debts and credit loss seen in 2021-22.

## 9. Land and Housing Supply

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	61,506	69,307	55,250	161,658	1
Less Income.....	56,203	46,961	14,737	112,589	1
Net Cost of Service.....	5,303	22,346	40,513	49,069	
<b>Employees (Full-Time Equivalents) .....</b>	114	116	111	121	
<b>Efficiency Indicators</b>					
Average operating cost per lot developed <sup>(a)</sup> .....	n.a.	n.a.	n.a.	n.a.	
Average operating cost per property sold.....	\$125,502	\$73,960	\$210,208	\$204,010	2

(a) Due to Machinery of Government changes, commercial land development functions have transferred to DevelopmentWA. This efficiency indicator no longer measures developed lots, and the Department has been exempted from reporting on this indicator.

## Explanation of Significant Movements

(Notes)

1. The movements between the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target largely reflect costs and revenue fluctuations associated with the Department's focus on repurposing current housing stock, in recognition of pressures in the Western Australian housing market and pending a policy review of the future of Communities' Affordable Housing Sales Program.
2. The movement between the 2022-23 Estimated Actual, the 2021-22 Actual and the 2022-23 Budget is associated with the Department's focus on repurposing existing housing stock, in recognition of pressures in the Western Australian housing market and pending a policy review of the future of Communities' Affordable Housing Sales Program.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	53,679	68,681	46,528	45,101	1
Less Income.....	4,957	61	251	28	2
Net Cost of Service.....	48,722	68,620	46,277	45,073	
<b>Employees (Full-Time Equivalents) .....</b>	122	120	120	120	
<b>Efficiency Indicators</b>					
Proportion of individual plans commenced within the required timeframe.....	91%	93%	90%	90%	
Average cost per service activity for community participation for people with disability <sup>(a)</sup> .....	n.a.	n.a.	n.a.	n.a.	

(a) Data for this efficiency indicator is collected from external disability service providers. From 2020-21, the majority of State-funded clients and services had transitioned to the NDIS and the Department has been exempted from reporting on this indicator.

### Explanation of Significant Movements

(Notes)

- The movement between the 2021-22 Actual and 2022-23 Estimated Actual mainly reflect the transition of State clients to the Commonwealth-administered NDIS, which has resulted in reduced expenditure and income on State-administered disability service supports. The movement between the 2022-23 Budget and 2022-23 Estimated Actual mainly reflects the demand in services for non-NDIS functions, based on the needs of participants, and a reallocation of indirect costs based on these demands. The movement between the 2022-23 Estimated Actual and 2023-24 Budget Target reflects the ongoing non-NDIS functions that will be provided by the State.
- The movements between the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target reflects the expected recoup from the Commonwealth for accommodation provided services for Supported Independent Living (SIL) packages. The recoups are dependent on the Commonwealth's NDIS pricing arrangement for NDIS individual packages and the number of participants. Since 2021-22, both of these factors have reduced, with the former, having a significant reduction since the NDIS pricing arrangement was determined during the transition period. There will be a further review of the SIL packages during 2023-24 and the budget will be adjusted accordingly to reflect the expected receipts from the Commonwealth Government.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	104,296	58,944	92,652	89,161	1
Less Income.....	50,860	31,005	31,735	41,718	2
Net Cost of Service.....	53,436	27,939	60,917	47,443	
<b>Employees (Full-Time Equivalents) .....</b>	<b>567</b>	<b>656</b>	<b>656</b>	<b>656</b>	
<b>Efficiency Indicators <sup>(a)</sup></b>					
Average cost per service activity for community living support for people with disability.....	n.a.	n.a.	n.a.	n.a.	
Average cost per service activity for independent living support for people with disability.....	n.a.	n.a.	n.a.	n.a.	
Average cost per service activity for therapy and specialised care for people with disability.....	n.a.	n.a.	n.a.	n.a.	
Average cost per service activity for residential services for people with disability.....	n.a.	n.a.	n.a.	n.a.	

(a) Data for this efficiency indicator is collected from external disability service providers. From 2020-21, the majority of State-funded clients and services had transitioned to the NDIS and the Department has been exempted from reporting on this indicator.

### Explanation of Significant Movements

(Notes)

- The movement between the 2021-22 Actual and 2022-23 Estimated Actual mainly reflects the transition of State clients to the Commonwealth-administered NDIS, which has resulted in reduced expenditure and income on State-administered disability service supports. The movement between the 2022-23 Budget and 2022-23 Estimated Actual mainly reflects the demand in services for non-NDIS functions, based on the needs of participants, and a reallocation of indirect costs based on these demands. The movement between the 2022-23 Estimated Actual and 2023-24 Budget Target reflects the ongoing non-NDIS functions that will be provided by the State.
- The movements between the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target reflects the expected recoup from the Commonwealth for accommodation provided services for Supported Independent Living (SIL) packages. The recoups are dependent on the Commonwealth's NDIS pricing arrangement for NDIS individual packages and the number of participants. Since 2021-22, both of these factors have reduced, with the former, having a significant reduction since the NDIS pricing arrangement was determined during the transition period. There will be a further review of the SIL packages during 2023-24 and the budget will be adjusted accordingly to reflect the expected receipts from the Commonwealth.

### Asset Investment Program

- The Department's Asset Investment Program is \$1.5 billion. Significant capital investments include:
  - more than \$923.2 million of capital investment from 2023-24 to 2026-27 to increase and renew public housing, homelessness, and crisis accommodation across Western Australia, including through the:
    - Government's Social Housing Economic Recovery Package;
    - Housing and Homelessness Investment Package;
    - Social Housing Strategy Package; and
    - Aboriginal Short Stay Accommodation Facilities; and
  - capital investment of \$134.6 million from 2023-24 to 2026-27 into GROH.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Aboriginal Short Stay Accommodation							
East Kimberley .....	21,013	1,490	1,268	3,740	11,565	4,218	-
Geraldton .....	27,811	1,878	1,499	17,091	8,842	-	-
Perth .....	30,545	6,580	1,309	4,759	9,660	9,546	-
Building Minor Works .....	5,653	3,741	500	1,412	-	500	-
Computer Hardware and Software Program .....	19,695	12,403	1,698	1,698	1,698	1,698	2,198
Crisis Accommodation Program .....	75,712	26,054	21,865	1,504	13,014	13,602	21,538
Goodstart Shared Equity Program .....	52,458	16,911	9,001	6,792	7,785	9,028	11,942
Government Regional Officer Housing Program .....	215,747	81,139	47,194	40,000	28,711	32,776	33,121
Holding Costs Program .....	593	97	97	124	124	124	124
Housing and Homelessness Investment Package							
Common Ground							
Mandurah .....	28,115	3,115	1,415	1,000	13,000	11,000	-
Perth .....	70,952	5,634	1,995	27,360	37,857	101	-
New Social Housing Builds .....	99,324	72,836	37,157	25,214	1,274	-	-
Shared Equity .....	20,891	5,934	461	549	3,067	5,000	6,341
Investment into New Social Housing .....	959,201	288,257	183,228	254,231	148,972	138,013	129,728
Land							
Acquisition Program .....	357,054	132,120	56,285	59,880	55,018	55,018	55,018
Redevelopment Program .....	9,876	356	-	9,520	-	-	-
Urban Renewal .....	7,563	3,688	400	1,300	400	2,175	-
METRONET Social and Affordable Housing and Jobs Package .....							
	116,716	76,802	15,345	24,020	9,324	4,229	2,341
North West Aboriginal Housing Fund							
Fitzroy Crossing Aboriginal Housing Program .....	18,648	1,910	1,910	1,428	4,097	8,148	3,065
Hedland Transitional Housing Project .....	2,500	1,500	1,000	1,000	-	-	-
Offices Program .....	15,835	9,279	6,810	1,639	1,639	1,639	1,639
Regional Renewal .....	14,690	6,680	4,677	8,010	-	-	-
Safe Place - Youth Mental Health and Alcohol and Other Drugs Homelessness Program .....							
	4,998	53	53	1,804	3,018	123	-
Social Housing							
Disability Services Social Housing Program .....	15,067	10,988	212	-	4,079	-	-
Supportive Landlord Model .....	20,000	10,000	10,000	10,000	-	-	-
Social Housing Economic Recovery Package							
New Builds .....	49,711	34,235	27,009	14,860	616	-	-
Refurbishments .....	96,177	74,627	33,507	21,550	-	-	-
<b>COMPLETED WORKS</b>							
East Kimberley Transitional Housing Project .....	30,829	30,829	-	-	-	-	-
FDV Women's Refuge							
Kwinana .....	5,574	5,574	21	-	-	-	-
Peel .....	5,745	5,745	28	-	-	-	-
Housing and Homelessness Investment Package							
Land Acquisition .....	36,017	36,017	2,919	-	-	-	-
Social Housing Refurbishments .....	5,116	5,116	1,166	-	-	-	-
Mental Health Care Units .....	3,338	3,338	391	-	-	-	-
North West Aboriginal Housing Fund - Yawuru Home							
Ownership Program .....	7,890	7,890	75	-	-	-	-
Reconfiguration of Spinal Cord Injury Project .....	7,634	7,634	938	-	-	-	-
Social Housing Economic Recovery Package - Land							
Acquisition .....	24,290	24,290	20,420	-	-	-	-
Step Up/Step Down Mental Health Facilities							
Geraldton .....	4,657	4,657	48	-	-	-	-
Karratha .....	7,202	7,202	1,300	-	-	-	-
Kalgoorlie .....	2,538	2,538	-	-	-	-	-
<b>NEW WORKS</b>							
Building Minor Works	500	-	-	-	500	-	-
Youth Long-Term Housing and Support Program .....	4,901	-	-	4,901	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>2,502,776</b>	<b>1,029,137</b>	<b>493,201</b>	<b>545,386</b>	<b>364,260</b>	<b>296,938</b>	<b>267,055</b>
<b>FUNDED BY</b>							
Asset Sales .....			24,966	31,014	81,693	74,690	74,139
Capital Appropriation .....			189,888	174,046	138,398	90,232	81,463
Commonwealth Grants .....			-	4,533	1,067	-	-
Drawdown from the Holding Account .....			68	68	68	68	68
Funding Included in Department of Treasury Administered Item .....			1,400	1,000	13,000	11,000	-
Internal Funds and Balances .....			157,939	116,283	26,922	(25,134)	(3,210)
Major Special Purpose Account(s)							
Drawdown from Royalties for Regions Fund .....			5,455	4,479	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
Drawdown from Social Housing Investment Fund.....			110,575	211,535	99,015	137,934	111,521
Other Grants and Subsidies .....			2,910	2,428	4,097	8,148	3,065
<b>Total Funding</b> .....			493,201	545,386	364,260	296,938	267,055

## Financial Statements

### Income Statement

#### Expenses

1. Total Cost of Services in the 2022-23 Estimated Actual is expected to increase by 18% compared to the 2021-22 Actual, primarily reflecting:
  - 1.1. Western Australia's NDIS contributions due to higher than forecast growth in the number of participants joining the Scheme;
  - 1.2. the Government's revised public sector wages policy; and
  - 1.3. the National Partnership Agreement - Family Domestic Sexual Violence Responses.

#### Income

2. Total income in the 2022-23 Estimated Actual is expected to increase by 8% compared to the 2021-22 Actual, primarily due to the:
  - 2.1. anticipated rapid growth in the rate of NDIS participants;
  - 2.2. delivery of essential and municipal services in remote Aboriginal communities; and
  - 2.3. the Government's revised public sector wages policy.

### Statement of Cashflows

3. The Department's end-of-year cash position for the 2022-23 Estimated Actual is expected to decrease by 9.1% compared to the 2021-22 Actual. This is primarily due to increased payments associated with emergency placement for children in statutory Out of Home Care.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b).....	587,772	652,990	697,872	698,803	720,342	736,058	752,378
Grants and subsidies (c).....	1,250,077	1,233,229	1,466,249	313,284	255,055	236,633	230,530
Supplies and services.....	629,547	662,818	666,411	722,710	707,794	721,782	651,880
Accommodation.....	289,476	280,631	310,091	279,313	281,487	285,460	286,803
Depreciation and amortisation.....	134,485	156,702	159,042	155,740	155,733	155,768	155,796
Finance and interest costs.....	49,885	54,622	148,798	144,675	126,092	134,846	142,409
Cost of land sold.....	12,621	400	-	-	-	-	-
Other expenses.....	196,476	256,706	269,843	339,538	262,596	253,312	251,328
<b>TOTAL COST OF SERVICES</b> .....	<b>3,150,339</b>	<b>3,298,098</b>	<b>3,718,306</b>	<b>2,654,063</b>	<b>2,509,099</b>	<b>2,523,859</b>	<b>2,471,124</b>
<b>Income</b>							
Sale of goods and services.....	110,938	84,736	58,271	167,357	185,474	182,480	182,480
Regulatory fees and fines.....	257	-	-	-	-	-	-
Grants and subsidies.....	192,393	180,538	206,986	176,700	175,919	177,398	176,080
Interest revenue.....	-	35	35	21	21	21	21
Rent revenue.....	262,406	291,129	291,036	299,775	299,740	299,272	299,272
Other revenue.....	46,250	31,432	67,506	8,851	11,192	11,391	11,415
<b>Total Income</b> .....	<b>612,244</b>	<b>587,870</b>	<b>623,834</b>	<b>652,704</b>	<b>672,346</b>	<b>670,562</b>	<b>669,268</b>
<b>NET COST OF SERVICES</b> .....	<b>2,538,095</b>	<b>2,710,228</b>	<b>3,094,472</b>	<b>2,001,359</b>	<b>1,836,753</b>	<b>1,853,297</b>	<b>1,801,856</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations (d).....	2,140,558	2,090,377	2,343,084	1,262,314	1,183,680	1,213,127	1,246,346
Resources received free of charge.....	17,471	8,711	11,344	11,344	11,344	11,344	11,344
Special Purpose Account(s) (e)							
Digital Capability Fund.....	-	13,677	-	-	-	-	-
National Redress Scheme.....	7,984	2,965	7,319	2,893	233	101	34
Royalties for Regions Fund							
Regional Community Services Fund.....	105,966	152,171	123,031	89,836	86,831	86,887	79,101
Regional Infrastructure and Headworks Fund.....	-	18	18	-	-	-	-
Social Housing Investment Fund.....	-	74,251	-	-	-	-	-
Other appropriations.....	-	-	3,238	2,685	62,794	63,562	59,475
Other revenues.....	318,706	285,956	347,255	328,408	319,631	310,423	313,048
<b>TOTAL INCOME FROM GOVERNMENT</b> .....	<b>2,590,685</b>	<b>2,628,126</b>	<b>2,835,289</b>	<b>1,697,480</b>	<b>1,664,513</b>	<b>1,685,444</b>	<b>1,709,348</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD</b> .....	<b>52,590</b>	<b>(82,102)</b>	<b>(259,183)</b>	<b>(303,879)</b>	<b>(172,240)</b>	<b>(167,853)</b>	<b>(92,508)</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 5,062, 5,565 and 5,702 respectively.

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

(d) NDIS contributions funding from 2023-24 onwards are now reflected as administered transactions. Total Cost of Services does not include the NDIS contributions from 2023-24 onwards.

(e) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.



## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Child Protection and Family Support</b>							
Child Protection Grants .....	772	550	550	550	550	550	550
Children in Care Initiatives .....	400	-	-	-	-	-	-
Historical Institutional Abuse of Children.....	4,785	-	4,354	2,294	-	-	-
Home Stretch Pilot Program.....	586	-	-	-	-	-	-
Home Stretch Western Australia Roll Out.....	2,232	-	7,420	9,154	9,504	-	-
National Centre and Western Australian Centre for the Prevention of Child Sexual Abuse.....	-	457	457	457	457	-	-
Out of Home Care, Foster Carer and Family Support Grants.....	125,876	121,653	128,470	141,263	150,051	159,222	161,421
Target 120 .....	2,602	8,282	5,167	5,942	7,270	61	-
Tuart Place .....	330	330	330	330	330	330	330
Living Independently for the First Time.....	260	260	260	260	260	260	260
<b>Community Services</b>							
Bereavement Assistance.....	799	705	705	705	705	705	705
Community Gardens .....	169	100	100	100	100	100	100
Disaster Recovery Arrangements - Natural Disasters - Past Events .....	197	-	-	-	-	-	-
Disaster Recovery Arrangements - Severe Tropical Cyclone Seroja .....	1,748	-	-	-	-	-	-
Grandcarers Support Grants .....	-	1,050	1,050	1,050	1,050	1,050	1,050
Hardship Utility Grant Scheme .....	5,538	10,000	10,000	10,000	10,000	10,000	10,000
Kabul Repatriation .....	817	-	-	-	-	-	-
Service Delivery Model for State Emergency Welfare Response.....	-	-	225	464	393	355	366
Social Support Coordinator .....	175	178	353	182	186	192	192
Woorloo Fire Recovery .....	53	-	-	-	-	-	-
<b>COVID-19 Response</b>							
Carer's and Other Payments.....	34	-	-	-	-	-	-
Financial Counselling.....	3,926	-	-	-	-	-	-
National Partnership on COVID-19 Domestic and Family Violence Response .....	8,973	-	-	-	-	-	-
Preparedness in the Care Sector .....	1,399	-	-	-	-	-	-
Rent Freeze - Payments to Community Housing Organisations .....	1,631	-	-	-	-	-	-
Test Isolation Payment.....	4,608	-	-	-	-	-	-
<b>Disability Services</b>							
Community Aids and Equipment Program .....	1,967	7,500	7,500	7,500	7,500	7,500	7,500
NDIS							
Contributions <sup>(a)</sup> .....	956,755	946,281	1,145,635	-	-	-	-
Vocational Education and Training .....	5,393	2,081	2,081	-	-	-	-
Sector Transition Fund - Australian Disability Enterprises.....	-	-	3,800	-	-	-	-
National Disability Services Western Australia ...	-	-	922	-	-	-	-
<b>Election Commitments</b>							
Access to Regional Childcare.....	355	1,431	1,431	1,432	1,433	351	351
Boost to Primary Prevention FDV Services.....	279	3,704	3,504	389	-	-	-
Elder Rights Western Australia.....	-	1,000	1,000	1,000	1,000	1,000	1,000
Grandcarers Support Scheme.....	2,686	1,529	1,529	1,563	1,602	1,602	1,602
Local Government Homelessness Fund .....	-	1,500	187	93	931	-	-
Pets in Crisis Support Program Expansion .....	-	259	259	456	386	386	386
Respectful Relationships Expansion.....	-	721	889	909	928	928	928
Safe at Home Package .....	-	1,041	-	-	-	-	-
Safety and Security for Seniors - Rebate.....	4,864	3,000	3,500	1,500	2,000	3,000	3,000
Scouts Hall - Tapping.....	3,000	-	460	-	-	-	-
Small Commitments.....	3,697	-	-	-	-	-	-
Subsidised Driving Lessons and Dental for Women Exiting Refuge.....	374	381	381	387	397	401	401
Teenagers in Need of Crisis Accommodation Facility.....	-	418	-	854	876	898	758
Volunteering WA Digital Platform .....	100	45	45	15	15	15	15

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Homelessness</b>							
<b>Accommodation and Support Services</b>							
Passages Resources Centre Peel .....	255	262	262	269	-	-	-
Boorloo Bidee Mia .....	3,062	1,993	3,586	3,684	-	-	-
By Name List .....	-	-	270	270	-	-	-
HEART and Koort Boodja .....	3,081	3,726	3,726	1,428	-	-	-
Murray Hotel Project .....	-	-	800	-	-	-	-
Perth Homelessness Services .....	-	2,150	1,444	250	250	-	-
Safe Perth Initiative .....	-	-	908	-	-	-	-
St Bart Hawaiian Homes .....	-	-	331	662	331	-	-
Supportive Landlord Model .....	-	-	200	500	-	-	-
<b>Housing</b>							
Community Housing - Crisis Accommodation .....	8,809	8,014	9,396	5,537	783	-	-
<b>Ganallili Accommodation and Transitional</b>							
Housing Project .....	1,326	3,439	6,886	1,717	-	-	-
Other Housing Grants .....	1,821	-	1,417	-	-	-	-
Robe River Kuruma Aboriginal Corporation .....	-	230	236	241	-	-	-
<b>SHERP</b>							
Maintenance .....	2,662	6,850	5,243	8,175	-	-	-
New Build .....	1,213	15,950	23,863	32,483	11,047	8,869	-
Refurbishments .....	18,506	23,336	8,474	19,606	-	-	-
<b>Other</b>							
Essential Municipal Services Upgrade Program .....	6,793	12,082	8,249	9,664	6,672	-	-
Other Grants .....	3,208	-	-	-	-	-	-
<b>Prevention of FDV</b>							
Culturally Appropriate Services to FDV Victims .....	409	445	554	445	445	445	445
Cyrenian House .....	2,300	-	-	-	-	-	-
Expand Sector Recognised Training .....	-	-	510	521	533	429	429
<b>FDV</b>							
Counselling .....	273	273	273	280	280	288	288
Initiatives .....	7,593	2,898	4,988	-	-	-	-
Support .....	256	186	186	186	186	186	186
Keeping Women Safe in Their Homes .....	742	351	927	-	-	-	-
Kimberley Family Violence Service .....	1,307	1,197	1,197	1,248	1,480	1,313	1,346
Marrin Bowa Dumbara Aboriginal FDV Services .....	888	859	859	-	-	-	-
Mirrabooka and Kalgoorlie FDV One-Stop Hubs .....	3,004	4,010	4,010	4,111	-	-	-
<b>National Partnership Agreement - Family Domestic</b>							
Sexual Violence Responses 2021-2023 .....	4,378	-	13,899	-	-	-	-
Our Watch Program .....	-	129	129	129	129	129	129
Pets in Crisis .....	300	108	108	111	114	114	114
Rapid Re-housing for Women and Children .....	-	-	1,068	1,092	1,116	1,038	1,038
Respectful Relationships .....	353	168	109	109	109	109	109
Women's Refuge Peel .....	1,521	1,540	1,702	1,746	2,319	1,840	611
<b>Seniors</b>							
Elder Abuse Prevention Initiatives .....	1,350	-	-	185	-	-	-
Seniors Cost of Living Rebates .....	25,195	27,400	26,600	28,561	30,322	32,202	34,155
Seniors Peak Body .....	-	-	210	460	250	-	-
Seniors Support Initiative .....	212	-	-	-	-	-	-
<b>Volunteering</b>							
Volunteering Grants .....	189	30	30	30	30	30	30
<b>Women's Interests</b>							
Respect in Mining .....	-	-	300	-	-	-	-
Women's Grants <sup>(b)</sup> .....	91	85	85	85	85	85	85
<b>Youth</b>							
Empowered Youth Network .....	-	412	-	-	-	-	-
Youth Support Grants .....	1,600	650	650	650	650	650	650
<b>TOTAL</b> .....	<b>1,250,077</b>	<b>1,233,229</b>	<b>1,466,249</b>	<b>313,284</b>	<b>255,055</b>	<b>236,633</b>	<b>230,530</b>

(a) NDIS contribution funding from 2023-24 onwards are now reflected as administered transactions. The Total Cost of Services and Controlled Grants and Subsidies from 2023-24 onwards do not include the NDIS contributions.

(b) Note that internal funding of \$250,000 per annum has been allocated for Women's Grants from 2022-23 onwards, as part of Service 1 - Community Services funding.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	203,922	50,402	183,285	14,006	49,529	101,581	177,981
Restricted cash .....	43,548	31,367	38,594	35,929	34,062	33,252	33,252
Holding Account receivables .....	68	951	68	68	68	68	68
Receivables .....	351,335	242,023	248,434	235,517	273,592	286,593	292,931
Loans and advances .....	407,506	1,100,163	509,240	513,397	544,718	585,312	628,216
Other.....	129,467	260,625	161,674	142,373	219,779	219,779	219,779
Assets held for sale.....	7,233	5,161	7,233	7,233	7,233	7,233	7,233
<b>Total current assets .....</b>	<b>1,143,079</b>	<b>1,690,692</b>	<b>1,148,528</b>	<b>948,523</b>	<b>1,128,981</b>	<b>1,233,818</b>	<b>1,359,460</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	241,946	262,476	265,235	288,463	311,687	334,949	352,524
Property, plant and equipment.....	13,315,672	12,240,032	13,539,468	13,683,512	13,734,595	13,609,725	13,466,519
Loans and advances .....	3,591,007	3,805,809	2,629,492	2,643,851	2,813,017	3,026,915	3,255,938
Receivables .....	26,196	35,174	40,752	39,234	41,930	42,524	37,339
Intangibles .....	11,188	5,498	6,177	187	(5,803)	(8,506)	(11,209)
Restricted cash .....	11,362	13,363	13,306	14,021	14,736	15,571	16,406
Other.....	296,998	262,943	306,329	423,330	359,979	503,863	612,479
<b>Total non-current assets .....</b>	<b>17,494,369</b>	<b>16,625,295</b>	<b>16,800,759</b>	<b>17,092,598</b>	<b>17,270,141</b>	<b>17,525,041</b>	<b>17,729,996</b>
<b>TOTAL ASSETS .....</b>	<b>18,637,448</b>	<b>18,315,987</b>	<b>17,949,287</b>	<b>18,041,121</b>	<b>18,399,122</b>	<b>18,758,859</b>	<b>19,089,456</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	151,551	142,912	153,530	155,509	157,488	159,551	161,614
Payables .....	76,945	62,398	76,135	70,499	69,189	60,057	57,850
Borrowings and leases .....	110,853	112,807	112,976	113,427	111,270	115,724	111,200
Other.....	284,938	287,489	263,441	264,746	277,806	262,717	260,981
<b>Total current liabilities .....</b>	<b>624,287</b>	<b>605,606</b>	<b>606,082</b>	<b>604,181</b>	<b>615,753</b>	<b>598,049</b>	<b>591,645</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	26,041	27,742	26,041	26,041	26,041	26,041	26,041
Borrowings and leases .....	4,553,761	5,361,837	3,629,361	3,530,616	3,697,201	3,912,559	4,139,504
Other.....	53,775	44,477	38,933	45,250	55,883	55,883	55,883
<b>Total non-current liabilities .....</b>	<b>4,633,577</b>	<b>5,434,056</b>	<b>3,694,335</b>	<b>3,601,907</b>	<b>3,779,125</b>	<b>3,994,483</b>	<b>4,221,428</b>
<b>TOTAL LIABILITIES.....</b>	<b>5,257,864</b>	<b>6,039,662</b>	<b>4,300,417</b>	<b>4,206,088</b>	<b>4,394,878</b>	<b>4,592,532</b>	<b>4,813,073</b>
<b>EQUITY</b>							
Contributed equity .....	2,543,472	2,806,293	3,056,717	3,546,762	3,888,214	4,218,032	4,420,574
Accumulated surplus/(deficit).....	3,621,528	3,335,637	3,377,345	3,073,466	2,901,226	2,733,373	2,640,865
Reserves.....	7,214,584	6,134,334	7,214,808	7,214,805	7,214,804	7,214,922	7,214,944
Other.....	-	61	-	-	-	-	-
<b>Total equity .....</b>	<b>13,379,584</b>	<b>12,276,325</b>	<b>13,648,870</b>	<b>13,835,033</b>	<b>14,004,244</b>	<b>14,166,327</b>	<b>14,276,383</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>18,637,448</b>	<b>18,315,987</b>	<b>17,949,287</b>	<b>18,041,121</b>	<b>18,399,122</b>	<b>18,758,859</b>	<b>19,089,456</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	2,118,632	2,068,899	2,319,727	1,239,018	1,160,388	1,189,797	1,228,703
Capital appropriation.....	107,813	281,006	251,351	222,172	162,733	118,747	90,829
Administered equity contribution.....	-	11,700	1,400	1,000	13,000	11,000	-
Holding Account drawdowns.....	68	68	68	68	68	68	68
Special Purpose Account(s)							
Digital Capability Fund.....	5,065	13,677	8,307	8,313	6,270	193	193
Remote Communities.....	-	-	5,763	16,943	55,555	60,069	-
Royalties for Regions Fund							
Regional Community Services Fund.....	105,966	152,171	123,049	89,836	86,831	86,887	79,101
Regional Infrastructure and Headworks Fund.....	2,003	5,455	5,455	4,479	-	-	-
Social Housing Investment Fund.....	-	31,370	301,762	231,146	103,895	139,810	111,521
Receipts paid into Consolidated Account.....	-	-	(22,407)	-	-	-	-
Other.....	404,192	447,151	526,028	431,992	393,469	393,762	396,817
Administered appropriations.....	-	-	3,238	2,685	62,794	63,562	59,475
<b>Net cash provided by Government.....</b>	<b>2,743,739</b>	<b>3,011,497</b>	<b>3,523,741</b>	<b>2,247,652</b>	<b>2,045,003</b>	<b>2,063,895</b>	<b>1,966,707</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(573,950)	(651,445)	(696,327)	(697,257)	(718,796)	(734,512)	(750,832)
Grants and subsidies.....	(1,236,461)	(1,235,979)	(1,466,749)	(316,034)	(257,305)	(241,133)	(230,530)
Supplies and services.....	(706,520)	(716,872)	(701,466)	(736,530)	(696,564)	(744,752)	(639,582)
Accommodation.....	(283,585)	(291,512)	(320,972)	(290,194)	(292,368)	(296,324)	(297,667)
GST payments.....	(95,486)	(93,763)	(93,763)	(66,606)	(75,818)	(75,868)	(75,868)
Finance and interest costs.....	(48,182)	(54,062)	(150,806)	(144,176)	(125,734)	(134,648)	(142,409)
Other payments.....	(194,417)	(216,370)	(225,794)	(234,795)	(231,401)	(228,432)	(219,508)
<b>Receipts (b)</b>							
Regulatory fees and fines.....	257	-	-	-	-	-	-
Grants and subsidies.....	192,393	180,538	206,986	176,700	175,919	177,398	176,080
Sale of goods and services.....	107,385	84,527	58,062	167,149	185,266	182,272	182,272
GST receipts.....	93,943	93,763	93,763	66,606	75,818	75,868	75,868
Rent receipts.....	260,294	291,129	291,036	299,775	299,740	299,272	299,272
Interest receipts.....	261	35	35	21	21	21	21
Other receipts.....	36,704	18,837	19,115	10,292	8,787	9,053	9,077
<b>Net cash from operating activities.....</b>	<b>(2,447,364)</b>	<b>(2,591,174)</b>	<b>(2,986,880)</b>	<b>(1,765,049)</b>	<b>(1,652,435)</b>	<b>(1,711,785)</b>	<b>(1,613,806)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(290,933)	(414,109)	(436,419)	(480,552)	(308,718)	(239,621)	(211,913)
Proceeds from sale of non-current assets.....	47,868	24,976	24,966	31,014	81,693	74,690	74,139
<b>Net cash from investing activities.....</b>	<b>(243,065)</b>	<b>(389,133)</b>	<b>(411,453)</b>	<b>(449,538)</b>	<b>(227,025)</b>	<b>(164,931)</b>	<b>(137,774)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(1,735,816)	(1,179,114)	(1,018,251)	(1,480,284)	(702,073)	(710,250)	(233,036)
Other payments.....	(475,000)	(1,341,373)	(538)	(1,290,059)	(771,388)	(829,641)	(367,163)
Proceeds from borrowings.....	475,000	1,341,373	538	1,290,059	771,388	829,641	367,163
Other proceeds.....	1,575,000	1,049,500	860,153	1,270,000	570,901	575,148	95,144
<b>Net cash from financing activities.....</b>	<b>(160,816)</b>	<b>(129,614)</b>	<b>(158,098)</b>	<b>(210,284)</b>	<b>(131,172)</b>	<b>(135,102)</b>	<b>(137,892)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>							
.....	(107,506)	(98,424)	(32,690)	(177,219)	34,371	52,077	77,235
Cash assets at the beginning of the reporting period.....	370,015	193,556	258,832	235,185	63,956	98,327	150,404
Net cash transferred to/from other agencies.....	(3,677)	-	9,043	5,990	-	-	-
<b>Cash assets at the end of the reporting period.....</b>	<b>258,832</b>	<b>95,132</b>	<b>235,185</b>	<b>63,956</b>	<b>98,327</b>	<b>150,404</b>	<b>227,639</b>

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

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

## NET APPROPRIATION DETERMINATION (a)(b)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Grants and Subsidies</b>							
Connected Beginnings - Roebourne .....	560	736	736	-	-	-	-
Criminal Law (Mental Impairment) Reforms ..	104	-	-	-	-	-	-
Disaster Recovery Arrangements							
Past Events .....	1,625	280	280	-	-	-	-
Severe Tropical Cyclone Seroja .....	900	5,400	5,758	4,113	-	-	-
Ex-Tropical Cyclone Ellie .....	-	-	9,440	24,400	420	-	-
Essential and Municipal Services Upgrade							
Program .....	8,929	15,022	27,525	131	-	-	-
Financial Counselling .....	500	500	500	500	500	500	500
Kimberley Juvenile Justice Strategy .....	-	154	154	-	-	-	-
Mental Awareness, Respect and Safety							
Program .....	-	-	300	-	-	-	-
National Disability Data Asset .....	-	-	80	-	-	-	-
National Housing and Homelessness							
Agreement .....	47,076	50,719	53,708	40,960	41,600	41,935	40,725
National Initiatives Women's Safety Package .....	751	-	751	-	-	-	-
National Partnership Agreement - Family							
Domestic Sexual Violence Responses .....	7,535	-	22,605	-	-	-	-
National Partnership on COVID-19							
Response .....	2,538	-	-	-	-	-	-
Parenting Community Funding .....	529	-	539	551	563	575	588
Perth Central Business District Office .....	249	-	-	-	-	-	-
Project Agreement for Family Law							
Information Sharing .....	305	-	-	-	-	-	-
Provision of Services to the Commonwealth							
in Respect of Indian Ocean Territories .....	454	580	567	567	567	567	567
Unaccompanied Humanitarian Minors .....	-	33	33	33	33	33	33
Western Australian Council of Social Service							
Sector Support Development .....	197	192	192	192	192	192	192
Wooroloo Fires Recovery Arrangement .....	351	-	-	-	-	-	-
Youth Supported Accommodation							
Assistance Program from Mental Health							
Commission .....	472	-	-	-	-	-	-
<b>Sale of Goods and Services</b>							
Adoptions Fees .....	66	138	109	164	164	165	165
Fines and Penalties .....	257	-	-	-	-	-	-
NDIS Worker Screening Fees .....	3,677	4,601	4,601	4,601	4,460	4,460	4,460
Other .....	11	-	-	-	-	-	-
Regulatory Fees and Services Rendered .....	656	612	612	753	753	753	753
Western Australian Seniors Card .....	85	124	124	124	124	124	124
Working with Children Screening Fees .....	9,305	9,202	9,202	9,202	9,202	9,202	9,202
<b>GST Receipts</b>							
GST Input Credits .....	57,092	41,033	41,033	40,609	40,138	40,138	40,457
GST Receipts on Sales .....	1,106	82	82	82	82	82	82
<b>Other Receipts</b>							
Other Receipts .....	1,015	805	805	805	805	805	486
King Square Lease <sup>(c)</sup> .....	5,859	-	-	-	-	-	-
Rent Income - Employee Contribution for							
GROH .....	1,671	3,272	2,501	2,864	3,203	3,473	3,473
Rent Income - Executive Vehicle Scheme .....	147	-	-	-	-	-	-
Revaluation Increment .....	2,895	-	-	-	-	-	-
<b>TOTAL</b> .....	156,917	133,485	182,237	130,651	102,806	103,004	101,807

(a) The Housing Authority and the Disability Services Commission are statutory authorities and excluded from the Net Appropriation Determination.

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

(c) The 2021-22 Actual represents receipts from corporate allocation costs relating to the leasing of King Square office.

**DETAILS OF ADMINISTERED TRANSACTIONS (a)**

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>INCOME</b>							
<b>Other</b>							
Appropriation .....	-	-	-	1,297,846	1,265,358	1,264,788	1,265,474
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,297,846</b>	<b>1,265,358</b>	<b>1,264,788</b>	<b>1,265,474</b>
<b>EXPENSES</b>							
<b>Other</b>							
NDIS Contributions .....	-	-	-	1,297,846	1,265,358	1,264,788	1,265,474
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,297,846</b>	<b>1,265,358</b>	<b>1,264,788</b>	<b>1,265,474</b>

(a) National Disability Insurance Scheme (NDIS) contributions funding was transferred from the Department's budget from 2023-24 and is now reflected as Administered Transactions.

# 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 \$4.9 million across the forward estimates period and includes:
  - 2.1. an ongoing ICT development program; and
  - 2.2. the development of a loans management system to facilitate migration of the Trust's Enterprise Resource Planning system to the cloud.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
ICT Systems .....	18,592	13,992	550	1,150	1,150	1,150	1,150
<b>COMPLETED WORKS</b>							
Broker Portal Replacement .....	1,527	1,527	500	-	-	-	-
Customer Application for Education and Refinancing .....	1,500	1,500	1,500	-	-	-	-
<b>NEW WORKS</b>							
TechOne Migrating to the Cloud .....	250	-	-	250	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>21,869</b>	<b>17,019</b>	<b>2,550</b>	<b>1,400</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>
<b>FUNDED BY</b>							
Borrowings .....			500	250	-	-	-
Internal Funds and Balances .....			2,050	1,150	1,150	1,150	1,150
<b>Total Funding .....</b>			<b>2,550</b>	<b>1,400</b>	<b>1,150</b>	<b>1,150</b>	<b>1,150</b>

Division 36 **Local Government, Sport and Cultural Industries**

Part 8 **Community Services**

**Appropriations, Expenses and Cash Assets**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 73 Net amount appropriated to deliver services .....	163,758	269,745	235,013	<b>233,565</b>	155,581	139,814	138,272
Item 75 Art Gallery of Western Australia.....	9,044	8,641	9,521	<b>9,921</b>	10,160	10,301	10,486
Item 76 Arts and Culture Trust .....	10,318	10,772	11,473	<b>12,066</b>	12,760	13,021	13,405
Item 77 Contribution to Community Sporting and Recreation Facilities Fund...	13,000	12,000	12,000	<b>19,500</b>	19,500	12,000	12,000
Item 78 Library Board of Western Australia...	28,046	27,937	28,634	<b>28,743</b>	28,748	29,105	29,524
Item 79 Western Australian Museum .....	37,838	37,101	38,130	<b>36,862</b>	41,103	37,370	38,083
<b>Amount Authorised by Other Statutes</b>							
- Lotteries Commission Act 1990 .....	43,039	35,582	41,274	<b>37,322</b>	38,898	39,952	40,566
- Salaries and Allowances Act 1975 .....	636	641	641	<b>643</b>	648	664	681
Total appropriations provided to deliver services.....	305,679	402,419	376,686	<b>378,622</b>	307,398	282,227	283,017
<b>ADMINISTERED TRANSACTIONS</b>							
Item 74 Amount provided for Administered Grants, Subsidies and Other Transfer Payments .....	84,555	43,174	55,444	<b>45,675</b>	47,129	48,342	49,082
<b>CAPITAL</b>							
Item 142 Capital Appropriation.....	22,981	61,885	40,304	<b>72,450</b>	162,990	127,303	51,678
Item 143 Art Gallery of Western Australia....	2,618	218	218	<b>218</b>	218	218	218
Item 144 Western Australian Museum .....	-	2,000	100	<b>1,900</b>	-	-	-
<b>TOTAL APPROPRIATIONS .....</b>	<b>415,833</b>	<b>509,696</b>	<b>472,752</b>	<b>498,865</b>	<b>517,735</b>	<b>458,090</b>	<b>383,995</b>
<b>EXPENSES</b>							
Total Cost of Services .....	418,038	517,409	442,197	<b>675,246</b>	396,035	370,730	353,131
Net Cost of Services <sup>(a)</sup> .....	361,758	459,928	375,575	<b>591,745</b>	343,222	310,070	302,550
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>226,544</b>	<b>65,116</b>	<b>228,270</b>	<b>68,840</b>	<b>53,515</b>	<b>48,075</b>	<b>48,028</b>

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

(b) As at 30 June each financial year.



## Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Election Commitments</b>					
Centralised Registration System for Dogs and Cats .....	-	190	191	192	192
Cockburn Aquatic and Recreation Centre Upgrade .....	2,500	-	-	-	-
Ellenbrook Youth Centre .....	180	-	-	-	-
Fremantle City Football Club Upgrade of Women's Facilities .....	200	-	-	-	-
Gosnells City Soccer Club .....	130	-	-	-	-
Keirnan Park Recreation Precinct .....	2,000	-	-	-	-
Mowanjum Community New Change Rooms .....	200	-	-	-	-
<b>New Initiatives</b>					
Activate Perth .....	250	250	250	250	-
Albany Entertainment Centre .....	-	400	-	-	-
Art Gallery of Western Australia					
Business Case .....	-	200	-	-	-
Offsite Storage .....	458	1,000	1,000	1,000	1,000
Asset Management System Development .....	-	625	-	-	-
Banned Drinkers Register/Takeaway Alcohol Management System - Carnarvon .....	143	565	836	859	-
Capital Works Grant Funding for Culturally and Linguistically Diverse Communities .....	-	3,000	3,000	-	-
City of Joondalup Cycling Infrastructure .....	-	1,200	-	-	-
Climate Change Adaptation .....	-	500	-	-	-
National Rugby League Franchise - Scoping .....	300	200	-	-	-
Office of the Independent Monitor - Oversight of Burswood Casino Remediation .....	3,950	7,900	3,950	-	-
Overseas Humanitarian Aid					
Myanmar .....	500	-	-	-	-
Sri Lanka .....	500	-	-	-	-
Perth Casino Royal Commission Implementation .....	2,877	1,412	-	-	-
Perth Glory - Temporary Site .....	500	-	-	-	-
State Hockey Centre .....	-	275	355	435	435
State Library of Western Australia - Board Fees .....	111	83	83	83	83
Western Australian Cricket Association (WACA) Ground Improvement Project and Aquatic Centre .....	-	66,200	12,500	1,000	-
Western Australian Games and Interactive Fund .....	1,000	1,000	-	-	-
<b>Ongoing Initiatives</b>					
Art Gallery of Western Australia - Revisions to Own-source Revenue Estimates .....	4,220	4,220	4,220	4,220	4,220
Banned Drinkers Register/Takeaway Alcohol Management System - Kimberley, Pilbara and Goldfields .....	-	4,396	3,625	-	-
Bunbury Hands Oval Pavilion Redevelopment .....	3,000	-	-	-	-
Community Sporting and Recreation Facilities Fund .....	-	7,500	7,500	-	-
Connecting to Country .....	-	543	543	543	573
Digitisation of At-risk Audio Visual Collections - Years Two to Four .....	-	1,302	1,327	1,354	264
Dorrien Gardens .....	200	-	-	-	-
Electricity Cost Pressures - Perth Cultural Centre .....	420	430	440	450	460
Financial Assistance for Pet Rescue Organisations .....	300	200	200	200	200
Indian Ocean Territories .....	63	63	63	63	63
Multicultural Community Grants .....	-	250	250	250	250
Regional Athlete Support Program .....	-	1,562	1,618	1,674	-
Regulatory Reform Program .....	-	1,677	-	-	-
Royalties for Regions Program .....	2,925	1,636	19	19	19
Stephen Michael Foundation .....	-	200	200	200	200
Western Australian Holocaust Museum .....	500	-	-	-	-
<b>Other</b>					
2023-24 Tariffs, Fees and Charges .....	-	307	351	351	363
Central Business District Revitalisation .....	4,000	-	-	-	-
COVID-19 Support Package					
Commercial Sport .....	441	-	-	-	-
Liquor Licensing .....	350	-	-	-	-
Government Regional Officer Housing .....	36	34	35	37	36
Non-Government Human Services Sector Indexation Adjustment .....	5	13	17	20	41
Public Sector Wages Policy .....	6,444	5,382	7,080	8,804	8,804
Revisions to <i>Lotteries Commission Act 1990</i> Estimates .....	5,692	1,140	938	862	886

## Significant Issues Impacting the Agency

1. The Department is working hard to maximise its contribution to the prosperity and wellbeing of the Western Australian community, including providing input into whole-of-government priorities and objectives across the State.

### Major Cultural Infrastructure Projects

2. Some project timeframes and costs have been and will continue to be impacted by market conditions, however, the Department continues to deliver on infrastructure projects. Following the successful delivery of the His Majesty's Theatre balconies project in 2022, 2023-24 represents a new wave of cultural infrastructure. Planning and design has commenced on the \$150 million Perth Concert Hall redevelopment following a major funding boost, and the Perth Cultural Centre rejuvenation project will create a vibrant, safe and attractive precinct to connect Perth's cultural institution and its surrounds.

### Aboriginal Cultural Centre

3. The Government has made a significant commitment toward community engagement, planning, design and seed capital for an Aboriginal Cultural Centre which will celebrate and promote the diverse cultures, heritage and experiences of Western Australia's Aboriginal people and communities. The centre will aim to inspire visitors to explore all regions of the State to enjoy first-hand the unique experiences available in Western Australia.

### Sporting and Cultural Infrastructure

4. The Department will continue to plan for and facilitate the delivery of community sporting and cultural infrastructure projects. This investment into State and community infrastructure will create local jobs, support tourism, ensure thriving sport and recreation and arts and cultural sectors, and create industries to diversify the economy. Major projects currently underway include:
  - 4.1. the WACA Ground Improvement Project and Aquatic Centre, with the Government contributing \$84.7 million; and
  - 4.2. the \$135 million State Hockey Centre.

### FIFA Women's World Cup

5. In readiness for Perth to host the 2023 FIFA Women's World Cup, the new State Football Centre, and upgrades to HBF Park, Dorrien Gardens and Kingsway Regional Sporting Complex will be completed in time for the tournament.

### Screen Sector Development

6. The Government has committed to the development of Western Australia's screen industry through a \$107 million investment in a Screen Production Facility and Screen Production Attraction Fund. The significant commitment to the fund is being delivered by the Department, through Screenwest, to attract large-scale film and television productions to the State. This aims to increase the slate of productions in readiness for the Screen Production Facility and increase employment and demand for screen industry personnel.

### Creative Learning Program

7. Liveability of Western Australia is improved through the existence of high-quality arts that are accessible to all communities through a diverse range of arts and cultural activities. The Creative Learning Program is a Government election commitment over 2021 to 2024. This Program delivers initiatives that provide meaningful creative learning experiences, improve student engagement, enhance learning capabilities and build the capacity of educators and artists/creatives. Large-scale creative learning projects have commenced, enriching the overall learning and engagement of students across Western Australia. With just over \$3 million in funding being awarded in 2022-23, there will be an increase in creative learning development activities and demand for qualified artistic personnel.

### **Increased Competition for Audience Engagement**

8. The Department will carefully monitor the significant impact of increased consumer choice on attendance and engagement in sports and cultural events and activities, particularly given the booming event market and increased overseas travel. Combined with mitigating cost of living pressures, the Department will work closely with the sports and cultural sectors to mitigate the ongoing impact on programming and audience engagement.

### **Support for Communities Affected by Crises Overseas**

9. Western Australia's cultural and linguistic diversity has strengthened its economic, cultural and person-to-person links internationally. These connections have also meant that many Western Australians have been impacted by crises in other countries. The Department will continue to support affected local communities and facilitate provision of Government aid to assist response and recovery efforts overseas.

### **Legislative Reforms - Local Government**

10. The desire of ratepayers and community members to see well-governed and functional local government means the Government responds through its regulatory function. The first tranche of local government reforms included the Local Government Amendment Bill, which was passed in the Legislative Assembly in March 2023 and is progressing through the Legislative Council. The Department will continue to progress other major local government reforms to provide a stronger, more consistent framework for local government across Western Australia to deliver benefits for residents, ratepayers, and communities.

### ***Dog Amendment (Stop Puppy Farming) Act 2021***

11. On 22 December 2021, the *Dog Amendment (Stop Puppy Farming) Act 2021* received the Royal Assent. To meet community expectations regarding animal welfare, the Department is developing a centralised registration system and enabling regulations to implement significant reforms to the *Dog Act 1976*. The reforms are being designed and implemented in consultation with stakeholders.

### **Perth Casino Royal Commission Implementation**

12. The Government responded to the 59 recommendations of the Perth Casino Royal Commission on 16 March 2023. Immediate legislative change occurred through the *Casino Legislation Amendment (Burswood Casino) Act 2022* which established the Independent Monitor to oversee remediation at the Perth Casino; improved the powers of the regulator and Minister; and increased the penalties for serious breaches by the casino licensee. The Department and the regulator, the Gaming and Wagering Commission of Western Australia, continue to improve the regulatory, legislative and governance frameworks. This is in response to community expectation for modern regulation of the casino, to ensure the integrity of gaming and to minimise harm from gambling.

### **Banned Drinkers Register**

13. Community concerns regarding liquor harm and problem drinkers continue to be identified as a contributing factor affecting wellbeing in some regional and remote communities. The Banned Drinkers Register is a system to reduce alcohol-related harm by restricting the access of high-risk problem drinkers to the purchase of packaged liquor. The Banned Drinkers Register is one intervention currently being trialled. This trial is underway in the Kimberley, Pilbara and Goldfields, and a series of legislative amendments are being progressed to optimise the effectiveness of the system. The Banned Drinkers Register will also be expanded to Carnarvon from May 2023 at a cost of \$2.4 million.

### **Liquor Regulatory Reform**

14. An efficient and effective liquor regulatory system creates the right environment for business to operate, while also addressing liquor-related harm in our community. Significant reform to the regulatory framework is anticipated following consultation with the community and industry in 2023. A range of potential improvements will be considered, including eliminating unnecessary red tape, a simpler licensing system, and a faster, more cost-effective approvals process.

## **Digitisation**

15. Preserving historical records and artifacts is an important part of ensuring the State's history is accessible for future generations. Work is underway to increase digitisation and access to a range of online services and information across cultural statutory authorities, which includes the At-risk Digitisation Project at the State Library of Western Australia (State Library). This collection includes amateur recordings, government and private sector productions, films, music, interviews and other audio-visual content. The large-scale digitisation will 'unlock' thousands of items that depict people, places and events unique to Western Australia and transform the State Library's delivery model from catalogue listings to a discoverable and playable film and sound archive.
16. The Art Gallery of Western Australia will digitise the entire State Art Collection through a five-year philanthropic partnership, which will provide greater access to the State Art Collection and to assist with growing community demand for digital content.
17. The Arts and Culture Trust's Museum of Performing Arts (MOPA) collection comprises over 47,000 pieces of performing arts memorabilia, including costumes, photographs, and posters. The print and photographic material are being digitally archived as part of a Murdoch University-led digitisation project, which aims to digitise significant cultural collections held in Western Australia.

## **Child Safeguarding Implementation Unit**

18. Western Australia has adopted a coordinated and collaborative approach to implement the recommendations of the Royal Commission into Institutional Responses to Child Sexual Abuse (Royal Commission). Responding to issues raised in the Royal Commission and increasing the frequency of reports of historical abuse is a challenge for many organisations and associations across all the Department's portfolios. Improving community confidence in the entities providing services is a major priority. Through its Child Safeguarding Implementation Unit, the Department continues to support organisations in its sector portfolios to respond to these recommendations and to build and strengthen their child-safe practices, environments, and cultures.

## **Rejuvenation of the Perth Cultural Centre**

19. The project aims to rejuvenate the Perth Cultural Centre precinct to create vibrant, safe and attractive areas to connect Perth's cultural institutions and the surrounds. Improving liveability of Perth is an important part of securing improved social and economic outcomes. This specific project will include creating a new open air sculpture garden and cultural space on the Art Gallery of Western Australia site and the commissioning of a new landmark artwork installation for the façade of the Main Building.

## 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: Supporting our local and regional communities to thrive.	A sustainable arts and culture sector that facilitates attendance and participation in arts and cultural activity.	1. Cultural and Arts Industry Support
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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 5. Office of the Independent Monitor (Oversight of Burswood Casino Remediation)
	A strong sport and recreation sector that facilitates participation.	6. Sport and Recreation Industry Support
	Western Australia's State Art Collection asset is developed, appropriately managed and preserved.	7. Cultural Heritage Management and Conservation
	Western Australia's State Art Collection and works of art on loan are accessible.	8. Cultural Heritage Access and Community Engagement and Education
	The Western Australian community has access to the State Library's collections, services and programs.	9. State Library Services
	The Western Australian community engages with public library collections, services and programs.	10. Public Library Support
	Effectively managed performing arts venues attracting optimal utilisation.	11. Venue Management Services
	Sustainable care and development of the State's Museum collections for the benefit of present and future generations.	12. Collections Management, Research and Conservation Services 13. Collections Effectively Documented and Digitised
	Enhance cultural identity and understanding by promoting and ensuring the widest possible use of Museum content and collections.	14. Public Sites, Public Programs and Collections Accessed On-Site 15. Online Access to Collections, Expertise and Programs 16. Museum Services to the Regions

**Service Summary**

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Cultural and Arts Industry Support.....	99,288	76,324	88,526	89,482	78,806	78,747	73,571
2. Regulation and Support of Local Government .....	22,523	14,494	12,068	19,192	12,020	12,649	12,744
3. Asset and Infrastructure Support Services to Client Agencies .....	30,088	16,544	24,678	26,569	14,065	13,878	14,050
4. Regulation of the Gambling and Liquor Industries .....	22,991	23,297	27,799	27,812	28,262	25,497	25,311
5. Office of the Independent Monitor (Oversight of Burswood Casino Remediation).....	-	-	3,950	7,900	3,950	-	-
6. Sport and Recreation Industry Support.....	130,993	271,166	160,510	378,527	129,458	115,887	102,760
7. Cultural Heritage Management and Conservation.....	1,124	1,145	1,637	2,143	2,208	2,273	2,342
8. Cultural Heritage Access and Community Engagement and Education .....	10,620	10,662	15,270	15,386	14,904	14,994	15,123
9. State Library Services .....	15,520	14,734	15,716	15,274	14,572	14,756	14,462
10. Public Library Support .....	15,438	17,016	16,912	17,219	18,621	18,857	18,480
11. Venue Management Services.....	21,534	23,746	24,447	25,096	25,790	23,560	23,908
12. Collections Management, Research and Conservation Services.....	9,727	10,875	11,107	11,071	9,222	9,440	9,581
13. Collections Effectively Documented and Digitised.....	1,717	1,517	1,549	1,544	1,596	1,634	1,659
14. Public Sites, Public Programs and Collections Accessed On-Site.....	27,340	27,602	28,190	28,099	33,846	29,637	30,084
15. Online Access to Collections, Expertise and Programs .....	845	901	920	917	948	970	985
16. Museum Services to the Regions .....	8,290	7,386	8,918	9,015	7,767	7,951	8,071
<b>Total Cost of Services .....</b>	<b>418,038</b>	<b>517,409</b>	<b>442,197</b>	<b>675,246</b>	<b>396,035</b>	<b>370,730</b>	<b>353,131</b>

Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: A sustainable arts and culture sector that facilitates attendance and participation in arts and cultural activity:</b>					
Ratio of Government funding to other income earned for funded arts and cultural organisations .....	1:3.7	1:3.4	1:3.1	1:3.5	1
Percentage of Western Australians attending or participating in an arts and cultural activity.....	74%	73%	74%	74%	
Percentage of stakeholders who report that the Office of Multicultural Interests had a positive impact on the promotion and support of multiculturalism ..	91%	80%	90%	90%	2
<b>Outcome: Local governments are supported to meet legislative requirements of the Local Government Act:</b>					
Percentage of local governments where actions were taken in support of compliance with the legislative framework .....	31%	20%	36%	35%	3
<b>Outcome: Gambling and liquor industries operate responsibly in accordance with legislation:</b>					
Percentage of audits and inspections that comply with requirements and statutory criteria.....	99%	95%	95%	95%	
<b>Outcome: A strong sport and recreation sector that facilitates participation:</b>					
Percentage of Western Australians participating in organised sport and recreation...	64%	56%	64%	56%	4
<b>Outcome: Western Australia's State Art Collection asset is developed, appropriately managed and preserved:</b>					
Percentage of collection stored to the required standard .....	98%	99%	98%	99%	
<b>Outcome: Western Australia's State Art Collection and works of art on loan are accessible:</b>					
Number of people accessing the collection:					
Total number of visitors .....	172,769	280,000	392,465	320,000	5
Total number of online visitors to website .....	200,803	175,000	171,800	154,800	6
Percentage of visitors satisfied with visit overall.....	87%	93%	93%	84%	7
<b>Outcome: The Western Australian community has access to the State Library's collections, services and programs:</b>					
Number of State Library accesses.....	7,958,954	6,215,150	5,927,574	6,110,415	
Percentage of visitors who are satisfied with State Library services .....	95%	95%	95%	95%	
<b>Outcome: The Western Australian community engages with public library collections, services and programs:</b>					
Percentage of Western Australians that are a member of a public library.....	37.9%	37.9%	29.9%	23%	8
<b>Outcome: Effectively managed performing arts venues attracting optimal utilisation:</b>					
Attendance rate across principal performance spaces.....	351,767	320,000	310,000	270,000	9
Average subsidy per attendee for Arts and Culture Trust funded programs.....	-\$2	\$2	\$4	\$2	10
<b>Outcome: Sustainable care and development of the State's Museum collections for the benefit of present and future generations:</b>					
Percentage of collection stored to the required standard .....	99%	99%	99%	99%	
Percentage of the collection accessible online.....	18%	18%	19%	19%	
Proportion of the State collection documented and digitised .....	27%	27%	28%	28%	
<b>Outcome: Enhance cultural identity and understanding by promoting and ensuring the widest possible use of Museum content and collections:</b>					
Number of people engaging with and accessing Museum content and collections: ..	3,188,245	2,523,142	3,391,501	3,168,745	11
Total number of visitors .....	902,568	795,542	1,040,745	913,745	11
Total number of online visitors to website .....	2,285,677	1,727,600	2,350,756	2,255,000	11
Percentage of visitors to Museum sites satisfied with services.....	98%	97%	97%	97%	

(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 2022-23 Estimated Actual reflects reduced income due to impacts of COVID-19 on ticket sales and other revenues. The 2023-24 Budget Target reflects post COVID-19 improved activity levels, with forecasted increases in tickets, private philanthropy, and local government funding. This is partially offset with reduced project income due to the finalisation of the Department's and the Commonwealth's COVID-19 funding programs.
2. The increase from the 2022-23 Budget to the 2022-23 Estimated Actual and 2023-24 Budget Target is mostly due to aligning the target to the results achieved over the last three years.
3. The Department continues to proactively target and engage with local governments to support an early intervention approach to councils identified as being at risk of non-compliance due to several factors. In 2022-23, a total of 50 local governments out of 137 have had action taken by the Department under the Compliance Framework, which contributes to the increase against the 2022-23 Budget. The 2023-24 Budget Target has been revised to reflect recent performance.
4. The 2023-24 Budget Target has been set in line with recent performance 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. The 2022-23 Estimated Actual of 64% is based on the reported participation rates of Western Australian adults (aged 15 years and over) in organised sport and physical activity in the 2021-22 AusPlay report released on 31 October 2022 (data sourced for the period 1 July 2021 to 30 June 2022).
5. Between the 2022-23 Budget and the 2022-23 Estimated Actual, increased visitation has resulted from a more diverse and ambitious program of exhibitions, a stronger focus on young audiences and improved amenities after the redevelopment of the rooftop and foyer was completed in 2021-22. A decrease in visitor numbers for the 2023-24 Budget Target is projected due to the impact of capital works projects and the expected closure of some gallery spaces.
6. The website is becoming less important for public engagement than social media and the 2022-23 Estimated Actual and 2023-24 Budget Target reflect this trend.
7. The 2023-24 Budget Target projected level of satisfaction is expected to decrease due to the impact of capital works projects and the expected closure of some gallery spaces.
8. The decrease from the 2022-23 Budget to the 2022-23 Estimated Actual and 2023-24 Budget Target reflects a change in the definition of public library members which now only reflects active public library members rather than all members that are registered.
9. With the proposed closure of the Perth Concert Hall to enable capital works to be undertaken, the 2023-24 Budget Target has been reduced as audience numbers are expected to decrease.
10. The negative subsidy per attendee in 2021-22 was mainly due to a higher number of programmed events that returned a profit. In 2022-23 attendance has been below anticipated levels, resulting in an increased subsidy per attendee.
11. The 2021-22 Actual and 2022-23 Estimated Actual for in-person and online visitors are higher when compared to the 2022-23 Budget due to the good performance of the Dinosaurs of Patagonia exhibition in the first quarter of the financial year.



## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 99,288	\$'000 76,324	\$'000 88,526	\$'000 89,482	1
Less Income .....	543	461	461	465	
Net Cost of Service .....	98,745	75,863	88,065	89,017	
<b>Employees (Full-Time Equivalents) .....</b>	96	82	82	82	
<b>Efficiency Indicators</b>					
Grants operations expense as a percentage of direct grants approved.....	4%	5%	3%	4%	
Average cost per project to support and promote multiculturalism.....	\$113,143	\$118,720	\$104,924	\$106,450	

### Explanation of Significant Movements

(Notes)

- The increase from the 2022-23 Budget to the 2022-23 Estimated Actual is primarily the result of a reprofile into 2022-23 of COVID-19 response programs pending the finalisation of claims.

### 2. Regulation and Support of Local Government

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 22,523	\$'000 14,494	\$'000 12,068	\$'000 19,192	1
Less Income .....	3,519	2,303	459	2,322	2
Net Cost of Service .....	19,004	12,191	11,609	16,870	
<b>Employees (Full-Time Equivalents) .....</b>	57	63	65	65	
<b>Efficiency Indicators</b>					
Average cost per local government for regulation and support.....	\$75,201	\$80,657	\$74,686	\$75,000	

### Explanation of Significant Movements

(Notes)

- The reduction from the 2022-23 Budget to the 2022-23 Estimated Actual and subsequent increase into the 2023-24 Budget Target is primarily due to the reprofile of expenditure from 2022-23 into 2023-24 for Stop Puppy Farming and additional funding for the Regulatory Reform program.
- The increase from the 2022-23 Estimated Actual to the 2023-24 Budget Target is due to the planned introduction of the Western Australian Centralised Registration System in 2023-24.

### 3. Asset and Infrastructure Support Services to Client Agencies

Provision of efficient and effective asset and infrastructure support services to client agencies.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	30,088	16,544	24,678	26,569	1
Less Income.....	16,206	4,850	4,850	4,890	2
Net Cost of Service.....	13,882	11,694	19,828	21,679	
<b>Employees (Full-Time Equivalents) .....</b>	<b>35</b>	<b>36</b>	<b>50</b>	<b>50</b>	<b>3</b>

#### Explanation of Significant Movements

(Notes)

1. The 2021-22 Actual included significant spending on the completion of small election commitments. The 2022-23 Estimated Actual is higher than the 2022-23 Budget due to increasing project costs resulting from the current building and construction industry pressures.
2. The 2021-22 Actual includes funding received from the Commonwealth for the Perth Cultural Centre and Perth Concert Hall projects.
3. The 2022-23 Estimated Actual and 2023-24 Budget Target primarily reflect the additional resourcing related to the Aboriginal Cultural Centre project.

### 4. Regulation of the Gambling and Liquor Industries

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	22,991	23,297	27,799	27,812	1
Less Income.....	4,419	7,143	7,143	7,434	
Net Cost of Service.....	18,572	16,154	20,656	20,378	
<b>Employees (Full-Time Equivalents) .....</b>	<b>111</b>	<b>117</b>	<b>126</b>	<b>130</b>	
<b>Efficiency Indicators</b>					
Average cost of conducting inspections.....	\$1,442	\$1,456	\$1,785	\$1,738	2
Average cost of determining applications .....	\$624	\$728	\$855	\$869	3

#### Explanation of Significant Movements

(Notes)

1. The variance between the 2022-23 Budget and the 2022-23 Estimated Actual is mostly due to a combination of a carryover for the Banned Drinkers Register from 2021-22 to 2022-23 and additional funding to implement the legislative, regulatory and governance responses to the Perth Casino Royal Commission final report recommendations.
2. The number of inspections undertaken remains stable in 2021-22, 2022-23 and 2023-24. The average cost of conducting inspections in the 2022-23 Estimated Actual compared to the 2022-23 Budget is higher due to two factors; namely additional funding to implement the legislative, regulatory and governance responses to the Perth Casino Royal Commission final report recommendations, and continued funding of the Banned Drinkers Register trial in the Kimberley, Pilbara, Goldfields, and Carnarvon.
3. The number of applications determined remains stable in 2021-22, 2022-23 and 2023-24. The average cost of determining applications in the 2022-23 Estimated Actual compared to the 2022-23 Budget is higher due to two factors, namely additional funding to implement the legislative, regulatory and governance responses to the Perth Casino Royal Commission final report recommendations; and continued funding of the Banned Drinkers Register trial in the Kimberley, Pilbara, Goldfields, and Carnarvon.

## 5. Office of the Independent Monitor (Oversight of Burswood Casino Remediation)

The *Casino Legislation (Burswood Casino) Amendment Act 2022* established the Office of the Independent Monitor to oversee remediation at the Perth Casino

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	n.a.	n.a.	3,950	7,900	1
Less Income.....	n.a.	n.a.	3,950	7,900	1
Net Cost of Service.....	n.a.	n.a.	nil	nil	
<b>Employees (Full-Time Equivalents) .....</b>	n.a.	n.a.	4	8	

### Explanation of Significant Movements

(Notes)

- The *Casino Legislation Amendment (Burswood Casino) Act 2022* established the Office of the Independent Monitor to oversee remediation at the Perth Casino with six months of costs and cost recovery reflected in the 2022-23 Estimated Actual and full-year costs and cost recovery included in the 2023-24 Budget Target.

## 6. Sport and Recreation Industry Support

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	130,993	271,166	160,510	378,527	1
Less Income.....	5,355	17,885	20,699	30,135	
Net Cost of Service.....	125,638	253,281	139,811	348,392	
<b>Employees (Full-Time Equivalents) .....</b>	149	147	147	147	
<b>Efficiency Indicators</b>					
Average cost of providing support services to sector/funded organisations...	\$6,991	\$9,953	\$11,667	\$12,000	
Grants operations expense as a percentage of direct grants approved.....	1%	1%	2%	1%	
Average cost per recreation camp experience.....	\$61	\$47	\$53	\$53	2

### Explanation of Significant Movements

(Notes)

- The movement across years mostly reflects election commitment grant funding, including carryover of funding from 2022-23 into 2023-24 in line with current building and construction industry pressures, and additional funding for the WACA ground redevelopment.
- The increase from the 2022-23 Budget to the 2022-23 Estimated Actual is predominantly due to a realignment of administrative support to meet the increased focus on returning camp activity to pre-COVID-19 levels.

## 7. Cultural Heritage Management and Conservation

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,124	1,145	1,637	2,143	1
Less Income.....	nil	nil	nil	nil	
Net Cost of Service.....	1,124	1,145	1,637	2,143	
<b>Employees (Full-Time Equivalents) .....</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	
<b>Efficiency Indicators</b>					
Average cost of managing the collection per art gallery object.....	\$60.90	\$61.77	\$88.23	\$114.56	2

### Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual and the 2023-24 Budget Target have increased due to spending associated with the Art Gallery storage solution.
2. The increase in the average cost of managing the collections in the 2023-24 Budget Target compared to the 2022-23 Budget is due to a greater number of State Art Collection works being moved to offsite storage and increased staff resources and operating costs after the redevelopment of the rooftop.

## 8. Cultural Heritage Access and Community Engagement and Education

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	10,620	10,662	15,270	15,386	1
Less Income.....	4,813	3,052	7,272	7,400	1
Net Cost of Service.....	5,807	7,610	7,998	7,986	
<b>Employees (Full-Time Equivalents) .....</b>	<b>44</b>	<b>54</b>	<b>54</b>	<b>54</b>	
<b>Efficiency Indicators</b>					
Average cost of art gallery services per art gallery access.....	\$28.43	\$23.43	\$32.41	\$33.37	2

### Explanation of Significant Movements

(Notes)

1. The increase from the 2022-23 Budget to the 2022-23 Estimated Actual and the 2023-24 Budget Target is due to increased revenue and service costs associated with the redevelopment of the Art Gallery rooftop facilities.
2. The increase in the average cost per access in the 2022-23 Estimated Actual compared to the 2022-23 Budget is mainly due to the projected decrease in visitor numbers due to the impact of capital works projects and the expected closure of some gallery spaces.

**9. State Library Services**

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	15,520	14,734	15,716	15,274	
Less Income .....	1,207	431	431	422	
Net Cost of Service .....	14,313	14,303	15,285	14,852	
<b>Employees (Full-Time Equivalents) .....</b>	111	118	114	116	
<b>Efficiency Indicators</b>					
Average cost per state library access .....	\$1.66	\$2.37	\$2.58	\$2.43	1

**Explanation of Significant Movements**

(Notes)

1. The 2022-23 Estimated Actual is higher than the 2021-22 Actual primarily due to an update in the counting methodology.

**10. Public Library Support**

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	15,438	17,016	16,912	17,219	
Less Income .....	2,750	551	551	540	
Net Cost of Service .....	12,688	16,465	16,361	16,679	
<b>Employees (Full-Time Equivalents) .....</b>	23	20	24	22	
<b>Efficiency Indicators</b>					
Average cost of Government support for public library services per public library member .....	\$16.51	\$17.45	\$19.09	\$25.92	1

**Explanation of Significant Movements**

(Notes)

1. The average cost has been impacted by a change in definition that has come into effect from 2023-24 used to calculate the number of public library members which now only reflects active public library members rather than all members that are registered.

## 11. Venue Management Services

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	21,534	23,746	24,447	25,096	
Less Income .....	8,849	11,500	11,500	11,556	
Net Cost of Service .....	12,685	12,246	12,947	13,540	
<b>Employees (Full-Time Equivalents) .....</b>	111	112	112	112	
<b>Efficiency Indicators</b>					
Average cost per attendee .....	\$61	\$69	\$84	\$93	1

### Explanation of Significant Movements

(Notes)

1. With the anticipated closure of the Perth Concert Hall for major capital works, the projected audience numbers for 2023-24 have been reduced, resulting in a further increase in the average cost per attendee.

## 12. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	9,727	10,875	11,107	11,071	
Less Income .....	1,265	1,121	1,366	1,381	
Net Cost of Service .....	8,462	9,754	9,741	9,690	
<b>Employees (Full-Time Equivalents) .....</b>	57	63	63	63	
<b>Efficiency Indicators</b>					
Average cost per object of managing the museum collection.....	\$1.18	\$1.31	\$1.34	\$1.33	

### 13. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 1,717	\$'000 1,517	\$'000 1,549	\$'000 1,544	1
Less Income .....	223	198	241	226	
Net Cost of Service .....	1,494	1,319	1,308	1,318	
<b>Employees (Full-Time Equivalents) .....</b>	11	12	12	12	
<b>Efficiency Indicators</b>					
Average cost per object of documenting and digitising the State collection .....	\$0.76	\$0.74	\$0.67	\$0.65	

#### Explanation of Significant Movements

(Notes)

1. The higher 2021-22 Actual reflects additional grant research funds that were spent to document and digitise the collection.

### 14. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 27,340	\$'000 27,602	\$'000 28,190	\$'000 28,099	
Less Income .....	5,849	6,933	6,315	7,377	
Net Cost of Service .....	21,491	20,669	21,875	20,722	
<b>Employees (Full-Time Equivalents) .....</b>	110	127	127	127	
<b>Efficiency Indicators</b>					
Average cost of museum services per museum access .....	\$44.12	\$49.96	\$37.47	\$44.86	1

#### Explanation of Significant Movements

(Notes)

1. The average cost per museum access is lower in the 2022-23 Estimated Actual due to the good performance of the Dinosaurs of Patagonia exhibition in the first quarter of the financial year.

### 15. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 845	\$'000 901	\$'000 920	\$'000 917	
Less Income .....	32	nil	nil	nil	
Net Cost of Service .....	813	901	920	917	
<b>Employees (Full-Time Equivalents) .....</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	
<b>Efficiency Indicators</b>					
Average cost of museum services per museum access.....	\$0.44	\$0.45	\$0.48	\$0.47	

### 16. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 8,290	\$'000 7,386	\$'000 8,918	\$'000 9,015	1
Less Income .....	1,250	1,053	1,384	1,453	
Net Cost of Service .....	7,040	6,333	7,534	7,562	
<b>Employees (Full-Time Equivalents) .....</b>	<b>24</b>	<b>31</b>	<b>31</b>	<b>31</b>	
<b>Efficiency Indicators</b>					
Average cost per access .....	\$31.38	\$29.38	\$30.93	\$31.37	

### Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual and the 2023-24 Budget Target are higher than the 2022-23 Budget primarily due to increased spending for the Gwoonwardu Mia Cultural Centre in Carnarvon.



## Asset Investment Program

1. The Department's Asset Investment Program includes the following major projects:

- 1.1. \$150.3 million for the redevelopment of the Perth Concert Hall;
- 1.2. \$135.1 million for the design and construction of the State Hockey Centre;
- 1.3. \$106.9 million to build a Screen Production Facility;
- 1.4. \$46 million for the State Football (Soccer) Centre;
- 1.5. \$45 million for the Aboriginal Cultural Centre project; and
- 1.6. \$35 million for the Perth Cultural Centre.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Arts and Culture Trust - His Majesty's Theatre - Restoration and Upgrade Stage Three .....	15,000	14,438	4,908	562	-	-	-
Perth Concert Hall Redevelopment .....	150,300	3,208	2,617	7,164	39,927	72,952	27,049
<b>Other Works in Progress</b>							
Art Gallery of Western Australia - Art Acquisition .....	1,090	218	218	218	218	218	218
Perth Cultural Centre .....	35,000	1,029	539	28,661	5,000	136	-
Recreation Camps .....	800	160	160	160	160	160	160
Screen Production Facility.....	106,932	18,832	14,811	38,100	50,000	-	-
State Football (Soccer) Centre .....	45,960	39,725	27,994	6,235	-	-	-
State Hockey Centre - Design and Construction.....	135,070	450	450	15,310	35,000	54,000	24,310
State Library of Western Australia - State Reference Library Materials.....	6,125	1,225	1,225	1,225	1,225	1,225	1,225
Western Australian Centralised Registration System .....	3,092	506	-	2,586	-	-	-
Western Australian Museum Boola Bardip .....	388,876	385,294	2,523	3,582	-	-	-
Western Australian Museum - Western Australian Maritime Museum Cladding Replacement.....	2,000	100	100	1,900	-	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Recreation Camps Revitalisation.....	4,642	4,642	652	-	-	-	-
<b>Other Completed Works</b>							
Project Definition Planning - State Hockey Centre .....	500	500	500	-	-	-	-
State Library of Western Australia - Critical Equipment Replacement.....	665	665	392	-	-	-	-
<b>NEW WORKS</b>							
Aboriginal Cultural Centre .....	45,000	-	-	10,000	35,000	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>941,052</b>	<b>470,992</b>	<b>57,089</b>	<b>115,703</b>	<b>166,530</b>	<b>128,691</b>	<b>52,962</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			40,308	74,248	162,889	127,306	51,577
Commonwealth Grants .....			13,317	15,000	-	-	-
Drawdown from the Holding Account.....			1,385	1,385	1,385	1,385	1,385
Internal Funds and Balances.....			(3,413)	22,290	2,256	-	-
Major Special Purpose Account(s) Drawdown from Digital Capability Fund .....			392	1,680	-	-	-
Other .....			1,100	1,100	-	-	-
Other Grants and Subsidies .....			4,000	-	-	-	-
<b>Total Funding.....</b>			<b>57,089</b>	<b>115,703</b>	<b>166,530</b>	<b>128,691</b>	<b>52,962</b>

## **Financial Statements**

### **Income Statement**

#### *Expenses*

1. The Total Cost of Services in the 2023-24 Budget Year increases compared to the 2022-23 Estimated Actual, primarily due to the carryover of unspent capital grants into 2023-24, reflective of current market conditions in the building and construction industry.

### **Statement of Financial Position**

2. Total current assets decreases from the 2022-23 Estimated Actual to the 2023-24 Budget Year, largely due to the budgeted drawdown of cash reserves to deliver projects and programs following approved carryover adjustments.

### **Statement of Cashflows**

3. Cash assets held at the end of the reporting period decreases from the 2022-23 Estimated Actual to the 2023-24 Budget Year, primarily due to the carryover of unspent capital grants into 2023-24, reflective of current market conditions in the building and construction industry.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b).....	102,544	111,697	121,963	124,327	120,564	120,953	123,265
Grants and subsidies (c).....	201,782	303,391	203,914	393,435	159,219	128,864	122,437
Supplies and services.....	36,244	38,724	49,621	61,472	50,597	47,935	45,941
Accommodation.....	30,289	31,244	33,541	31,106	29,699	28,712	28,722
Depreciation and amortisation.....	15,996	23,254	23,036	23,437	23,807	23,808	23,811
Finance and interest costs.....	23	33	22	39	38	37	34
Other expenses.....	31,160	9,066	10,100	41,430	12,111	20,421	8,921
<b>TOTAL COST OF SERVICES</b> .....	<b>418,038</b>	<b>517,409</b>	<b>442,197</b>	<b>675,246</b>	<b>396,035</b>	<b>370,730</b>	<b>353,131</b>
<b>Income</b>							
Sale of goods and services.....	18,030	24,716	28,936	30,377	30,989	31,337	31,770
Regulatory fees and fines.....	3,211	9,377	11,420	17,734	13,971	10,217	10,455
Grants and subsidies.....	16,206	18,445	21,325	30,393	2,853	14,103	3,353
Other revenue.....	18,833	4,943	4,941	4,997	5,000	5,003	5,003
<b>Total Income</b> .....	<b>56,280</b>	<b>57,481</b>	<b>66,622</b>	<b>83,501</b>	<b>52,813</b>	<b>60,660</b>	<b>50,581</b>
<b>NET COST OF SERVICES</b> .....	<b>361,758</b>	<b>459,928</b>	<b>375,575</b>	<b>591,745</b>	<b>343,222</b>	<b>310,070</b>	<b>302,550</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	305,679	402,419	376,686	378,622	307,398	282,227	283,017
Resources received free of charge.....	1,935	1,334	1,334	1,334	1,334	1,334	1,334
Special Purpose Account(s) (d)							
Digital Capability Fund.....	-	1,010	-	-	-	-	-
National Redress Scheme.....	-	647	647	656	-	-	-
Royalties for Regions Fund							
Regional Community Services Fund.....	21,803	14,768	16,952	15,421	13,553	13,609	11,735
Regional Infrastructure and Headworks							
Fund.....	140	140	140	140	140	140	140
Other appropriations.....	-	-	72	32,242	48	55	-
Other revenues.....	12,029	6,267	6,267	6,150	6,240	6,242	6,242
<b>TOTAL INCOME FROM GOVERNMENT</b> .....	<b>341,586</b>	<b>426,585</b>	<b>402,098</b>	<b>434,565</b>	<b>328,713</b>	<b>303,607</b>	<b>302,468</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD</b> .....	<b>(20,172)</b>	<b>(33,343)</b>	<b>26,523</b>	<b>(157,180)</b>	<b>(14,509)</b>	<b>(6,463)</b>	<b>(82)</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 950, 1,023 and 1,031 respectively.

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

(d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Activate Perth .....	-	-	250	250	250	250	-
Albany Motorplex Complex .....	1,400	4,100	2,000	2,100	-	-	-
Albany Surf Lifesaving Club .....	-	1,600	820	780	-	-	-
Alkimos Aquatic and Recreation Centre .....	-	4,000	500	8,000	1,000	-	-
All Abilities Play Space in Clarkson .....	-	1,150	200	2,400	-	-	-
All Abilities Playground/s in Forrestfield .....	150	1,000	-	850	-	-	-
Arts and Culture Trust - Perth Concert Hall							
Operational Grants .....	250	821	821	821	821	821	821
Arts Lotteries Account .....	18,034	17,791	20,781	25,661	22,949	23,476	20,283
Arts Projects and Programs .....	13,444	9,440	9,440	9,440	9,440	9,440	9,440
Australian Football League Kimberley Partnership ..	500	1,000	500	500	500	500	500
Australian Research Council .....	11	-	-	-	-	-	-
Aveley Football Club Lighting Upgrade .....	300	-	-	-	-	-	-
Balcatta Football Club Amenities Upgrade .....	-	1,000	900	100	-	-	-
Baldivis Indoor Recreation Centre .....	6,500	2,500	500	-	-	-	-
Bayswater Urban Forest .....	-	1,000	200	800	-	-	-
Beach Emergency Numbering System .....	32	494	65	431	-	-	-
Better Beginnings Program Community Grants .....	196	225	225	225	225	225	225
Bunbury Back Beach Ocean Pool Feasibility ...	250	-	-	-	-	-	-
Bunbury Hands Oval Rebuild .....	-	2,000	4,000	4,000	-	-	-
Bunbury Indoor Basketball Courts .....	-	6,000	650	7,350	-	-	-
Bunbury Upgrades to Hay Park .....	-	-	100	-	-	-	-
Burtonia and Marseille Gardens Recreation Space	-	1,500	400	1,100	-	-	-
Byford Nature Splash Park .....	-	1,340	-	1,340	-	-	-
Byford Skate Park Youth Precinct - Stage Two ....	400	-	-	400	-	-	-
Canning Vale Regional Open Space .....	-	5,000	-	10,000	-	-	-
Capital Works Grant Funding for Culturally and							
Linguistically Diverse Communities .....	929	-	-	3,000	3,000	-	-
Charlotte's Vineyard Sports Pavilion - Upgrade ....	480	630	-	150	-	-	-
Chung Wah Association Community Centre ....	-	5,000	-	5,000	-	-	-
City Activation Grants .....	-	-	3,716	-	-	-	-
City of Joondalup Cycling Infrastructure .....	-	-	-	1,200	-	-	-
Cockburn Aquatic and Recreation Centre .....	-	-	2,500	-	-	-	-
Collie Mineworkers Memorial Pool Enclosure .....	-	850	-	850	-	-	-
Collie Recreation Ground Replacement of							
Light Poles and New LED Lighting .....	400	-	-	-	-	-	-
Community Engagement and Funding .....	105	-	-	-	-	-	-
Community Languages Program .....	1,084	1,113	1,113	1,113	1,113	1,113	1,113
Community Sporting and Recreation Facilities							
Fund .....	12,836	12,742	10,241	27,472	21,971	12,262	11,471
Community Sporting and Recreation Facilities							
Fund - Female Changerooms Fund .....	500	500	500	500	500	500	500
Connecting to Country .....	467	450	450	500	500	500	500
Contemporary Music Fund .....	1,994	750	750	750	750	750	750
COVID-19 Crisis - Indonesian .....	2,000	-	-	-	-	-	-
COVID-19 Response - Business Assistance							
and Support Grants .....	3,140	-	6,930	-	-	-	-
Craigie Leisure Centre Gymnasium Upgrades .....	1,000	1,900	1,900	-	-	-	-
Creative Learning Program .....	-	1,769	3,541	1,766	1,763	1,763	1,763
Dalyellup Multi-purpose Centre Youth Facility							
and Library .....	-	7,000	-	7,350	150	-	-
Documenting and Teaching Traditional							
Aboriginal Language .....	-	125	125	-	-	-	-
Donnybrook and Districts Sporting and							
Recreation Precinct .....	-	5,750	750	5,000	-	-	-
Dorrien Gardens .....	-	-	200	-	-	-	-
East Fremantle Oval Precinct .....	2,500	18,000	13,000	9,500	-	-	-
Eaton Bowling Club Upgrade .....	800	-	200	-	-	-	-
Ellenbrook Community Hub .....	-	1,750	60	1,940	-	-	-
Ellenbrook Recreation Centre .....	3,000	-	-	5,000	-	-	-
Ellenbrook Youth Centre .....	1,000	860	1,040	-	-	-	-
Financial Assistance for Pet Rescue							
Organisations .....	200	200	500	400	400	400	400
Fitzroy Crossing Town Oval .....	-	4,000	-	4,000	-	-	-
Fremantle City Football Club Upgrade of							
Women's Facilities .....	-	600	550	250	-	-	-
Geraldton Basketball Stadium Upgrade .....	2,000	-	1,500	-	-	-	-
Getting the Show Back on the Road .....	12,164	-	2,888	-	-	-	-
Goodchild Park Upgrade Club Rooms .....	350	-	-	-	-	-	-
Gosnells City Soccer Club .....	-	-	130	-	-	-	-
Grants Carryover - Lotteries, Royalties for Regions							
Grants to Multicultural Groups .....	120	-	-	-	-	-	-
Greenwood Scout and Guide Hall Redevelopment							
	-	600	450	150	-	-	-

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Guide Dogs Western Australia Breeding Program..	5,000	-	-	-	-	-	-
Hamer Park/Inglewood Oval Redevelopment.....	1,200	100	100	-	-	-	-
HBF Arena New Amenity Block.....	520	-	-	-	-	-	-
Heathridge Park Community and Sporting Facilities Upgrade.....	-	2,500	-	2,500	-	-	-
John Connell Sporting Reserve - Upgrade .....	100	500	475	50	-	-	-
Kalgoorlie Basketball Redevelopment .....	1,000	3,000	-	4,000	-	-	-
Kalgoorlie Motorsports Precinct.....	-	1,000	1,950	-	-	-	-
Keirnan Park Recreation Precinct.....	500	15,000	3,500	16,400	100	-	-
Kidsport .....	6,836	4,624	3,218	9,124	6,624	4,624	4,624
Kimberley Aboriginal Law and Cultural Centre Juluru.....	125	125	125	-	-	-	-
Kingsway Regional Sporting Complex.....	-	1,517	2,517	-	-	-	-
Kununurra Leisure Centre Redevelopment.....	-	5,500	250	5,750	-	-	-
Kununurra Water Playground .....	-	200	1,700	-	-	-	-
Leschenault Leisure Centre Expansion .....	250	2,750	750	2,000	-	-	-
Lighting Project Club Night Program.....	187	2,500	1,656	3,344	2,500	2,500	2,500
Local Projects Local Jobs Program .....	188	250	-	250	-	-	-
Lotterywest Creative Communities COVID-19 Recovery Program .....	3,322	-	70	-	-	-	-
Madeley Youth Centre .....	-	2,750	1,000	1,750	-	-	-
Maida Vale Reserve Pavilions.....	125	2,275	-	2,275	-	-	-
Mowanjum Community New Change Rooms...	300	-	200	-	-	-	-
Multicultural Community Grants .....	1,016	1,060	1,060	1,310	1,310	1,310	1,310
Nature Play Western Australia .....	400	401	401	401	401	401	401
Off-Road Vehicles Fund .....	30	-	-	-	-	-	-
Other Cultural Programs .....	197	444	444	444	444	444	444
Partnership Acceptance Learning Sharing.....	568	695	823	695	695	695	695
Perth Football Club Redevelopment - Lathlain Park .....	-	-	-	2,000	-	-	-
Perth Institute of Contemporary Arts.....	73	-	-	-	-	-	-
Perth Soccer Club - Dorrien Gardens Upgrades.....	-	-	500	-	-	-	-
Port Hedland Sporting and Community Hub ...	6,500	8,500	3,500	-	-	-	-
Public Library Materials (Local Governments)....	8,403	8,347	8,347	8,327	8,327	8,327	8,327
Public Library Strategy (Regional Subsidies)...	231	140	140	140	140	140	140
Ray Owen Reserve.....	-	2,600	-	4,800	-	-	-
Regional Arts and Cultural Investment Program .....	4,491	4,680	5,037	4,680	4,680	4,680	4,680
Regional Athlete Support Program.....	809	1,292	1,372	1,400	1,450	1,500	-
Regional Collections Development Program - Phase Two.....	408	-	-	-	-	-	-
Regional Exhibition Touring Boost.....	2,010	1,450	1,450	2,000	2,000	2,000	2,000
Regional Museums Grants.....	-	250	296	-	-	-	-
Rickman Delawney Capital Works Package Contribution.....	450	50	-	50	-	-	-
Rockingham Aqua Jetty Stage Two.....	-	9,000	-	9,000	500	-	-
Scott Reserve Inclusive New Room Facilities.....	125	1,875	-	1,875	-	-	-
Screen Organisation Investment Program .....	3,117	3,117	3,117	3,117	3,117	3,117	3,117
Small Election Commitments.....	5,159	-	553	100	-	-	-
Sorrento Football Club Upgrade of Change Rooms, Improved Disability Access and New Lights ..	100	600	500	100	-	-	-
Sorrento Surf Life Saving Club .....	-	8,000	-	8,000	-	-	-
Southern River Youth Plaza .....	-	2,000	-	2,000	-	-	-
Sport and Recreation Industry Support.....	116	-	-	-	-	-	-
Sports Lotteries Account .....	16,373	17,791	23,372	24,861	22,949	19,976	20,283
State Sporting Infrastructure Fund.....	2,175	3,148	2,648	2,500	2,000	2,000	2,000
Stephen Michael Foundation.....	200	-	-	200	200	200	200
Stop Puppy Farming - Transition Package .....	-	-	-	1,000	-	-	-
Trails Conference.....	117	-	-	-	-	-	-
VisAbility Inc .....	185	185	185	185	185	185	185
WACA Ground Redevelopment.....	10,000	17,000	5,000	83,200	12,500	1,000	-
Wanneroo Amateur Football Club Upgrades and Expansion .....	-	500	-	500	-	-	-
Wanneroo Recreation Centre Upgrade .....	-	5,000	-	5,000	-	-	-
Warmun Community Upgrades to Basketball Courts .....	-	2,350	350	2,000	-	-	-
Warradale Community Centre Expansion.....	-	-	50	-	-	-	-
Western Australian Football Commission .....	11,767	12,400	12,400	12,400	12,400	12,400	12,400
Western Australian Holocaust Museum .....	-	3,000	5,000	500	-	-	-
Western Australian Institute of Sport .....	2,288	2,416	2,416	2,416	2,416	2,416	2,416
Western Australian Production Attraction Incentive .....	8,959	6,675	7,955	5,952	4,949	4,949	4,949
Western Australian Regional Screen Fund.....	6,400	4,000	4,000	1,600	4,000	4,000	4,000
Woodvale Skate Park Development .....	-	800	-	800	-	-	-
Yamatji Nation Heritage .....	200	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>201,782</b>	<b>303,391</b>	<b>203,914</b>	<b>393,435</b>	<b>159,219</b>	<b>128,864</b>	<b>122,437</b>

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	144,173	17,786	163,709	17,606	10,824	8,537	8,490
Restricted cash .....	74,775	39,183	56,584	42,871	33,942	30,392	30,392
Holding Account receivables .....	1,385	1,385	1,385	1,385	1,385	1,630	1,875
Receivables .....	7,897	7,153	7,897	7,897	7,897	7,855	7,813
Other.....	3,555	6,666	3,555	3,555	3,555	3,555	3,555
<b>Total current assets .....</b>	<b>231,785</b>	<b>72,173</b>	<b>233,130</b>	<b>73,314</b>	<b>57,603</b>	<b>51,969</b>	<b>52,125</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	201,324	223,184	222,974	245,017	267,429	289,596	311,763
Property, plant and equipment.....	1,433,057	1,489,973	1,480,897	1,538,367	1,703,483	1,808,602	1,837,911
Intangibles .....	10,027	10,880	9,860	12,461	12,461	12,461	12,461
Restricted cash .....	2,014	2,585	2,395	2,781	3,167	3,564	3,564
Other.....	14,348	17,235	14,348	14,348	14,348	14,348	14,348
<b>Total non-current assets .....</b>	<b>1,660,770</b>	<b>1,743,857</b>	<b>1,730,474</b>	<b>1,812,974</b>	<b>2,000,888</b>	<b>2,128,571</b>	<b>2,180,047</b>
<b>TOTAL ASSETS .....</b>	<b>1,892,555</b>	<b>1,816,030</b>	<b>1,963,604</b>	<b>1,886,288</b>	<b>2,058,491</b>	<b>2,180,540</b>	<b>2,232,172</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	20,675	20,581	20,675	20,675	20,675	20,675	20,675
Payables .....	20,229	6,489	20,244	20,244	20,243	20,297	20,352
Borrowings and leases .....	335	354	315	316	316	328	312
Other.....	5,831	7,525	5,831	5,831	5,831	5,831	5,831
<b>Total current liabilities .....</b>	<b>47,070</b>	<b>34,949</b>	<b>47,065</b>	<b>47,066</b>	<b>47,065</b>	<b>47,131</b>	<b>47,170</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	3,687	5,569	4,068	4,454	4,840	4,840	4,840
Borrowings and leases .....	475	619	464	398	415	373	281
Other.....	17	-	17	17	17	17	17
<b>Total non-current liabilities .....</b>	<b>4,179</b>	<b>6,188</b>	<b>4,549</b>	<b>4,869</b>	<b>5,272</b>	<b>5,230</b>	<b>5,138</b>
<b>TOTAL LIABILITIES.....</b>	<b>51,249</b>	<b>41,137</b>	<b>51,614</b>	<b>51,935</b>	<b>52,337</b>	<b>52,361</b>	<b>52,308</b>
<b>EQUITY</b>							
Contributed equity .....	993,727	1,057,244	1,028,746	1,108,711	1,273,437	1,402,400	1,454,642
Accumulated surplus/(deficit).....	315,092	188,996	337,424	179,769	164,785	157,847	157,290
Reserves.....	532,487	528,653	545,820	545,873	567,932	567,932	567,932
<b>Total equity .....</b>	<b>1,841,306</b>	<b>1,774,893</b>	<b>1,911,990</b>	<b>1,834,353</b>	<b>2,006,154</b>	<b>2,128,179</b>	<b>2,179,864</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,892,555</b>	<b>1,816,030</b>	<b>1,963,604</b>	<b>1,886,288</b>	<b>2,058,491</b>	<b>2,180,540</b>	<b>2,232,172</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	282,320	379,174	353,651	355,194	283,601	258,430	259,220
Capital appropriation .....	25,599	64,103	40,622	74,568	163,208	127,521	51,896
Holding Account drawdowns .....	1,385	1,385	1,385	1,385	1,385	1,385	1,385
Special Purpose Account(s)							
Climate Action Fund .....	-	-	-	500	-	-	-
Digital Capability Fund.....	-	1,402	1,402	3,797	1,518	1,546	456
Royalties for Regions Fund							
Regional Community Services Fund.....	18,825	14,768	16,952	15,421	13,553	13,609	11,735
Regional Infrastructure and Headworks							
Fund.....	140	140	140	140	140	140	140
Receipts paid into Consolidated Account.....	-	-	(8,105)	-	-	-	-
Other.....	9,975	6,914	8,014	7,906	6,240	6,248	6,248
Administered appropriations .....	-	-	72	32,242	48	55	-
<b>Net cash provided by Government .....</b>	<b>338,244</b>	<b>467,886</b>	<b>414,133</b>	<b>491,153</b>	<b>469,693</b>	<b>408,934</b>	<b>331,080</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(104,269)	(111,316)	(121,582)	(123,941)	(120,178)	(120,964)	(123,276)
Grants and subsidies.....	(193,977)	(303,391)	(203,914)	(393,435)	(159,219)	(128,864)	(122,437)
Supplies and services .....	(40,543)	(37,005)	(47,902)	(59,741)	(49,305)	(46,633)	(44,640)
Accommodation .....	(21,815)	(31,244)	(33,541)	(31,106)	(29,699)	(28,702)	(28,712)
GST payments .....	(26,964)	(30,303)	(30,303)	(22,989)	(19,874)	(19,874)	(19,874)
Finance and interest costs.....	(12)	(38)	(22)	(39)	(38)	(37)	(34)
Other payments.....	(19,698)	(9,926)	(10,960)	(9,802)	(12,544)	(20,874)	(9,373)
<b>Receipts (b)</b>							
Regulatory fees and fines.....	3,926	9,377	11,420	17,734	13,971	10,217	10,455
Grants and subsidies.....	16,680	18,445	21,325	30,393	2,853	14,151	3,401
Sale of goods and services.....	23,225	23,831	28,051	29,492	30,182	30,529	30,962
GST receipts .....	26,688	30,303	30,303	22,989	19,874	19,874	19,874
Other receipts .....	13,509	5,828	5,826	5,882	5,807	5,810	5,810
<b>Net cash from operating activities .....</b>	<b>(323,250)</b>	<b>(435,439)</b>	<b>(351,299)</b>	<b>(534,563)</b>	<b>(318,170)</b>	<b>(285,367)</b>	<b>(277,844)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(40,122)	(82,100)	(57,089)	(115,703)	(166,530)	(128,691)	(52,962)
<b>Net cash from investing activities.....</b>	<b>(40,122)</b>	<b>(82,100)</b>	<b>(57,089)</b>	<b>(115,703)</b>	<b>(166,530)</b>	<b>(128,691)</b>	<b>(52,962)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(417)	(315)	(303)	(317)	(318)	(316)	(321)
<b>Net cash from financing activities.....</b>	<b>(417)</b>	<b>(315)</b>	<b>(303)</b>	<b>(317)</b>	<b>(318)</b>	<b>(316)</b>	<b>(321)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(25,545)</b>	<b>(49,968)</b>	<b>5,442</b>	<b>(159,430)</b>	<b>(15,325)</b>	<b>(5,440)</b>	<b>(47)</b>
Cash assets at the beginning of the reporting period .....	251,921	115,084	226,544	228,270	68,840	53,515	48,075
Net cash transferred to/from other agencies....	168	-	(3,716)	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>226,544</b>	<b>65,116</b>	<b>228,270</b>	<b>68,840</b>	<b>53,515</b>	<b>48,075</b>	<b>48,028</b>

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

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

**NET APPROPRIATION DETERMINATION (a)(b)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Regulatory Fees and Fines</b>							
Liquor Fees Revenue .....	3,807	9,240	7,334	7,748	7,848	8,044	8,282
Off-Road Vehicle Fees Revenue .....	119	137	136	185	278	278	278
Office of the Independent Monitor .....	-	-	3,950	7,900	3,950	-	-
Western Australian Centralised Registration System .....	-	-	-	1,901	1,895	1,895	1,895
<b>Grants and Subsidies</b>							
Direct Grants and Subsidies Receipts .....	2,994	13,415	6,979	14,354	1,854	13,136	3,401
Provision of Services to the Commonwealth .....	13,686	5,030	14,346	16,039	999	1,015	-
<b>Sale of Goods and Services</b>							
Other .....	15,491	14,468	18,655	19,938	20,367	20,714	21,147
Provision of Services to the Racing and Gaming Industries .....	4,745	4,442	4,442	4,484	4,647	4,647	4,647
Revenue Received for the Provision of Accommodation and Recreation Programs .....	2,989	4,921	4,954	5,070	5,168	5,168	5,168
<b>GST Receipts</b>							
GST Input Credits .....	23,456	27,487	27,487	21,230	18,043	18,043	18,043
GST Receipts on Sales .....	3,232	2,816	2,816	1,759	1,831	1,831	1,831
<b>Other Receipts</b>							
Other Receipts .....	12,344	4,121	4,121	4,177	4,102	4,105	4,105
Rental Income .....	1,165	1,707	1,705	1,705	1,705	1,705	1,705
<b>TOTAL .....</b>	<b>84,028</b>	<b>87,784</b>	<b>96,925</b>	<b>106,490</b>	<b>72,687</b>	<b>80,581</b>	<b>70,502</b>

(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, Arts and Culture Trust, Library Board of Western Australia and the Western Australian Museum are statutory authorities and as a result are excluded from the Net Appropriation Determination.

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>INCOME</b>							
<b>Taxation</b>							
Casino Tax .....	49,225	53,000	53,000	54,000	54,000	54,000	54,000
<b>Other</b>							
Appropriation .....	83,610	42,221	54,488	44,711	46,155	47,367	48,107
Combat Sports Commission Appropriation .....	945	953	956	964	974	975	975
Revenue .....	39	-	-	-	-	-	-
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>133,819</b>	<b>96,174</b>	<b>108,444</b>	<b>99,675</b>	<b>101,129</b>	<b>102,342</b>	<b>103,082</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
Grants to Individuals Problem Gambling .....	500	500	500	500	500	500	500
<b>Statutory Authorities</b>							
Gaming and Wagering Commission .....	-	-	167	353	-	-	-
<b>Subsidies and Concessions</b>							
Subsidies to Gambling and Betting Agencies and Bookmakers .....	35,079	41,721	62,560	43,699	45,451	46,617	47,310
<b>Other</b>							
Combat Sports Commission Expenditure .....	945	953	956	964	974	975	975
Receipts Paid into the Consolidated Account .....	48,769	53,000	53,000	54,000	54,000	54,000	54,000
Regional Cemeteries Boards .....	-	-	156	159	204	250	297
Rugby Western Australia Loan .....	1,015	-	-	-	-	-	-
Small Business Severe Tropical Cyclone Seroja Grants Scheme .....	150	-	-	-	-	-	-
Small Business Lockdown Assistance Grants Program .....	32,563	-	-	-	-	-	-
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>119,021</b>	<b>96,174</b>	<b>117,339</b>	<b>99,675</b>	<b>101,129</b>	<b>102,342</b>	<b>103,082</b>



## 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)(c) and 22(3) of the *Lotteries Commission Act 1990*, to be applied in such proportions and among such bodies engaged in the conduct of cultural activities in the State.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	10,662	4,000	14,148	14,004
Receipts: Appropriations.....	21,520	17,791	20,637	18,661
	32,182	21,791	34,785	32,665
Payments .....	18,034	17,791	20,781	25,661
<b>CLOSING BALANCE .....</b>	<b>14,148</b>	<b>4,000</b>	<b>14,004</b>	<b>7,004</b>

### 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.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	8,923	7,294	9,791	11,021
Receipts: Appropriations.....	13,000	12,000	12,000	19,500
	21,923	19,294	21,791	30,521
Payments .....	12,132	12,742	10,770	28,001
<b>CLOSING BALANCE .....</b>	<b>9,791</b>	<b>6,552</b>	<b>11,021</b>	<b>2,520</b>

### SPORTS LOTTERIES SPECIAL PURPOSE ACCOUNT

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

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	7,237	4,399	12,435	9,700
Receipts: Appropriations.....	21,520	17,791	20,637	18,661
	28,757	22,190	33,072	28,361
Payments .....	16,322	17,791	23,372	24,861
<b>CLOSING BALANCE .....</b>	<b>12,435</b>	<b>4,399</b>	<b>9,700</b>	<b>3,500</b>

# Division 37 **Western Australian Sports Centre Trust**

## Part 8 **Community Services**

### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 80 Net amount appropriated to deliver services .....	115,011	89,538	117,327	<b>102,110</b>	101,216	105,409	103,925
Total appropriations provided to deliver services.....	115,011	89,538	117,327	<b>102,110</b>	101,216	105,409	103,925
<b>CAPITAL</b>							
Item 145 Capital Appropriation <sup>(a)</sup> .....	31,839	34,281	24,326	<b>38,829</b>	26,223	31,016	25,377
<b>TOTAL APPROPRIATIONS</b> .....	<b>146,850</b>	<b>123,819</b>	<b>141,653</b>	<b>140,939</b>	<b>127,439</b>	<b>136,425</b>	<b>129,302</b>
<b>EXPENSES</b>							
Total Cost of Services.....	246,897	258,251	286,128	<b>299,028</b>	302,013	310,495	315,180
Net Cost of Services <sup>(b)</sup> .....	114,324	92,685	120,574	<b>105,286</b>	104,391	108,533	108,618
<b>CASH ASSETS</b> <sup>(c)</sup> .....	<b>112,285</b>	<b>57,913</b>	<b>82,535</b>	<b>80,407</b>	<b>77,649</b>	<b>74,904</b>	<b>74,804</b>

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

(b) Represents Total Cost of Services (expenses) less retained revenues applied to the Western Australian Sports Centre Trust's (VenuesWest'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 VenuesWest's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>New Initiative</b>					
State Football Centre - Pre-operational Funding.....	1,120	-	-	-	-
<b>Other</b>					
Depreciation Update .....	4,869	4,869	4,869	4,869	2,869
Expenditure Forecast Alignment.....	14,678	31,061	32,809	34,482	35,897
Optus Stadium Finance Interest Costs .....	8,428	7,292	4,728	3,297	3,301
Optus Stadium Maintenance Obligations.....	1,872	4,513	7,816	14,524	(76)
Public Sector Wages Policy .....	4,616	3,533	4,422	5,141	5,948

## Significant Issues Impacting the Agency

1. The return of live events will continue to contribute to making Western Australia a great place to live, work, visit and invest with world class acts featuring in venue event calendars. The provisional schedule for Perth-hosted events at key venues in 2023-24 is strong. However, the competition provided by alternative venues at other Australian destinations is significant. The industry has seen more rescheduling of tours than ever before, and this new level of fluidity combined with pressure on discretionary consumer spending will continue to impact on ticket purchasing patterns and spend at events in the coming year.
2. The State will host the largest series of international football matches Western Australia has ever seen, with five matches of the 2023 FIFA Women's World Cup being held at the newly upgraded Perth Rectangular Stadium venue. The tournament is expected to deliver millions of dollars of economic benefits to Western Australia and will leave a lasting legacy in terms of upgraded venue facilities, which will assist the State to continue to attract sporting content for years to come.
3. The latest inclusion in the portfolio of assets managed, the State Football Centre, will be opened and commissioned early in the financial year under a co-management agreement with Football West. The State Football Centre, jointly funded by the State and Commonwealth Governments, will be home to Football West's day-to-day administration and includes a two-storey building with a grandstand, two competition pitches and training pitches, on-site parking, and three five-a-side playing pitches.
4. The low unemployment rate in Western Australia continues to impact the supply chain and labour workforce, with the ability to secure and scale the casual workforce throughout the financial year being further challenged by the higher volume of events, and competition for casual workers.
5. Public safety and security are intrinsic to the success of every event. In addition to comprehensive event planning in collaboration with the Western Australia Police Force and other essential service providers, a program of infrastructure upgrades continues to be executed across the higher profile venues to mitigate security risks. Ensuring that VenuesWest has the necessary capacity and capability to prepare for, react to, and recover from any public safety incident remains of utmost importance.
6. The operational performance of the venues within VenuesWest's portfolio is largely determined by the standard and conditions of the facilities themselves. Ensuring compliance with world class training and competition standards is essential to attract both major sporting competitions and training activities. The success of commercial activities and entertainment events requires well-planned asset maintenance and renewal. VenuesWest will continue to utilise its Master Planning, High Performance Sport Strategy and Strategic Asset Investment Planning to guide capital investment decisions and advice across the extensive portfolio of State assets, which are at different stages in their lifecycle.

## 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
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Sustainable, accessible and profitable State assets delivering sport, recreation and entertainment opportunities for Western Australians.	1. Deliver Training and Competition Facilities for High Performance Sport 2. Provision of Venues and Precincts Delivering Quality Sport and Entertainment Experiences

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Deliver Training and Competition Facilities for High Performance Sport .....	159,964	174,547	191,814	201,393	203,293	210,039	213,468
2. Provision of Venues and Precincts Delivering Quality Sport and Entertainment Experiences .....	86,933	83,704	94,314	97,635	98,720	100,456	101,712
<b>Total Cost of Services .....</b>	<b>246,897</b>	<b>258,251</b>	<b>286,128</b>	<b>299,028</b>	<b>302,013</b>	<b>310,495</b>	<b>315,180</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22	2022-23	2022-23	2023-24	Note
	Actual	Budget	Estimated Actual	Budget Target	
<b>Outcome: Sustainable, accessible and profitable State assets delivering sport, recreation and entertainment opportunities for Western Australians:</b>					
Percentage of targeted sports where venues meet international competition standards .....	94%	89%	94%	89%	
High performance sport user satisfaction .....	98%	90%	90%	90%	
Level of patronage .....	4.6 million	6.1 million	6 million	7 million	1
Customer satisfaction .....	93%	92%	91%	92%	

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

### Explanation of Significant Movements

(Notes)

1. Pent-up supply and demand for event content is expected to drive increased attendance at venues in 2023-24, with an increase in bookings of major events at key venues already evident.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	159,964	174,547	191,814	201,393	1
Less Income.....	93,183	110,478	110,477	128,089	1
Net Cost of Service.....	66,781	64,069	81,337	73,304	
<b>Employees (Full-Time Equivalents) .....</b>	<b>293</b>	<b>328</b>	<b>328</b>	<b>328</b>	<b>2</b>
<b>Efficiency Indicators</b>					
The subsidy VenuesWest provides to high performance sport and training competition <sup>(a)</sup> .....	59%	67%	60%	62%	1

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

### Explanation of Significant Movements

(Notes)

- Numbers reflect the continued recovery from the impacts of COVID-19, with activity returning to pre-COVID-19 pandemic levels in 2022-23 and across the forward estimates period.
- Full-time equivalents growth from the 2021-22 Actual to the 2022-23 Budget reflects a return to established levels for full-time staff and increased casual hours required to manage the significantly higher activity in 2022-23 following more than two years of reduced event activity due to the COVID-19 pandemic.

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	86,933	83,704	94,314	97,635	1
Less Income.....	39,390	55,088	55,077	65,653	1
Net Cost of Service.....	47,543	28,616	39,237	31,982	
<b>Employees (Full-Time Equivalents) .....</b>	<b>269</b>	<b>307</b>	<b>307</b>	<b>317</b>	<b>2</b>
<b>Efficiency Indicators</b>					
Commercial expense ratio <sup>(a)</sup> .....	79%	90%	80%	87%	1

(a) The commercial revenue achieved as a percentage of total operating expenses for the year (across all services and venues).

### Explanation of Significant Movements

(Notes)

- Numbers reflect the continued recovery from the impacts of COVID-19, with activity returning to pre-COVID-19 pandemic levels in 2022-23 and across the forward estimates period.
- Full-time equivalents growth from the 2021-22 Actual to the 2023-24 Budget reflects a return to established levels for full-time staff and increased casual hours required to deal with significantly higher activity than expected following more than two years of reduced event activity due to the COVID-19 pandemic.

## Asset Investment Program

1. The Asset Investment Program for 2023-24 provides for the following significant expenditures:
  - 1.1. \$23.7 million to enable maintenance and replacement of building, infrastructure, plant and equipment assets in accordance with VenuesWest's asset maintenance plan;
  - 1.2. \$3.2 million to continue capital works at Optus Stadium to satisfy contractually obliged replacement of stadium assets and approved operator expenditure;
  - 1.3. \$2.7 million to provide security infrastructure upgrades to improve public and patron safety outcomes at key venues;
  - 1.4. \$1.5 million for HBF Park Stadium modifications to enable the hosting of the FIFA Women's World Cup 2023 event and provide legacy benefits for an enhanced stadium;
  - 1.5. \$1.3 million to address deficiencies identified by a Building Condition Audit of VenuesWest's asset base; and
  - 1.6. \$755,000 to continue upgrades to the HBF Arena Netball Toilets, which will provide improved facilities for both netball and hockey patrons.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>Election Commitment</b>							
HBF Arena Netball Toilets.....	1,024	269	250	755	-	-	-
<b>COVID-19 Response</b>							
Additional Upgrades and Maintenance.....	2,568	2,076	296	492	-	-	-
<b>Other Works in Progress</b>							
Buildings Condition Audit.....	8,203	295	295	1,339	739	2,915	2,915
<b>Capital Upgrades and Maintenance</b>							
2020-21 Program.....	11,414	9,834	913	1,580	-	-	-
2021-22 Program.....	9,848	7,545	4,161	2,303	-	-	-
2022-23 Program.....	11,610	4,965	4,965	6,645	-	-	-
<b>HBF Park - Stadium Modifications to Host 2023 FIFA</b>							
Women's World Cup.....	35,943	34,443	28,828	1,500	-	-	-
Optus Stadium - Capital Works.....	39,807	6,978	1,678	3,183	7,522	14,602	7,522
Security Infrastructure Upgrades.....	12,265	7,154	1,591	2,711	2,400	-	-
Western Australian Athletics Stadium.....	5,195	4,767	2,340	428	-	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
HBF Park.....	1,935	1,935	896	-	-	-	-
HBF Stadium.....	3,903	3,903	2,816	-	-	-	-
Lighting Upgrades (HBF Stadium and HBF Arena).....	1,100	1,100	368	-	-	-	-
Shade at Outdoor Pools.....	348	348	93	-	-	-	-
<b>Other Completed Works</b>							
Optus Stadium Building Cost Finalisation.....	23,500	23,500	23,500	-	-	-	-
RAC Arena - Commercial Product Innovation.....	1,500	1,500	1,383	-	-	-	-
<b>NEW WORKS</b>							
<b>Capital Upgrades and Maintenance</b>							
2023-24 Program.....	13,165	-	-	13,165	-	-	-
2024-25 Program.....	10,110	-	-	-	10,110	-	-
2025-26 Program.....	10,110	-	-	-	-	10,110	-
2026-27 Program.....	10,110	-	-	-	-	-	10,110
<b>Total Cost of Asset Investment Program.....</b>	<b>213,658</b>	<b>110,612</b>	<b>74,373</b>	<b>34,101</b>	<b>20,771</b>	<b>27,627</b>	<b>20,547</b>
<b>FUNDED BY</b>							
Capital Appropriation.....			15,912	28,922	15,332	20,012	12,932
Drawdown from the Holding Account.....			6,790	5,744	5,439	7,615	7,615
Internal Funds and Balances (a).....			30,102	335	900	100	100
Major Special Purpose Account(s)							
Drawdown from The New Perth Stadium Account (b).....			22,469	-	-	-	-
Other (c).....			(900)	(900)	(900)	(100)	(100)
<b>Total Funding.....</b>			<b>74,373</b>	<b>34,101</b>	<b>20,771</b>	<b>27,627</b>	<b>20,547</b>

(a) Carryover of prior year capital funding.

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

(c) Offsetting income for project initiatives/reclassification of capital works to operating expenditure.

## Financial Statements

### Income Statement

#### *Expenses*

1. The increase in the Total Cost of Services in the 2022-23 Estimated Actual compared with the 2022-23 Budget reflects increased activity and higher operating costs across venues, the impact of inflation on salaries costs, and other operating expenses such as cleaning and security services, higher interest rate costs under the Optus Stadium loan arrangement, and depreciation updates.
2. The increase in Total Cost of Services in the 2023-24 Budget Year compared with the 2022-23 Estimated Actual mostly relates to higher operating expenses in line with a return to pre-COVID-19 pandemic activity levels, inflationary pressures and updated interest costs (see Note 1), and an update to operating cost requirements under the 25-year Optus Stadium Design, Build, Finance and Maintain Contract with Westadium.

#### *Income*

3. The increase in total income in the 2023-24 Budget Year compared with the 2022-23 Estimated Actual, and in the 2022-23 Budget compared to the 2021-22 Actual, are due to higher revenues across VenuesWest's venues (mainly Optus Stadium and RAC Arena) as event activity and patronage returns to pre-COVID-19 levels.

### Statement of Cashflows

4. The increase in net cash provided by the Government in the 2022-23 Estimated Actual compared to the 2022-23 Budget largely reflects the additional service appropriation required to meet increased operating costs, the January 2023 settlement of the Optus Stadium build contract, and public sector wages policy outcomes.
5. The decrease in net cash provided by the Government in the 2023-24 Budget Year compared to the 2022-23 Estimated Actual reflects a reduced reliance on service appropriation as activity and sales revenue returns to pre-COVID-19 levels.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	57,918	59,741	69,874	67,259	69,240	71,279	73,061
Grants and subsidies <sup>(c)</sup> .....	1,362	-	-	161	-	-	-
Supplies and services .....	58,872	74,694	79,454	97,508	101,578	109,094	111,824
Accommodation .....	12,470	9,899	11,567	13,266	13,436	13,572	13,708
Depreciation and amortisation .....	78,170	71,924	76,793	76,887	76,887	76,887	76,789
Finance and interest costs.....	18,339	18,342	26,770	25,228	22,054	20,623	19,379
Other expenses.....	19,766	23,651	21,670	18,719	18,818	19,040	20,419
<b>TOTAL COST OF SERVICES .....</b>	<b>246,897</b>	<b>258,251</b>	<b>286,128</b>	<b>299,028</b>	<b>302,013</b>	<b>310,495</b>	<b>315,180</b>
<b>Income</b>							
Sale of goods and services.....	109,909	137,808	137,808	149,986	153,214	156,509	159,871
Grants and subsidies.....	396	-	-	-	-	-	-
Other revenue.....	22,268	27,758	27,746	43,756	44,408	45,453	46,691
<b>Total Income.....</b>	<b>132,573</b>	<b>165,566</b>	<b>165,554</b>	<b>193,742</b>	<b>197,622</b>	<b>201,962</b>	<b>206,562</b>
<b>NET COST OF SERVICES .....</b>	<b>114,324</b>	<b>92,685</b>	<b>120,574</b>	<b>105,286</b>	<b>104,391</b>	<b>108,533</b>	<b>108,618</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	115,011	89,538	117,327	102,110	101,216	105,409	103,925
Other appropriations.....	-	-	-	-	-	-	4,163
Other revenues .....	53	2,648	2,648	430	430	430	430
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>115,064</b>	<b>92,186</b>	<b>119,975</b>	<b>102,540</b>	<b>101,646</b>	<b>105,839</b>	<b>108,518</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>740</b>	<b>(499)</b>	<b>(599)</b>	<b>(2,746)</b>	<b>(2,745)</b>	<b>(2,694)</b>	<b>(100)</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 562, 635 and 645 respectively.

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

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Brand Ambassador - Sponsorship and</b>							
Donations.....	62	-	-	61	-	-	-
<b>Commercial Sporting Franchise</b>							
Subsidy/Rebates.....	1,300	-	-	-	-	-	-
<b>Seed Funding - Urban Sports/E-sports .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL .....</b>	<b>1,362</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>-</b>	<b>-</b>	<b>-</b>



**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	111,224	56,777	81,474	79,346	76,588	73,843	73,743
Restricted cash .....	1,061	1,136	1,061	1,061	1,061	1,061	1,061
Holding Account receivables .....	5,290	6,790	7,380	8,424	9,163	12,078	12,078
Receivables .....	12,291	11,440	12,291	12,291	12,291	12,291	12,291
Other.....	21,726	14,732	21,726	21,726	21,726	21,726	21,726
<b>Total current assets .....</b>	<b>151,592</b>	<b>90,875</b>	<b>123,932</b>	<b>122,848</b>	<b>120,829</b>	<b>120,999</b>	<b>120,899</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	411,180	476,260	479,039	549,058	619,079	684,748	753,922
Property, plant and equipment.....	1,911,463	1,701,371	1,900,092	1,857,400	1,801,838	1,753,238	1,696,996
Intangibles .....	947	2,260	947	947	947	947	947
<b>Total non-current assets .....</b>	<b>2,323,590</b>	<b>2,179,891</b>	<b>2,380,078</b>	<b>2,407,405</b>	<b>2,421,864</b>	<b>2,438,933</b>	<b>2,451,865</b>
<b>TOTAL ASSETS .....</b>	<b>2,475,182</b>	<b>2,270,766</b>	<b>2,504,010</b>	<b>2,530,253</b>	<b>2,542,693</b>	<b>2,559,932</b>	<b>2,572,764</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	7,147	6,658	7,147	7,147	7,147	7,147	7,147
Payables.....	18,086	10,760	18,086	18,086	18,086	18,086	18,086
Borrowings and leases .....	8,492	10,005	9,985	11,068	11,769	11,773	11,773
Other.....	72,494	41,662	72,494	72,494	72,494	72,494	72,494
<b>Total current liabilities .....</b>	<b>106,219</b>	<b>69,085</b>	<b>107,712</b>	<b>108,795</b>	<b>109,496</b>	<b>109,500</b>	<b>109,500</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,147	1,270	1,147	1,147	1,147	1,147	1,147
Borrowings and leases .....	337,934	328,069	328,013	316,934	305,195	294,108	281,663
<b>Total non-current liabilities .....</b>	<b>339,081</b>	<b>329,339</b>	<b>329,160</b>	<b>318,081</b>	<b>306,342</b>	<b>295,255</b>	<b>282,810</b>
<b>TOTAL LIABILITIES.....</b>	<b>445,300</b>	<b>398,424</b>	<b>436,872</b>	<b>426,876</b>	<b>415,838</b>	<b>404,755</b>	<b>392,310</b>
<b>EQUITY</b>							
Contributed equity .....	1,654,942	1,709,880	1,701,833	1,740,818	1,767,041	1,798,057	1,823,434
Accumulated surplus/(deficit).....	80,714	89,117	80,115	77,369	74,624	71,930	71,830
Reserves.....	294,226	73,345	285,190	285,190	285,190	285,190	285,190
<b>Total equity .....</b>	<b>2,029,882</b>	<b>1,872,342</b>	<b>2,067,138</b>	<b>2,103,377</b>	<b>2,126,855</b>	<b>2,155,177</b>	<b>2,180,454</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>2,475,182</b>	<b>2,270,766</b>	<b>2,504,010</b>	<b>2,530,253</b>	<b>2,542,693</b>	<b>2,559,932</b>	<b>2,572,764</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	43,141	17,668	40,588	25,303	25,017	29,210	27,136
Capital appropriation .....	31,839	34,281	24,326	38,829	26,223	31,016	25,377
Holding Account drawdowns .....	6,200	5,290	6,790	5,744	5,439	7,615	7,615
Special Purpose Account(s)							
The New Perth Stadium Account .....	-	-	22,469	-	-	-	-
Other.....	76	2,648	2,648	430	430	430	430
Administered appropriations .....	-	-	-	-	-	-	4,163
<b>Net cash provided by Government .....</b>	<b>81,256</b>	<b>59,887</b>	<b>96,821</b>	<b>70,306</b>	<b>57,109</b>	<b>68,271</b>	<b>64,721</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(57,579)	(59,741)	(69,874)	(67,259)	(69,240)	(71,279)	(73,061)
Grants and subsidies.....	(1,362)	-	-	(161)	-	-	-
Supplies and services .....	(57,745)	(73,385)	(78,894)	(96,662)	(101,450)	(108,958)	(110,984)
Accommodation .....	(12,470)	(9,928)	(11,596)	(13,302)	(13,434)	(13,569)	(13,704)
GST payments .....	(23,641)	(1,460)	(1,460)	(1,460)	(1,460)	(1,460)	(1,460)
Finance and interest costs.....	(18,622)	(18,342)	(26,770)	(25,222)	(22,033)	(20,602)	(19,358)
Other payments.....	(21,906)	(24,920)	(22,190)	(19,550)	(19,659)	(19,890)	(21,284)
<b>Receipts</b>							
Grants and subsidies.....	396	-	-	-	-	-	-
Sale of goods and services.....	129,069	158,538	158,526	165,701	168,929	172,224	175,586
GST receipts.....	25,682	1,460	1,460	1,460	1,460	1,460	1,460
Other receipts .....	22,220	7,027	7,027	28,041	28,693	29,751	30,976
<b>Net cash from operating activities .....</b>	<b>(15,958)</b>	<b>(20,751)</b>	<b>(43,771)</b>	<b>(28,414)</b>	<b>(28,194)</b>	<b>(32,323)</b>	<b>(31,829)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(19,125)	(32,810)	(74,373)	(34,101)	(20,771)	(27,627)	(20,547)
Proceeds from sale of non-current assets.....	7	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(19,118)</b>	<b>(32,810)</b>	<b>(74,373)</b>	<b>(34,101)</b>	<b>(20,771)</b>	<b>(27,627)</b>	<b>(20,547)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(7,406)	(8,427)	(8,427)	(9,919)	(10,902)	(11,066)	(12,445)
<b>Net cash from financing activities.....</b>	<b>(7,406)</b>	<b>(8,427)</b>	<b>(8,427)</b>	<b>(9,919)</b>	<b>(10,902)</b>	<b>(11,066)</b>	<b>(12,445)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>38,774</b>	<b>(2,101)</b>	<b>(29,750)</b>	<b>(2,128)</b>	<b>(2,758)</b>	<b>(2,745)</b>	<b>(100)</b>
Cash assets at the beginning of the reporting period .....	73,511	60,014	112,285	82,535	80,407	77,649	74,904
<b>Cash assets at the end of the reporting period .....</b>	<b>112,285</b>	<b>57,913</b>	<b>82,535</b>	<b>80,407</b>	<b>77,649</b>	<b>74,904</b>	<b>74,804</b>

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

# Western Australian Institute of Sport

## Part 8 Community Services

### Asset Investment Program

- 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 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COMPLETED WORKS</b>							
Asset Replacement - 2022-23 Program.....	143	143	143	-	-	-	-
<b>NEW WORKS</b>							
Asset Replacement							
2023-24 Program .....	143	-	-	143	-	-	-
2024-25 Program .....	143	-	-	-	143	-	-
2025-26 Program .....	143	-	-	-	-	143	-
2026-27 Program .....	143	-	-	-	-	-	143
<b>Total Cost of Asset Investment Program.....</b>	<b>715</b>	<b>143</b>	<b>143</b>	<b>143</b>	<b>143</b>	<b>143</b>	<b>143</b>
<b>FUNDED BY</b>							
Other Grants and Subsidies .....			143	143	143	143	143
<b>Total Funding .....</b>			<b>143</b>	<b>143</b>	<b>143</b>	<b>143</b>	<b>143</b>

# Lotteries Commission

## Part 8 Community Services

### Asset Investment Program

1. Over the forward estimates period, Lotterywest will invest:
  - 1.1. \$400,000 to develop business operating systems;
  - 1.2. \$3 million to maintain and enhance gaming products and services;
  - 1.3. \$1.6 million to maintain and replace ICT core systems and environments;
  - 1.4. \$4.3 million to renew and maintain plant and equipment, including a data and communications refresh, digital point-of-sale infrastructure and warehouse arrangements; and
  - 1.5. in a major overhaul of its existing gaming and support systems, primarily updating technologies that underpin core gaming systems, including online capabilities and in-store technology. The proposed expenditure is not disclosed due to ongoing commercial negotiations.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Business System Program .....	2,296	1,896	744	-	-	400	-
Gaming System Program .....	5,528	2,528	800	600	1,200	600	600
ICT Infrastructure Programs .....	9,423	7,823	2,249	400	400	400	400
Plant and Equipment Program .....	5,097	797	380	600	1,300	1,050	1,350
Property Program .....	2,200	1,500	1,500	700	-	-	-
<b>COMPLETED WORKS</b>							
Grant System Enhancement .....	988	988	438	-	-	-	-
Grant System Renewal .....	1,675	1,675	150	-	-	-	-
<b>NEW WORKS</b>							
Gaming System Renewal <sup>(a)</sup> .....	-	-	-	-	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>27,207</b>	<b>17,207</b>	<b>6,261</b>	<b>2,300</b>	<b>2,900</b>	<b>2,450</b>	<b>2,350</b>
<b>FUNDED BY</b>							
Internal Funds and Balances .....			6,261	2,300	2,900	2,450	2,350
<b>Total Funding .....</b>			<b>6,261</b>	<b>2,300</b>	<b>2,900</b>	<b>2,450</b>	<b>2,350</b>

(a) Commercial-in-confidence.

# Metropolitan Cemeteries Board

## Part 8 Community Services

### Asset Investment Program

1. The Board's Asset Investment Program (AIP) totals \$41 million and provides quality public cemetery services to meet increasing community expectations. The AIP supports the Board's strategic goal to ensure the State's metropolitan cemetery system remains financially sustainable over the long term.
2. In 2023-24, the AIP totals \$8.6 million and is focused on Infrastructure upgrades of amenities across all sites. This includes investment in new community hub building works in Fremantle, continued investment in key information systems, cemetery grounds development for burial and memorial services and replacement of fleet, plant and equipment, providing increased capability to meet higher funeral activity levels and improved service delivery.
3. Across the forward estimates period, the AIP provides for new building works for mausoleum assets, replacement of buildings and infrastructure, ongoing programs to update ICT and other cemetery capital works programs. These works support the delivery of the Board's services for improved access to the State's metropolitan cemeteries for the benefit of the community, industry and Government.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COMPLETED WORKS</b>							
Building and Infrastructure - 2022-23 Program .....	6,476	6,476	6,476	-	-	-	-
Burials, Entombments and Memorials - 2022-23 Program ...	595	595	595	-	-	-	-
Cremators							
2021-22 Program .....	3,350	3,350	1,015	-	-	-	-
2022-23 Program .....	1,428	1,428	1,428	-	-	-	-
Fleet, Plant and Equipment - 2022-23 Program .....	1,500	1,500	1,500	-	-	-	-
<b>NEW WORKS</b>							
Building and Infrastructure							
2023-24 Program .....	6,271	-	-	6,271	-	-	-
2024-25 Program .....	9,894	-	-	-	9,894	-	-
2025-26 Program .....	9,709	-	-	-	-	9,709	-
2026-27 Program .....	7,286	-	-	-	-	-	7,286
Burials, Entombments and Memorials							
2023-24 Program .....	660	-	-	660	-	-	-
2024-25 Program .....	555	-	-	-	555	-	-
2025-26 Program .....	320	-	-	-	-	320	-
2026-27 Program .....	1,730	-	-	-	-	-	1,730
Cremators - 2023-24 Program .....	380	-	-	380	-	-	-
Fleet, Plant and Equipment							
2023-24 Program .....	1,285	-	-	1,285	-	-	-
2024-25 Program .....	1,146	-	-	-	1,146	-	-
2025-26 Program .....	976	-	-	-	-	976	-
2026-27 Program .....	1,280	-	-	-	-	-	1,280
<b>Total Cost of Asset Investment Program .....</b>	<b>54,841</b>	<b>13,349</b>	<b>11,014</b>	<b>8,596</b>	<b>11,595</b>	<b>11,005</b>	<b>10,296</b>
<b>FUNDED BY</b>							
Internal Funds and Balances .....			11,014	8,596	11,595	11,005	10,296
<b>Total Funding .....</b>			<b>11,014</b>	<b>8,596</b>	<b>11,595</b>	<b>11,005</b>	<b>10,296</b>



## 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	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Transport		
– Total Cost of Services .....	631,398	715,019
– Asset Investment Program .....	52,573	63,010
Commissioner of Main Roads		
– Total Cost of Services .....	2,004,239	2,149,159
– Asset Investment Program .....	2,164,342	2,286,205
Public Transport Authority of Western Australia		
– Total Cost of Services .....	1,961,713	1,961,990
– Asset Investment Program .....	2,227,455	3,279,954
Provision for METRONET Projects Under Development		
– Asset Investment Program .....	-	100,503
Fremantle Port Authority		
– Asset Investment Program .....	82,563	95,300

Agency	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Kimberley Ports Authority		
– Asset Investment Program .....	2,700	61,226
Mid West Ports Authority		
– Asset Investment Program .....	26,050	91,954
Pilbara Ports Authority		
– Asset Investment Program .....	173,757	291,563
Southern Ports Authority		
– Asset Investment Program .....	33,780	62,081



## Ministerial Responsibilities

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

### Part 9 **Transport**

#### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 81 Net amount appropriated to deliver services .....	84,557	123,893	138,539	<b>153,240</b>	86,538	75,744	78,868
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	896	899	899	<b>901</b>	924	947	970
Total appropriations provided to deliver services.....	85,453	124,792	139,438	<b>154,141</b>	87,462	76,691	79,838
<b>ADMINISTERED TRANSACTIONS</b>							
Item 82 Western Australian Coastal Shipping Commission.....	100	100	100	<b>100</b>	100	100	100
<b>CAPITAL</b>							
Item 146 Capital Appropriation.....	425,904	39,818	29,857	<b>35,920</b>	41,176	47,154	21,860
<b>TOTAL APPROPRIATIONS</b> .....	<b>511,457</b>	<b>164,710</b>	<b>169,395</b>	<b>190,161</b>	<b>128,738</b>	<b>123,945</b>	<b>101,798</b>
<b>EXPENSES</b>							
Total Cost of Services .....	480,298	647,713	631,398	<b>715,019</b>	600,981	614,724	520,384
Net Cost of Services <sup>(a)</sup> .....	134,455	222,286	276,104	<b>315,428</b>	169,955	173,570	145,512
<b>CASH ASSETS</b> <sup>(b)</sup> .....	718,305	588,748	621,384	<b>479,476</b>	363,610	335,157	377,968

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

(b) As at 30 June each financial year.

## Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Election Commitments</b>					
Cycling Package					
Geraldton .....	400	293	-	-	-
Mullaloo-Ocean Reef <sup>(a)</sup> .....	-	(1,200)	-	-	-
Regional Airfare Zone Cap .....	4,677	16,013	-	-	-
<b>New Initiatives</b>					
Climate Action Fund - Climate Adaptation - Study into Remote Aboriginal Community Airstrips .....	-	750	-	-	-
Digital Capability Fund - Log On/Log Off Marine Safety Mobile Application...	-	1,268	170	-	-
Implementation of One-Month Motor Vehicle Licence Renewal .....	(293)	-	-	-	-
Infringement Management Reform Program .....	-	300	200	200	-
Queen Elizabeth II Medical Centre Access and Mobility Incentives .....	226	524	-	-	-
Towing Industry Reform .....	808	2,922	3,023	687	-
Transfer to Main Roads - Warmun Airstrip Upgrade .....	-	2,300	-	-	-
Transfer to Public Transport Authority - Electric Buses and Depot Modifications .....	-	22,000	-	-	-
<b>Ongoing Initiatives</b>					
Armadale Line Shutdown - Active Transport .....	60	778	-	-	-
Australind Jetty Repairs and Maintenance .....	3,000	-	-	-	-
Building for Tomorrow .....	4,393	3,874	-	-	-
Coast Capture Western Australia .....	-	2,366	2,500	3,000	-
Contribution to Office of National Rail Safety Regulator .....	-	545	559	573	587
Country Age Pension Fuel Card .....	2,000	2,500	3,000	3,500	-
Derby-Broome Regular Passenger Transport Air Service .....	-	450	450	450	-
Digital Capability Fund - ServiceWA App Digital Program .....	1,059	1,886	-	-	-
Driving Access and Equity Program .....	-	1,500	-	-	-
Ex-Tropical Cyclone Ellie - Derby-Broome Air Services .....	336	-	-	-	-
Kalgoorlie Rail Realignment Project .....	(1,500)	-	-	-	-
Kununurra-Halls Creek-Balgo Regular Passenger Transport Air Service .....	-	200	200	200	200
METRONET - Program Coordination .....	2,567	3,862	1,676	-	(1,676)
Regional Workers Incentives Allowance .....	(39)	(39)	(39)	(39)	212
Transfer from Planning, Lands and Heritage - Coastal Projects and Zone Management .....	-	1,595	1,500	1,160	-
Transforming Bunbury's Waterfront Stage Three Phase One .....	100	-	-	-	-
Warmun Airstrip Studies .....	450	-	-	-	-
Western Australian Bicycle Network (including Principal Shared Path Program) .....	5,470	-	-	-	-
Westport					
Business Case .....	8,464	9,657	3,574	179	-
Enabling Works .....	516	7,381	2,666	-	-
Feasibility Studies .....	350	150	-	-	-
<b>Other</b>					
2023-24 Tariffs, Fees and Charges .....	3,000	22,704	14,110	15,714	23,305
Government Office Accommodation .....	(89)	(134)	(387)	(645)	(654)
ICT Support Services Update .....	-	(503)	(503)	(503)	(503)
Indian Ocean Territories Service Delivery Agreement .....	105	105	105	105	105
Leave Liability .....	1,300	1,300	1,300	1,300	-
Public Sector Wages Policy .....	9,489	7,938	10,255	12,619	12,619
Salaries and Allowances Tribunal .....	-	-	21	44	67

(a) These cycle path works are now funded by the Commonwealth Government, who are providing the funding directly to the local government.

## Significant Issues Impacting the Agency

### WA Jobs Plan

1. The Driving Access and Equity Program is assisting people in the regions to overcome individual and systemic barriers to obtain a driver's licence and improve their employment opportunities. The Department will spend \$5.8 million, including \$1.5 million funded from Western Australia's Road Trauma Trust Account, to continue the program in 2023-24, bringing the total funding commitment to more than \$11 million.
2. The Transport portfolio has a target to achieve a total spend of \$700 million on procurement, contracts and jobs with Aboriginal businesses, and provide 3.5 million hours of employment to Aboriginal people over the period 1 July 2021 to 30 June 2026. The Department is delivering its contribution to this target across a range of projects and procurement of goods and services.

### Safe, Strong and Fair Communities

3. The Department is improving on water safety through community education, marine patrols and legislative changes to encourage safer behaviours related to the use of safety equipment for vessels, windsurfers, kiteboards and paddle craft.
4. A new team will be established in the Department to support reforms to the towing industry and protect people involved in crashes from predatory practices by a small minority of operators in the industry. Legislation is also being drafted.
5. In response to recent cyber attacks on third parties where driver's licence information was exposed, the Department is continuing to work with the relevant State and Commonwealth agencies to minimise impacts on licence holders.
6. Reliable and affordable air services, particularly between Perth and regional centres, are critical for connecting with family, business travel, access to specialist healthcare, workforce movement and regional tourism. Since commencing in July 2022, the Regional Airfare Zone Cap initiative, which offers cheaper airfares for regional residents in partnership with five supporting airlines, has seen significant demand from regional communities across Western Australia. A further \$20.7 million will be spent on the scheme over 2022-23 and 2023-24. The Department is also supporting improved air service connectivity by expanding the Inter-Regional Flight Network.
7. In partnership with Main Roads and local governments, the Department is enabling \$310 million of investment over the next four years to build more than 221 km of cycling infrastructure for healthy, active and sustainable connections in communities State-wide, and to create jobs.
8. With funding from the Digital Capability Fund, the Department is continuing to progress its major reform of the Taxi User Subsidy Scheme (TUSS) in developing a digital solution to replace paper vouchers for more than 14,000 Scheme participants and passenger transport drivers across the State.

### Investing in Western Australia's Future

9. The Westport Office is delivering a business case for the design of a new, efficient, sustainable, and modern terminal in the Outer Harbour in Kwinana to meet the State's growing trade needs and, through the Westport Special Purpose Account, is funding a range of land acquisitions.
10. Efficient, safe and resilient supply chains are essential for the State's continued growth and development. The Department works with State and Commonwealth agencies, and industry, to respond to supply chain disruptions. The Department also identifies and realises opportunities to invest in the development of Western Australia's strategic supply chains for improved efficiency, safety and resilience.
11. The Department is contributing to Government initiatives to address the impact of climate change by developing the transport sector's Emissions Reduction Strategy and encouraging the uptake of zero and low emission light vehicles through the Clean Energy Car Fund.
12. The Department partners with other agencies and local governments to provide expertise and funding for coastal protection. The Department is delivering a growing portfolio of maritime infrastructure projects across the State to meet the growing needs of the community.

13. The Department is also implementing several key priorities and initiatives identified in the State's Digital Strategy and Digital Inclusion in WA Blueprint, including the design and delivery of verifiable credentials such as the Recreational Skipper's Ticket and Recreational Fishing Licence, which will be accessible via the ServiceWA app.

## 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: Diversifying the WA economy, creating local jobs for the future.	Integrated transport systems that facilitate economic development.	1. Strategic Transport Policy and Integrated Planning
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Vehicles and road users that meet established vehicle standards, driver competencies and identity requirements to deliver safe vehicles, safe drivers and secure identities.	2. Driver and Vehicle Services
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	An accessible and safe transport system.	3. Maritime 4. On-demand Transport

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Strategic Transport Policy and Integrated Planning <sup>(a)</sup> .....	115,899	241,949	209,475	274,462	161,641	191,569	95,363
2. Driver and Vehicle Services.....	229,443	265,287	272,470	290,447	288,102	271,537	273,745
3. Maritime.....	109,392	108,344	117,857	120,512	122,398	122,640	122,515
4. On-demand Transport.....	25,564	32,133	31,596	29,598	28,840	28,978	28,761
<b>Total Cost of Services .....</b>	<b>480,298</b>	<b>647,713</b>	<b>631,398</b>	<b>715,019</b>	<b>600,981</b>	<b>614,724</b>	<b>520,384</b>

- (a) The lower Total Cost of Service in the outyears relative to the 2023-24 Budget Year is due to the 2023-24 Budget including expenditure on the Regional Airfare Zone Cap; payments to the Public Transport Authority for the new electric Central Area Transit (CAT) buses (including the installation of associated charging infrastructure at Elizabeth Quay Bus Station); and higher costs associated with the Westport business case and enabling works.

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Integrated transport systems that facilitate economic development:</b>					
Percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle Port.....	20.9%	20%	20.1%	20%	
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%	
<b>Outcome: Vehicles and road users that meet established vehicle standards, driver competencies and identity requirements to deliver safe vehicles, safe drivers and secure identities:</b>					
Percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles).....	99.5%	100%	99.5%	100%	
Percentage of driver's licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers) .....	98%	100%	99.3%	100%	
Percentage of identity credentials compliant with the required standard of biometric quality .....	98.8%	93%	99.8%	99.8%	
<b>Outcome: An accessible and safe transport system:</b>					
Percentage of wheelchair accessible vehicle taxi journeys carrying passengers in wheelchairs which meet the waiting time standard .....	98.6%	95%	98.6%	95%	
Percentage of time maritime infrastructure is fit for purpose when required .....	97%	99.9%	96.7%	100%	
Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels.....	9.6	11.6	9.7	9	
Percentage of audited authorised on-demand booking services compliant with safety requirements.....	56%	60%	57.5%	60%	

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

## Services and Key Efficiency Indicators

### 1. Strategic Transport Policy and Integrated Planning

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

- analysis, planning and implementation of urban infrastructure projects and models to manage future travel demands;
- strategic policy development which supports the achievement of sustainable, effective and practical solutions for Western Australian transport networks and addresses capacity issues;
- policy advice and strategic transport solutions to Government;
- representation and negotiation, on behalf of the 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	115,899	241,949	209,475	274,462	1,2
Less Income.....	56,188	146,629	71,636	107,072	1,2
Net Cost of Service.....	59,711	95,320	137,839	167,390	
<b>Employees (Full-Time Equivalents) .....</b>	197	209	201	203	
<b>Efficiency Indicators</b>					
Average cost per hour for strategic policy development and integrated transport planning.....	\$121	\$160	\$164	\$157	

### Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service and income between the 2022-23 Estimated Actual and 2023-24 Budget Target is mainly due to the deferral of Western Australian Agricultural Supply Chain Improvements Program income and expenditure from 2022-23; a forecast increase in Regional Airfare Zone Cap expenditure; the funding of 18 electric CAT buses and the installation of the associated charging infrastructure at Elizabeth Quay Bus Station (funding provided to the Public Transport Authority); and increased costs associated with the Westport business case and enabling works.
2. The decrease in Total Cost of Service and income between the 2022-23 Budget and 2022-23 Estimated Actual is mainly due to the deferral of Western Australian Agricultural Supply Chain Improvements Program expenditure to 2023-24, partially offset by an increase in Regional Airfare Zone Cap expenditure.



## 2. Driver and Vehicle Services

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

- setting motor vehicle standards in accordance with national and 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 national 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	229,443	265,287	272,470	290,447	
Less Income.....	207,465	206,073	209,797	217,059	
Net Cost of Service.....	21,978	59,214	62,673	73,388	
<b>Employees (Full-Time Equivalents) .....</b>	995	1,095	1,110	1,073	1
<b>Efficiency Indicators</b>					
Average cost per vehicle and driver transaction.....	\$18	\$20	\$20	\$21	
Average cost per vehicle inspection performed by vehicle examination centres.....	\$170	\$211	\$181	\$173	2
Average cost per vehicle inspection delivered through authorised inspection stations.....	\$157	\$186	\$176	\$195	3
Average cost per driver assessment.....	\$106	\$121	\$117	\$128	

### Explanation of Significant Movements

(Notes)

1. The reduction in the 2023-24 Budget Target compared to the 2022-23 Budget and the 2022-23 Estimated Actual is due to closure of the COVID-19 information call centre on 31 January 2023.
2. The decrease in the 2022-23 Estimated Actual compared to the 2022-23 Budget is mainly due to increased volumes of new and unlicensed vehicle inspections undertaken by the Department, thereby lowering the average cost.
3. The increase in the 2023-24 Budget Target compared to the 2022-23 Estimated Actual is mainly due to increased commissions charged by the authorised inspection stations (which are undertaken by external parties).

### 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 use of community as well as recreational and commercial vessels 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 109,392	\$'000 108,344	\$'000 117,857	\$'000 120,512	
Less Income .....	76,050	66,280	67,416	68,280	
Net Cost of Service .....	33,342	42,064	50,441	52,232	
<b>Employees (Full-Time Equivalents) .....</b>	<b>241</b>	<b>247</b>	<b>251</b>	<b>257</b>	
<b>Efficiency Indicators</b>					
Average cost per day for planning, delivery, and management of a maritime asset.....	\$104	\$81	\$86	\$85	
Average cost of managing waterways, safety and compliance per registered recreational vessel .....	\$153	\$183	\$176	\$180	
Cost to maintain marine pollution response preparedness per registered vessel .....	\$33	\$48	\$47	\$45	

#### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	25,564	32,133	31,596	29,598	1
Less Income.....	6,140	6,445	6,445	7,180	2
Net Cost of Service.....	19,424	25,688	25,151	22,418	
<b>Employees (Full-Time Equivalents) .....</b>	46	61	60	58	
<b>Efficiency Indicators</b>					
Cost per on-demand transport authorisation.....	\$161	\$221	\$178	\$133	3

#### Explanation of Significant Movements

(Notes)

1. The decrease in the Total Cost of Service in the 2023-24 Budget Target compared to the 2022-23 Budget and the 2022-23 Estimated Actual is mainly due to the integration of on-demand transport functions within Driver and Vehicle Services.
2. The increase in income in the 2023-24 Budget Target compared to the 2022-23 Estimated Actual is mainly due to increased volumes of Passenger Transport Vehicle and Passenger Transport Driver authorisations.
3. The decrease in the 2023-24 Budget Target and the 2022-23 Estimated Actual compared to the 2022-23 Budget is mainly due to forecast increased volumes of Passenger Transport Vehicle and Passenger Transport Driver authorisations, thereby lowering the average cost.

## Asset Investment Program

### Election Commitment

#### *Broome Boating Facility*

1. The Department has progressed the planning and design work required before constructing a new boating facility at Broome's Entrance Point, which will improve marine infrastructure and safety. The Government continues to provision \$36.3 million for the project over 2023-24 to 2025-26, pending confirmation of a third-party contribution for the remaining funding. Planning work has continued during 2022-23 to address heritage concerns, seek approvals and for peer review of the design.

### COVID-19 Response

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

2. 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 the commercial tenancies. This project will replace the ageing electrical infrastructure, resulting in a more robust and reliable electricity supply in addition to enhanced safety provisions. Throughout 2022-23, the Department has continued stakeholder engagement and commenced detailed design and early procurement activities. The majority of the construction works are scheduled to occur in off-peak periods (winter), commencing in mid-2023 with completion expected in 2024.

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

3. As part of an ongoing program of metropolitan jetty replacements, the Department is replacing 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. Construction is underway with the replacement of the jetties expected to be completed in 2023-24 and installation of a dedicated fire main expected to be completed in 2024-25.

#### *Redevelopment of Woodman Point Jetty*

4. This project involves the replacement of the deteriorated recreational jetty located at Woodman Point, which is now over 80 years old. A new jetty concept has been selected at the existing site to enable continued safe recreational use for fishing, diving, swimming, walking and non-motorised vessels. Throughout 2022-23, detailed design continued and a development application was approved. Stakeholder consultation continues to guide detailed design, which includes ongoing value engineering.

#### *Batavia Coast Marina - Floating Jetty/Pens*

5. The Department will deliver a new floating jetty and pens to cater for 25 metre charter vessels in Batavia Coast Marina. Planning for these works is underway, and delivery is expected to be completed in 2023-24.

### Other

#### *Albany (Emu Point) Maritime Facility - Jetty B*

6. Jetty B at the Emu Point Maritime Facility in Albany was originally constructed in 1971 and has been in service for over 50 years. In the 2021-22 Budget, the Department was funded to undertake a \$1 million refurbishment of the jetty to restore full access to it and the mooring facilities. The project has been delayed to 2023-24 due to supply constraints impacting the construction industry. A concept design has been prepared and stakeholder consultation and approvals are underway.

#### *Transforming Bunbury's Waterfront Stage Three Phase One*

7. The Department continues to work closely with the South West Development Commission to deliver the next phase of Transforming Bunbury's Waterfront. Stage Three Phase One comprises dredging, a new breakwater, serviced lease sites for the marine industry, and upgraded public boating infrastructure in Casuarina Boat Harbour. Breakwaters and dredging are in detailed design with construction scheduled to commence in early 2024. Civil works design is being tendered with construction to be staged between 2023 and 2025.

*Onslow Community Boating Precinct*

8. Together with the Shire of Ashburton, the Department is delivering a new community boating precinct within the Onslow (Beadon Creek) Maritime Facility. The project includes a new relocated two-lane boat ramp, dredged basin, rock revetments and minor landside works, which will greatly improve the boat launching experience in Onslow. The project was largely completed in 2021-22, with the final parcel of works - car park asphaltting, kerbing, line marking, landscaping, toilets and fish cleaning station - currently underway and expected for completion by June 2023.

*Maritime Facilities Program*

9. This program comprises asset replacement and additional public maritime infrastructure throughout the State to meet current and future boating requirements. Significant projects being delivered in 2023-24 include the Fremantle Fishing Boat Harbour amenities building and services upgrade and the Jurien Boat Harbour high voltage electrical upgrade.

*Navigational Aids Program*

10. The Department is responsible for managing over 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. During 2022-23, 11 navigational beacons in various bays of Rottnest Island were replaced, and in 2023-24, ageing navigational aids in Dawesville Channel, Tantabiddi, Coral Bay and Hopetoun will be replaced.

*Marine Oil Pollution Response Equipment*

11. The Department has an ongoing program to procure new and replacement oil spill response equipment which is deployed at several of the Department's facilities around Western Australia. During 2023-24, three new skimmer trailers and a replacement resupply sea container will be sourced, and the outboard motor on the Stabicraft boat will be replaced.

*Vessel and Vehicle Replacement Program*

12. In order to maintain waterways compliance operations, the Department has an ongoing program to replace and refit end-of-life maritime vessels, vehicles, motors and trailers associated with its non-leased patrol vessel fleet. During 2022-23 three vessels were refitted and several new outboard motors purchased. During 2023-24 several vessels are planned for replacement or refitting, including with new engines. In addition, new satellite phones will be installed on eight vessels based across multiple metropolitan and regional locations.

*Albany Waterfront Marina*

13. As part of the 2020-21 Budget, funding was allocated for minor upgrades to lighting and services along Toll Place within the Albany Waterfront Marina. These upgrades, which will cost \$603,000, are intended to improve facilities and enable commercial developments to the area. Works are expected to be completed by the end of 2022-23.

*Carnarvon Fascine*

14. \$2.9 million in capital funding is currently allocated to resolve access issues at the Carnarvon Fascine, including entrance dredging and spit stabilisation works. Construction of new floating pens within the Carnarvon Boat Harbour to relocate vessels from the Carnarvon Fascine and upgrades to the harbour's firefighting infrastructure, which service these pens, were completed in August 2022.

*Information and Communication Infrastructure Technology*

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

*Driver and Vehicle Services Reform Program*

16. This program of works is aimed at modernising 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. It also enhances licensing centre facilities to improve customer service.

**On-demand Transport - TUSS Reform Program**

17. The TUSS is part of the Department's commitment to facilitating safe, accessible and efficient means of travel for those who are unable to use conventional public transport services. The scheme provides subsidised taxi travel to residents of Western Australia with a severe, permanent disability that prevents them from using conventional public transport services. This program of works will develop a digital solution to modernise the current paper-based TUSS system and processes. Part of a suite of reforms to the scheme, this will facilitate easier access for users as well as prompt and efficient payments to booking services and their drivers.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Maritime							
Fremantle Fishing Boat Harbour and Commercial							
Precinct - Replacement of Electrical Infrastructure .....	7,800	1,117	634	6,678	5	-	-
Hillarys Boat Harbour - Jetties F, G, H, and J.....	7,350	3,723	3,500	3,127	500	-	-
Redevelopment of Woodman Point Jetty .....	9,690	1,695	686	316	-	7,679	-
<b>Other Works in Progress</b>							
Business Information Systems							
Information and Communications Infrastructure -							
2022-23 Program.....	9,159	7,659	7,659	500	1,000	-	-
Driver and Vehicle Services							
Driver and Vehicle Services Reform Program - 2022-23							
Program .....	7,213	5,213	5,213	1,000	1,000	-	-
Maritime							
Maritime Facilities Program - 2022-23 Program .....	17,443	15,763	15,763	1,680	-	-	-
Maritime - Transforming Bunbury's Waterfront							
Stage Three .....	78,100	3,039	2,420	17,955	40,516	16,590	-
On-demand Transport - TUSS Reform Program.....	8,778	3,626	3,626	5,152	-	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Maritime							
Albany Waterfront Marina.....							
	603	603	450	-	-	-	-
Carnarvon Fascine Entrance .....							
	2,857	2,857	1,138	-	-	-	-
<b>Other Completed Works</b>							
Corporate							
Accommodation and Refurbishment - 2022-23 Program .....							
	1,808	1,808	1,808	-	-	-	-
Driver and Vehicle Services							
Driver and Vehicle Services Reform Program -							
Infringement Management Reform Program .....	1,400	1,400	1,400	-	-	-	-
Maritime							
Marine Oil Pollution Response Equipment - 2022-23							
Program .....	287	287	287	-	-	-	-
Navigational Aids Program - 2022-23 Program .....							
	1,976	1,976	1,976	-	-	-	-
Onslow Community Boating Precinct.....							
	13,223	13,223	4,286	-	-	-	-
Vessel and Vehicle Replacement Program - 2022-23							
Program .....	1,090	1,090	1,090	-	-	-	-
Minor Works							
2022-23 Program .....							
	637	637	637	-	-	-	-
<b>NEW WORKS</b>							
<b>Election Commitments</b>							
Maritime - Broome Boating Facility.....							
	36,306	-	-	596	16,218	19,492	-
<b>COVID-19 Response</b>							
Maritime - Batavia Coast Marina - Floating Jetty/Pens.....							
	400	-	-	400	-	-	-
<b>Other New Works</b>							
Business Information Systems							
Information and Communications Infrastructure							
2023-24 Program.....	5,825	-	-	5,825	-	-	-
2024-25 Program.....	6,525	-	-	-	6,525	-	-
2025-26 Program.....	6,525	-	-	-	-	6,525	-
2026-27 Program.....	6,525	-	-	-	-	-	6,525
Corporate							
Accommodation and Refurbishment							
2023-24 Program.....	818	-	-	818	-	-	-
2024-25 Program.....	818	-	-	-	818	-	-
2025-26 Program.....	818	-	-	-	-	818	-
2026-27 Program.....	818	-	-	-	-	-	818

	Estimated Total Cost	Estimated Expenditure to 30-6-23	2022-23 Estimated Expenditure	2023-24 Budget Year	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
<b>Driver and Vehicle Services</b>							
<b>Driver and Vehicle Services Reform Program</b>							
2023-24 Program.....	5,200	-	-	5,200	-	-	-
2024-25 Program.....	3,200	-	-	-	3,200	-	-
2025-26 Program.....	3,200	-	-	-	-	3,200	-
2026-27 Program.....	3,200	-	-	-	-	-	3,200
Infringement Processing System (Infringement Management Reform) .....	1,200	-	-	1,200	-	-	-
<b>Maritime</b>							
Albany (Emu Point) Maritime Facility - Jetty B.....	1,038	-	-	1,038	-	-	-
<b>Marine Oil Pollution Response Equipment</b>							
2023-24 Program.....	150	-	-	150	-	-	-
2024-25 Program.....	200	-	-	-	200	-	-
2025-26 Program.....	200	-	-	-	-	200	-
2026-27 Program.....	200	-	-	-	-	-	200
<b>Maritime Facilities Program</b>							
2023-24 Program.....	9,030	-	-	9,030	-	-	-
2024-25 Program.....	9,180	-	-	-	9,180	-	-
2025-26 Program.....	9,180	-	-	-	-	9,180	-
2026-27 Program.....	9,180	-	-	-	-	-	9,180
<b>Navigational Aids Program</b>							
2023-24 Program.....	431	-	-	431	-	-	-
2024-25 Program.....	912	-	-	-	912	-	-
2025-26 Program.....	912	-	-	-	-	912	-
2026-27 Program.....	912	-	-	-	-	-	912
<b>Vessel and Vehicle Replacement Program</b>							
2023-24 Program.....	1,506	-	-	1,506	-	-	-
2024-25 Program.....	2,044	-	-	-	2,044	-	-
2025-26 Program.....	580	-	-	-	-	580	-
2026-27 Program.....	580	-	-	-	-	-	580
<b>Minor Works</b>							
2023-24 Program.....	408	-	-	408	-	-	-
2024-25 Program.....	408	-	-	-	408	-	-
2025-26 Program.....	408	-	-	-	-	408	-
2026-27 Program.....	408	-	-	-	-	-	408
Towing Industry Reform Program.....	130	-	-	-	130	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>298,789</b>	<b>65,716</b>	<b>52,573</b>	<b>63,010</b>	<b>82,656</b>	<b>65,584</b>	<b>21,823</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			29,818	35,881	41,140	47,115	21,823
Internal Funds and Balances.....			14,432	1,784	1,000	1,879	-
<b>Major Special Purpose Account(s)</b>							
Drawdown from Digital Capability Fund .....			3,626	5,152	-	-	-
Drawdown from Royalties for Regions Fund .....			1,704	18,993	40,516	16,590	-
Other .....			628	1,000	(200)	(200)	-
Other Grants and Subsidies .....			2,365	200	200	200	-
<b>Total Funding .....</b>			<b>52,573</b>	<b>63,010</b>	<b>82,656</b>	<b>65,584</b>	<b>21,823</b>

## **Financial Statements**

### **Income Statement**

#### *Expenses*

1. Total Cost of Services is estimated to increase by \$83.6 million in the 2023-24 Budget Year compared to the 2022-23 Estimated Actual. This is mainly due to the deferral of expenditure associated with the Western Australian Agricultural Supply Chain Improvements Program and Kenwick Intermodal Terminal from 2022-23; the provision of funding for 18 electric CAT buses and the installation of the associated charging infrastructure at Elizabeth Quay Bus Station to the Public Transport Authority; additional spending for the Regional Airfare Zone Cap; and costs associated with the Westport business case and enabling works.

#### *Income*

2. Total grants and subsidies is estimated to decrease by \$73.2 million in the 2022-23 Estimated Actual compared to the 2022-23 Budget. This is mainly due to removal of Commonwealth funding contributions for the Causeway Cyclist and Pedestrian Bridge, which will now be received by Main Roads, and retiming of Commonwealth revenue associated with the Western Australian Agricultural Supply Chain Improvements Program (to later years).

### **Statement of Financial Position**

3. Total current assets are expected to decrease by \$141.1 million between the 2022-23 Estimated Actual and the 2023-24 Budget Year. This largely reflects allocations from the Westport Special Purpose Account, to Main Roads for land acquisitions.



**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	155,353	180,341	190,310	194,212	194,737	191,323	194,328
Grants and subsidies <sup>(c)</sup> .....	126,091	178,293	178,170	215,512	126,895	130,056	113,009
Supplies and services .....	102,390	194,657	161,324	199,019	175,965	190,236	107,307
Accommodation .....	26,202	26,681	26,725	28,196	30,726	33,580	34,010
Depreciation and amortisation .....	24,049	26,368	23,277	28,351	30,617	31,863	32,917
Finance and interest costs.....	119	118	146	197	163	120	103
Other expenses.....	46,094	41,255	51,446	49,532	41,878	37,546	38,710
<b>TOTAL COST OF SERVICES .....</b>	<b>480,298</b>	<b>647,713</b>	<b>631,398</b>	<b>715,019</b>	<b>600,981</b>	<b>614,724</b>	<b>520,384</b>
<b>Income</b>							
Sale of goods and services.....	30,761	32,385	32,385	36,163	37,346	38,532	39,761
Regulatory fees and fines.....	179,402	184,973	184,680	192,550	196,053	197,629	200,761
Grants and subsidies.....	8,977	89,144	15,951	48,138	69,664	74,225	1,258
Taxation.....	91,829	90,029	94,029	92,942	96,947	100,041	102,306
Other revenue.....	34,874	28,896	28,249	29,798	31,016	30,727	30,786
<b>Total Income.....</b>	<b>345,843</b>	<b>425,427</b>	<b>355,294</b>	<b>399,591</b>	<b>431,026</b>	<b>441,154</b>	<b>374,872</b>
<b>NET COST OF SERVICES .....</b>	<b>134,455</b>	<b>222,286</b>	<b>276,104</b>	<b>315,428</b>	<b>169,955</b>	<b>173,570</b>	<b>145,512</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	85,453	124,792	139,438	154,141	87,462	76,691	79,838
Resources received free of charge .....	2,022	1,989	1,989	1,989	1,989	1,989	1,989
Special Purpose Account(s) <sup>(d)</sup>							
Climate Action Fund .....	-	1,597	-	-	-	-	-
Digital Capability Fund.....	-	11,836	-	-	-	-	-
Royalties for Regions Fund							
Regional Community Services Fund.....	31,782	37,816	52,284	60,763	43,182	43,412	30,912
Other revenues .....	69,845	73,897	90,198	69,130	73,911	73,364	72,623
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>189,102</b>	<b>251,927</b>	<b>283,909</b>	<b>286,023</b>	<b>206,544</b>	<b>195,456</b>	<b>185,362</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>54,647</b>	<b>29,641</b>	<b>7,805</b>	<b>(29,405)</b>	<b>36,589</b>	<b>21,886</b>	<b>39,850</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 1,479, 1,622 and 1,591 respectively.

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

(d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Active Traffic Management.....	2,250	2,250	2,250	2,250	2,250	2,250	2,250
Aviation (Public Air Route) Subsidies .....	699	746	2,074	3,450	1,150	1,150	700
Bicycle Boulevards (Safe Active Streets Program).....	1,313	-	2,080	-	-	-	-
Clean Energy Car Fund - Purchase Rebates...	-	7,963	4,963	14,462	15,575	-	-
Coastal Projects and Zone Management.....	3,645	3,057	6,220	3,652	4,057	2,797	1,637
Community Police .....	3,075	2,100	3,100	2,100	2,100	2,100	2,100
Country Age Pension Fuel Card Scheme .....	28,069	27,612	29,284	29,653	30,071	30,489	27,563
Driving Access and Equity.....	1,178	5,300	3,450	4,800	-	-	-
Fare Subsidies (Pensioners).....	812	1,589	1,589	1,589	1,589	1,589	1,589
Fremantle Container Rail Subsidy .....	6,682	8,569	10,069	8,709	8,956	8,956	8,956
Inner City Projects - CBD Transport Plan .....	9,021	19,715	15,838	15,775	-	-	-
Inter-Regional Flight Network Expansion.....	-	1,800	1,800	900	900	450	-
Kenwick Intermodal Terminal Development.....	-	10,000	-	10,000	-	-	-
Marine Communications .....	703	730	730	745	670	670	670
Multi-purpose Taxi - Vehicle Modification Grant...	165	720	720	720	720	720	720
National Partnership Agreement for Recreational Fishing and Camping Facilities.....	-	795	795	357	-	-	-
National Transport Reforms .....	328	345	345	354	354	354	354
Other Grants and Subsidies .....	187	361	230	1,114	1,001	967	869
Port of Wyndham .....	659	-	-	-	-	-	-
Public Transport Authority							
CAT Bus Services.....	18,536	21,255	20,295	20,275	18,292	18,292	18,292
Electric Buses and Depot Modifications .....	-	-	-	22,000	-	-	-
Tunnel Monitoring System .....	1,561	4,320	3,440	3,349	250	200	200
Recreational Boat Facilities.....	3,126	1,500	1,500	1,500	2,352	1,500	1,500
Regional Airfare Zone Cap.....	-	6,245	17,143	22,248	-	-	-
Regional Airport Development Scheme.....	1,007	1,935	4,860	1,935	1,935	1,935	1,935
Student Fare Concessions .....	839	1,241	1,241	1,241	1,241	1,241	1,241
Taxi User Co-payment .....	3,576	1,959	1,959	1,959	1,959	1,959	1,959
TUSS.....	10,845	10,826	10,826	10,826	10,826	10,826	10,826
Western Australian Bicycle Network (including Principal Shared Path Program) .....	27,065	24,860	24,681	26,987	20,647	41,611	29,648
Westport							
Fremantle Port Authority - Feasibility Studies.....	-	9,000	5,500	2,000	-	-	-
Future of Fremantle.....	750	1,500	1,188	562	-	-	-
<b>TOTAL .....</b>	<b>126,091</b>	<b>178,293</b>	<b>178,170</b>	<b>215,512</b>	<b>126,895</b>	<b>130,056</b>	<b>113,009</b>

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	120,214	79,259	97,667	97,157	90,961	72,352	71,114
Restricted cash .....	594,495	505,498	519,611	377,733	267,585	257,176	300,626
Holding Account receivables .....	-	-	1,300	2,600	3,900	5,200	5,200
Receivables .....	27,673	10,759	27,673	27,673	27,673	27,673	27,673
Other.....	4,958	6,707	4,958	4,958	4,958	4,958	4,958
Assets held for sale (b) .....	-	21,180	-	-	-	-	-
<b>Total current assets .....</b>	<b>747,340</b>	<b>623,403</b>	<b>651,209</b>	<b>510,121</b>	<b>395,077</b>	<b>367,359</b>	<b>409,571</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	321,577	342,678	339,451	362,550	388,970	416,624	445,313
Property, plant and equipment.....	447,818	467,679	481,728	520,002	573,543	609,050	600,362
Intangibles .....	47,559	45,305	46,646	45,733	44,820	43,907	42,994
Restricted cash .....	3,596	3,991	4,106	4,586	5,064	5,629	6,228
<b>Total non-current assets .....</b>	<b>820,550</b>	<b>859,653</b>	<b>871,931</b>	<b>932,871</b>	<b>1,012,397</b>	<b>1,075,210</b>	<b>1,094,897</b>
<b>TOTAL ASSETS .....</b>	<b>1,567,890</b>	<b>1,483,056</b>	<b>1,523,140</b>	<b>1,442,992</b>	<b>1,407,474</b>	<b>1,442,569</b>	<b>1,504,468</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	27,460	28,206	29,116	30,772	32,428	34,084	34,440
Payables .....	13,901	14,257	13,901	13,901	13,901	13,901	13,901
Borrowings and leases .....	12,014	2,130	2,176	2,169	2,199	2,154	2,179
Other.....	5,072	750	2,072	2,072	2,072	2,072	2,072
<b>Total current liabilities .....</b>	<b>58,447</b>	<b>45,343</b>	<b>47,265</b>	<b>48,914</b>	<b>50,600</b>	<b>52,211</b>	<b>52,592</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	6,317	6,885	6,317	6,317	6,317	6,317	6,317
Borrowings and leases .....	3,089	4,252	4,259	4,412	3,442	2,718	2,525
<b>Total non-current liabilities .....</b>	<b>9,406</b>	<b>11,137</b>	<b>10,576</b>	<b>10,729</b>	<b>9,759</b>	<b>9,035</b>	<b>8,842</b>
<b>TOTAL LIABILITIES.....</b>	<b>67,853</b>	<b>56,480</b>	<b>57,841</b>	<b>59,643</b>	<b>60,359</b>	<b>61,246</b>	<b>61,434</b>
<b>EQUITY</b>							
Contributed equity .....	973,689	907,161	931,146	878,602	805,778	818,101	839,961
Accumulated surplus/(deficit).....	519,887	514,361	527,692	498,287	534,876	556,762	596,612
Reserves.....	6,461	5,054	6,461	6,460	6,461	6,460	6,461
<b>Total equity .....</b>	<b>1,500,037</b>	<b>1,426,576</b>	<b>1,465,299</b>	<b>1,383,349</b>	<b>1,347,115</b>	<b>1,381,323</b>	<b>1,443,034</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,567,890</b>	<b>1,483,056</b>	<b>1,523,140</b>	<b>1,442,992</b>	<b>1,407,474</b>	<b>1,442,569</b>	<b>1,504,468</b>

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

(b) The decrease of \$21.2 million in the 2022-23 Estimated Actual for assets held for sale is due to the sale of Welshpool Vehicle Examination Centre (\$7.7 million) and transfer of assets for the Wyndham Port (\$13.5 million). This transfer of assets was part of the second phase of the Ports Governance Review enabled by the *Ports Legislation Amendment Act 2019*.

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	64,933	103,691	120,264	129,742	59,742	47,737	51,149
Capital appropriation.....	425,904	39,818	29,857	35,920	41,176	47,154	21,860
Special Purpose Account(s)							
Climate Action Fund.....	-	1,597	1,906	1,608	407	-	-
Digital Capability Fund.....	-	17,935	16,521	17,271	5,357	1,079	-
Royalties for Regions Fund							
Regional Community Services Fund.....	35,276	37,816	52,284	60,763	43,182	43,412	30,912
Regional Infrastructure and Headworks							
Fund.....	1,335	4,858	1,704	18,993	40,516	16,590	-
Receipts paid into Consolidated Account.....	-	(60)	(60)	(307)	(280)	-	-
Other.....	52,842	73,897	90,146	69,972	74,575	73,364	72,623
<b>Net cash provided by Government .....</b>	<b>580,290</b>	<b>279,552</b>	<b>312,622</b>	<b>333,962</b>	<b>264,675</b>	<b>229,336</b>	<b>176,544</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(155,117)	(179,985)	(188,654)	(192,556)	(193,081)	(189,667)	(193,972)
Grants and subsidies.....	(124,948)	(178,293)	(178,170)	(215,512)	(126,895)	(130,056)	(113,009)
Supplies and services.....	(98,361)	(190,956)	(157,753)	(195,350)	(172,295)	(186,601)	(103,671)
Accommodation.....	(25,723)	(26,681)	(26,725)	(28,196)	(30,726)	(33,580)	(34,010)
GST payments.....	(31,415)	(26,706)	(26,706)	(26,706)	(26,706)	(26,706)	(26,706)
Finance and interest costs.....	-	(118)	(146)	(197)	(163)	(120)	(103)
Other payments.....	(45,041)	(42,967)	(53,028)	(51,212)	(43,558)	(39,192)	(40,358)
<b>Receipts (b)</b>							
Regulatory fees and fines.....	180,725	183,273	186,980	192,550	196,053	197,629	200,761
Grants and subsidies.....	8,977	89,144	15,951	48,138	69,664	74,225	1,258
Sale of goods and services.....	30,256	32,385	32,437	35,321	36,681	38,532	39,761
Taxation.....	91,772	90,029	90,029	92,942	96,947	100,041	102,306
GST receipts.....	29,111	26,706	26,706	26,706	26,706	26,706	26,706
Other receipts.....	31,351	27,575	26,928	29,731	30,889	30,727	30,787
<b>Net cash from operating activities .....</b>	<b>(108,413)</b>	<b>(196,594)</b>	<b>(252,151)</b>	<b>(284,341)</b>	<b>(136,484)</b>	<b>(138,062)</b>	<b>(110,250)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(29,965)	(53,691)	(52,573)	(63,010)	(82,656)	(65,584)	(21,823)
Proceeds from sale of non-current assets.....	37	60	60	307	280	-	-
<b>Net cash from investing activities.....</b>	<b>(29,928)</b>	<b>(53,631)</b>	<b>(52,513)</b>	<b>(62,703)</b>	<b>(82,376)</b>	<b>(65,584)</b>	<b>(21,823)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(3,010)	(12,233)	(12,408)	(2,797)	(1,681)	(1,643)	(1,660)
Other payments.....	-	(55,800)	(70,000)	(108,500)	(150,000)	(52,500)	-
Proceeds from borrowings.....	9,460	-	-	-	-	-	-
<b>Net cash from financing activities.....</b>	<b>6,450</b>	<b>(68,033)</b>	<b>(82,408)</b>	<b>(111,297)</b>	<b>(151,681)</b>	<b>(54,143)</b>	<b>(1,660)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>							
	<b>448,399</b>	<b>(38,706)</b>	<b>(74,450)</b>	<b>(124,379)</b>	<b>(105,866)</b>	<b>(28,453)</b>	<b>42,811</b>
Cash assets at the beginning of the reporting period.....	273,400	659,025	718,305	621,384	479,476	363,610	335,157
Net cash transferred to/from other agencies....	(3,494)	(31,571)	(22,471)	(17,529)	(10,000)	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>718,305</b>	<b>588,748</b>	<b>621,384</b>	<b>479,476</b>	<b>363,610</b>	<b>335,157</b>	<b>377,968</b>

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

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

## NET APPROPRIATION DETERMINATION (a)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Regulatory Fees and Fines</b>							
Boat Registration Fees .....	22,292	23,495	23,471	25,321	26,832	28,291	29,284
Jetty Licences and Coastal Facility Fees .....	12,407	12,007	13,748	13,129	14,128	14,736	15,295
Motor Drivers Licence Fees .....	76,533	78,318	78,318	82,481	88,344	85,451	84,521
Motor Vehicle Recording Fee .....	56,156	57,370	57,077	58,495	52,634	54,168	55,719
On-Demand Transport Fees .....	6,089	6,383	6,383	7,115	7,707	8,369	9,102
Other Driver and Vehicle Services Fees .....	4,200	4,189	4,189	4,626	4,987	5,163	5,343
Other Marine Safety Fees .....	3,048	1,511	3,794	1,383	1,421	1,451	1,497
<b>Grants and Subsidies</b>							
Grants and Contributions Received .....	20,969	124,698	64,785	80,897	105,340	107,789	32,477
<b>Sale of Goods and Services</b>							
Commissions .....	28,199	29,265	29,213	31,800	33,453	34,326	35,930
Motor Vehicle Inspection Fees .....	30,256	32,385	32,437	35,321	36,681	38,532	39,761
Sale of Goods and Services .....	498	630	630	655	680	706	706
<b>Taxation</b>							
Motor Vehicle Plate Fees .....	25,841	19,793	19,793	21,222	21,794	22,403	23,021
Motor Vehicle Transfer Fees .....	11,394	11,768	11,768	11,801	12,094	12,383	12,670
Perth Parking Levy .....	54,537	58,468	58,468	59,919	63,059	65,255	66,615
<b>GST Receipts</b>							
GST Input Credits .....	19,634	18,825	18,825	18,825	18,825	18,825	18,825
GST Receipts on Sales .....	9,477	7,881	7,881	7,881	7,881	7,881	7,881
<b>Other Receipts</b>							
Interest Revenue .....	110	296	296	296	296	296	296
Other Revenue .....	15,173	11,079	13,453	11,241	11,929	11,277	10,834
Rents and Leases .....	17,411	17,137	17,137	19,159	19,637	20,129	20,632
Service Delivery Agreement .....	10,810	7,511	7,511	3,793	3,793	3,793	3,793
Special Purpose Account .....	-	19,532	18,427	18,879	5,764	1,079	-
<b>TOTAL</b> .....	425,034	542,541	487,604	514,239	537,279	542,303	474,202

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

## DETAILS OF ADMINISTERED TRANSACTIONS

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>INCOME</b>							
<b>Taxation</b>							
Motor Vehicle Licence Fees .....	1,120,357	1,169,227	1,196,696	1,262,971	1,318,644	1,377,211	1,438,379
On-demand Transport Levy .....	37,867	-	-	-	-	-	-
<b>Fines</b>							
Final Demand Fees .....	2,738	2,757	2,757	2,757	2,757	2,757	2,757
Other Fines .....	20,363	23,028	23,028	23,028	23,028	23,028	23,028
Plate and Transfer Infringements .....	8,461	8,303	8,303	8,688	8,878	9,073	9,274
Speed and Red Light Fines .....	95,675	79,605	94,605	80,607	83,677	83,742	83,807
<b>Other</b>							
Appropriation .....	100	100	100	100	100	100	100
Off-road Vehicle Fees .....	120	138	137	183	274	274	274
<b>TOTAL ADMINISTERED INCOME</b> .....	1,285,681	1,283,158	1,325,626	1,378,334	1,437,358	1,496,185	1,557,619
<b>EXPENSES</b>							
<b>Statutory Authorities</b>							
Western Australian Coastal Shipping							
Commission .....	100	100	100	100	100	100	100
<b>Other</b>							
All Other Expenses .....	5,263	-	-	-	-	-	-
Payments to Consolidated Account .....	1,770,033	1,203,315	1,230,784	1,297,444	1,353,307	1,412,069	1,473,438
Payments to Off-road Vehicle Trust Account .....	120	138	137	183	274	274	274
Payments to Road Trauma Trust Account .....	95,675	79,605	94,605	80,607	83,677	83,742	83,807
<b>TOTAL ADMINISTERED EXPENSES</b> .....	1,871,191	1,283,158	1,325,626	1,378,334	1,437,358	1,496,185	1,557,619

# Division 39 Commissioner of Main Roads

## Part 9 Transport

### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 83 Net amount appropriated to deliver services .....	404,042	444,704	460,970	<b>582,788</b>	548,168	533,958	556,758
<b>Amount Authorised by Other Statutes</b>							
- Road Traffic (Administration) Act 2008.....	839,779	771,717	883,109	<b>832,534</b>	922,235	1,068,621	1,186,714
- Salaries and Allowances Act 1975 .....	426	427	427	<b>428</b>	439	450	461
Total appropriations provided to deliver services.....	1,244,247	1,216,848	1,344,506	<b>1,415,750</b>	1,470,842	1,603,029	1,743,933
<b>CAPITAL</b>							
Item 147 Capital Appropriation.....	138,587	78,053	280,351	<b>238,950</b>	120,186	118,501	122,662
Road Traffic (Administration) Act 2008.....	291,028	405,010	321,086	<b>437,938</b>	403,909	316,090	259,165
<b>TOTAL APPROPRIATIONS</b> .....	<b>1,673,862</b>	<b>1,699,911</b>	<b>1,945,943</b>	<b>2,092,638</b>	<b>1,994,937</b>	<b>2,037,620</b>	<b>2,125,760</b>
<b>EXPENSES</b>							
Total Cost of Services .....	1,565,499	1,713,561	2,004,239	<b>2,149,159</b>	1,811,215	1,664,745	1,582,353
Net Cost of Services <sup>(a)(b)</sup> .....	475,955	268,967	560,771	<b>127,022</b>	377,229	714,380	1,174,061
<b>CASH ASSETS</b> <sup>(c)</sup> .....	<b>276,319</b>	<b>334,846</b>	<b>152,994</b>	<b>182,374</b>	<b>78,079</b>	<b>297,498</b>	<b>525,826</b>

- (a) Represents Total Cost of Services (expenses) less retained revenues applied to Main Roads' services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) As 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.
- (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 Main Roads' Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiatives</b>					
Election Commitments					
Brookton Highway/Hill Street .....	-	120	-	-	-
Constance Street and Morley Drive, Yokine.....	-	250	-	-	-
Scarborough Beach Road/Main Street/Brady Street/Green Street Upgrade ..	-	12,500	-	-	-
Ex-Tropical Cyclone Ellie - Roads Recovery.....	80,000	-	-	-	-
High Voltage Event - Traffic Management .....	-	1,000	-	-	-
Metropolitan Intersections Low Cost Treatment Program.....	(1,800)	-	-	-	-
Munjina Road Over Rail Bridge.....	13,000	-	-	-	-
Oakajee Strategic Industrial Area Access Road.....	250	-	-	-	-
Queen Elizabeth II Medical Centre Access and Mobility Initiatives.....	50	350	-	-	-
Shepperton Road Bus Lane Improvements .....	-	2,000	-	-	-
Wanneroo Raceway - Bus Facilities .....	1,500	4,000	-	-	-
Warmun Airstrip Upgrade.....	-	2,300	-	-	-
<b>Ongoing Initiatives</b>					
Bridges Renewal Program .....	4,056	6,143	4,414	2,529	-
Disaster Recovery Funding Arrangements Western Australia Update.....	52,926	5,430	-	-	-
Heavy Vehicle Safety and Productivity Program.....	3,012	6,428	4,666	-	-
Motor Vehicle Licence Fee Revenue Update.....	-	6,756	5,625	4,461	3,507
National Land Transport Network Maintenance Update .....	2,677	2,677	2,677	2,677	2,677
Royalties for Regions - District Allowance Update .....	66	66	66	66	66
<b>Other</b>					
Depreciation Update .....	-	123,266	78,284	75,051	75,586
Public Sector Wages Policy .....	9,271	9,093	13,127	18,536	18,536
Salaries and Allowances Tribunal.....	-	-	10	21	32

## Significant Issues Impacting the Agency

- Continuing the trend from previous years, supply constraints have continued to impact Main Roads' construction and maintenance costs and its ability to deliver projects in the current market. In particular, difficulties accessing skilled labour, combined with the price and availability of materials (e.g. steel, concrete, asphalt and fuel), has been challenging. Main Roads is continuing its sustainable pipeline of infrastructure investments using a very strong consultative framework with the civil construction industry to assist in managing these supply and cost pressures. Main Roads' collaborative approach with industry and training partners continues to develop employment, training and new capabilities to build confidence within the construction sector, encourage its growth, and create permanent jobs.
- Main Roads is at the forefront of implementing the Government's Aboriginal Empowerment Strategy 2021-2029 and commitments under the National Agreement on Closing the Gap. There are tangible increases in the number of Aboriginal employment and business opportunities across the civil construction industry. In 2021-22, Main Roads spent \$107 million with Aboriginal businesses, and over 600,000 hours were worked by Aboriginal people. Over the next five years, and aligned to the Government's Aboriginal Procurement Policy, targets have been set by Government to award \$700 million of contracts to Aboriginal businesses, as well as having 3.5 million work hours completed by Aboriginal workers on State transport infrastructure programs which includes Main Roads' projects. Main Roads is focusing on sustainable and long-term opportunities for the civil construction industry to ensure Aboriginal businesses can support an ongoing program of works for skilled Aboriginal workers.
- While it is understood that vehicle automation has the potential to significantly reduce the level of road trauma in the long-term, the benefits will not be seen until there is a significant take up of the technology in the vehicle fleet. Therefore, the most significant improvements to road safety over the next seven years will come from infrastructure investment and behaviour management. Road-related deaths and serious injuries need to be reduced by 50% to achieve the 2030 targets set by national and State strategies.

4. Main Roads' accelerated delivery of the Regional Road Safety Program will significantly contribute to a reduction in the number of people killed and seriously injured on regional highways and roads due to single vehicle 'run off road' and 'head-on' type crashes. This program commenced in 2020-21 and has greatly contributed to the current downward trend in killed or serious injury (KSI) crashes of around 25% between 2021 and 2022. A further \$175 million has been allocated in 2024-25, allowing the program to continue rolling out the sealing of shoulders and installation of audible warning lines, which are proven treatments to reduce single vehicle run off road crashes.
5. Perth is a vibrant city, with a growing population and many new infrastructure projects underway. People are travelling further, meaning more vehicles on the road network at peak times. Like all prosperous cities, it faces challenges that come with growth. Congestion has a significant impact on the State's productivity, safety, health, and environment and affects all road users, including private vehicles, buses, pedestrians, cyclists, and the movement of freight. Main Roads' Road Network Operations Centre collects performance data to improve planning and real time operations, supporting informed decision-making. Through initiatives such as Smart Freeways, deployment of new technology, smarter operations and targeted works, the focus remains on reducing the impact of congestion by optimising the use of road corridors, revisiting asset designs and improving the use of the transport network.
6. Main Roads has commenced bringing road maintenance delivery, some minor capital works, and incident response services in-house as current contracts conclude. This transition, to be completed by January 2026, will see up to 660 permanent jobs created within Main Roads, with some 490 of these positions to be located across regional Western Australia. The change will enable Main Roads to offer more regional training and employment opportunities whilst boosting regional economic growth.
7. The Government has committed to reduce greenhouse gas emissions by State agencies by 80% on 2020 levels by 2030 to achieve an aspirational target of net zero by 2050. A plan is being developed by Main Roads, in conjunction with its Transport portfolio partners, to develop a reduction pathway focusing on operations and infrastructure investments and to consider impacts from the use of the road network.

## Resource Agreement

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

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between 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: Diversifying the WA economy, creating local jobs for the future.	Facilitate economic and regional development.	1. Infrastructure for State Development
	A well-maintained road network.	2. Road Network Maintenance
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	A safe road environment.	3. Road Safety
	Improved community access and roadside amenity.	4. Infrastructure for Community Access
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Reliable and efficient movement of people and goods.	5. Road System Management
		6. Road Efficiency Improvements



## Total Cost of Services - Reconciliation to Service Summary Table

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
<b>Total Cost of Services</b> .....	1,565,499	1,713,561	2,004,239	2,149,159	1,811,215	1,664,745	1,582,353
<i>Add:</i>							
Road Infrastructure Capital Works <sup>(a)</sup> .....	1,765,454	2,021,148	2,164,342	2,286,205	1,857,968	1,418,575	922,715
<i>Less:</i>							
Local Government Network Expenditure State Road Funds to Local Government Agreement .....	(224,071)	(233,845)	(239,339)	(252,594)	(263,729)	(275,442)	(287,676)
Non-cash Expenditure							
Road Infrastructure Depreciation <sup>(b)</sup> .....	(450,214)	(487,193)	(487,330)	(632,897)	(607,492)	(610,844)	(611,387)
Road Transfers and Retirements <sup>(c)</sup> .....	(66,185)	(111,047)	(111,047)	(172,974)	(60,684)	(91,844)	(24,913)
<b>Adjusted Total Cost of Services</b> .....	2,590,483	2,902,624	3,330,865	3,376,899	2,737,278	2,105,190	1,581,092

(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) Road Infrastructure Depreciation includes amortisation of intangibles.

(c) Road Transfers and Retirements reflects 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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Infrastructure for State Development <sup>(a)</sup> .....	524,262	523,127	497,335	578,202	778,337	574,791	321,248
2. Road Network Maintenance <sup>(b)</sup> .....	467,680	453,704	562,625	421,266	385,167	351,493	337,237
3. Road Safety <sup>(c)</sup> .....	333,814	368,828	412,880	343,711	349,988	156,230	142,353
4. Infrastructure for Community Access .....	143,984	218,518	234,260	192,745	143,448	94,029	166,919
5. Road System Management .....	164,498	172,161	196,663	233,063	180,187	201,997	167,523
6. Road Efficiency Improvements <sup>(d)</sup> .....	956,245	1,166,286	1,427,102	1,607,912	900,151	726,650	445,812
<b>Total Cost of Services</b> .....	2,590,483	2,902,624	3,330,865	3,376,899	2,737,278	2,105,190	1,581,092

(a) The reduction in Infrastructure for State Development between the 2025-26 and 2026-27 Outyears is mainly due to the forecast completion of a number of major projects including the Manuwarra Red Dog Highway, and Reid Highway - Altone Road and Daviot Road/Drumpellier Drive grade separations projects in 2026.

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

(c) Road Safety expenditure over 2021-22 to 2024-25 includes the Commonwealth and State-funded Regional Road Safety Program, including assumed funding for the program's continuation in 2024-25.

(d) The increase in Road Efficiency Improvements in the 2023-24 Budget Year is mainly due to the construction of the Bunbury Outer Ring Road, which is scheduled for completion in late 2024.

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Facilitate economic and regional development:</b>					
Return on construction expenditure.....	2.91	2.6	2.8	1.6	1
<b>Outcome: A well-maintained road network:</b>					
Smooth travel exposure .....	n.a.	97%	97%	n.a.	2
Community satisfaction with road maintenance .....	85%	90%	90%	90%	
Preventative maintenance indicator.....	86%	85%	86%	85%	
<b>Outcome: A safe road environment:</b>					
Community satisfaction with road safety.....	91%	90%	90%	90%	
Black spot location indicator.....	7.28	7.03	7.24	7.2	
<b>Outcome: Improved community access and roadside amenity:</b>					
Percentage of the year that 100% of Main Roads' State road network is available.....	87%	95%	80%	95%	3
Community satisfaction with cycleways and pedestrian facilities.....	88%	90%	90%	90%	
<b>Outcome: Reliable and efficient movement of people and goods:</b>					
Community satisfaction .....	89%	90%	90%	90%	
Road network permitted for use by heavy freight vehicles:					
B-Doubles 27.5 m.....	98%	97%	98%	97%	
Double road trains 27.5 m .....	98%	97%	97%	97%	
Double road trains 36.5 m .....	82%	80%	81%	80%	
Triple road trains 53.5 m.....	44%	45%	44%	45%	
Network configuration					
Roads .....	94%	93%	94%	94%	
Bridges					
Strength.....	94%	94%	94%	94%	
Width.....	96%	96%	96%	96%	

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

**Explanation of Significant Movements**

(Notes)

1. The lower 2023-24 Budget Target of 1.6 for return on construction expenditure reflects the costs of completing a number of significant projects, including Tonkin Gap, and Mitchell Freeway-Hodges Drive to Hepburn Avenue Widening Southbound. Returns on newly developed projects are being impacted by significant escalation in materials and construction prices.
2. This indicator is based on the percentage of travel undertaken on the State road network meeting specific roughness criteria. In 2011, it was agreed to only capture data used for this reporting on a biennial basis.
3. The 2022-23 Estimated Actual is lower than the 2022-23 Budget primarily due to the impact of ex-Tropical Cyclone Ellie and other natural disasters and bushfires that have occurred during 2022-23.

**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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	524,262	523,127	497,335	578,202	1
Less Income .....	332,257	271,722	214,068	198,035	
Net Cost of Service .....	192,005	251,405	283,267	380,167	
<b>Employees (Full-Time Equivalents) .....</b>	136	138	141	146	
<b>Efficiency Indicators</b>					
Percentage of projects completed on time.....	100%	90%	90%	90%	
Percentage of projects completed on budget.....	100%	90%	90%	90%	

**Explanation of Significant Movements**

(Notes)

1. The increase in Total Cost of Services between the 2022-23 Estimated Actual and 2023-24 Budget Target is mainly due to METRONET road-related works.

**2. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	467,680	453,704	562,625	421,266	1
Less Income .....	120,196	118,127	145,864	115,523	
Net Cost of Service .....	347,484	335,577	416,761	305,743	
<b>Employees (Full-Time Equivalents) .....</b>	169	307	312	732	2
<b>Efficiency Indicators</b>					
Average cost of road network maintenance per lane kilometre of network ....	\$8,373	\$8,600	\$10,400	\$8,400	1

**Explanation of Significant Movements**

(Notes)

1. The increases in Total Cost of Services and average cost of road network maintenance per lane kilometre of network between the 2022-23 Budget and the 2022-23 Estimated Actual is primarily due to ex-Tropical Cyclone Ellie, third party funded works, and bridge works.
2. The increase in full-time equivalents is due to returning road maintenance staff in-house to Main Roads.

### 3. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	333,814	368,828	412,880	343,711	1
Less Income .....	216,377	232,348	312,142	234,858	1
Net Cost of Service .....	117,437	136,480	100,738	108,853	
<b>Employees (Full-Time Equivalents) .....</b>	60	61	62	65	
<b>Efficiency Indicators</b>					
Percentage of projects completed on budget.....	97%	90%	95%	90%	
Percentage of projects completed on time.....	72%	90%	85%	90%	2

#### Explanation of Significant Movements

(Notes)

1. The increase in both Total Cost of Service and income between the 2022-23 Budget and 2022-23 Estimated Actual is mainly due to a carryover of works from 2021-22, which also explains the reduction in the 2023-24 Budget Target.
2. The reduction in percentage of projects completed on time between the 2022-23 Budget and the 2022-23 Estimated Actual is mainly due to inclement weather conditions.

### 4. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	143,984	218,518	234,260	192,745	1
Less Income .....	111,384	138,313	194,853	155,540	1
Net Cost of Service .....	32,600	80,205	39,407	37,205	
<b>Employees (Full-Time Equivalents) .....</b>	33	34	34	36	
<b>Efficiency Indicators</b>					
Percentage of projects completed on time.....	46%	90%	85%	90%	
Percentage of projects completed on budget.....	85%	90%	90%	90%	2

#### Explanation of Significant Movements

(Notes)

1. The reduction in both Total Cost of Services and income between the 2022-23 Estimated Actual and the 2023-24 Budget is mainly due to METRONET road-related works.
2. The lower result for the 2021-22 Actual is mainly due to a small number of contracts requiring additional time due to scope adjustments.

## 5. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	164,498	172,161	196,663	233,063	1
Less Income .....	2,408	2,250	12,898	48,864	1
Net Cost of Service .....	162,090	169,911	183,765	184,199	
<b>Employees (Full-Time Equivalents) .....</b>	<b>662</b>	<b>674</b>	<b>687</b>	<b>713</b>	
<b>Efficiency Indicators</b>					
Average cost of network management per million vehicle kilometres travelled .....	\$6,701	\$6,800	\$6,300	\$6,700	

### Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Service and income between the 2022-23 Estimated Actual and the 2023-24 Budget is mainly due to Great Eastern Highway - Covalent Lithium Mine Access Road Construct, Seal and Widening to Moorine Rocks.

## 6. 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	956,245	1,166,286	1,427,102	1,607,912	1,2
Less Income .....	556,392	830,762	787,360	807,391	
Net Cost of Service .....	399,853	335,524	639,742	800,521	
<b>Employees (Full-Time Equivalents) .....</b>	<b>110</b>	<b>112</b>	<b>114</b>	<b>118</b>	
<b>Efficiency Indicators</b>					
Percentage of projects completed on time.....	68%	90%	70%	90%	3,4
Percentage of projects completed on budget.....	91%	90%	95%	90%	

## **Explanation of Significant Movements**

(Notes)

1. The increase in Total Cost of Service between the 2022-23 Budget and 2022-23 Estimated Actual is mainly due to construction of Great Northern Highway Bindoon and Bunbury Outer Ring Road.
2. The increase in Total Cost of Service between the 2022-23 Estimated Actual and 2023-24 Budget Target is mainly due to construction of Bunbury Outer Ring Road and the Mandurah Estuary Bridge Duplication.
3. The lower result for the 2021-22 Actual is mainly a result of delays in the finalisation of a number of projects due to inclement weather or to align projects with other works.
4. The lower result for the 2022-23 Estimated Actual is largely the result of a number of projects experiencing delays due to supply chain and resourcing issues, and inclement weather.

## **Asset Investment Program**

1. Investment to ensure the strategic preservation 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 its 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.
2. Main Roads is forecast to spend \$2.3 billion in 2023-24. Significant road infrastructure works are detailed below.

### **Bunbury Outer Ring Road**

3. The Bunbury Outer Ring Road project will provide a 27 km highway between Forrest Highway near Australind, and Bussell Highway near Stratham. Connections will be provided to other key regional and local roads including Raymond Road, South Western Highway, Willing Drive and Centenary Road.
4. The completion of the Bunbury Outer Ring Road will provide an alternative route around Bunbury, separating local and regional traffic and thus improving safety and reducing congestion on other roads. This will strengthen Greater Bunbury's position as a regional industrial hub and tourist destination for the South West region.

### **Regional Road Safety Program**

5. Single vehicle lane departure crashes on the rural high-speed State roads are the largest contributor to death and serious injury in regional Western Australia. Main Roads has developed a methodology to improve safety by modifying carriageways on the rural high-speed network. The approach seals currently unsealed shoulders and includes the application of audible warning lines to alert drivers should they veer out of their lane. Together, these measures are proven to significantly improve road safety and reduce the number of KSI crashes.

### **Mandurah Estuary Bridge Duplication**

6. The Mandurah Estuary Bridge Duplication project will provide two lanes for traffic, with the capacity to increase to three lanes in the future, and will connect cyclists and pedestrians to the southern area of Mandurah. The existing three-lane bridge is 12.74 metres wide and 383 metres long. The additional bridge is proposed to have similar overall dimensions.
7. The project will provide a new bridge that will complement the current two-lane dual carriageway road configuration on either side of the Mandurah Estuary and will help to reduce crashes associated with merging/diverging and congestion.

### **Tonkin Highway Corridor Upgrades - Tonkin Highway Gap; Grade Separations at Hale, Welshpool, and Kelvin Roads; and Stage Three Extension**

8. The Tonkin Highway Gap project addresses a bottleneck where Tonkin Highway currently reduces from three lanes to two lanes in Bayswater and Redcliffe, significantly impacting travel times and safety. The project includes the construction of new bridges over the Swan River, Dunstone Road, Guildford Road, and Railway Parade. Improvements will also be made to access and connectivity for road users, pedestrians, and cyclists within the area.

9. The Tonkin Highway Gap project will widen Tonkin Highway to provide new lanes in each direction from Dunreath Drive to Collier Road, as well as new roads linking Guildford Road and Great Eastern Highway. The project will also include rail-enabling works, such as the protection of existing piers within the Tonkin Highway median and creating new underpasses and dive structures for trains to enter and exit the Tonkin Highway median at Bayswater and Malaga.
10. The Tonkin Highway Corridor Upgrade includes the grade separation of the intersections at Hale Road, Welshpool Road, and Kelvin Road, and widening this section of highway from four to six lanes. This will improve safety and reduce delays along this section of the corridor, which currently experiences significant congestion. Addressing this will support industrial development in the Maddington-Kenwick area.
11. Tonkin Highway Extension Stage Three will see the highway extended from Thomas Road to South Western Highway near Mundijong. Connections will also be provided at Orton Road, Bishop Road and Mundijong Road. The completion of the Tonkin Highway Corridor will support long-term transport and infrastructure planning, facilitating development along Perth's eastern road corridor.

### Stephenson Avenue

12. The Stephenson Avenue project will provide a new connection from Cedric Street to Scarborough Beach Road, including a new grade-separated interchange on Mitchell Freeway with a southbound on-ramp incorporating Smart Freeways technology. New local road links to Ellen Stirling Boulevard will also be provided.
13. The project will assist in the development of the Stirling city centre, with the new transport infrastructure opening up land for development and facilitating the growth of the Stirling hub into a strategic metropolitan centre. Regional and local connectivity will be enhanced through the provision of improved cycling and pedestrian facilities.

### Albany Highway - Albany Ring Road

14. The final section of the Albany Ring Road project between South Coast Highway and Princess Royal Drive is underway. Upon its completion in 2024, this will complete an 11 km free-flowing route between Albany Highway and Port facilities on Princess Royal Drive. The project will improve freight efficiency, reduce interactions between heavy vehicles and local traffic, and alleviate congestion on existing roads.
15. The Albany Ring Road is the biggest infrastructure project ever undertaken in the Great Southern Region and its construction provides major economic benefits to the local community. In addition, 24% of the construction workforce identify as Aboriginal, significantly exceeding the target set for the project.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>Election Commitments</b>							
Albany Highway - Albany Ring Road.....	215,000	155,000	34,997	60,000	-	-	-
Bunbury Outer Ring Road.....	1,352,000	659,000	330,138	453,000	226,000	14,000	-
Karratha to Tom Price - Manuwarra Red Dog Highway.....	380,000	152,300	44,064	13,800	109,840	104,060	-
Leach Highway - Fifth Avenue Rossmoyne.....	5,000	1,000	912	4,000	-	-	-
Morley Drive and Bath Road Intersection Upgrade.....	6,000	3,550	3,550	2,450	-	-	-
Old Coast Road - Mandurah Estuary Bridge Duplication.....	110,000	9,400	7,491	88,600	12,000	-	-
Regional Road Safety Program - Regional Black Spot Program.....	23,099	12,166	9,862	10,933	-	-	-
<b>COVID-19 Response</b>							
Albany Highway - Olga Road - Albany Highway and Kelvin Road Intersection Upgrade.....	6,000	600	227	-	-	5,400	-
Department of Transport - Principal Shared Path Causeway Cyclist and Pedestrian Bridge.....	100,000	30,442	24,759	49,558	20,000	-	-
Great Eastern Highway - Great Eastern Highway - Eastlink - Planning.....	20,000	15,000	3,235	5,000	-	-	-
Intersection Upgrades - Intersection Upgrades - Main and Royal Streets.....	3,000	300	127	2,700	-	-	-
Metropolitan Amenity Walls.....	3,000	2,750	634	250	-	-	-
Stock Road - Stock Road Bridge Replacement.....	7,000	1,000	788	100	100	5,800	-
<b>Other Works in Progress</b>							
Albany Highway - Kelmscott to Williams Pavement Rehabilitation and Hotham River Bridge Replacement.....	31,000	25,000	6,642	6,000	-	-	-
Armadaile Rail Line.....	10,304	3,304	3,304	7,000	-	-	-

Commissioner of Main Roads - continued

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
Bridges Renewal Program - Bridges Renewal Program ....	13,623	10,812	4,432	2,811	-	-	-
Broome Cape-Leveque and Community Access Roads Upgrades .....	25,938	22,938	7,951	3,000	-	-	-
Burrup Road - Perdaman Project .....	25,000	10,000	7,978	15,000	-	-	-
Bussell Highway - Bussell Highway Duplication Stage One and Stage Two .....	115,000	76,346	30,889	35,654	3,000	-	-
Chidlow-York Road and Forrest Street Intersection Upgrade .....	10,000	800	800	2,400	6,800	-	-
Department of Transport - Principal Shared Path Program .....	161,736	86,786	28,262	2,860	16,100	34,000	21,990
East Perth Power Station Footbridge .....	38,980	965	965	18,015	20,000	-	-
Forrest Highway - Forrest Highway - Vittoria Road - New Intersection and Road Connection .....	20,000	700	700	4,300	15,000	-	-
Freight Vehicle Productivity Improvements Program .....	50,000	21,000	14,608	10,000	10,000	9,000	-
Gibb River Road - Derby - Gibb River - Wyndham Improve Formation and Gravel .....	141,923	103,727	3,567	10,049	10,049	9,049	9,049
Goldfields Highway - Wiluna to Meekatharra Construct and Seal Priority Sections .....	20,000	10,095	8,881	5,000	4,905	-	-
Graham Farmer Freeway - Orrong Road Expressway - Graham Farmer Freeway to Leach Highway Planning ...	20,000	3,100	1,868	5,800	5,800	5,300	-
Great Eastern Highway Coates Gully Bridges Walgoolan to Southern Cross .....	40,500	34,080	22,691	6,420	-	-	-
Coates Gully, Walgoolan to Southern Cross and Ghooli to Benari .....	250,000	30,700	27,617	36,000	42,000	60,000	41,300
Great Northern Highway Bindoon Bypass - Construct New Alignment .....	275,000	80,200	19,671	36,100	50,000	87,500	21,200
Marble Bar Road Upgrade .....	120,000	3,000	1,671	60,000	52,000	5,000	-
Nellie Springs to Sally Downs Well and Arthur Creek .....	60,000	5,000	4,771	5,000	10,000	15,000	15,000
Newman to Katherine Corridor - Broome to Kununurra Upgrade Stage One .....	35,800	20,800	7,744	13,000	2,000	-	-
Newman to Port Hedland Overtaking Lanes .....	50,000	7,000	6,660	12,500	12,500	12,500	5,500
Port Hedland Airport Deviation .....	76,000	48,421	43,927	27,579	-	-	-
Heavy Vehicle Safety and Productivity Program - Commonwealth .....	21,494	15,893	12,026	3,439	2,162	-	-
Indian Ocean Drive - Indian Ocean Drive - Jurien Bay to Brand Highway .....	55,000	7,500	6,644	33,500	14,000	-	-
Leach Highway Leach Highway and Welshpool Road Grade Separated Interchange .....	152,000	143,314	42,524	8,686	-	-	-
Stock Road Grade Separation - Planning and Project Development .....	10,000	700	700	5,000	4,300	-	-
METRONET - Caledonian Avenue Level Crossing Closure ....	15,000	4,840	3,687	5,660	4,500	-	-
Mitchell Freeway Hester Avenue to Romeo Road - Extension .....	232,000	227,300	92,965	4,000	700	-	-
Stephenson Avenue .....	155,267	66,094	49,096	69,120	20,053	-	-
Nicholson Road and Garden Street Grade Separation Planning and Construction .....	80,000	1,360	1,360	1,640	35,500	40,000	1,500
Northern Australia Roads and Beef Roads Programs - Great Northern Highway - Ord River .....	113,140	69,046	5,201	26,494	17,600	-	-
Perth Airport Precinct - Northern Access .....	28,460	3,000	752	8,000	10,000	1,000	6,460
Pinjarra Heavy Haulage Deviation - Pinjarra Heavy Haulage Deviation - Stage One and Stage Two .....	250,000	3,400	2,089	2,000	10,000	10,000	100,000
Queen Victoria Street - Swan River Crossings (Fremantle Road and Rail Bridge) - Construct New Bridge .....	280,000	57,000	26,115	50,000	88,000	68,000	17,000
Rail Crossing Program - Rail Crossing Program .....	35,000	15,000	5,000	5,000	5,000	5,000	5,000
Regional Road Safety Program - Road Safety Program ...	882,500	532,500	182,536	175,000	175,000	-	-
Reid Highway Altone Road and Daviot Road/Drumpellier Drive Grade Separations .....	225,000	6,000	4,032	15,000	90,000	90,000	24,000
Erindale Road - Project Development for Grade Separation ...	2,500	1,760	891	740	-	-	-
West Swan and Reid Highway Interchange .....	175,000	2,174	1,000	1,000	726	2,100	18,000
Reseal Program - Capitalisation of Reseal Program .....	928,235	629,371	75,626	74,716	74,716	74,716	74,716
Road Safety Commission LED School Zone Lights .....	73,929	56,929	3,383	5,000	4,000	4,000	4,000
Metropolitan Intersections Crash Program .....	111,396	69,096	9,341	12,300	10,000	10,000	10,000
Regional Road Safety Improvements .....	229,259	189,259	-	-	-	20,000	20,000
Roe Highway - Great Eastern Highway Bypass Including Abermethyl Road .....	205,950	114,008	47,893	40,000	38,500	13,442	-
Safer Roads and Bridges Program - Safer Roads and Bridges Program .....	554,797	392,469	37,172	40,582	40,582	30,582	50,582
Smart Freeways Hodges Drive to Hepburn Avenue Widening Southbound ....	141,300	103,300	56,901	38,000	-	-	-
Transforming Freeways - Mitchell Freeway Corridor .....	140,000	86,000	68,623	54,000	-	-	-
Thomas and Anketell Roads Freight Upgrade - Stages One and Two Planning .....	105,000	73,214	71,160	31,000	786	-	-
Thomas Road Kwinana Freeway to Nicholson Road Upgrade .....	43,000	33,000	20,673	10,000	-	-	-



	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>METRONET - Byford Rail Extension - Thomas Road</b>							
Bridge.....	69,000	60,000	18,722	9,000	-	-	-
Nicholson Road Oakford - Intersection Upgrade .....	31,000	18,000	8,422	13,000	-	-	-
<b>Southwestern Highway to Tonkin Highway Dual</b>							
Carriageway .....	290,000	1,500	1,344	5,500	50,000	100,000	80,000
<b>Tonkin Highway Corridor Upgrades</b>							
North Ellenbrook Interchange .....	100,000	1,000	1,000	1,000	1,000	11,000	86,000
Tonkin Highway Gap - Grade Separations at Hale, Welshpool and Kelvin Roads, and Stage Three Extension.....	1,882,368	659,047	280,940	303,421	343,900	414,000	162,000
Toodyay Road Upgrade - Dryandra to Toodyay.....	80,000	12,780	12,042	25,000	20,500	19,720	2,000
Wanneroo Road - Wanneroo Road Duplication - Dunstan Road to Romeo Road.....	35,200	2,300	1,025	16,300	16,600	-	-
Wheatbelt Timber Bridge Replacement .....	14,000	7,000	4,976	6,000	1,000	-	-
<b>COMPLETED WORKS</b>							
<b>Election Commitments</b>							
<b>Armada Road - Armada Road and North Lake Road</b>							
Flyover Bridge.....	259,000	259,000	4,722	-	-	-	-
Bob Hawke Pedestrian Crossing .....	600	600	520	-	-	-	-
<b>Coolgardie - Esperance Highway - Coolgardie-Esperance Highway Widening, Overlay and Reconstruction (Emu Rocks).....</b>							
Leach Highway - Carrington Street to Stirling Highway .....	76,000	76,000	3,997	-	-	-	-
Reid Highway - Altone Road to West Swan Road - Construction of Dual Carriageway .....	70,000	70,000	4,285	-	-	-	-
Roe Highway - Roe Highway and Kalamunda Road - Grade Separated Interchange .....	86,000	86,000	16,594	-	-	-	-
Wanneroo Road - Wanneroo Road and Ocean Reef Road Grade Separation .....	73,400	73,400	2,471	-	-	-	-
<b>COVID-19 Response</b>							
Great Northern Highway - Bidadanga Internal Roads.....	1,901	1,901	234	-	-	-	-
Kwinana Beach Road - Patterson Road to CBH Group Terminal - Pavement Reconstruction .....	5,000	5,000	17	-	-	-	-
Metropolitan Amenity Walls .....	9,100	9,100	2,289	-	-	-	-
Mitchell Freeway - Hepburn Avenue to Warwick Road - Amenity Wall and Principal Shared Path.....	6,000	6,000	5,988	-	-	-	-
<b>Other Completed Works</b>							
Armada Road - Anstey Road to Tapper Road.....	3,700	3,700	3,700	-	-	-	-
Brand Highway - Muchea to Gingin Pavement Rehabilitation and Widening .....	25,000	25,000	18,632	-	-	-	-
Buildings and Equipment - 2022-23 Program .....	50,866	50,866	50,866	-	-	-	-
Capitalised Operational Costs - 2022-23 Program .....	88,088	88,088	88,088	-	-	-	-
Exmouth Roads Package - Minilya to Exmouth .....	14,000	14,000	5,449	-	-	-	-
Great Eastern Highway - Old Northam Road Upgrade.....	14,375	14,375	2,989	-	-	-	-
Great Northern Highway - Apple Street Intersection Upgrade .....	18,600	18,600	5,668	-	-	-	-
Minor Works (Includes Black Spot and Urgent Minor Works) - 2022-23 Program .....	62,228	62,228	62,228	-	-	-	-
Regional State Road Safety Improvement Program.....	121,500	121,500	1,500	-	-	-	-
Road Safety Commission - Rural Intersection Advanced Warning Signs.....	1,211	1,211	695	-	-	-	-
Toodyay Road - Jingaling Brook - Toodyay Road Widening....	13,103	13,103	3,200	-	-	-	-
<b>NEW WORKS</b>							
<b>Buildings and Equipment</b>							
2023-24 Program .....	28,435	-	-	28,435	-	-	-
2024-25 Program .....	30,262	-	-	-	30,262	-	-
2025-26 Program .....	21,660	-	-	-	-	21,660	-
2026-27 Program .....	30,672	-	-	-	-	-	30,672
<b>Capitalised Operational Costs</b>							
2023-24 Program .....	88,969	-	-	88,969	-	-	-
2024-25 Program .....	90,062	-	-	-	90,062	-	-
2025-26 Program .....	90,062	-	-	-	-	90,062	-
2026-27 Program .....	90,062	-	-	-	-	-	90,062
Kwinana Fwy - Mount Henry Bridge to Cranford Avenue - Amenity Wall .....	5,000	-	-	5,000	-	-	-
Menang Drive and Chester Pass Road - Grade Separation .....	37,000	-	-	25,000	12,000	-	-
Minor Works (Includes Black Spot and Urgent Minor Works)							
2023-24 Program .....	24,824	-	-	24,824	-	-	-
2024-25 Program .....	18,425	-	-	-	18,425	-	-
2025-26 Program .....	26,684	-	-	-	-	26,684	-
2026-27 Program .....	26,684	-	-	-	-	-	26,684
<b>Total Cost of Asset Investment Program.....</b>	<b>13,228,171</b>	<b>6,364,108</b>	<b>2,164,342</b>	<b>2,286,205</b>	<b>1,857,968</b>	<b>1,418,575</b>	<b>922,715</b>

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>FUNDED BY</b>							
Capital Appropriation .....			601,437	676,888	524,095	434,591	381,827
Commonwealth Grants .....			1,159,409	1,455,460	985,025	754,952	240,630
Internal Funds and Balances <sup>(a)</sup> .....			130,096	(73,384)	216,547	119,609	210,957
Major Special Purpose Account(s)							
Drawdown from Royalties for Regions Fund .....			25,568	101,282	37,080	38,084	32,460
Other .....			214,413	88,659	61,221	37,339	22,841
Other Grants and Subsidies .....			33,419	37,300	34,000	34,000	34,000
<b>Total Funding</b> .....			<b>2,164,342</b>	<b>2,286,205</b>	<b>1,857,968</b>	<b>1,418,575</b>	<b>922,715</b>

(a) Negative figures in the 2023-24 Budget Year reflects revenue being received in advance of project schedules.

## Financial Statements

### Income Statement

#### Expenses

1. The movement in employee benefits reflects the public sector wages policy, including the one-off cost of living payment, and the in-housing of road maintenance staff.
2. The movement in grants and subsidies is mainly due to METRONET road-related works.
3. The movement in other expenses reflects the value of retired non-current fixed assets and road transfers.
4. The movement in supplies and services is due to additional funding under the Disaster Recovery Funding Arrangements Western Australia and as a result of the works required in 2022-23 following ex-Tropical Cyclone Ellie.

#### Income

5. The movement in sale of goods and services is mainly due to the reflow of funding for Tonkin Highway Gap Widening - Guildford Road to Great Eastern Highway and related works.
6. The major component of grants and subsidies income is contributions for works projects by the Commonwealth. Differences in income year versus construction year is mainly due to the timing of milestone payments.
7. The movement in other revenue is mainly due to the transfer of a local road (North Lake Road) to the State in 2023-24.

### Statement of Financial Position

8. The movement in cash assets is mainly due to the reflow of expenditure for the Karratha Tom Price - Manuwarra Red Dog Highway, Mitchell Freeway Extension, and Tonkin Highway Gap Widening - Guildford Road to Great Eastern Highway projects.
9. The movement in restricted cash is mainly due to METRONET road-related works.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b).....	80,849	90,510	99,847	125,303	148,892	180,177	184,757
Grants and subsidies (c).....	384,279	449,318	471,982	530,001	472,172	250,046	280,624
Supplies and services.....	527,917	537,714	796,221	649,560	483,146	492,499	441,292
Accommodation.....	19,944	19,652	19,652	19,928	20,158	20,455	20,455
Depreciation and amortisation.....	450,214	487,193	487,330	632,897	607,492	610,844	611,387
Finance and interest costs.....	283	301	334	445	430	407	452
Other expenses.....	102,013	128,873	128,873	191,025	78,925	110,317	43,386
<b>TOTAL COST OF SERVICES</b> .....	<b>1,565,499</b>	<b>1,713,561</b>	<b>2,004,239</b>	<b>2,149,159</b>	<b>1,811,215</b>	<b>1,664,745</b>	<b>1,582,353</b>
<b>Income</b>							
Sale of goods and services.....	69,750	76,388	40,663	56,033	50,236	26,056	21,214
Grants and subsidies.....	940,906	1,344,061	1,378,660	1,674,956	1,235,203	911,383	375,652
Other revenue.....	78,888	24,145	24,145	291,148	148,547	12,926	11,426
<b>Total Income</b> .....	<b>1,089,544</b>	<b>1,444,594</b>	<b>1,443,468</b>	<b>2,022,137</b>	<b>1,433,986</b>	<b>950,365</b>	<b>408,292</b>
<b>NET COST OF SERVICES</b> .....	<b>475,955</b>	<b>268,967</b>	<b>560,771</b>	<b>127,022</b>	<b>377,229</b>	<b>714,380</b>	<b>1,174,061</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	1,244,247	1,216,848	1,344,506	1,415,750	1,470,842	1,603,029	1,743,933
Resources received free of charge.....	-	2,700	2,700	2,700	2,700	2,700	2,700
Special Purpose Account(s)							
Royalties for Regions Fund							
Regional Community Services Fund.....	13,745	25,175	86,021	9,141	15,085	2,136	12,391
Regional Infrastructure and Headworks Fund.....	14,055	1,000	7,000	5,000	200	4,000	9,000
Other appropriations.....	-	-	9,253	9,069	13,092	18,487	-
Other revenues.....	247,609	163,594	257,098	168,348	51,736	74,486	62,476
<b>TOTAL INCOME FROM GOVERNMENT (d)....</b>	<b>1,519,656</b>	<b>1,409,317</b>	<b>1,706,578</b>	<b>1,610,008</b>	<b>1,553,655</b>	<b>1,704,838</b>	<b>1,830,500</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD</b> .....	<b>1,043,701</b>	<b>1,140,350</b>	<b>1,145,807</b>	<b>1,482,986</b>	<b>1,176,426</b>	<b>990,458</b>	<b>656,439</b>

- (a) Full audited financial statements are published in Main Roads' Annual Report.
- (b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 1,170, 1,350 and 1,810 respectively.
- (c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
- (d) Total income differs to total income for services primarily due to the transfer of local roads to the State.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Bridges Renewal Program.....	5,531	-	2,000	-	-	-	-
Building for Tomorrow.....	1,234	-	2,197	1,937	-	-	-
Department of Transport Cycling Grants.....	5,340	5,340	5,340	5,340	5,340	5,340	5,340
Election Commitments.....	-	25,750	25,750	15,370	-	-	-
Heavy Vehicle Safety and Productivity Program.....	2,797	-	2,000	-	-	-	-
Local Road Grants and Subsidies.....	224,472	160,012	165,512	174,074	178,907	185,100	197,334
METRONET-Related Works.....	120,542	209,185	198,748	279,930	228,516	26,573	57,570
Other.....	1,502	380	380	380	380	380	380
Principal Shared Paths.....	15,129	30,905	30,905	12,556	20,000	20,000	20,000
Road Assets Transferred.....	6,432	4,106	4,106	-	-	-	-
Wheatbelt Secondary Freight Routes.....	1,300	13,640	35,044	40,414	39,029	12,653	-
<b>TOTAL</b> .....	<b>384,279</b>	<b>449,318</b>	<b>471,982</b>	<b>530,001</b>	<b>472,172</b>	<b>250,046</b>	<b>280,624</b>

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	64,578	223,250	1,723	103,328	986	1,453	4,660
Restricted cash .....	211,741	111,596	151,271	79,046	77,093	296,045	521,166
Receivables .....	110,242	105,152	109,536	109,830	110,124	110,418	110,712
Other.....	246,075	247,726	246,075	226,075	226,075	226,075	226,075
Assets held for sale.....	1,495	7,869	1,495	1,495	1,495	1,495	1,495
<b>Total current assets .....</b>	<b>634,131</b>	<b>695,593</b>	<b>510,100</b>	<b>519,774</b>	<b>415,773</b>	<b>635,486</b>	<b>864,108</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	3,879,023	4,297,245	4,286,661	4,840,533	5,368,999	5,900,818	6,433,180
Property, plant and equipment.....	55,113,415	54,980,783	57,976,509	61,201,226	63,514,062	65,686,602	67,361,941
Receivables .....	226	66	226	226	226	226	226
Intangibles .....	6,602	14,125	6,688	7,450	6,889	6,243	15
Other.....	15,344	12,836	15,344	15,344	15,344	15,344	15,344
<b>Total non-current assets .....</b>	<b>59,014,610</b>	<b>59,305,055</b>	<b>62,285,428</b>	<b>66,064,779</b>	<b>68,905,520</b>	<b>71,609,233</b>	<b>73,810,706</b>
<b>TOTAL ASSETS .....</b>	<b>59,648,741</b>	<b>60,000,648</b>	<b>62,795,528</b>	<b>66,584,553</b>	<b>69,321,293</b>	<b>72,244,719</b>	<b>74,674,814</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	40,482	46,515	46,382	46,382	46,382	46,382	43,501
Payables.....	10,619	14,329	11,672	12,725	13,778	14,831	15,884
Borrowings and leases .....	2,603	3,152	3,618	3,683	3,684	3,437	3,332
Other.....	625,104	645,461	636,939	650,424	652,259	654,094	655,929
<b>Total current liabilities .....</b>	<b>678,808</b>	<b>709,457</b>	<b>698,611</b>	<b>713,214</b>	<b>716,103</b>	<b>718,744</b>	<b>718,646</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	6,042	8,352	8,499	10,680	12,619	15,723	18,827
Borrowings and leases .....	5,534	5,248	6,079	5,069	3,797	3,192	3,794
Other.....	69	94	69	69	69	69	69
<b>Total non-current liabilities .....</b>	<b>11,645</b>	<b>13,694</b>	<b>14,647</b>	<b>15,818</b>	<b>16,485</b>	<b>18,984</b>	<b>22,690</b>
<b>TOTAL LIABILITIES.....</b>	<b>690,453</b>	<b>723,151</b>	<b>713,258</b>	<b>729,032</b>	<b>732,588</b>	<b>737,728</b>	<b>741,336</b>
<b>EQUITY</b>							
Contributed equity .....	6,659,987	7,269,826	7,379,463	8,205,162	8,775,337	9,247,012	9,638,299
Accumulated surplus/(deficit).....	19,078,761	20,314,479	20,224,568	21,707,554	22,883,980	23,874,438	24,530,877
Reserves.....	33,219,540	31,693,192	34,478,239	35,942,805	36,929,388	38,385,541	39,764,302
<b>Total equity .....</b>	<b>58,958,288</b>	<b>59,277,497</b>	<b>62,082,270</b>	<b>65,855,521</b>	<b>68,588,705</b>	<b>71,506,991</b>	<b>73,933,478</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>59,648,741</b>	<b>60,000,648</b>	<b>62,795,528</b>	<b>66,584,553</b>	<b>69,321,293</b>	<b>72,244,719</b>	<b>74,674,814</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	876,527	809,430	936,868	861,878	942,376	1,071,210	1,211,571
Capital appropriation .....	429,615	483,063	601,437	676,888	524,095	434,591	381,827
Special Purpose Account(s)							
Royalties for Regions Fund							
Regional Community Services Fund.....	13,745	25,175	86,021	9,141	15,085	2,136	12,391
Regional Infrastructure and Headworks							
Fund.....	75,147	64,121	32,568	106,282	37,280	42,084	41,460
Other.....	255,271	164,486	257,990	172,240	51,628	74,378	62,368
Administered appropriations .....	-	-	9,253	9,069	13,092	18,487	-
<b>Net cash provided by Government .....</b>	<b>1,650,305</b>	<b>1,546,275</b>	<b>1,924,137</b>	<b>1,835,498</b>	<b>1,583,556</b>	<b>1,642,886</b>	<b>1,709,617</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(79,546)	(82,153)	(91,490)	(123,122)	(146,953)	(177,073)	(184,534)
Grants and subsidies.....	(358,673)	(445,212)	(467,876)	(534,001)	(472,172)	(250,046)	(280,624)
Supplies and services .....	(539,979)	(552,332)	(805,439)	(610,506)	(473,902)	(482,335)	(433,888)
Accommodation .....	(19,105)	(23,652)	(23,652)	(23,983)	(24,213)	(24,510)	(24,510)
GST payments .....	(252,406)	(147,054)	(147,054)	(147,054)	(147,054)	(147,054)	(147,054)
Finance and interest costs.....	-	(301)	(334)	(445)	(430)	(407)	(452)
Other payments.....	(44,936)	(15,610)	(15,610)	(15,802)	(15,992)	(16,224)	(16,224)
<b>Receipts</b>							
Grants and subsidies.....	979,528	1,344,061	1,378,660	1,674,956	1,235,203	911,383	375,652
Sale of goods and services.....	58,299	73,757	38,032	53,402	47,605	23,425	18,583
GST receipts.....	254,087	146,808	146,808	146,808	146,808	146,808	146,808
Other receipts .....	22,599	15,607	15,607	15,607	15,607	15,607	14,107
<b>Net cash from operating activities .....</b>	<b>19,868</b>	<b>313,919</b>	<b>27,652</b>	<b>435,860</b>	<b>164,507</b>	<b>(426)</b>	<b>(532,136)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(1,770,127)	(2,021,148)	(2,164,342)	(2,286,205)	(1,857,968)	(1,418,575)	(922,715)
Other payments.....	-	(500)	-	-	(1,000)	(1,000)	(23,000)
Proceeds from sale of non-current assets.....	4,673	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(1,765,454)</b>	<b>(2,021,648)</b>	<b>(2,164,342)</b>	<b>(2,286,205)</b>	<b>(1,858,968)</b>	<b>(1,419,575)</b>	<b>(945,715)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(3,946)	(3,048)	(3,243)	(3,302)	(3,390)	(3,466)	(3,438)
Other proceeds (b).....	-	-	70,000	30,000	-	-	-
<b>Net cash from financing activities.....</b>	<b>(3,946)</b>	<b>(3,048)</b>	<b>66,757</b>	<b>26,698</b>	<b>(3,390)</b>	<b>(3,466)</b>	<b>(3,438)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>							
	<b>(99,227)</b>	<b>(164,502)</b>	<b>(145,796)</b>	<b>11,851</b>	<b>(114,295)</b>	<b>219,419</b>	<b>228,328</b>
Cash assets at the beginning of the reporting period .....	377,092	467,777	276,319	152,994	182,374	78,079	297,498
Net cash transferred to/from other agencies....	(1,546)	31,571	22,471	17,529	10,000	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>276,319</b>	<b>334,846</b>	<b>152,994</b>	<b>182,374</b>	<b>78,079</b>	<b>297,498</b>	<b>525,826</b>

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

(b) This represents the Westport Land Acquisitions.

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>INCOME</b>							
<b>Taxation</b>							
Permits - Oversize Vehicles and Loads.....	10,453	7,500	7,500	7,500	7,500	7,500	7,500
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>10,453</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>
<b>EXPENSES</b>							
<b>Grants to Charitable and Other Public Bodies</b>							
Receipts Paid into the Consolidated Account .....	10,453	7,500	7,500	7,500	7,500	7,500	7,500
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>10,453</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>

**Division 40 Public Transport Authority of Western Australia**

**Part 9 Transport**

**Appropriations, Expenses and Cash Assets**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	360	361	361	362	371	380	390
Total appropriations provided to deliver services.....	360	361	361	362	371	380	390
<b>CAPITAL</b>							
Item 148 Capital Appropriation.....	589,674	1,542,968	1,307,303	2,883,118	1,519,002	324,903	209,317
Item 149 Capital Appropriation METRONET Projects Under Development.....	-	20,000	-	100,503	144,688	175,940	273,127
<b>TOTAL APPROPRIATIONS .....</b>	<b>590,034</b>	<b>1,563,329</b>	<b>1,307,664</b>	<b>2,983,983</b>	<b>1,664,061</b>	<b>501,223</b>	<b>482,834</b>
<b>EXPENSES</b>							
Total Cost of Services .....	1,856,410	1,878,650	1,961,713	1,961,990	2,052,755	2,092,999	2,121,787
Net Cost of Services (a) .....	1,647,269	1,638,687	1,728,963	1,739,761	1,767,548	1,806,120	1,834,908
<b>CASH ASSETS (b) .....</b>	<b>349,548</b>	<b>245,802</b>	<b>87,000</b>	<b>64,057</b>	<b>62,537</b>	<b>62,537</b>	<b>62,537</b>

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

(b) As at 30 June each financial year.

**Spending Changes**

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Authority's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>New Initiative</b>					
METRONET - Lakelands Station Operating Costs.....	1,146	4,705	4,180	4,361	4,546
<b>Ongoing Initiative</b>					
METRONET - Update to Operating Costs .....	(8,086)	(9,768)	(10,759)	3,568	6,219
<b>Other</b>					
Cost and Funding Updates.....	658	61,457	54,088	43,258	33,656
Externally Funded Services and Works .....	17,354	(800)	(800)	(800)	(800)
Kalgoorlie Rail Realignment - Business Case.....	2,000	-	-	-	-
METRONET - Replacement Services for Armadale Rail Line Shutdown.....	-	-	23,049	-	-
Mid-Tier Transport Planning.....	-	350	-	-	-
Public Sector Wages Policy .....	15,567	14,370	20,203	25,241	31,307
Regional Workers Incentive Allowance Payments .....	5	5	5	5	5
Revised Interest Expenses.....	26,055	33,191	30,823	29,628	34,193
RiskCover Fund Insurance Premiums .....	3,560	2,393	2,519	2,600	3,581
Westport Business Case Development .....	159	163	-	-	-
Work Value Review.....	-	-	2,458	2,532	2,532

## Significant Issues Impacting the Agency

1. With the opening of the Airport Line in October 2022 and the expected completion of the new Lakelands train station by mid-2023, the METRONET program continues to grow Perth's public transport network.
2. In 2023-24, the Authority will complete a strategy towards achieving net zero greenhouse gas emissions, with a focus on the transition to electric buses and the roll-out of the associated charging infrastructure. State funding of \$125 million, with a matching Commonwealth contribution, has been allocated in the Asset Investment Program to begin the transition of the fleet (which contains over 1,870 Transperth and TransRegional buses). The Authority will ensure that buses, regardless of engine type, are safe, efficient, and reliable. The current fleet's bus body and interior are manufactured in Perth and continue to support jobs for approximately 160 workers per annum throughout the supply chain. The Authority is working with its bus supplier to ensure this level of local content is maintained throughout the transition to electric buses.
3. Following the successful trial of electric buses on the Joondalup Central Area Transit (CAT) service, during 2023-24 the Authority will commence production of 18 electric buses to provide services on the Perth CAT routes and construct associated electric charging stations at the Elizabeth Quay Bus Station.
4. To further contribute to the Government's goal of net zero greenhouse gas emissions by 2050, the Authority will continue to install solar panels at bus and train stations and depots throughout the urban network. The Authority is also continuing the development and provision of electric vehicle charging infrastructure at selected train stations.
5. The delivery of the Victoria Park-Canning Level Crossing Removal and Byford Rail Extension projects will necessitate the closure of the Armadale rail line between Victoria Park and Armadale for 18 months from late 2023. The Authority has worked with Main Roads, Transport, impacted local governments and the community to identify suitable transport alternatives through this corridor during the closure. The planned initiatives include train replacement, express and improved bus services, interchanges throughout the corridor, and priority bus lanes and traffic management where possible and appropriate along the relevant routes. Additional buses have been purchased to deliver the replacement public transport services.
6. In 2023-24, the Yanchep Rail Extension will commence operations. This will support growth in the area, ease congestion and provide additional public transport options to Perth's northern suburbs. The southern concourse of the new Bayswater station will also open for Midland and Airport Line services in 2023-24, while construction continues on the northern concourse to accommodate the future Morley-Ellenbrook Line.
7. The urban rail network is currently serviced by 330 railcars. The Authority is procuring an additional 246 railcars - 102 for the METRONET expansion and an additional 144 new railcars to replace the A-Series fleet. The Railcar Manufacturing and Assembly Facility in Bellevue has been completed and the construction of the maintenance facility will commence during 2023-24. Production of the new C-Series train is continuing with the testing of the first and second six-car sets taking place during 2023-24. The first C-Series train is expected to enter passenger service before December 2023. The Authority has worked closely with the manufacturer to maximise local content, creating local jobs and strengthening the local economy.
8. The COVID-19 pandemic impacted patronage on public transport systems worldwide. Whilst the Authority's daily patronage dropped sharply in March 2020, the recovery has been the fastest of any public transport provider in Australia. Coupled with the two-zone fare cap introduction in January 2022 and the continued enhancement of the network, current patronage levels continue to improve. To encourage the continued use of public transport, the Government has established Fare Free Sunday Sessions - free public transport for SmartRider users on the first Sunday of every month, commencing June 2023.
9. Safe access to the Authority's many stations and bus ports is critical. The Authority directly employs more than 2,400 staff who ensure that appropriate systems, monitoring and communications are in place to safely assist and guide 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.
10. The provision of safe and cost-effective public transport services to regional Western Australia remains a priority for Government. More than 320,000 trips are expected to have been made on Transwa services in 2022-23, with further growth expected in 2023-24. Accordingly, the Authority continues to invest in Transwa services and to look for opportunities to enhance the service, including through the purchase of a new Australind railcar fleet and safety improvements along the rail stations in regional 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 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
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Metropolitan and Regional Passenger Services .....	1,450,223	1,483,521	1,580,741	1,579,698	1,688,472	1,745,110	1,774,271
2. Country Passenger Rail and Road Coach Services .....	51,122	54,801	53,720	56,688	58,600	60,311	60,630
3. Regional School Bus Services .....	133,810	131,072	131,206	140,637	142,941	144,416	147,972
4. Rail Corridor and Residual Freight Issues Management .....	221,255	209,256	196,046	184,967	162,742	143,162	138,914
<b>Total Cost of Services .....</b>	<b>1,856,410</b>	<b>1,878,650</b>	<b>1,961,713</b>	<b>1,961,990</b>	<b>2,052,755</b>	<b>2,092,999</b>	<b>2,121,787</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Accessible, reliable and safe public transport system:</b>					
Use of public transport - Passengers per service kilometre:					
Metropolitan bus services.....	0.84	0.91	0.93	0.88	
Metropolitan train services.....	2.03	4.38	3.97	4.92	1,2
Metropolitan ferry services.....	9.71	10.96	12.18	12.31	
Intra-town regional bus services.....	0.678	0.675	0.592	0.675	1
Country passenger rail services.....	0.139	0.163	0.167	0.148	
Country passenger road coach services.....	0.042	0.05	0.05	0.05	
Inter-town country bus services.....	0.012	0.013	0.015	0.015	
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.....					
	86%	85%	85%	85%	
Metropolitan and regional passenger services reliability:					
Bus services arriving within four minutes of scheduled time (first and last timing points - six minutes for interim points).....					
	80%	87%	94%	94%	
Train arriving within four minutes of scheduled time.....					
	94%	95%	95%	95%	
Ferries arriving within four minutes of scheduled time.....					
	92%	98%	98%	98%	
Country passenger rail and road coach services reliability:					
Prospector arriving within 15 minutes of scheduled time.....					
	34%	80%	63%	80%	3
Australind arriving within 10 minutes of scheduled time.....					
	80%	90%	89%	90%	
MerredinLink arriving within 10 minutes of scheduled time.....					
	67%	90%	80%	90%	3
AvonLink arriving within 10 minutes of scheduled time.....					
	89%	90%	92%	90%	
Road coaches arriving within 10 minutes of scheduled time.....					
	98%	95%	96%	95%	
Satisfaction with school bus availability at arrival/departure time.....					
	100%	100%	100%	100%	
Level of overall customer satisfaction - Customer satisfaction index:					
Metropolitan bus services.....					
	93%	92%	93%	93%	
Metropolitan train services.....					
	96%	92%	96%	92%	
Metropolitan ferry services.....					
	99%	99%	99%	99%	
Country passenger rail and road coach services.....					
	90%	90%	90%	90%	
Customer perception of safety - Independent external surveys:					
Train station - Daytime.....					
	98%	96%	98%	96%	
On-board train - Daytime.....					
	98%	97%	98%	97%	
Train station - Night-time.....					
	73%	70%	75%	72%	
On-board train - Night-time.....					
	77%	76%	77%	76%	
Bus station - Daytime.....					
	98%	98%	98%	98%	
On-board bus - Daytime.....					
	98%	99%	98%	98%	
Bus station - Night-time.....					
	78%	78%	78%	78%	
On-board bus - Night-time.....					
	83%	84%	83%	83%	
Level of notifiable safety occurrences - Notifiable occurrences:					
Category A occurrences per million passenger boardings.....					
	0.44	0.40	1.01	0.82	4
Category A occurrences per million train kilometres.....					
	1.48	1.70	3.99	4.05	4
Category B occurrences per million passenger boardings.....					
	53.19	24.00	6.80	6.10	4
Category B occurrences per million train kilometres.....					
	177.52	104.00	27.00	30.02	4
Regional school bus services: notifiable occurrences (accidents) reported each school year.....					
	17	19	15	19	5
Return on construction expenditure.....					
	1.7	1.7	1.7	1.6	
<b>Outcome: Protection of the long-term functionality of the rail corridor and railway infrastructure:</b>					
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 2022-23 Estimated Actual is lower compared to the 2022-23 Budget due to the impacts of the COVID-19 pandemic continuing to suppress patronage.
2. The 2023-24 Budget Target is higher than the 2022-23 Estimated Actual due to the expected lower service kilometres from the 18-month closure of the Armadale Line between Victoria Park and Armadale Stations combined with the minimal impact anticipated on patronage.
3. The 2022-23 Estimated Actual is lower than the 2022-23 Budget for service reliability of the Prospector and MerredinLink services due to a number of delays associated with crossings and track-related issues as a result of maintenance work undertaken by Arc Infrastructure. The 2023-24 Budget Target is based on the assumption that minimal delays will be experienced.
4. The 2022-23 Estimated Actual and the 2023-24 Budget Target are based on a new definition, aligning the Category A and Category B occurrences to recently amended regulations enforced by the Office of the National Rail Safety Regulator.
5. The 2022-23 Estimated Actual is lower than the 2022-23 Budget due to the continued efforts of the Authority and school bus drivers in 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 1,450,223	\$'000 1,483,521	\$'000 1,580,741	\$'000 1,579,698	1
Less Income .....	177,895	198,005	198,360	190,536	2
Net Cost of Service .....	1,272,328	1,285,516	1,382,381	1,389,162	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,734</b>	<b>1,902</b>	<b>1,823</b>	<b>1,943</b>	<b>3</b>
<b>Efficiency Indicators</b>					
Average cost per passenger kilometre:					
Transperth bus operations.....	\$1.74	\$1.63	\$1.59	\$1.79	4
Transperth train operations.....	\$1.00	\$0.88	\$0.99	\$1.02	
Transperth ferry operations .....	\$2.17	\$1.77	\$1.78	\$1.51	5
Average cost per 1,000 place kilometres - Intra-town regional bus services .....	\$89.76	\$85.58	\$82.35	\$86.51	

## Explanation of Significant Movements

(Notes)

1. The 2023-24 Budget Target is forecast to decrease by \$1 million (0.1%) from the 2022-23 Estimated Actual largely due to reduced annual METRONET operating costs (\$95.7 million), a reduction in external works undertaken for third parties (\$39.1 million) and the Platform and Signalling Upgrade Program in 2022-23 (\$11.8 million), offset by increased costs as a result of revisions to forecast cost growth parameters (\$67.4 million), increased depreciation expense (\$45.5 million), the deferral of the C-Series railcar operating costs (\$17.8 million) and increased interest expense (\$15 million).
2. The 2023-24 Budget Target is forecast to decrease by \$7.8 million (3.9%) from the 2022-23 Estimated Actual, largely due to a reduction in revenues received for Optus Stadium services (\$8.8 million), for external works undertaken for third parties (\$7.8 million) and as a result of the Commonwealth funding receipts recognised for the Platform and Signalling Upgrade Program in 2022-23 (\$5.5 million). This is expected to be offset by increased Transperth fare revenue (\$10.4 million), Kewdale White Oil Pipeline revenue (\$2 million) and increased revenue from parking fees (\$1.7 million).

- The 2023-24 Budget is forecast to increase from the 2022-23 Estimated Actual due to the full-year staffing on the Airport Line and Lakelands train station, network growth and due to the recruitment of staff for the Yanchep Rail Extension.
- The 2023-24 Budget is forecast to increase from the 2022-23 Estimated Actual due to revisions to forecast cost growth parameters and as a result of the rail replacement bus services during the Armadale Line shutdown.
- The 2023-24 Budget is forecast to decrease from the 2022-23 Estimated Actual due to the maintenance overhaul that was undertaken on the ferries in 2021-22 and 2022-23.

## 2. Country Passenger Rail and Road Coach Services

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	51,122	54,801	53,720	56,688	1
Less Income.....	10,036	10,809	10,530	10,549	
Net Cost of Service.....	41,086	43,992	43,190	46,139	
<b>Employees (Full-Time Equivalents) .....</b>	164	164	164	166	
<b>Efficiency Indicators</b>					
Average cost per passenger kilometre:					
Transwa rail .....	\$0.65	\$0.65	\$0.58	\$0.68	2
Transwa road coaches .....	\$0.49	\$0.46	\$0.38	\$0.44	2
Average cost per 1,000 place kilometres - Inter-town country bus services.....	\$18.82	\$16.30	\$15.67	\$16.55	

### Explanation of Significant Movements

(Notes)

- The 2023-24 Budget Target is forecast to increase by \$3 million (5.5%) from the 2022-23 Estimated Actual largely due to revisions to forecast cost growth parameters.
- The 2022-23 Estimated Actual is lower than the 2022-23 Budget as a result of higher than anticipated patronage.

## 3. Regional School Bus Services

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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	133,810	131,072	131,206	140,637	1
Less Income.....	4	nil	nil	nil	
Net Cost of Service.....	133,806	131,072	131,206	140,637	
<b>Employees (Full-Time Equivalents) .....</b>	38	38	38	39	
<b>Efficiency Indicators</b>					
Average cost per contracted kilometre - School bus services .....	\$4.01	\$3.98	\$3.99	\$4.28	

### Explanation of Significant Movements

(Notes)

- The 2023-24 Budget Target is forecast to increase by \$9.4 million (7.2%) from the 2022-23 Estimated Actual predominantly due to revisions to forecast cost growth parameters.

#### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	221,255	209,256	196,046	184,967	1
Less Income.....	21,206	31,149	23,860	21,144	2
Net Cost of Service.....	200,049	178,107	172,186	163,823	
<b>Employees (Full-Time Equivalents) .....</b>	18	27	15	9	3
<b>Efficiency Indicators</b>					
Total cost of managing the rail freight corridor and residual freight issues.....	221,255	209,256	196,046	184,967	

#### Explanation of Significant Movements

(Notes)

1. The 2023-24 Budget Target is forecast to decrease by \$11.1 million (5.7%) from the 2022-23 Estimated Actual largely due to decreased depreciation expense (\$12.5 million) and a reduction in external works undertaken for third parties (\$7.9 million), offset by upward revisions to forecast cost growth parameters (\$6.8 million) and a one-off impairment loss (\$2.6 million).
2. The 2023-24 Budget Target is forecast to decrease by \$2.7 million (11.4%) from the 2022-23 Estimated Actual largely due to a one-off receipt from the Commonwealth Government for the development of the Kalgoorlie Rail Realignment business case in 2022-23 (\$2 million).
3. The 2023-24 Budget Target is forecast to decrease from the 2022-23 Estimated Actual due to staff transitioning to capital projects in the asset replacement program.

#### Asset Investment Program

##### SmartRider System Asset Replacement and Technology Update

1. In 2023-24, the Authority will invest \$24.5 million to replace SmartRider system assets and update the technology used by the system. This investment will introduce new ticketing systems that will enable the use of contemporary contactless payment methods.

##### Stirling Bus Interchange

2. An expanded Stirling Bus Interchange over the Joondalup Line and the Mitchell Freeway at Stirling Station is being constructed. The construction contract was awarded in December 2020 and is expected to be completed by late 2023. In 2023-24, an estimated \$52.8 million will be expended on the project.

#### METRONET

##### Bayswater Station

3. The new Bayswater Station project will see the replacement of the existing station and rail bridge with two new elevated rail bridges over King William Street. Each rail bridge will have its own station concourse, with the southern platform to service the existing Midland and Airport Lines and the northern platform to service the Morley-Ellenbrook Line. In 2023-24, construction of the southern platform will be completed and it will be entered into passenger service.

##### Byford Rail Extension

4. The Armadale Line will be extended by 7.8 km from Armadale Station to Byford. The Byford Rail Extension will also remove seven level crossings and deliver a new elevated station at Armadale and an at-grade station at Byford. Following the commencement of the 18-month closure of the Armadale Line in late 2023, elevated main viaduct construction will commence with major precast concrete beam production to get underway, along with the construction of both the Byford precinct and Armadale Station.

#### *Canning Bridge Bus Interchange*

5. The Canning Bridge Bus Interchange will be relocated to an elevated platform above the freeway and train station, which will increase capacity, improve the safety of commuters and provide greater road capacity along Canning Highway. In 2023-24, \$2 million will be spent to continue project development.

#### *Greenwood Station Multi-Storey Car Park*

6. A 700-bay multi-storey car park will be provided at Greenwood Station. Contract award for the project is expected in mid-2023.

#### *High Capacity Signalling Program of Works*

7. The High Capacity Signalling Program of Works will replace the existing Transperth rail network signalling system with one that allows for increased service frequencies. The program of works includes the Radio Systems Replacement, the Public Transport Operations Control Centre and the Train Control and Signalling projects.

#### *Lakelands Station*

8. A new station will be built at Lakelands on the Mandurah Line, with works including a car park and bus-rail interchange facilities. With entry into passenger service expected in June 2023, \$20.3 million will be spent in 2023-24 on post-completion works and the close-out of the project.

#### *Midland Station*

9. A new Midland Station will be constructed between Helena and Cale Streets. The new station will provide better integration with the town centre, with much closer connections to the Midland Gate Shopping Centre and Midland Health Campus. Main construction works are expected to commence in mid-2023.

#### *Midland Station Multi-Storey Car Park*

10. An 800-bay multi-storey car park will be provided at the new Midland Station. Construction is expected to be completed in 2024.

#### *Morley-Ellenbrook Line*

11. Five new stations will be built at Morley, Noranda, Malaga, Whiteman Park and Ellenbrook as part of the 21 km Morley-Ellenbrook Line from Bayswater Station to Ellenbrook. Construction remains on schedule, with track laying underway, and the project is set for completion at the end of 2024.

#### *Railcar Acquisition for METRONET and A-Series Railcar Replacement*

12. A total of 246 new Transperth railcars will be procured to provide for METRONET projects (102 railcars) and to replace A-Series railcars (144 railcars). The new railcars will be six-car sets, which provide additional passenger capacity compared to those currently in operation. Following extensive testing, the first C-Series train will enter into passenger service on the Joondalup and Mandurah Lines.

#### *Thornlie-Cockburn Line*

13. The Thornlie-Cockburn Line will be extended to Cockburn Station on the Mandurah Line and will include the construction of two new stations at Nicholson Road and Ranford Road, with park and ride facilities and bus interchanges to be provided. Works at Cockburn Station will be completed in late 2023, with construction on the Canning River Rail Bridge expected to be finished in mid-2024.

#### *Victoria Park-Canning Level Crossing Removal*

14. Five level crossings will be removed at Mint Street, Oats Street, Welshpool Road, Hamilton Street and Wharf Street, and new elevated stations will be provided at Carlisle, Oats Street, Queens Park and Cannington. Further funds are allocated in the Provision for METRONET Projects Under Development for the removal of a sixth level crossing at William Street and for a fifth elevated station at Beckenham. The construction of the elevated viaduct structure, along with the concurrent construction of Carlisle Station, Oats Street Station, Queens Park Station, Cannington Station and Beckenham Station will begin following the commencement of the 18-month closure of the Armadale Line in late-2023.

#### *Yanchep Rail Extension*

15. The Joondalup Line will be extended by 14.5 km from Butler to Yanchep. Three new stations will be provided at Yanchep, Eglinton and Alkimos, with bus interchanges and park and ride facilities. In 2023-24, the bridge and station construction will be completed, and passenger services will begin.

## Western Australia Agricultural Supply Chain Improvements

16. The Agricultural Supply Chain Improvements will increase freight capacities along key agricultural transport routes in the Wheatbelt, Great Southern, Mid West and Goldfields-Esperance regions. In 2023-24, \$46.4 million is estimated to be spent on agricultural freight transport corridor improvements.

## Electronic Vehicle Recharging Infrastructure Trial at Stations

17. In 2023-24, the Government will invest \$3.9 million in electric vehicle charging infrastructure at selected train stations.

## Electric Buses (E-Buses) and Depot Modifications

18. Contributing to the Government's goal of net zero greenhouse gas emissions by 2050, the Authority will purchase electric buses and install associated electric charging systems in bus depots and bus stations. In 2023-24, \$22 million is expected to be spent on electric charging systems at Elizabeth Quay Bus Station and to introduce 18 electric buses into the Perth CAT fleet.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Rail Infrastructure Program - South West Main Line Level Crossings Safety Upgrade Opportunities .....	5,800	1,465	-	4,335	-	-	-
Rail Stations Program - Targeted Disability Access Station Upgrades - Cannington, Gosnells and Kelmscott Stations .....	7,944	5,944	-	2,000	-	-	-
<b>Other Works in Progress</b>							
<b>Bus Infrastructure Program</b>							
Bus Priority Projects in Progress .....	13,941	10,441	10,441	3,500	-	-	-
CAT Bus Infrastructure .....	2,100	971	692	1,129	-	-	-
Smartertrider System Asset Replacement and Technology Update .....	57,821	33,347	10,187	24,474	-	-	-
Bus Replacement Program - New Bus Replacement Program in Progress .....	614,186	209,839	78,152	79,189	49,416	25,000	63,816
<b>Freight Program</b>							
Grain Freight Upgrades .....	22,000	9,980	9,980	12,020	-	-	-
Western Australian Agricultural Supply Chain Improvements ..	177,173	1,500	1,500	34,391	59,616	81,666	-
Major Projects - Stirling Bus Interchange .....	90,000	37,203	32,075	52,797	-	-	-
<b>METRONET</b>							
Bayswater Station (Forrestfield-Airport Link Services and Morley-Ellenbrook Line Forward Works) .....	334,568	230,854	126,463	82,777	20,937	-	-
Byford Rail Extension .....	797,008	143,577	137,006	332,526	320,905	-	-
Canning Bridge Bus Interchange .....	202,000	3,315	1,702	2,010	2,000	50,000	112,570
Forrestfield-Airport Link .....	1,841,000	1,819,458	122,642	21,542	-	-	-
Greenwood Station Multi-Storey Car Park .....	38,000	5,020	4,872	22,996	9,984	-	-
High Capacity Signalling - Program of Works .....	577,028	177,504	121,249	186,507	122,528	76,478	14,011
Lakelands Station .....	72,000	51,667	25,748	20,333	-	-	-
Level Crossing Removal Program .....	133,908	132,908	11,207	1,000	-	-	-
Morley-Ellenbrook Line .....	1,651,296	682,380	448,287	620,844	348,072	-	-
Victoria Park-Canning Level Crossing Removal .....	1,047,001	228,137	168,621	466,815	350,476	1,573	-
New Midland Station .....	239,483	45,872	40,435	116,614	72,546	4,451	-
New Midland Station Multi-Storey Car Park .....	35,889	9,623	9,623	26,266	-	-	-
New Stations and Existing Stations Upgrades .....	82,246	52,316	12,153	17,686	12,244	-	-
Railcar Acquisition .....	461,259	177,754	43,007	82,612	107,950	64,724	4,042
Railcar Replacement .....	871,818	282,696	26,378	172,580	97,730	44,544	82,373
Thornlie-Cockburn Link .....	1,123,950	719,720	235,980	220,224	184,006	-	-
Yanchep Rail Extension .....	982,374	663,846	351,564	318,528	-	-	-
<b>Operational Business Support Systems Program</b>							
Business Support Upgrades in Progress .....	65,437	41,385	15,063	21,348	1,727	977	-
CCTV Program .....	14,454	5,488	3,610	8,758	208	-	-
Parking Facilities Program - Parking Facilities Upgrades .....	6,634	2,993	2,815	3,641	-	-	-
<b>Rail Infrastructure Program</b>							
Kwinana and Mitchell Freeway Barrier Upgrades .....	57,250	9,683	2,852	47,567	-	-	-
Rail Infrastructure in Progress .....	573,075	352,124	147,072	129,718	68,814	22,419	-
Resilience Package .....	59,877	51,623	503	8,254	-	-	-
Tunnel Monitoring System .....	8,000	4,801	3,142	3,149	50	-	-
<b>Rail Stations Program</b>							
Electronic Vehicle Recharging Infrastructure Trial .....	4,000	100	100	3,900	-	-	-
Lifts and Escalators Upgrades and Replacements .....	7,329	955	833	6,135	144	95	-
Railcar Program - Rail Futures Fund (Australind Railcar Replacement) .....	54,667	8,129	-	-	6,776	39,762	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COMPLETED WORKS</b>							
Bus Infrastructure Program							
Bus Priority Projects in Progress .....	750	750	750	-	-	-	-
CAT Bus Infrastructure .....	500	500	454	-	-	-	-
Common Infrastructure Program							
Minor Capital Works Program .....	16,847	16,847	7,890	-	-	-	-
Perth Station Forecourt Upgrade .....	2,500	2,500	521	-	-	-	-
Major Projects - Future Urban Railcar Procurement .....	254,377	254,377	3,043	-	-	-	-
METRONET							
Mandurah Station Multi-Storey Car Park .....	32,085	32,085	2,529	-	-	-	-
Rail Line Planning .....	117,289	117,289	422	-	-	-	-
Operational Business Support Systems Program -							
Business Support Upgrades in Progress .....	49,012	49,012	946	-	-	-	-
Rail Infrastructure Program - Rail Infrastructure Program .....	4,932	4,932	4,932	-	-	-	-
Rail Stations Program - Lifts and Escalators Upgrades and Replacements .....	8,384	8,384	14	-	-	-	-
<b>NEW WORKS</b>							
Bus Infrastructure Program - Electric Buses (E-Buses) and Depot Modifications .....							
	250,000	-	-	22,000	63,000	73,000	42,000
Common Infrastructure Program - Minor Capital Works Program .....							
	14,000	-	-	3,500	3,500	3,500	3,500
Freight Program - Freight Rail Upgrades .....	10,000	-	-	10,000	-	-	-
Mid-Tier Transport Planning .....	3,600	-	-	3,600	-	-	-
Operational Business Support Systems Program							
Business Support Upgrades .....	12,946	-	-	-	5,946	7,000	-
CCTV Program .....	19,251	-	-	3,000	9,451	-	3,800
Parking Facilities Program - Parking Facilities Upgrades .....	12,100	-	-	2,000	2,000	2,000	2,000
Rail Infrastructure Program - Rail Infrastructure .....	458,729	-	-	77,689	64,084	54,151	23,852
<b>Total Cost of Asset Investment Program .....</b>	<b>13,599,818</b>	<b>6,701,294</b>	<b>2,227,455</b>	<b>3,279,954</b>	<b>1,984,110</b>	<b>551,340</b>	<b>351,964</b>
<b>Loans and Other Repayments .....</b>			<b>133,397</b>	<b>473,510</b>	<b>136,264</b>	<b>136,264</b>	<b>136,264</b>
<b>Total .....</b>			<b>2,360,852</b>	<b>3,753,464</b>	<b>2,120,374</b>	<b>687,604</b>	<b>488,228</b>
<b>FUNDED BY</b>							
Borrowings .....							
			518,854	374,397	207,284	128,614	136,132
Capital Appropriation .....							
			640,734	1,122,430	943,086	209,819	154,317
Capital Appropriation - Other (Land Sales Proceeds) .....							
			1,975	2,661	11,996	10,084	-
Capital Appropriation - Sourced from Commonwealth .....							
			664,594	1,758,027	563,920	105,000	55,000
Drawdown from the Holding Account .....							
			90,410	124,998	39,759	30,000	43,209
Funding Included in Department of Treasury							
Administered Item .....							
			-	-	63,000	73,000	42,000
Internal Funds and Balances .....							
			228,410	18,491	1,520	-	-
Major Special Purpose Account(s)							
Drawdown from Digital Capability Fund .....							
			-	4,475	1,627	977	-
Drawdown from Royalties for Regions Fund .....							
			9,980	12,020	-	21,871	-
Other .....							
			(1,787)	30,368	56,616	81,666	-
Other Grants and Subsidies .....							
			207,682	305,597	231,566	26,573	57,570
<b>Total Funding .....</b>			<b>2,360,852</b>	<b>3,753,464</b>	<b>2,120,374</b>	<b>687,604</b>	<b>488,228</b>



## Financial Statements

### Income Statement

#### Expenses

1. The Total Cost of Services in the 2023-24 Budget Year is forecast to increase by \$0.3 million (0.01%) from the 2022-23 Estimated Actual. Increases in expenses include:
  - 1.1. revisions to forecast cost growth parameters (\$86.6 million);
  - 1.2. increased depreciation expense (\$33 million);
  - 1.3. the deferral of the C-Series railcar operating costs from 2022-23 (\$17.8 million);
  - 1.4. increased interest expense (\$15.7 million);
  - 1.5. a one-off impairment loss (\$2.6 million); and
  - 1.6. the Perth to Bunbury Faster Rail Corridor Investigation (\$1.1 million).
2. These increases are offset by decreases in expenses relating to:
  - 2.1. METRONET operating costs (\$95.7 million);
  - 2.2. external works undertaken for third parties (\$47 million);
  - 2.3. the Platform and Signalling Upgrade Program (\$11.8 million); and
  - 2.4. the Kalgoorlie Rail Realignment business case (a one-off expense of \$2 million in 2022-23).

#### Income

3. Total income in the 2023-24 Budget Year is forecast to decrease by \$10.5 million (4.5%) from the 2022-23 Estimated Actual. Reduced revenues include:
  - 3.1. a reduction in revenue received for Optus Stadium services (\$8.8 million);
  - 3.2. external works undertaken for third parties (\$7.8 million); and
  - 3.3. the impact of revenue received in 2022-23 for the Platform and Signalling Upgrade Program (\$5.5 million of Commonwealth revenue), the Kalgoorlie Rail Realignment business case (\$2 million of Commonwealth revenue) and the Kenwick Rail Freight Facility Project (\$1.7 million from Arc Infrastructure).
4. This is offset by increases in:
  - 4.1. Transperth fare revenue (\$10.4 million);
  - 4.2. Kewdale White Oil Pipeline revenue (\$2 million);
  - 4.3. Transperth parking revenue (\$1.7 million); and
  - 4.4. revenue for the Perth to Bunbury Faster Rail Corridor Investigation (\$1 million).

### Statement of Financial Position

5. The total equity in the 2023-24 Budget Year is forecast to increase by \$2.7 billion from the 2022-23 Estimated Actual. This comprises a projected increase in total assets of \$2.6 billion and a decrease in total liabilities of \$107 million.
6. The Authority's statement shows accumulated deficits across the outyears 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 2022-23 Estimated Actual have increased by \$204.4 million from the 2022-23 Budget, which is predominantly attributable to a reduction in equity funding for capital expenditure within the outyears.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b).....	231,628	268,513	281,300	302,628	318,776	329,301	334,980
Grants and subsidies (c).....	564,254	556,088	529,856	600,162	627,176	589,303	612,164
Supplies and services.....	461,440	381,127	488,793	346,242	350,404	345,836	346,912
Accommodation.....	29,009	40,213	39,552	40,491	43,326	46,946	48,243
Depreciation and amortisation.....	455,745	509,050	468,190	503,542	541,579	606,431	598,358
Finance and interest costs.....	79,194	86,133	112,116	127,877	128,868	131,111	135,566
Other expenses.....	35,140	37,526	41,906	41,048	42,626	44,071	45,564
<b>TOTAL COST OF SERVICES</b> .....	<b>1,856,410</b>	<b>1,878,650</b>	<b>1,961,713</b>	<b>1,961,990</b>	<b>2,052,755</b>	<b>2,092,999</b>	<b>2,121,787</b>
<b>Income</b>							
Sale of goods and services.....	142,213	169,696	158,604	170,688	235,880	237,552	237,552
Regulatory fees and fines.....	3,273	4,420	4,420	4,420	4,420	4,420	4,420
Grants and subsidies.....	14,870	3,000	8,500	2,000	-	-	-
Other revenue.....	48,785	62,847	61,226	45,121	44,907	44,907	44,907
<b>Total Income</b> .....	<b>209,141</b>	<b>239,963</b>	<b>232,750</b>	<b>222,229</b>	<b>285,207</b>	<b>286,879</b>	<b>286,879</b>
<b>NET COST OF SERVICES</b> .....	<b>1,647,269</b>	<b>1,638,687</b>	<b>1,728,963</b>	<b>1,739,761</b>	<b>1,767,548</b>	<b>1,806,120</b>	<b>1,834,908</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	360	361	361	362	371	380	390
Resources received free of charge.....	1,148	-	-	-	-	-	-
Special Purpose Account(s) (d)							
Climate Action Fund.....	-	199	-	-	-	-	-
Digital Capability Fund.....	-	193	-	-	-	-	-
Royalties for Regions Fund							
Regional Community Services Fund.....	79,940	79,935	79,940	79,940	79,940	79,940	79,940
Other appropriations.....	1,003,452	1,023,476	1,080,307	1,122,699	1,128,591	1,101,976	1,139,333
Other revenues.....	182,312	322,364	282,187	374,907	315,521	135,612	84,979
<b>TOTAL INCOME FROM GOVERNMENT</b> .....	<b>1,267,212</b>	<b>1,426,528</b>	<b>1,442,795</b>	<b>1,577,908</b>	<b>1,524,423</b>	<b>1,317,908</b>	<b>1,304,642</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD</b> .....	<b>(380,057)</b>	<b>(212,159)</b>	<b>(286,168)</b>	<b>(161,853)</b>	<b>(243,125)</b>	<b>(488,212)</b>	<b>(530,266)</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 1,954, 2,040 and 2,157 respectively.

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

(d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Country Passenger Services - Inter-town							
Country Bus Services .....	989	829	829	841	841	841	841
Local Government .....	550	-	-	-	-	-	-
METRONET							
Community Assets Program .....	544	9,000	1,650	4,648	8,850	-	-
Office Expenses .....	-	1,746	1,746	985	1,970	985	-
Metropolitan Services							
Bus Operators .....	415,493	405,936	386,488	448,568	469,227	439,670	458,695
Ferry Services .....	1,513	1,273	1,265	1,284	1,303	1,323	1,343
Intra-town Regional Bus Services .....	18,283	17,188	17,104	17,361	17,621	17,885	18,153
Regional School Bus Services							
Conveyance Allowance .....	1,640	1,718	1,718	1,774	1,818	1,864	1,910
School Bus Services .....	125,242	118,398	119,056	124,701	125,546	126,735	131,222
<b>TOTAL .....</b>	<b>564,254</b>	<b>556,088</b>	<b>529,856</b>	<b>600,162</b>	<b>627,176</b>	<b>589,303</b>	<b>612,164</b>

STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>  
(Controlled)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	203,938	67,058	60,186	40,391	38,871	38,871	38,871
Restricted cash .....	143,810	177,182	25,014	21,866	21,866	21,866	21,866
Holding Account receivables .....	152,411	43,370	91,879	55,106	68,209	43,209	-
Receivables .....	41,756	41,543	41,756	41,756	41,756	41,756	41,756
Other .....	43,322	38,521	43,322	43,322	43,322	43,322	43,322
Total current assets .....	585,237	367,674	262,157	202,441	214,024	189,024	145,815
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	225,122	181,752	195,244	107,019	54,157	49,157	49,157
Property, plant and equipment .....	11,086,933	12,997,447	12,840,218	15,586,803	17,030,656	16,973,155	16,731,631
Intangibles .....	10,937	18,592	19,671	23,010	33,256	36,414	32,132
Restricted cash .....	1,800	1,562	1,800	1,800	1,800	1,800	1,800
Total non-current assets .....	11,324,792	13,199,353	13,056,933	15,718,632	17,119,869	17,060,526	16,814,720
<b>TOTAL ASSETS .....</b>	<b>11,910,029</b>	<b>13,567,027</b>	<b>13,319,090</b>	<b>15,921,073</b>	<b>17,333,893</b>	<b>17,249,550</b>	<b>16,960,535</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	61,794	56,326	61,794	61,794	61,794	61,794	61,794
Payables .....	133,211	129,457	133,211	133,211	133,211	133,211	133,211
Borrowings and leases .....	221,938	192,471	389,127	221,219	218,073	218,249	218,384
Other .....	82,417	26,128	82,417	82,417	82,417	82,417	82,417
Total current liabilities .....	499,360	404,382	666,549	498,641	495,495	495,671	495,806
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	12,203	11,735	12,203	12,203	12,203	12,203	12,203
Borrowings and leases .....	2,857,473	3,101,221	3,073,304	3,139,621	3,220,214	3,208,206	3,203,471
Other .....	153,076	149,934	147,610	142,144	136,678	131,212	125,746
Total non-current liabilities .....	3,022,752	3,262,890	3,233,117	3,293,968	3,369,095	3,351,621	3,341,420
<b>TOTAL LIABILITIES .....</b>	<b>3,522,112</b>	<b>3,667,272</b>	<b>3,899,666</b>	<b>3,792,609</b>	<b>3,864,590</b>	<b>3,847,292</b>	<b>3,837,226</b>
<b>EQUITY</b>							
Contributed equity .....	6,897,212	8,574,579	8,214,887	11,085,780	12,669,744	13,090,911	13,342,228
Accumulated surplus/(deficit) .....	(3,354,892)	(3,507,068)	(3,641,060)	(3,802,913)	(4,046,038)	(4,534,250)	(5,064,516)
Reserves .....	4,845,597	4,832,244	4,845,597	4,845,597	4,845,597	4,845,597	4,845,597
Total equity .....	8,387,917	9,899,755	9,419,424	12,128,464	13,469,303	13,402,258	13,123,309
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>11,910,029</b>	<b>13,567,027</b>	<b>13,319,090</b>	<b>15,921,073</b>	<b>17,333,893</b>	<b>17,249,550</b>	<b>16,960,535</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	1,003,812	1,023,837	1,070,378	1,112,720	1,113,578	1,082,767	1,139,723
Capital appropriation .....	589,674	1,562,968	1,307,303	2,983,621	1,663,690	500,843	482,444
Administered equity contribution.....	-	-	-	-	63,000	73,000	42,000
Holding Account drawdowns .....	106,737	152,411	90,410	124,998	39,759	30,000	43,209
Special Purpose Account(s)							
Climate Action Fund .....	-	199	199	197	-	-	-
Digital Capability Fund.....	601	2,662	193	4,778	1,962	1,393	-
Royalties for Regions Fund							
Regional Community Services Fund.....	79,940	79,935	79,940	79,940	79,940	79,940	79,940
Regional Infrastructure and Headworks							
Fund.....	4,760	10,251	9,980	12,020	-	21,871	-
Receipts paid into Consolidated Account.....	-	-	-	(29,220)	-	-	-
Other.....	220,674	321,269	281,092	402,999	314,359	134,450	84,979
Administered appropriations .....	-	-	10,290	10,341	15,384	19,589	-
<b>Net cash provided by Government .....</b>	<b>2,006,198</b>	<b>3,153,532</b>	<b>2,849,785</b>	<b>4,702,394</b>	<b>3,291,672</b>	<b>1,943,853</b>	<b>1,872,295</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(226,118)	(268,905)	(281,692)	(303,018)	(319,170)	(329,698)	(334,980)
Grants and subsidies.....	(563,600)	(556,088)	(529,856)	(600,162)	(627,176)	(589,303)	(612,164)
Supplies and services .....	(464,056)	(381,127)	(488,793)	(346,242)	(350,404)	(345,836)	(346,912)
Accommodation .....	(28,645)	(40,213)	(39,552)	(40,491)	(43,326)	(46,946)	(48,243)
GST payments .....	(232,120)	(251,123)	(251,123)	(226,253)	(173,432)	(173,432)	(173,432)
Finance and interest costs.....	(76,502)	(86,125)	(112,108)	(127,869)	(128,868)	(131,111)	(135,566)
Other payments.....	(37,212)	(37,134)	(41,514)	(40,658)	(42,232)	(43,674)	(45,564)
<b>Receipts</b>							
Regulatory fees and fines.....	3,190	4,420	4,420	4,420	4,420	4,420	4,420
Grants and subsidies.....	14,087	3,000	8,500	2,000	-	-	-
Sale of goods and services.....	144,049	169,696	158,604	170,688	235,880	237,552	237,552
GST receipts.....	239,219	251,123	251,123	226,253	173,432	173,432	173,432
Other receipts .....	39,945	58,476	56,855	40,783	40,603	40,603	39,441
<b>Net cash from operating activities .....</b>	<b>(1,187,763)</b>	<b>(1,134,000)</b>	<b>(1,265,136)</b>	<b>(1,240,549)</b>	<b>(1,230,273)</b>	<b>(1,203,993)</b>	<b>(1,242,016)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(1,282,794)	(2,328,111)	(2,227,455)	(3,279,954)	(1,984,110)	(551,340)	(351,964)
Proceeds from sale of non-current assets.....	482	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(1,282,312)</b>	<b>(2,328,111)</b>	<b>(2,227,455)</b>	<b>(3,279,954)</b>	<b>(1,984,110)</b>	<b>(551,340)</b>	<b>(351,964)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(574,734)	(338,744)	(376,095)	(724,465)	(376,037)	(400,826)	(405,952)
Other payments.....	-	(17,500)	-	(100,503)	(144,688)	(175,940)	(273,127)
Proceeds from borrowings.....	733,632	551,958	756,353	620,134	441,916	388,246	400,764
<b>Net cash from financing activities.....</b>	<b>158,898</b>	<b>195,714</b>	<b>380,258</b>	<b>(204,834)</b>	<b>(78,809)</b>	<b>(188,520)</b>	<b>(278,315)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>(304,979)</b>	<b>(112,865)</b>	<b>(262,548)</b>	<b>(22,943)</b>	<b>(1,520)</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period .....	654,527	358,667	349,548	87,000	64,057	62,537	62,537
<b>Cash assets at the end of the reporting period .....</b>	<b>349,548</b>	<b>245,802</b>	<b>87,000</b>	<b>64,057</b>	<b>62,537</b>	<b>62,537</b>	<b>62,537</b>

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

# METRONET Projects Under Development

## Part 9 Transport

### Asset Investment Program

1. A \$865.3 million provision is incorporated for various METRONET projects under development, including the High Capacity Signalling program of works, Morrison Road Level Crossing Removal, and the Victoria Park-Canning Level Crossing Removal. Funding will be allocated to specific projects upon completion of tender processes and final investment decisions.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>NEW WORKS</b>							
METRONET Projects Under Development .....	865,258	-	-	100,503	145,688	176,940	296,127
<b>Total Cost of Asset Investment Program.....</b>	<b>865,258</b>	<b>-</b>	<b>-</b>	<b>100,503</b>	<b>145,688</b>	<b>176,940</b>	<b>296,127</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			-	46,899	91,883	107,990	191,127
Capital Appropriation - Sourced from Commonwealth .....			-	53,604	52,805	67,950	82,000
Motor Vehicle Licence Fee Revenue .....			-	-	1,000	1,000	23,000
<b>Total Funding.....</b>			<b>-</b>	<b>100,503</b>	<b>145,688</b>	<b>176,940</b>	<b>296,127</b>

# Fremantle Port Authority

## Part 9 Transport

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	20,500	17,301	17,962	21,482	21,950	23,563	26,130
Local Government Rates Equivalent .....	848	698	698	865	873	882	891
Dividends <sup>(a)(b)</sup> .....	-	26,943	-	33,151	34,589	36,535	40,397
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies.....	-	317	317	326	-	-	-
Other Subsidies .....	-	9,000	5,500	2,000	-	-	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	75	75	75	75	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	233,765	226,774	238,529	258,202	261,691	269,440	279,832
Revenue from Government.....	-	9,317	5,817	2,326	-	-	-
Total Expenses <sup>(c)</sup> .....	165,769	184,860	190,732	193,963	195,651	198,222	200,511
Total Borrowings <sup>(d)</sup> .....	147,104	195,912	167,912	209,645	216,517	207,992	197,434
<b>NET PROFIT AFTER TAX.....</b>	<b>47,496</b>	<b>35,728</b>	<b>37,450</b>	<b>46,452</b>	<b>46,077</b>	<b>49,686</b>	<b>55,348</b>
<b>CASH ASSETS <sup>(e)</sup> .....</b>	<b>147,527</b>	<b>95,851</b>	<b>140,267</b>	<b>131,478</b>	<b>129,850</b>	<b>136,126</b>	<b>149,934</b>

(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) The Authority will retain 2022-23 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise for further detail.

(c) Excludes current tax expense, deferred tax expense and dividends.

(d) Movements in borrowings are a result of revised Asset Investment Program (AIP) timings and general operating requirements of the Authority.

(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 Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustment</b>					
Revenue, Expense and Asset Investment Update <sup>(a)</sup> .....	3,345	591	86	1,615	3,951
<b>Other</b>					
2022-23 Retained Dividend.....	(29,567)	-	-	-	-

(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 AIP requirements.

## Significant Issues Impacting the Government Trading Enterprise

### Infrastructure Investment Supporting Government Objectives

1. The Authority is committed to investing in improvements to key infrastructure, the largest project of which is currently the upgrade to the Kwinana Bulk Terminal clinker import circuit. The majority of these works are expected to be completed by 2023-24.

### Westport and Port Development Plan

2. The Authority will continue to actively support 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 is producing a port development plan that will articulate how the port will develop in the near future, to ensure business continuity while the broader planning work for the Government's Westport and Future of Fremantle projects is completed. The port development plan will ultimately integrate with Westport and Future of Fremantle to set out how the port and its transport linkages are expected to develop over the next 50 years.

### Safety

3. Safety will continue to be a primary focus for the Authority. The Authority will continue to implement initiatives to improve safety across the port for its workers and contractors, developing its safety and incident reporting systems within the business so that they align with international standards for safety management.

### Supply Chain Visibility

4. The Authority will support supply chain efficiency and performance by creating end-to-end supply chain transparency for partners and Western Australian importers and exporters, so they have the information they need to manage cargo flow reliably and efficiently.

### Victoria Quay Waterfront Strategy

5. In partnership with Planning, Lands and Heritage, the Authority is committed to the continued activation of the Victoria Quay Waterfront area. The aim is to enhance the amenity of the area and create a destination that benefits the broader community, while ensuring no adverse impacts on port operations by avoiding incompatible land uses. Key areas of focus will include:
  - 5.1. a place improvement plan that identifies the short and medium-term place improvements for the western end of Victoria Quay Waterfront, with a focus on improving connections, amenities and activation, incorporating previous planning works; and
  - 5.2. continuing to work with other short, medium, and long-term Government initiatives for Victoria Quay Waterfront in the context of the planned future development of the Inner Harbour.

### Sustainability

6. The Authority has a strong commitment to creating an environmentally sustainable port and supply chain with clear targets to embrace and support energy transition of its assets, business and infrastructure.

### 2022-23 Retained Dividend

7. The Authority will retain its forecast 2022-23 dividend payment together with the 2021-22 dividend payment, resulting in a total of \$97.6 million to fund future infrastructure investment. The funds will be quarantined pending approval of business cases for future strategic infrastructure requirements.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## 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 budget management.	Achieve financial targets in line with Government expectations in accordance with prudent commercial principles.	1. Achieve financial targets
	Provide reliable and efficient and commercial services to meet customer needs and add value.	2. Highly efficient port operations that promote trade growth 3. High levels of customer satisfaction
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Provide a safe and healthy environment for the community.	4. Achieve community satisfaction targets 5. Maintain safety and quality management systems in line with best practice

### Outcomes and Key Performance Indicators

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Achieve financial targets:</b>					
Earnings before interest, taxes, depreciation and amortisation (\$'000).....	90,995	78,390	80,086	97,227	1
Economic rate of return <sup>(a)</sup> .....	9.5%	7.2%	7.3%	8.3%	
Debt to equity ratio .....	47%	57%	47%	56%	
<b>Outcome: Highly efficient port operations that promote trade growth:</b>					
Total number vessel visits <sup>(b)</sup> .....	1,546	1,487	1,477	1,605	
Total port trade ('000 tonnes) .....	28,270	28,723	30,279	30,709	
<b>Outcome: High levels of customer satisfaction:</b>					
Customer satisfaction score <sup>(c)</sup> .....	60%	>85%	n.a.	n.a.	
<b>Outcome: Achieve community satisfaction targets:</b>					
Community satisfaction .....	59.5%	>75%	67%	67%	
<b>Outcome: Maintain safety and quality management systems in line with best practice:</b>					
Lost time injury frequency rate (LTIFR) <sup>(d)</sup> .....	6.2	nil or 10% reduction	4	nil or 10% reduction	
Number reportable environmental incidents.....	1	nil	2	nil	2

(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) Number of vessels visits includes commercial, non-trading and fishing vessels (excludes naval).

(c) Fremantle Ports uses Net Promoter Score as the measure of customer satisfaction.

(d) The LTIFR is based on injuries 'occurring in the year' and 'million hours worked'. Target is for no lost time or a 10% reduction in lost time from the previous year.



## Explanation of Significant Movements

(Notes)

1. The 2023-24 Budget Target increase in earnings before interest, taxes, depreciation and amortisation is due to the combined impact of revised trade expectations and cost mitigation strategies.
2. The reportable environmental incidents in the 2022-23 Estimated Actual relate to product spillage of less than 100 kg per event into the marine environment at the Kwinana Bulk Jetty.

## Asset Investment Program

1. The Authority's AIP for 2023-24 to 2026-27 totals \$177.3 million, investing in projects across the Inner and Outer Harbour 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 \$13.9 million in 2023-24 and \$19.2 million over the outyears 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. The Authority will spend \$22 million over 2022-23 and 2023-24 on land acquisitions and associated works in North Quay for port operations and buffer zones for port activities in the Inner Harbour.
4. Work continues on the Fremantle Waterfront Implementation Plan, including the Victoria Quay activation project to support the developments and land uses identified in the Fremantle Waterfront Masterplan for the western end of Victoria Quay, with expenditure of \$8.2 million planned in 2023-24.
5. The AIP also includes replacement of the Authority's ageing pilot boat fleet (floating plant), totalling \$11 million, to maintain required levels of service to customers.

### Expenditure in the Outer Harbour

6. A total of \$10.3 million in 2023-24 and \$8.5 million over the outyears is forecast to be spent on the replacement and upgrade of assets at the Kwinana Bulk Terminal to facilitate the ongoing import and export of bulk materials for customers.
7. To support the projected volumes export and import of bulk commodities at the Kwinana Bulk Jetty, the Authority will spend an additional \$4 million in 2023-24 and \$9.5 million over the outyears to maintain product handling infrastructure and equipment.
8. The Authority will also spend \$57.3 million over 2022-23 to 2025-26 to upgrade the Kwinana Bulk Terminal's import and export facilities comprising:
  - 8.1. \$54.3 million to upgrade material handling import infrastructure; and
  - 8.2. \$3 million to concrete the export stockyard area.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Outer Harbour							
Kwinana Bulk Terminal - Material Handling Infrastructure Renewal of Import System.....	56,400	27,083	25,012	29,317	-	-	-
<b>Other Works in Progress</b>							
Inner and Outer Harbour - Security Upgrades Stage Two....	3,724	3,184	-	540	-	-	-
Inner Harbour Infrastructure Refurbishment Program .....	36,263	3,100	3,100	13,936	9,857	7,818	1,552
North Quay - Land Acquisitions .....	22,150	18,900	18,740	3,250	-	-	-
Outer Harbour							
Kwinana Bulk Jetty - Export-Import Infrastructure .....	11,100	2,910	2,910	3,980	3,220	990	-
Kwinana Bulk Terminal - Infrastructure, Equipment Replacement and Upgrade .....	35,459	16,689	5,086	10,270	7,500	1,000	-
Plant and Equipment							
Replace Floating Plant .....	11,000	5,400	4,205	4,500	1,100	-	-
Replacement of Navigational Aids .....	5,683	2,023	-	-	840	420	400
Victoria Quay - Fremantle Waterfront Implementation Plan .....	10,938	10,221	5,404	717	-	-	-
<b>COMPLETED WORKS</b>							
Fremantle Waterfront Project - Commercial Precinct							
Access and Services .....	2,067	2,067	106	-	-	-	-
Inner Harbour - Photovoltaic System Passenger Terminal...	950	950	932	-	-	-	-
Minor Works - 2022-23 Program .....	10,962	10,962	10,962	-	-	-	-
Outer Harbour							
Kwinana Bulk Terminal - High Voltage (HV) Power System Upgrade .....	6,000	6,000	1,406	-	-	-	-
Victoria Quay - H Berth Fender Replacement.....	4,700	4,700	4,700	-	-	-	-
<b>NEW WORKS</b>							
<b>COVID-19 Response</b>							
Outer Harbour							
Kwinana Bulk Terminal - Export Stockyard Area Concreting.....	3,000	-	-	-	1,500	1,500	-
<b>Other New Works</b>							
Inner Harbour							
Provision of Alternative Vehicular Access .....	1,000	-	-	-	1,000	-	-
Replacement of HV Cable from Main Substation to Substation 4 .....	550	-	-	550	-	-	-
Minor Works							
2023-24 Program .....	15,340	-	-	15,340	-	-	-
2024-25 Program .....	14,000	-	-	-	14,000	-	-
2025-26 Program .....	12,000	-	-	-	-	12,000	-
2026-27 Program .....	12,000	-	-	-	-	-	12,000
Outer Harbour							
Kwinana Bulk Jetty - Replacement of Conveyor Structures and Equipment .....	5,300	-	-	-	1,400	1,400	2,500
Kwinana Bulk Terminal - Direct Conveyor.....	5,400	-	-	5,400	-	-	-
Victoria Quay - Activation Stage One .....	7,500	-	-	7,500	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>293,486</b>	<b>114,189</b>	<b>82,563</b>	<b>95,300</b>	<b>40,417</b>	<b>25,128</b>	<b>16,452</b>
<b>FUNDED BY</b>							
Borrowings.....			32,000	53,000	18,000	2,000	-
Internal Funds and Balances.....			50,563	42,300	22,417	23,128	16,452
<b>Total Funding .....</b>			<b>82,563</b>	<b>95,300</b>	<b>40,417</b>	<b>25,128</b>	<b>16,452</b>

## Financial Statements

### Income Statement

#### *Revenue*

1. The Authority's revenue forecasts primarily reflect expectations on trade mix and growth, ships and shipping services, and rental revenue from port tenancies.
2. The Authority will receive Government funding over 2022-23 and 2023-24 to undertake feasibility studies on Westport enabling works and to provide technical expertise and support on the future Westport container port statutory requirements and other technical aspects of the program.

#### *Expenses*

3. Employee benefits reflect organisational changes following a comprehensive management review of organisational structure and competencies. The 2023-24 Budget includes roles identified, together with continued investment in the Authority's organisational capability to support future operations. Salary increases are aligned with enterprise agreements, or the public sector wages policy post agreement expiration.
4. The 2022-23 Estimated Actual for supplies and services reflects costs to support the development and implementation of new systems and ICT frameworks, including increased cyber security initiatives and a contemporary enterprise resource planning system to replace the Authority's legacy financial management system. The 2022-23 Estimated Actual and the 2023-24 Budget Year include expenditure for Westport enabling works.
5. Movements in depreciation and interest costs are driven by changes in the Authority's AIP.

### Statement of Financial Position

6. 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.
7. Movements in cash assets relate to timing of dividend payments and AIP funding assumptions.

### Statement of Cashflows

8. Payments for purchase of non-current assets reflect 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 the drawdown and repayment of a working capital facility held with the Western Australian Treasury Corporation.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	232,757	226,012	237,767	255,509	258,959	266,667	277,018
Other revenue .....	1,008	762	762	2,693	2,732	2,773	2,814
<b>Revenue from Government</b>							
Operating subsidies.....	-	317	317	326	-	-	-
Other subsidies .....	-	9,000	5,500	2,000	-	-	-
<b>TOTAL REVENUE.....</b>	<b>233,765</b>	<b>236,091</b>	<b>244,346</b>	<b>260,528</b>	<b>261,691</b>	<b>269,440</b>	<b>279,832</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	51,549	56,160	60,666	61,681	61,818	61,773	61,766
Supplies and services .....	58,264	69,529	71,259	64,774	60,194	61,578	63,155
Accommodation <sup>(c)</sup> .....	6,245	6,197	6,197	6,466	6,595	6,727	6,862
Depreciation and amortisation .....	17,993	19,864	20,079	22,841	26,624	27,360	27,523
Finance and interest costs.....	5,006	7,296	6,393	7,821	8,046	7,779	7,407
Other expenses <sup>(d)</sup> .....	26,712	25,814	26,138	30,380	32,374	33,005	33,798
<b>TOTAL EXPENSES.....</b>	<b>165,769</b>	<b>184,860</b>	<b>190,732</b>	<b>193,963</b>	<b>195,651</b>	<b>198,222</b>	<b>200,511</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>67,996</b>	<b>51,231</b>	<b>53,614</b>	<b>66,565</b>	<b>66,040</b>	<b>71,218</b>	<b>79,321</b>
National Tax Equivalent Regime							
Current tax equivalent expense .....	20,500	17,301	17,962	21,482	21,950	23,563	26,130
Deferred tax equivalent expense .....	-	(1,798)	(1,798)	(1,369)	(1,987)	(2,031)	(2,157)
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>47,496</b>	<b>35,728</b>	<b>37,450</b>	<b>46,452</b>	<b>46,077</b>	<b>49,686</b>	<b>55,348</b>
<b>Dividends .....</b>	<b>-</b>	<b>26,943</b>	<b>-</b>	<b>33,151</b>	<b>34,589</b>	<b>36,535</b>	<b>40,397</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 333, 367 and 362 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)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	79,932	32,119	42,700	33,911	32,283	38,559	52,367
Cash assets - Retained dividends.....	67,595	63,732	97,567	97,567	97,567	97,567	97,567
Receivables .....	29,728	26,471	28,924	27,939	29,848	30,744	31,958
Other.....	7,242	5,549	5,687	5,881	5,994	6,152	6,329
<b>Total current assets .....</b>	<b>184,497</b>	<b>127,871</b>	<b>174,878</b>	<b>165,298</b>	<b>165,692</b>	<b>173,022</b>	<b>188,221</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	431,691	525,588	495,791	570,854	585,311	585,470	576,141
Receivables .....	864	-	-	-	-	-	-
Other.....	26,714	30,354	28,249	29,905	31,633	33,664	35,822
<b>Total non-current assets .....</b>	<b>459,269</b>	<b>555,942</b>	<b>524,040</b>	<b>600,759</b>	<b>616,944</b>	<b>619,134</b>	<b>611,963</b>
<b>TOTAL ASSETS .....</b>	<b>643,766</b>	<b>683,813</b>	<b>698,918</b>	<b>766,057</b>	<b>782,636</b>	<b>792,156</b>	<b>800,184</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	15,021	14,377	15,593	16,161	16,552	16,848	17,078
Payables .....	13,467	12,111	11,749	21,360	19,997	23,480	26,560
Borrowings and leases .....	2,318	2,057	2,205	2,561	1,628	1,923	2,279
Other.....	13,352	8,082	11,284	11,657	11,695	11,761	11,821
<b>Total current liabilities .....</b>	<b>44,158</b>	<b>36,627</b>	<b>40,831</b>	<b>51,739</b>	<b>49,872</b>	<b>54,012</b>	<b>57,738</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	9,938	11,723	10,115	10,423	10,733	11,048	11,370
Borrowings and leases .....	146,832	195,566	167,792	210,088	216,953	208,824	197,856
Other.....	3,900	3,774	3,792	4,118	3,901	3,944	3,941
<b>Total non-current liabilities (b).....</b>	<b>160,670</b>	<b>211,063</b>	<b>181,699</b>	<b>224,629</b>	<b>231,587</b>	<b>223,816</b>	<b>213,167</b>
<b>TOTAL LIABILITIES.....</b>	<b>204,828</b>	<b>247,690</b>	<b>222,530</b>	<b>276,368</b>	<b>281,459</b>	<b>277,828</b>	<b>270,905</b>
<b>NET ASSETS .....</b>	<b>438,938</b>	<b>436,123</b>	<b>476,388</b>	<b>489,689</b>	<b>501,177</b>	<b>514,328</b>	<b>529,279</b>
<b>EQUITY</b>							
Contributed equity .....	105,059	105,059	105,059	105,059	105,059	105,059	105,059
Accumulated surplus/(deficit).....	333,879	331,141	371,329	384,630	396,118	409,269	424,220
Reserves.....	-	(77)	-	-	-	-	-
<b>TOTAL EQUITY .....</b>	<b>438,938</b>	<b>436,123</b>	<b>476,388</b>	<b>489,689</b>	<b>501,177</b>	<b>514,328</b>	<b>529,279</b>

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

(b) Movements in non-current liabilities primarily reflects borrowings assumptions for AIP and general operating requirements of the Authority.

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	197,062	196,029	213,274	226,238	224,975	233,112	242,521
GST receipts .....	23,362	22,603	24,360	25,784	25,897	26,668	27,703
Other receipts (b) .....	36,179	31,408	31,413	34,479	34,799	35,453	36,120
<b>Payments</b>							
Employee benefits.....	(51,183)	(55,892)	(59,791)	(60,843)	(61,132)	(61,170)	(61,193)
Supplies and services .....	(58,264)	(69,529)	(71,259)	(64,774)	(60,194)	(61,578)	(63,155)
Accommodation (c).....	(5,397)	(5,499)	(5,499)	(5,601)	(5,722)	(5,845)	(5,971)
GST payments .....	(23,468)	(22,822)	(24,830)	(25,480)	(25,531)	(26,528)	(27,648)
Finance and interest costs.....	(5,100)	(6,967)	(6,202)	(7,564)	(8,034)	(7,894)	(7,525)
Other payments.....	(26,256)	(26,166)	(29,613)	(32,884)	(32,648)	(32,499)	(33,241)
<b>Net cash from operating activities .....</b>	<b>86,935</b>	<b>63,165</b>	<b>71,853</b>	<b>89,355</b>	<b>92,410</b>	<b>99,719</b>	<b>107,611</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	42	-	-	-	-	-	-
<b>Payments</b>							
Purchase of non-current assets .....	(13,242)	(78,570)	(82,563)	(95,300)	(40,417)	(25,128)	(16,452)
<b>Net cash from investing activities.....</b>	<b>(13,200)</b>	<b>(78,570)</b>	<b>(82,563)</b>	<b>(95,300)</b>	<b>(40,417)</b>	<b>(25,128)</b>	<b>(16,452)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	-	85,000	57,000	78,000	43,000	27,000	25,000
Other proceeds .....	880	959	959	864	-	-	-
<b>Payments</b>							
Repayment of borrowings and leases.....	(12,131)	(36,737)	(37,440)	(37,695)	(37,506)	(37,029)	(37,126)
Other payments (d).....	-	(465)	(564)	(548)	(572)	(595)	(655)
<b>Net cash from financing activities.....</b>	<b>(11,251)</b>	<b>48,757</b>	<b>19,955</b>	<b>40,621</b>	<b>4,922</b>	<b>(10,624)</b>	<b>(12,781)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Operating subsidies.....	-	317	317	326	-	-	-
Other subsidies .....	-	9,000	5,500	2,000	-	-	-
<b>Payments</b>							
Dividends to Government .....	-	(26,944)	-	(33,151)	(34,589)	(36,535)	(40,397)
National Tax Equivalent Regime - Income Tax..	(22,435)	(16,623)	(21,624)	(11,775)	(23,081)	(20,274)	(23,282)
Local Government Rates Equivalent.....	(848)	(698)	(698)	(865)	(873)	(882)	(891)
<b>Net cash provided to Government .....</b>	<b>23,283</b>	<b>34,948</b>	<b>16,505</b>	<b>43,465</b>	<b>58,543</b>	<b>57,691</b>	<b>64,570</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>39,201</b>	<b>(1,596)</b>	<b>(7,260)</b>	<b>(8,789)</b>	<b>(1,628)</b>	<b>6,276</b>	<b>13,808</b>
Cash assets at the beginning of the reporting period .....	108,326	97,447	147,527	140,267	131,478	129,850	136,126
<b>Cash assets at the end of the reporting period .....</b>	<b>147,527</b>	<b>95,851</b>	<b>140,267</b>	<b>131,478</b>	<b>129,850</b>	<b>136,126</b>	<b>149,934</b>

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

(b) Rental revenues are included within sale 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 is included within accommodation expense on the Income Statement; however, within the Statement of Cashflows it is recorded as a payment to 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

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	-	-	951	855	907	1,124	1,538
Local Government Rates Equivalent .....	120	140	120	125	126	128	129
Dividends <sup>(a)(b)</sup> .....	-	-	-	2,782	2,604	2,887	3,656
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies.....	3,100	2,500	2,500	2,500	2,500	-	-
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution.....	2,000	5,500	3,922	57,500	18,500	-	-
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	22,575	23,855	25,010	28,532	32,685	37,961	40,017
Revenue from Government.....	3,100	2,500	2,500	2,500	2,500	-	-
Total Expenses <sup>(c)</sup> .....	23,114	29,051	23,706	27,612	31,555	33,460	33,892
Total Borrowings.....	7,942	6,210	6,208	4,377	2,827	2,095	1,365
<b>NET PROFIT AFTER TAX.....</b>	2,561	(2,696)	2,853	2,565	2,723	3,377	4,587
<b>CASH ASSETS <sup>(d)</sup> .....</b>	12,173	2,730	19,249	18,063	20,149	22,848	26,240

(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) The Authority will retain 2022-23 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise 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 Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>Key Adjustments</b>					
Revised 2023-24 Strategic Development Plan (SDP) .....	-	2,662	553	(543)	(35)
Wharf Facility Works (Port of Broome) .....	-	924	2,880	4,428	5,145
<b>Other</b>					
2022-23 Retained Dividend.....	(2,634)	-	-	-	-
Common User Works for the Supply Base. ....	-	-	-	(188)	(223)
Electrical Works					
Other Ports (Derby).....	-	-	(5)	(12)	(12)
Other Ports (Wyndham).....	-	-	(14)	(32)	(32)

## **Significant Issues Impacting the Government Trading Enterprise**

### **Kimberley Ports Amalgamation**

1. The Authority continues to work with port operators at the Ports of Wyndham and Derby to ensure Management and Lease Agreement obligations are being met and improved maintenance and asset planning is being undertaken.

### **Supply Base**

2. The Authority will spend \$52 million to facilitate the development of a supply base and associated infrastructure. This comprises \$45 million for the supply base and \$7 million for the base infrastructure of a production chemical facility.
3. This project is subject to a final investment decision, and the long-term lease agreement and associated Construction Works Deed, which will be subject to Ministerial approval and the Treasurer's concurrence.
4. The \$45 million investment is to be repaid over a 20-year period with interest. The supply base is expected to have a significant positive impact on the financial position of the Authority.
5. The Government approved an additional \$8 million at the 2022-23 Mid-year Review to fund common user works (including roads) to provide access and services on land at Port Drive West, enabling construction of the supply base.

### **Kimberley Marine Support Base**

6. The construction of the Kimberley Marine Support Base facility at the Port of Broome is a major project that will significantly change the way the Authority operates. It comprises of a floating marine offloading facility, along with associated onshore terminal facilities, and will provide complementary facilities for maritime trade and tourism.
7. A preferred operator has been selected, as has the preferred tenderer for the design and construction of the facility. Confirmation of finance for the project will be finalised when the model testing is completed, the design is reviewed, and contracts have been awarded.

### **Kimberley Mineral Sands Exports**

8. To better accommodate bulk product exports the Authority will undertake works amounting to \$15 million on the Port of Broome wharf to relocate impediments to efficient vessel loading by relocating the wharf shed, repairing the exposed deck and constructing a transition space between the wharf and neck.

### **Trade Outlook (Commodities, Cargo and Cruise)**

9. The Authority is positioned to take advantage of the growing exploration and development of the resource industry including oil and gas, minerals sands, iron ore, nickel, and potash. There is a growing food demand in Asia and a matching increasing focus on agriculture and aquaculture ventures in Australia.
10. Global demand for agricultural commodities (primarily cattle), resources such as mineral sands (for technological uses), general cargo, and oil and gas support services is expected to continue in 2023-24. Small cruise shipping has increased and large cruise shipping is slowly increasing due to the necessity for cruise lines to plan itineraries well in advance.
11. The Port of Yampi Sound's exports of high-grade iron ore remains consistent with prior years. Port of Wyndham trade remains similar to last year including iron ore exports.

### **2022-23 Dividend Retention**

12. The Authority will retain its forecast 2022-23 dividend payment of \$2.6 million and will utilise \$1.8 million to upgrade and replace electrical systems at the Ports of Wyndham and Derby.

## **Statement of Corporate Intent**

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).



## 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 budget management.	Achieve financial targets in line with Government expectations in accordance with prudent commercial principles.	1. Consistent with the <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: Supporting our local and regional communities to thrive.	Maintain our safety, environmental and quality management systems in line with best practice and our existing certifications.	3. Seek accreditation for ISO 45001:2018 <i>Occupational Health and Safety Management</i> and ISO 14001:2016 <i>Environmental Management Systems</i> at Port of Broome

### Outcomes and Key Performance Indicators

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Consistent with the <i>Port Authorities Act 1999</i>, facilitate trade, plan for future growth and development in a safe and efficient port:</b>					
Customer satisfaction with services <sup>(a)</sup> .....	75%	65%	75%	78%	
Employee satisfaction rating <sup>(b)</sup> .....	74%	75%	74%	76%	
Berthing availability <sup>(c)</sup> .....	56%	51%	59%	62%	
Trade growth tonnages <sup>(c)(d)(e)</sup> .....	2,335,309	2,028,000	2,200,000	2,466,000	
Number of ship visits <sup>(c)</sup> .....	1,662	1,442	1,218	1,637	
<b>Outcome: Achieve rate of return and profitability targets:</b>					
Earnings before interest, taxes, depreciation and amortisation <sup>(d)</sup> .....	\$7,230,000	\$7,459,000	\$8,375,679	\$8,195,035	1
Rate of return on assets <sup>(f)</sup> .....	-3%	-2%	-4%	-3%	
Economic rate of return <sup>(g)</sup> .....	-3%	-2%	-4%	-3%	
Debt to equity ratio .....	0.16	0.07	0.14	0.08	
<b>Outcome: Seek accreditation for ISO 45001:2018 <i>Occupational Health and Safety Management</i> and ISO 14001:2016 <i>Environmental Management Systems</i> at Port of Broome:</b>					
Environmental incidents .....	nil	nil	nil	nil	
Lost time injury frequency rate <sup>(h)</sup> .....	nil	nil	nil	nil	

(a) Customer satisfaction rating from 2022 and surveyed every two years.

(b) Employee satisfaction rating from 2021 and surveyed every two years.

(c) The performance measures are used to measure the operational performance of the Authority. They are used by the Authority to monitor service delivery, identify and respond to emerging trends in trade development, and capability for the future and plan for infrastructure development.

(d) As a result of the 1 July 2021 ports amalgamation, the 2021-22 Actual and 2022-23 Budget for these indicators vary from those reported previously.

(e) Trade tonnages includes all ports' cargo activities except for cruise vessel passenger numbers.

(f) The asset base includes current assets to calculate the return on assets.

(g) 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.

(h) Lost time injury frequency rate is based on injuries 'occurring in the year' and 'million hours worked'.

## Explanation of Significant Movements

(Notes)

1. In 2022-23 Estimated Actual is higher compared to the 2022-23 Budget primarily due to increased trade including oil and gas activity at the Port of Broome, and the retention of the 2021-22 dividend.

## Asset Investment Program

1. The Authority's Asset Investment Program (AIP) for 2023-24 to 2026-27 totals \$84.5 million, which will further support the continued economic growth of the Kimberley region. The Authority's 2023-24 AIP includes spending of:
  - 1.1. \$30 million allocated for the proposed supply base land infrastructure;
  - 1.2. \$15 million for Port of Broome wharf works to enable efficient loading of bulk product; and
  - 1.3. \$8 million for common user works to facilitate access to establish the Marine Supply Hub.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Minor Works - 2022-23 Program .....	2,636	2,285	2,285	351	-	-	-
<b>COMPLETED WORKS</b>							
Major Port Infrastructure - Wharf Essential Works (Electrical Upgrade).....	1,844	1,844	415	-	-	-	-
<b>NEW WORKS</b>							
Major Port Infrastructure							
Chemical Facility Works .....	7,000	-	-	4,000	3,000	-	-
Common User Works .....	8,000	-	-	8,000	-	-	-
Supply Base.....	45,000	-	-	30,000	15,000	-	-
Wharf Facility Works (Port of Broome).....	15,000	-	-	15,000	-	-	-
Minor Works							
2023-24 Program .....	2,075	-	-	2,075	-	-	-
2024-25 Program .....	2,075	-	-	-	2,075	-	-
2025-26 Program .....	1,575	-	-	-	-	1,575	-
2026-27 Program .....	1,575	-	-	-	-	-	1,575
Electrical Works - Other Ports (Derby).....	500	-	-	500	-	-	-
Electrical Works - Other Ports (Wyndham).....	1,300	-	-	1,300	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>88,580</b>	<b>4,129</b>	<b>2,700</b>	<b>61,226</b>	<b>20,075</b>	<b>1,575</b>	<b>1,575</b>
<b>FUNDED BY</b>							
Funding Included in Department of Treasury Administered Item.....			500	57,500	18,500	-	-
Internal Funds and Balances.....			2,200	3,726	1,556	1,372	1,235
Other .....			-	-	19	203	340
<b>Total Funding.....</b>			<b>2,700</b>	<b>61,226</b>	<b>20,075</b>	<b>1,575</b>	<b>1,575</b>

## Financial Statements

### Income Statement

#### *Revenue*

1. The sale of goods and services increases between the 2022-23 Budget and 2022-23 Estimated Actual due to an increase in oil and gas trade and the return of large cruise vessels. The sale of goods and services will increase in the final quarter of 2023-24 due to the commencement of the Kimberley Mineral Sands bulk cargo trade which continues through the outyears to 2027-28. Other shipping increases are due to the increase in mid-to-large cruise vessel visits.
2. Lease and license revenue increases in 2024-25 (captured in other revenue) include the proposed Marine Supply Hub.
3. The ports amalgamation subsidy of \$2.5 million currently continues until 2024-25 for undertaking responsibilities for the Ports of Wyndham, Derby and Yampi Sound.

#### *Expenses*

4. Employee benefits increase in line with the public sector wages policy and the increase in full-time equivalents associated with the bulk cargo trade and projects increasing local job opportunities.
5. Supplies and services in 2022-23 Budget compared to the 2022-23 Estimated Actual previously included management fees for Port of Wyndham and the treatment of this expense changed due to accountancy advice.
6. Depreciation and amortisation expenses increase following capital expenditure from 2023-24 through to 2026-27 in the Ports of Broome, Wyndham and Derby.
7. Finance and interest costs decrease over the forward estimates period as Western Australian Treasury Corporation loans are repaid.

### Statement of Financial Position

8. The Authority is expected to return to a cash-positive operation in 2023-24 with the commencement of bulk cargo trade over the forward estimates period.
9. Total assets are budgeted to increase by 60% in the 2023-24 Budget Year compared to the 2022-23 Estimated Actual and a further 12% in the 2024-25 Outyear, which is driven by major projects at the Port of Broome.
10. Total liabilities decreases by 10% in the 2023-24 Budget Year compared to the 2022-23 Estimated Actual and a further 8% in the 2024-25 Outyear due to the repayment of Western Australian Treasury Corporation loans over the period.

### Statement of Cashflows

11. The increase in contributed equity in 2023-24 and 2024-25 comprises the funds to support the Authority's Asset Investment Program.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	21,664	18,611	24,333	27,706	31,360	36,603	38,651
Other revenue .....	911	5,244	677	826	1,325	1,358	1,366
<b>Revenue from Government</b>							
Operating subsidies.....	3,100	2,500	2,500	2,500	2,500	-	-
<b>TOTAL REVENUE.....</b>	<b>25,675</b>	<b>26,355</b>	<b>27,510</b>	<b>31,032</b>	<b>35,185</b>	<b>37,961</b>	<b>40,017</b>
<b>Expenses</b>							
Employee benefits (b) .....	8,964	9,501	10,747	12,937	15,836	17,259	17,452
Supplies and services .....	3,931	9,254	4,170	4,781	5,399	5,809	5,888
Accommodation .....	3,850	4,060	2,456	3,133	3,194	3,256	3,320
Depreciation and amortisation .....	4,227	3,950	4,072	4,309	4,811	4,895	4,981
Finance and interest costs.....	523	457	499	468	305	207	159
Other expenses.....	1,619	1,829	1,762	1,984	2,010	2,034	2,092
<b>TOTAL EXPENSES.....</b>	<b>23,114</b>	<b>29,051</b>	<b>23,706</b>	<b>27,612</b>	<b>31,555</b>	<b>33,460</b>	<b>33,892</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>2,561</b>	<b>(2,696)</b>	<b>3,804</b>	<b>3,420</b>	<b>3,630</b>	<b>4,501</b>	<b>6,125</b>
National Tax Equivalent Regime - Current tax equivalent expense .....	-	-	951	855	907	1,124	1,538
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>2,561</b>	<b>(2,696)</b>	<b>2,853</b>	<b>2,565</b>	<b>2,723</b>	<b>3,377</b>	<b>4,587</b>
<b>Dividends .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,782</b>	<b>2,604</b>	<b>2,887</b>	<b>3,656</b>

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

(b) The full-time equivalents for the 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 69, 76 and 84 respectively.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget <sup>(b)</sup>	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual <sup>(b)</sup>	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	12,173	2,730	16,615	17,229	19,301	21,968	25,328
Cash assets - Retained dividends.....	-	-	2,634	834	848	880	912
Receivables .....	3,329	6,179	3,272	3,405	3,535	1,838	2,452
Other.....	112	188	112	112	112	55	55
<b>Total current assets .....</b>	<b>15,614</b>	<b>9,097</b>	<b>22,633</b>	<b>21,580</b>	<b>23,796</b>	<b>24,741</b>	<b>28,747</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	72,976	76,292	71,676	128,825	144,330	143,577	140,514
Intangibles .....	590	(37)	590	589	589	927	971
<b>Total non-current assets .....</b>	<b>73,566</b>	<b>76,255</b>	<b>72,266</b>	<b>129,414</b>	<b>144,919</b>	<b>144,504</b>	<b>141,485</b>
<b>TOTAL ASSETS .....</b>	<b>89,180</b>	<b>85,352</b>	<b>94,899</b>	<b>150,994</b>	<b>168,715</b>	<b>169,245</b>	<b>170,232</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,922	2,219	2,702	3,434	4,180	4,960	5,746
Payables.....	1,419	1,353	1,371	1,282	1,188	1,139	1,139
Borrowings and leases .....	2,881	2,422	2,977	2,704	1,877	1,998	1,998
Other.....	493	447	439	439	439	499	499
<b>Total current liabilities .....</b>	<b>6,715</b>	<b>6,441</b>	<b>7,489</b>	<b>7,859</b>	<b>7,684</b>	<b>8,596</b>	<b>9,382</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	69	77	69	69	69	50	50
Borrowings and leases .....	6,208	4,499	4,378	2,820	2,097	1,244	514
<b>Total non-current liabilities .....</b>	<b>6,277</b>	<b>4,576</b>	<b>4,447</b>	<b>2,889</b>	<b>2,166</b>	<b>1,294</b>	<b>564</b>
<b>TOTAL LIABILITIES.....</b>	<b>12,992</b>	<b>11,017</b>	<b>11,936</b>	<b>10,748</b>	<b>9,850</b>	<b>9,890</b>	<b>9,946</b>
<b>NET ASSETS .....</b>	<b>76,188</b>	<b>74,335</b>	<b>82,963</b>	<b>140,246</b>	<b>158,865</b>	<b>159,355</b>	<b>160,286</b>
<b>EQUITY</b>							
Contributed equity .....	75,010	81,808	78,932	136,432	154,932	154,932	154,932
Accumulated surplus/(deficit).....	(7,143)	(15,794)	(4,290)	(4,507)	(4,388)	(3,898)	(2,967)
Reserves.....	8,321	8,321	8,321	8,321	8,321	8,321	8,321
<b>TOTAL EQUITY .....</b>	<b>76,188</b>	<b>74,335</b>	<b>82,963</b>	<b>140,246</b>	<b>158,865</b>	<b>159,355</b>	<b>160,286</b>

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

(b) The initial budget for 2022-23 included the full expenses and revenue attributed to the Port of Wyndham. On advice from accountants this changed to a single entry recognising the profit, after tax, for the port's operations.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	18,884	15,838	21,465	24,848	28,466	31,791	32,041
Other receipts .....	5,673	8,017	3,545	3,696	4,222	6,044	7,842
<b>Payments</b>							
Employee benefits.....	(9,060)	(9,417)	(9,967)	(12,204)	(15,089)	(16,497)	(16,665)
Supplies and services .....	(4,731)	(9,601)	(4,096)	(5,132)	(5,754)	(6,672)	(6,756)
Accommodation <sup>(b)</sup> .....	(4,705)	(3,920)	(2,336)	(3,008)	(3,068)	(3,128)	(3,191)
GST payments .....	(136)	-	-	-	-	-	-
Finance and interest costs.....	(492)	(457)	(499)	(468)	(305)	(207)	(159)
Other payments.....	(1,645)	(1,829)	(1,831)	(1,978)	(2,002)	(2,178)	(2,082)
<b>Net cash from operating activities .....</b>	<b>3,788</b>	<b>(1,369)</b>	<b>6,281</b>	<b>5,754</b>	<b>6,470</b>	<b>9,153</b>	<b>11,030</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	278	-	-	-	-	-	-
<b>Payments</b>							
Purchase of non-current assets .....	(1,099)	(7,075)	(2,700)	(61,226)	(20,075)	(1,575)	(1,575)
<b>Net cash from investing activities.....</b>	<b>(821)</b>	<b>(7,075)</b>	<b>(2,700)</b>	<b>(61,226)</b>	<b>(20,075)</b>	<b>(1,575)</b>	<b>(1,575)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Payments</b>							
Repayment of borrowings and leases.....	(2,015)	(1,856)	(1,856)	(1,952)	(1,672)	(740)	(740)
<b>Net cash from financing activities.....</b>	<b>(2,015)</b>	<b>(1,856)</b>	<b>(1,856)</b>	<b>(1,952)</b>	<b>(1,672)</b>	<b>(740)</b>	<b>(740)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Operating subsidies.....	3,100	2,500	2,500	2,500	2,500	-	-
Equity contributions .....	2,000	5,500	3,922	57,500	18,500	-	-
<b>Payments</b>							
Dividends to Government.....	-	-	-	(2,782)	(2,604)	(2,887)	(3,656)
National Tax Equivalent Regime - Income Tax...	(11)	-	(951)	(855)	(907)	(1,124)	(1,538)
Local Government Rates Equivalent.....	(120)	(140)	(120)	(125)	(126)	(128)	(129)
<b>Net cash provided to Government .....</b>	<b>(4,969)</b>	<b>(7,860)</b>	<b>(5,351)</b>	<b>(56,238)</b>	<b>(17,363)</b>	<b>4,139</b>	<b>5,323</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>5,921</b>	<b>(2,440)</b>	<b>7,076</b>	<b>(1,186)</b>	<b>2,086</b>	<b>2,699</b>	<b>3,392</b>
Cash assets at the beginning of the reporting period .....	6,252	5,170	12,173	19,249	18,063	20,149	22,848
<b>Cash assets at the end of the reporting period .....</b>	<b>12,173</b>	<b>2,730</b>	<b>19,249</b>	<b>18,063</b>	<b>20,149</b>	<b>22,848</b>	<b>26,240</b>

(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 it is recorded as a payment to 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

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	10,644	16,221	11,092	19,137	24,501	37,756	40,360
Local Government Rates Equivalent .....	920	889	901	934	980	1,029	1,081
Dividends <sup>(a)(b)(c)</sup> .....	-	25,340	-	29,973	40,532	60,274	69,491
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution <sup>(d)</sup> .....	-	-	-	1,500	-	1,573	2,375
Special Purpose Accounts .....	-	4,000	8,000	8,551	1,449	-	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	75	75	75	75	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations <sup>(c)</sup> .....	96,674	118,645	102,745	141,113	169,473	220,361	247,014
Total Expenses <sup>(c)(e)</sup> .....	61,077	64,577	65,774	77,321	87,803	94,508	112,480
Total Borrowings <sup>(c)</sup> .....	6,820	77,029	11,653	43,759	171,270	310,158	293,187
<b>NET PROFIT AFTER TAX</b> .....	24,909	37,847	25,879	44,655	57,169	88,097	94,174
<b>CASH ASSETS</b> <sup>(f)</sup> .....	57,922	37,021	76,802	53,442	68,959	89,552	116,750

- (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) The Authority will retain 2022-23 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise for further detail.
- (c) Includes the impact of the Geraldton Port Maximisation Project (PMaxP) from 2022-23.
- (d) Equity contributions in 2024-25 to 2026-27 reflect the impact of the PMaxP. Dividends on the capital recovery charges for the PMaxP are to be returned as an equity contribution.
- (e) Excludes current tax expense, deferred tax expense and dividends.
- (f) 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 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>Key Adjustment</b>					
Geraldton Port Maximisation Project .....	(2,887)	(18,370)	(42,962)	(50,105)	(55,145)
<b>Other</b>					
2022-23 Retained Dividend .....	(24,629)	-	-	-	-
Fishing Boat Harbour Boat Building Precinct .....	-	(62)	(239)	(238)	(2)
Public Sector Wages Policy .....	(1,253)	(1,359)	(1,614)	(1,981)	(2,347)
Replacement of Ring Main Units .....	-	-	(365)	(336)	(319)
Trade Throughput Revisions .....	(1,688)	6,580	28,715	45,501	39,049
Wastewater Treatment Plant .....	-	(90)	(202)	(226)	(233)

## Significant Issues Impacting the Government Trading Enterprise

1. Trade throughput volumes continue to increase year-on-year, though the volatility in the iron ore price has impacted on junior miners' trade forecasts over the short to medium-term.
2. The Authority is seeing continued approaches from potential new customers on projects within the Mid West region, including mining projects and break-bulk cargoes, particularly wind turbines.
3. The PMaxP design and delivery is progressing well with significant work on the various sub-projects well underway. The project team is seeing market conditions tightening with regards to resources (labour and materials) and limited availability of suitable contractors.
4. Due to the increased activity within the Western Australian economy, current procurement processes are seeing a limited number of respondents to tenders and increased pricing pressures for (and availability of) labour and materials. This is expected to be further exacerbated by the infrastructure replacement in the Kimberley as a result of the recent floods (people, equipment and material shortages will become acute).
5. Operating activities are seeing increased cost pressures due to the current economic environment, particularly in respect of salaries, interest rates and fuel.
6. Attraction and retention of staff is presenting as a significant issue as the current demand for experienced and qualified staff is outstripped by the current supply, particularly in regional areas.
7. As the region is experiencing unprecedented growth, with new mines and other emerging industries such as hydrogen requiring a significant number of contractors, adequate worker accommodation within the Geraldton area is limited, which will have implications for the construction phase of PMaxP.
8. The Authority is responsible for the Fishing Boat Harbour (FBH) in Geraldton. A FBH Development Plan is being progressed. Phase One will focus on measures to address current inundation risks identified in the most recent environmental processes studies completed. The first stage of a boat building precinct at the FBH is underway.
9. Surge and swell within the harbour basin continue to impact the ability of the Authority to provide continuous operations throughout the year. Berths which are being developed as part of PMaxP will incorporate mitigation measures to ensure operability remains consistent with current harbour surge and swell limits. Further surge and swell mitigation studies will commence in 2023-24.
10. The Authority is undertaking 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.
11. The Authority will retain its forecast 2022-23 dividend payment of \$20.8 million to contribute to funding future infrastructure investment. This is in addition to \$28.1 million which was retained previously. Of these retained dividends, \$18 million has been allocated to the design of the PMaxP, \$5.4 million set aside for the replacement of ring main units, and \$1.8 million allocated to the construction of a wastewater treatment plant. The investment of remaining funds is pending approval of future business cases relating to the 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, agreed by the Board and Minister (with the Treasurer's concurrence).

## 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 budget management.	Facilitate, protect and grow efficient trade and tourism.	1. Improve revenue diversification and growth 2. Improve underlying profit 3. Improve long-term business value
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Operate as an exemplary corporate citizen.	4. To be a sustainable port 5. To provide a safe workplace 6. Operate in harmony with our stakeholders

### Outcomes and Key Performance Indicators

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Improve revenue diversification and growth:</b>					
Return on assets.....	16.5%	17.7%	14.5%	20.4%	
Earnings before interest, tax, depreciation and amortisation (\$'000) .....	\$42,705	\$64,453	\$46,269	\$76,389	1
Total port trade (metric ton).....	16.4	20.96	17.4	21.3	2
Number of vessel visits .....	389	502	416	535	2
<b>Outcome: Improve underlying profit:</b>					
Economic rate of return <sup>(a)</sup> .....	4.9%	21.4%	3.8%	9%	3
<b>Outcome: Improve long-term business value:</b>					
Concept design and business case preparation - Berth 1 and Berth 8 construction.....	n.a.	n.a.	n.a.	100%	
<b>Outcome: To be a sustainable port:</b>					
Number of reportable environmental incidents.....	7	<10	nil	<10	
Annual Global Real Estate Sustainability Benchmark assessment .....	n.a.	n.a.	n.a.	2 stars	
<b>Outcome: To provide a safe workplace:</b>					
Loss time injury frequency rate.....	3.9	nil	nil	nil	
<b>Outcome: Operate in harmony with our stakeholders:</b>					
All stakeholders satisfaction survey score <sup>(b)</sup> .....	65%	n.a.	n.a.	>80%	

(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) No result is reported for 2022-23 as the survey is conducted every two years rather than annually.

## Explanation of Significant Movements

(Notes)

1. Earnings before interest, tax, depreciation and amortisation for 2022-23 have been impacted by the decrease in iron ore throughput directly related to the drop in price in the October 2022 to February 2023 period.
2. Total port trade and number of vessel visits reflect reduced throughput due to two iron ore producers halting production due to the fall in \$US price during the October 2022 to February 2023 period.
3. Economic rate of return is reducing due to the revaluation of assets, resulting in a significant increase in asset value.

## Asset Investment Program

1. The Authority's 2023-24 Asset Investment Program totals \$92 million and includes spending for:
  - 1.1. the PMaxP to expand the capacity of the Port of Geraldton;
  - 1.2. a port-wide firefighting system to provide fully compliant fire systems across the port that meet standards and regulatory compliance requirements;
  - 1.3. a boat building precinct in FBH to facilitate PMaxP and support the local industry;
  - 1.4. a new wastewater treatment plant;
  - 1.5. the replacement of electrical ring main units to improve safety and environmental impact outcomes;
  - 1.6. the construction of the Eastern Breakwater Jetty to facilitate tourism to the Abrolhos Islands; and
  - 1.7. minor works projects to improve services, upgrade existing civil infrastructure, security, environmental systems, computer systems and replacement of equipment.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Eastern Breakwater Jetty .....	4,500	1,146	995	3,354	-	-	-
Port Maximisation Project.....	350,000	9,004	8,573	49,746	136,250	155,000	-
Port-Wide Firefighting System.....	13,500	1,128	934	12,372	-	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Fishing Boat Harbour - Replacement of Southern							
Walkways.....	643	643	452	-	-	-	-
Wharf 4 Deck Strengthening and Rail Replacement .....	13,427	13,427	45	-	-	-	-
<b>Other Completed Works</b>							
Minor Works - 2022-23 Program .....	7,114	7,114	7,114	-	-	-	-
Land Acquisition and Road Improvements .....	8,000	8,000	7,937	-	-	-	-
<b>NEW WORKS</b>							
Fishing Boat Harbour – Boat Building Precinct .....	10,000	-	-	8,551	1,449	-	-
Minor Works							
2023-24 Program .....	11,274	-	-	11,274	-	-	-
2024-25 Program .....	4,500	-	-	-	4,500	-	-
2025-26 Program .....	5,500	-	-	-	-	5,500	-
2026-27 Program .....	5,500	-	-	-	-	-	5,500
Replacement of Ring Main Units .....	5,424	-	-	4,882	542	-	-
Wastewater Treatment Plant.....	1,775	-	-	1,775	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>441,157</b>	<b>40,462</b>	<b>26,050</b>	<b>91,954</b>	<b>142,741</b>	<b>160,500</b>	<b>5,500</b>
<b>FUNDED BY</b>							
Borrowings.....			5,769	34,550	136,250	155,000	-
Funding Included in Department of Treasury Administered Item.....			-	1,500	-	-	-
Internal Funds and Balances.....			12,281	47,353	5,042	5,500	5,500
Drawdown from Royalties for Regions Fund.....			8,000	8,551	1,449	-	-
<b>Total Funding.....</b>			<b>26,050</b>	<b>91,954</b>	<b>142,741</b>	<b>160,500</b>	<b>5,500</b>

## **Financial Statements**

### **Income Statement**

#### *Revenue*

1. Increases in the sale of goods and services over the forward estimates period are due to additional and new product throughput which will be enabled by the PMaxP. The reduction in the Authority's 2022-23 Estimated Actual revenue forecast (relative to 2022-23 Budget) is largely attributable to lower iron ore production due to a fall in iron ore prices.
2. Other revenue over the forward estimates period represents capital recovery and operational fees of new infrastructure provided by the PMaxP.

#### *Expenses*

3. Depreciation costs significantly increase as new infrastructure is commissioned and operational.
4. Finance and interest cost increases are due to additional borrowings to fund the PMaxP.

### **Statement of Financial Position**

5. The Statement of Financial Position is materially affected by the timing of PMaxP. Refer to footnotes.

### **Statement of Cashflows**

6. The Statement of Cashflows is materially affected by the timing of PMaxP. Refer to footnotes.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	93,786	118,171	101,107	139,816	164,034	214,196	202,924
Other revenue .....	2,888	474	1,638	1,297	5,439	6,165	44,090
<b>TOTAL REVENUE.....</b>	<b>96,674</b>	<b>118,645</b>	<b>102,745</b>	<b>141,113</b>	<b>169,473</b>	<b>220,361</b>	<b>247,014</b>
<b>Expenses</b>							
Employee benefits (b).....	24,977	25,661	28,746	30,664	31,568	32,690	34,389
Supplies and services .....	18,034	17,319	17,365	22,200	21,272	18,419	19,601
Accommodation .....	2,051	2,288	1,557	2,293	3,039	3,502	3,848
Depreciation and amortisation .....	7,173	8,047	8,710	10,237	12,427	12,610	24,424
Finance and interest costs.....	276	2,336	586	2,360	9,367	17,032	16,171
Other expenses.....	8,566	8,926	8,810	9,567	10,130	10,255	14,047
<b>TOTAL EXPENSES.....</b>	<b>61,077</b>	<b>64,577</b>	<b>65,774</b>	<b>77,321</b>	<b>87,803</b>	<b>94,508</b>	<b>112,480</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>35,597</b>	<b>54,068</b>	<b>36,971</b>	<b>63,792</b>	<b>81,670</b>	<b>125,853</b>	<b>134,534</b>
National Tax Equivalent Regime							
Current tax equivalent expense .....	10,644	16,221	11,092	19,137	24,501	37,756	40,360
Deferred tax equivalent expense .....	44	-	-	-	-	-	-
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>24,909</b>	<b>37,847</b>	<b>25,879</b>	<b>44,655</b>	<b>57,169</b>	<b>88,097</b>	<b>94,174</b>
<b>Dividends .....</b>	<b>-</b>	<b>25,340</b>	<b>-</b>	<b>29,973</b>	<b>40,532</b>	<b>60,274</b>	<b>69,491</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 157, 161 and 163 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets <sup>(b)</sup> .....	30,034	26,702	38,481	28,974	45,033	65,626	92,824
Cash assets - Retained dividends.....	27,888	10,319	38,321	24,468	23,926	23,926	23,926
Receivables .....	14,466	12,489	14,271	14,508	14,327	14,313	14,357
Other.....	2,318	1,876	2,318	2,318	2,318	2,318	2,318
<b>Total current assets</b> .....	<b>74,706</b>	<b>51,386</b>	<b>93,391</b>	<b>70,268</b>	<b>85,604</b>	<b>106,183</b>	<b>133,425</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment <sup>(b)</sup> .....	139,310	252,503	157,959	239,817	370,203	518,551	500,302
Other.....	3,015	2,858	3,015	3,015	3,015	3,015	3,015
<b>Total non-current assets</b> .....	<b>142,325</b>	<b>255,361</b>	<b>160,974</b>	<b>242,832</b>	<b>373,218</b>	<b>521,566</b>	<b>503,317</b>
<b>TOTAL ASSETS</b> .....	<b>217,031</b>	<b>306,747</b>	<b>254,365</b>	<b>313,100</b>	<b>458,822</b>	<b>627,749</b>	<b>636,742</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	5,484	4,681	5,484	5,484	5,484	5,484	5,484
Payables .....	10,362	13,088	8,132	10,386	10,930	11,514	10,146
Borrowings and leases <sup>(b)</sup> .....	961	12,849	2,936	9,228	16,436	17,307	18,274
Other.....	26	655	13	13	13	13	13
<b>Total current liabilities</b> .....	<b>16,833</b>	<b>31,273</b>	<b>16,565</b>	<b>25,111</b>	<b>32,863</b>	<b>34,318</b>	<b>33,917</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	3,249	3,531	3,249	3,249	3,249	3,249	3,249
Borrowings and leases <sup>(b)</sup> .....	6,452	64,586	10,214	35,670	155,554	293,630	275,966
Other.....	1,464	1,221	1,464	1,464	1,464	1,464	1,464
<b>Total non-current liabilities</b> .....	<b>11,165</b>	<b>69,338</b>	<b>14,927</b>	<b>40,383</b>	<b>160,267</b>	<b>298,343</b>	<b>280,679</b>
<b>TOTAL LIABILITIES</b> .....	<b>27,998</b>	<b>100,611</b>	<b>31,492</b>	<b>65,494</b>	<b>193,130</b>	<b>332,661</b>	<b>314,596</b>
<b>NET ASSETS</b> .....	<b>189,033</b>	<b>206,136</b>	<b>222,873</b>	<b>247,606</b>	<b>265,692</b>	<b>295,088</b>	<b>322,146</b>
<b>EQUITY</b>							
Contributed equity <sup>(b)</sup> .....	79,857	87,857	87,857	97,908	99,357	100,930	103,305
Accumulated surplus/(deficit) <sup>(b)</sup> .....	108,388	117,491	134,267	148,949	165,586	193,409	218,092
Reserves.....	788	788	749	749	749	749	749
<b>TOTAL EQUITY</b> .....	<b>189,033</b>	<b>206,136</b>	<b>222,873</b>	<b>247,606</b>	<b>265,692</b>	<b>295,088</b>	<b>322,146</b>

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

(b) The PMaxP materially impacts the Authority's Statement of Financial Position. PMaxP will facilitate additional throughput, thereby increasing cash assets. The project will result in a significant increase in property, plant and equipment, funded by borrowings. Dividends on a proposed capital recovery charge will be refunded to the Authority via equity contributions.

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services (b).....	91,925	112,771	95,423	134,133	157,967	207,747	195,830
GST receipts (b).....	9,809	11,857	10,150	19,946	17,700	21,952	24,618
Other receipts (b).....	9,238	5,874	7,322	6,980	11,506	12,614	51,184
<b>Payments</b>							
Employee benefits.....	(24,206)	(25,661)	(28,746)	(30,665)	(31,569)	(32,690)	(34,388)
Supplies and services.....	(18,034)	(17,319)	(17,365)	(22,200)	(21,272)	(18,419)	(19,601)
Accommodation (c).....	(4,402)	(1,399)	(656)	(1,359)	(2,059)	(2,473)	(2,767)
GST payments (b).....	(9,767)	(11,627)	(9,783)	(19,948)	(17,353)	(21,514)	(24,444)
Finance and interest costs (b).....	(281)	(2,336)	(574)	(2,318)	(9,335)	(16,998)	(16,133)
Other payments.....	(10,391)	(8,924)	(8,811)	(9,567)	(10,129)	(10,255)	(14,047)
<b>Net cash from operating activities.....</b>	<b>43,891</b>	<b>63,236</b>	<b>46,960</b>	<b>75,002</b>	<b>95,456</b>	<b>139,964</b>	<b>160,252</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
Purchase of non-current assets (b).....	(16,097)	(103,782)	(26,050)	(91,954)	(142,741)	(160,500)	(5,500)
<b>Net cash from investing activities.....</b>	<b>(16,097)</b>	<b>(103,782)</b>	<b>(26,050)</b>	<b>(91,954)</b>	<b>(142,741)</b>	<b>(160,500)</b>	<b>(5,500)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings (b).....	-	74,967	5,769	34,550	136,250	155,000	-
<b>Payments</b>							
Repayment of borrowings and leases (b).....	(1,553)	(5,066)	(1,412)	(2,985)	(9,263)	(16,545)	(17,409)
<b>Net cash from financing activities.....</b>	<b>(1,553)</b>	<b>69,901</b>	<b>4,357</b>	<b>31,565</b>	<b>126,987</b>	<b>138,455</b>	<b>(17,409)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Equity contributions (b).....	-	-	-	1,500	-	1,573	2,375
Special Purpose Account(s)							
Royalties for Regions							
Regional Infrastructure and Headworks Fund.....	-	4,000	8,000	8,551	1,449	-	-
<b>Payments</b>							
Dividends to Government (b).....	-	(25,340)	-	(29,973)	(40,532)	(60,274)	(69,491)
National Tax Equivalent Regime - Income Tax (b).....	(8,890)	(11,234)	(13,486)	(17,117)	(24,122)	(37,596)	(41,948)
Local Government Rates Equivalent.....	(912)	(889)	(901)	(934)	(980)	(1,029)	(1,081)
<b>Net cash provided to Government.....</b>	<b>9,802</b>	<b>33,463</b>	<b>6,387</b>	<b>37,973</b>	<b>64,185</b>	<b>97,326</b>	<b>110,145</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD.....</b>	<b>16,439</b>	<b>(4,108)</b>	<b>18,880</b>	<b>(23,360)</b>	<b>15,517</b>	<b>20,593</b>	<b>27,198</b>
Cash assets at the beginning of the reporting period.....	41,483	41,129	57,922	76,802	53,442	68,959	89,552
<b>Cash assets at the end of the reporting period.....</b>	<b>57,922</b>	<b>37,021</b>	<b>76,802</b>	<b>53,442</b>	<b>68,959</b>	<b>89,552</b>	<b>116,750</b>

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

(b) The PMaxP materially impacts the Authority's Statement of Cashflows. Increased receipts are due to an increase in throughput, facilitated by PMaxP infrastructure. The project investment, funded by borrowings, will increase payments on GST and purchase of non-current assets, increase proceeds from and repayments of borrowings and subsequent interest payments. Increase in profitability will lead to an increase in dividends and taxes paid to Government. Dividends on a proposed capital recovery charge will be refunded to the Authority via equity contributions.

(c) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement; however, within the Statement of Cashflows it is recorded as a payment to 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

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	85,499	115,121	103,041	<b>115,702</b>	113,645	118,948	110,413
Local Government Rates Equivalent .....	3,138	3,057	3,131	<b>3,210</b>	3,290	3,372	3,456
Dividends <sup>(a)(b)</sup> .....	-	210,681	-	<b>209,664</b>	214,050	220,832	211,265
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Other Subsidies .....	6,848	9,110	8,699	<b>8,699</b>	8,699	8,699	8,699
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution.....	16,716	41,459	58,469	<b>21,671</b>	57,331	25,565	19,792
Special Purpose Accounts .....	31,972	6,050	6,050	<b>26,178</b>	-	-	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	85	85	85	<b>85</b>	85	85	85
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	582,264	707,026	643,865	<b>736,409</b>	713,395	737,670	728,120
Revenue from Government.....	6,848	9,110	8,699	<b>8,699</b>	8,699	8,699	8,699
Total Expenses <sup>(c)</sup> .....	316,952	332,398	321,090	<b>376,894</b>	359,155	366,491	384,444
Total Borrowings.....	142,199	146,973	148,573	<b>176,724</b>	140,639	102,303	81,701
<b>NET PROFIT AFTER TAX.....</b>	<b>186,661</b>	<b>268,617</b>	<b>228,433</b>	<b>252,512</b>	<b>249,294</b>	<b>260,930</b>	<b>241,962</b>
<b>CASH ASSETS <sup>(d)</sup> .....</b>	<b>609,088</b>	<b>568,547</b>	<b>832,458</b>	<b>715,756</b>	<b>820,704</b>	<b>917,297</b>	<b>1,029,891</b>

(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) The Authority will retain 2022-23 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise 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 Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustments</b>					
Port Hedland Tug Haven Revetment Wall Upgrades - Cost Increase.....	-	-	-	11,216	2,172
Price Increases.....	-	11,573	9,343	3,933	(1,931)
Staffing Increases.....	7,758	(2,617)	(6,544)	(6,745)	(6,971)
<b>Other</b>					
2022-23 Retained Dividend.....	(181,675)	-	-	-	-
Dampier Cargo Wharf Extension Reforecast.....	-	-	-	(3,518)	(13,031)
Lumsden Point General Cargo Facility and Logistics Hub Reforecast.....	(48,506)	38,837	9,669	-	-
Port Hedland Voluntary Buy-back Scheme Reforecast.....	-	-	-	-	21,851
Revenue and Expense Update.....	6,224	(9,065)	(7,801)	(4,110)	(16,294)
Utah Point Volume Update.....	(6,488)	(18,641)	(3,029)	-	-
Utah Rise and Fall Pricing.....	-	4,943	8,011	9,599	11,006

## Significant Issues Impacting the Government Trading Enterprise

### Port Hedland Revetment Works

1. Two projects are underway at the Port of Port Hedland to sustain and improve port capacity:
  - 1.1. The Tug Haven Revetment Wall Upgrade project (\$72.5 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.
  - 1.2. 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, tidal action 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.

### Port Hedland Spoilbank Marina

2. In June 2020, the Government announced that the Authority would be the lead agency for the construction of the Spoilbank Marina in Port Hedland and would be the owner and operator of the marina once it is complete. The project is being delivered in two key stages.
  - 2.1. Stage one was delivered by Main Roads on behalf of Transport and involved the construction of the truck haulage road which reached practical completion at the end of March 2021.
  - 2.2. The Authority has progressed delivering stage two, which is comprised of: bulk earthworks, revetments and breakwaters; dredging and reclamation works; marina structures; and land-side civil works. Completion of stage two works is expected in 2023-24.

### Port Hedland Voluntary Buy-back Scheme

3. 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 404 eligible properties. The offer and acceptance process to date has confirmed the rate of property acquisition is in line with assumptions in the original scheme modelling.



## 2022-23 Dividend Retention

4. The Authority will retain its forecast 2022-23 dividend payment of \$185.3 million to contribute to funding future infrastructure investment. This will give a total retained dividend of \$440.2 million after \$254.9 million was retained previously. Of the dividends retained, \$29.8 million has been allocated to the Spoilbank Marina project and \$36.4 million to the Dampier Cargo Wharf Extension. The remaining funds will be quarantined pending approval of business cases for the strategic infrastructure requirements of the Authority as part of future budgets.

## Dampier Cargo Wharf Extension

5. The Dampier Cargo Wharf Extension and Landside Redevelopment Project includes development of a new land-backed wharf that will initially support the bulk export of urea from a proposed industrial project in the region and redundancy for ageing infrastructure at the Port of Dampier. The new land-backed wharf will be a multi-user, multi-product facility capable of accommodating bulk carriers, cruise ships and general cargo vessels, as well as vessels supporting the offshore oil and gas industry.

## Lumsden Point

6. An amount of \$93.1 million was previously approved in the 2022-23 Budget for construction of seawalls and bund walls (\$66.1 million), construction of a causeway (\$12 million), and inner harbour dredging (\$15 million) at Lumsden Point. An additional \$36 million will be used for roads, corridor and the Great Northern Highway intersection. This expenditure will facilitate the future development of additional general cargo facilities and a logistics hub at Port Hedland.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## 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 budget management.	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
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Regional prosperity and development.	2. Maximise regional benefits through management of existing and future ports

## Outcomes and Key Performance Indicators

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Optimise capital structure of the Authority, including consideration of debt and equity funding of major value accretive capital investments:</b>					
Rate of return on assets.....	9.9%	11.9%	11.7%	10.8%	1
Economic rate of return <sup>(a)</sup> .....	10.3%	12%	12.4%	11.3%	1
Debt to equity ratio.....	0.33	0.38	0.30	0.29	
<b>Outcome: Maximise regional benefits through management of existing and future ports: <sup>(b)</sup></b>					
Port of Port Hedland					
Ship revenue earned per visit.....	\$140,992	\$154,605	\$148,208	\$158,178	2
Port trade ('000 tonnes).....	561,089	580,435	565,801	578,185	
Number of vessel visits.....	3,281	3,357	3,309	3,381	
Port of Dampier					
Ship revenue earned per visit.....	\$18,003	\$19,431	\$17,717	\$18,484	
Port trade ('000 tonnes).....	161,886	170,676	170,176	170,195	
Number of vessel visits.....	3,161	3,011	3,323	3,323	

(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 and Port of Varanus Island information is not included for reasons of commercial-in-confidence.

### Explanation of Significant Movements

(Notes)

- The increases in rate of return on assets and economic rate of return from the 2021-22 Actual to 2022-23 Budget and 2022-23 Estimated Actual is mainly due to an increase in adjusted earnings before interest and tax, primarily arising from increased revenue due to price increases and increased throughput. This was partially offset by an increase in assets.
- The increase in the rate of ship revenue earned per visit at the Port of Port Hedland from 2021-22 Actual to 2022-23 Budget and to 2022-23 Estimated Actual is primarily due to budgeted price increases including a 12% increase in tonnage charges.

## Asset Investment Program

1. The Authority's 2023-24 Asset Investment Program totals \$291.6 million and includes:
  - 1.1. revetment upgrades at the Port of Port Hedland;
  - 1.2. property purchases by Hedland Maritime Initiative; and
  - 1.3. construction of the Port Hedland Spoilbank Marina, the Lumsden Point General Cargo Facility and Logistics Hub, the Dampier Cargo Wharf Extension, 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 cost \$4.9 million in 2023-24 and \$14 million in the outyears.
3. The construction of the Port Hedland Spoilbank Marina is forecast to cost \$64.5 million in 2023-24. The expenditure will be funded from Royalties for Regions, other State contributions and retained dividends.
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 one in 50-year event. Four revetment locations were identified as requiring immediate upgrade. The Port Hedland Inner Harbour revetment project has forecast expenditure of \$7.9 million in 2023-24 and the Tug Haven Revetment Wall Upgrades project has forecast expenditure of \$38.5 million in 2023-24.
5. The minor works program totals \$18.9 million in 2023-24 and \$61 million in the outyears. The program provides for replacement of mobile plant and office equipment, upgrades to safety, ICT, electrical and other equipment, and infrastructure (civil and marine). An amount of \$6.4 million previously budgeted for the minor works program has been reallocated for the Tug Haven Revetment Wall Upgrades project in 2023-24.
6. The Hedland Maritime Initiative 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. The Hedland Maritime Initiative acquisition of residential properties is forecast to be \$51.3 million in 2023-24.
7. An extension to the Dampier Cargo Wharf will provide an additional 200 metre length of berth in Dampier for the export of bulk solids as well as import/export of general cargoes and other commodities. The expenditure is forecast to be \$21.4 million in 2023-24 and a total of \$173.4 million in the outyears. The Marine Offloading Facility road culvert works of \$2.5 million in 2023-24 are in support of this project.
8. The Lumsden Point General Cargo Facility and Logistics Hub will meet the demand for existing and new trade growth through the Pilbara region. Expenditure is forecast to be \$81.7 million in 2023-24 and \$36 million in 2024-25.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Port of Port Hedland							
Inner Harbour Revetment Upgrades .....	20,000	12,068	-	7,932	-	-	-
Tug Haven Revetment Wall Upgrades .....	72,536	34,065	20,813	38,471	-	-	-
<b>Other Works in Progress</b>							
Port of Ashburton - Port Infrastructure Construction							
Project .....	32,400	13,473	4,000	4,927	8,500	5,500	-
Port of Port Hedland							
Election Commitment - Spoilbank Marina .....	159,960	95,435	65,317	64,525	-	-	-
Hedland Maritime Initiative .....	175,299	124,014	48,211	51,285	-	-	-
Lumsden Point General Cargo Facility and Logistics Hub ....	129,095	11,416	11,416	81,684	35,995	-	-
<b>COMPLETED WORKS</b>							
Minor Works - 2022-23 Program .....	42,625	42,625	24,000	-	-	-	-
<b>NEW WORKS</b>							
Dampier Cargo Wharf Extension .....	194,810	-	-	21,379	73,136	76,087	24,208
Marine Offloading Facility Road Culvert .....	2,500	-	-	2,500	-	-	-
Minor Works							
2023-24 Program .....	18,860	-	-	18,860	-	-	-
2024-25 Program .....	20,323	-	-	-	20,323	-	-
2025-26 Program .....	20,323	-	-	-	-	20,323	-
2026-27 Program .....	20,323	-	-	-	-	-	20,323
<b>Total Cost of Asset Investment Program .....</b>	<b>909,054</b>	<b>333,096</b>	<b>173,757</b>	<b>291,563</b>	<b>137,954</b>	<b>101,910</b>	<b>44,531</b>
<b>FUNDED BY</b>							
Borrowings .....			-	21,379	73,136	63,400	-
Funding Included in Department of Treasury Administered Item .....			49,403	-	-	-	-
Internal Funds and Balances .....			118,304	244,006	64,818	38,510	44,531
Drawdown from Royalties for Regions Fund .....			6,050	26,178	-	-	-
<b>Total Funding .....</b>			<b>173,757</b>	<b>291,563</b>	<b>137,954</b>	<b>101,910</b>	<b>44,531</b>

## Financial Statements

### Income Statement

#### Revenue

- Revenue growth is attributable to the receipt of a \$65 million contribution from port users for the development of the Port of Port Hedland in 2023-24 (originally budgeted for 2022-23), increased throughput, and approved price increases.

#### Expenses

- Operating expenses are expected to rise from 2022-23 due to:
  - changes to the workforce plan;
  - increased depreciation due to higher asset valuations;
  - a \$21.9 million provision for a payment that may be required for land activation in relation to the Hedland Maritime Initiative;
  - higher interest costs; and
  - higher general expenditure due to the current economic environment.

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	564,678	687,745	603,462	710,597	690,629	714,612	704,763
Other revenue.....	17,586	19,281	40,403	25,812	22,766	23,058	23,357
<b>Revenue from Government</b>							
Other subsidies.....	6,848	9,110	8,699	8,699	8,699	8,699	8,699
<b>TOTAL REVENUE.....</b>	<b>589,112</b>	<b>716,136</b>	<b>652,564</b>	<b>745,108</b>	<b>722,094</b>	<b>746,369</b>	<b>736,819</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	57,685	64,554	64,452	72,085	73,904	75,389	77,266
Grants and subsidies.....	-	7,000	-	21,854	-	-	-
Supplies and services.....	82,158	79,473	67,626	84,278	84,905	88,533	89,948
Accommodation.....	37,584	45,099	42,844	46,531	46,776	47,945	49,143
Depreciation and amortisation.....	108,830	101,308	107,651	110,477	114,660	116,252	127,674
Finance and interest costs.....	4,754	4,714	6,802	8,697	6,915	5,286	6,503
Other expenses.....	25,941	30,250	31,715	32,972	31,995	33,086	33,910
<b>TOTAL EXPENSES.....</b>	<b>316,952</b>	<b>332,398</b>	<b>321,090</b>	<b>376,894</b>	<b>359,155</b>	<b>366,491</b>	<b>384,444</b>
<b>NET PROFIT/(LOSS) BEFORE TAX.....</b>	<b>272,160</b>	<b>383,738</b>	<b>331,474</b>	<b>368,214</b>	<b>362,939</b>	<b>379,878</b>	<b>352,375</b>
National Tax Equivalent Regime - Current tax equivalent expense.....	85,499	115,121	103,041	115,702	113,645	118,948	110,413
<b>NET PROFIT/(LOSS) AFTER TAX.....</b>	<b>186,661</b>	<b>268,617</b>	<b>228,433</b>	<b>252,512</b>	<b>249,294</b>	<b>260,930</b>	<b>241,962</b>
<b>Dividends.....</b>	<b>-</b>	<b>210,681</b>	<b>-</b>	<b>209,664</b>	<b>214,050</b>	<b>220,832</b>	<b>211,265</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 294, 355 and 355 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	205,239	327,637	346,972	288,574	402,022	516,802	655,427
Cash assets - Retained dividends.....	254,282	194,382	416,724	410,464	410,464	397,777	374,464
Restricted cash .....	149,567	46,528	68,762	16,718	8,218	2,718	-
Receivables .....	80,597	88,896	85,628	98,812	96,037	98,842	97,472
Other.....	15,115	13,268	15,431	16,630	16,378	16,633	16,509
<b>Total current assets .....</b>	<b>704,800</b>	<b>670,711</b>	<b>933,517</b>	<b>831,198</b>	<b>933,119</b>	<b>1,032,772</b>	<b>1,143,872</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	2,801,356	3,158,375	2,867,514	3,048,697	3,072,091	3,057,850	2,974,812
Intangibles .....	1,789	952	2,347	2,325	2,303	1,884	1,884
Other investments .....	280	302	280	280	280	280	280
Other.....	96,071	80,392	96,071	96,071	96,071	96,071	96,071
<b>Total non-current assets .....</b>	<b>2,899,496</b>	<b>3,240,021</b>	<b>2,966,212</b>	<b>3,147,373</b>	<b>3,170,745</b>	<b>3,156,085</b>	<b>3,073,047</b>
<b>TOTAL ASSETS .....</b>	<b>3,604,296</b>	<b>3,910,732</b>	<b>3,899,729</b>	<b>3,978,571</b>	<b>4,103,864</b>	<b>4,188,857</b>	<b>4,216,919</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	11,868	11,200	11,447	11,447	11,447	11,447	11,447
Payables .....	25,483	26,450	20,294	18,501	20,435	20,562	19,875
Borrowings and leases .....	58,807	16,776	19,006	19,242	19,493	19,759	19,759
Other.....	16,919	25,620	19,004	19,004	19,004	19,004	19,004
<b>Total current liabilities .....</b>	<b>113,077</b>	<b>80,046</b>	<b>69,751</b>	<b>68,194</b>	<b>70,379</b>	<b>70,772</b>	<b>70,085</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,199	1,568	1,193	1,193	1,193	1,192	1,191
Borrowings and leases .....	124,280	224,387	170,432	219,727	256,531	281,329	259,587
Other.....	665,075	766,226	664,856	605,262	598,991	593,131	593,131
<b>Total non-current liabilities .....</b>	<b>790,554</b>	<b>992,181</b>	<b>836,481</b>	<b>826,182</b>	<b>856,715</b>	<b>875,652</b>	<b>853,909</b>
<b>TOTAL LIABILITIES.....</b>	<b>903,631</b>	<b>1,072,227</b>	<b>906,232</b>	<b>894,376</b>	<b>927,094</b>	<b>946,424</b>	<b>923,994</b>
<b>NET ASSETS .....</b>	<b>2,700,665</b>	<b>2,838,505</b>	<b>2,993,497</b>	<b>3,084,195</b>	<b>3,176,770</b>	<b>3,242,433</b>	<b>3,292,925</b>
<b>EQUITY</b>							
Contributed equity .....	421,184	502,646	485,703	533,552	590,883	616,448	636,241
Accumulated surplus/(deficit).....	699,573	756,420	928,007	970,856	1,006,100	1,046,198	1,076,897
Reserves.....	1,579,908	1,579,439	1,579,787	1,579,787	1,579,787	1,579,787	1,579,787
<b>TOTAL EQUITY .....</b>	<b>2,700,665</b>	<b>2,838,505</b>	<b>2,993,497</b>	<b>3,084,195</b>	<b>3,176,770</b>	<b>3,242,433</b>	<b>3,292,925</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	523,078	689,722	622,133	775,918	711,476	731,474	721,038
GST receipts .....	61,634	-	-	-	-	-	-
Other receipts .....	54,563	2,361	24,506	10,180	10,180	10,180	10,180
<b>Payments</b>							
Employee benefits.....	(56,698)	(64,239)	(64,449)	(72,084)	(73,903)	(75,389)	(77,265)
Supplies and services .....	(77,659)	(75,514)	(63,034)	(79,524)	(80,032)	(83,539)	(84,829)
Accommodation (b).....	(34,446)	(42,042)	(39,713)	(43,321)	(43,486)	(44,573)	(45,687)
GST payments .....	(25,159)	-	-	-	-	-	-
Finance and interest costs.....	(4,581)	(3,521)	(7,844)	(9,647)	(7,889)	(6,284)	(7,526)
Other payments.....	(92,177)	(41,700)	(42,415)	(122,783)	(41,207)	(43,809)	(39,714)
<b>Net cash from operating activities .....</b>	<b>348,555</b>	<b>465,067</b>	<b>429,184</b>	<b>458,739</b>	<b>475,139</b>	<b>488,060</b>	<b>476,197</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	5	-	-	-	-	-	-
<b>Payments</b>							
Purchase of non-current assets .....	(132,936)	(339,366)	(173,757)	(291,563)	(137,954)	(101,910)	(44,531)
<b>Net cash from investing activities.....</b>	<b>(132,931)</b>	<b>(339,366)</b>	<b>(173,757)</b>	<b>(291,563)</b>	<b>(137,954)</b>	<b>(101,910)</b>	<b>(44,531)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	40,000	62,459	10,000	53,380	73,140	63,400	-
<b>Payments</b>							
Repayment of borrowings and leases .....	(19,472)	(3,625)	(9,103)	(65,230)	(40,422)	(44,069)	(22,429)
<b>Net cash from financing activities.....</b>	<b>20,528</b>	<b>58,834</b>	<b>897</b>	<b>(11,850)</b>	<b>32,718</b>	<b>19,331</b>	<b>(22,429)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Equity contributions.....	16,716	41,459	58,469	21,671	57,331	25,565	19,792
Special Purpose Account(s)							
Royalties for Regions							
Regional Infrastructure and Headworks							
Fund.....	31,972	6,050	6,050	26,178	-	-	-
Other subsidies .....	6,848	9,110	8,699	8,699	8,699	8,699	8,699
<b>Payments</b>							
Dividends to Government .....	-	(210,681)	-	(209,664)	(214,050)	(220,832)	(211,265)
National Tax Equivalent Regime - Income Tax..	(102,279)	(114,297)	(103,041)	(115,702)	(113,645)	(118,948)	(110,413)
Local Government Rates Equivalent.....	(3,138)	(3,057)	(3,131)	(3,210)	(3,290)	(3,372)	(3,456)
<b>Net cash provided to Government .....</b>	<b>49,881</b>	<b>271,416</b>	<b>32,954</b>	<b>272,028</b>	<b>264,955</b>	<b>308,888</b>	<b>296,643</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>186,271</b>	<b>(86,881)</b>	<b>223,370</b>	<b>(116,702)</b>	<b>104,948</b>	<b>96,593</b>	<b>112,594</b>
Cash assets at the beginning of the reporting period .....	422,817	655,428	609,088	832,458	715,756	820,704	917,297
<b>Cash assets at the end of the reporting period .....</b>	<b>609,088</b>	<b>568,547</b>	<b>832,458</b>	<b>715,756</b>	<b>820,704</b>	<b>917,297</b>	<b>1,029,891</b>

(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 it is recorded as a payment to 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

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	15,707	16,154	17,051	14,849	31,248	35,786	36,420
Local Government Rates Equivalent .....	945	690	690	855	718	732	750
Dividends <sup>(a)(b)</sup> .....	-	27,593	-	26,948	51,557	60,640	63,458
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies.....	12,372	5,565	10,010	-	-	-	-
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Special Purpose Accounts .....	-	13,653	3,767	8,525	8,178	-	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	75	75	75	75	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	150,011	168,123	168,123	183,602	227,329	246,399	250,450
Revenue from Government.....	12,372	5,565	10,010	-	-	-	-
Total Expenses <sup>(c)</sup> .....	108,850	119,838	121,294	134,106	123,171	127,113	129,046
Total Borrowings.....	6,194	4,805	4,805	3,334	1,949	539	-
<b>NET PROFIT AFTER TAX.....</b>	<b>37,826</b>	<b>37,696</b>	<b>39,788</b>	<b>34,647</b>	<b>72,910</b>	<b>83,500</b>	<b>84,984</b>
<b>CASH ASSETS <sup>(d)</sup> .....</b>	<b>105,487</b>	<b>53,438</b>	<b>109,256</b>	<b>74,360</b>	<b>73,401</b>	<b>100,630</b>	<b>129,387</b>

- (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) The Authority will retain 2022-23 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise 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 Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustments</b>					
Conveyor Widening Berth 8 - Port of Bunbury .....	-	-	914	1,019	890
Crane Repairs.....	-	-	(747)	(888)	(888)
Electrical Infrastructure - Albany and Bunbury .....	-	-	-	-	(305)
Operational Technology Renewals - All Southern Ports.....	-	-	-	(1,290)	(1,535)
Port Roads Upgrade Esperance (Stage One).....	-	-	(128)	(153)	(153)
<b>Other</b>					
2022-23 Retained Dividend.....	(28,770)	-	-	-	-
Government Support Package Adjustment <sup>(a)</sup> .....	(1,361)	583	-	-	-
Iron Ore Shed 3 Recladding - Recashflow Esperance <sup>(b)</sup> .....	-	(981)	(1,167)	(186)	-
Trade and Operating Expenditure Revisions <sup>(c)</sup> .....	(1,010)	(8,114)	29,038	39,465	40,507

(a) Government support package adjustment related to iron ore volume movements through to support package expiry in 2022-23.

(b) Updated forecast on completion of iron ore shed recladding project to 2024-25.

(c) Trade and operating expenditure revisions are driven by pricing and trade projections.

## Significant Issues Impacting the Government Trading Enterprise

### Trade Development

1. The Authority will continue to provide latent capacity to accommodate third party access to its ports. Its focus is on remaining agile to meet changing market conditions of commodities to mitigate the risk of reliance on any one commodity. The Authority continues to facilitate the optimisation of supply links for its customers and the State across all three of its ports and to create a pipeline of trade opportunities across various commodities.

### Port Development

2. A key strategic tool has been the recent development of Port Master Plans which consider current and future trade opportunities and how these could influence development within each port. A key priority is the ongoing development of long-term asset management plans, funding of major maintenance, and asset renewal plans necessary to sustain existing capacity and capability necessary to facilitate trade.

### Sustainability

3. The Authority continues to pursue sustainability in its operations, building a solid reputation with 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. The Authority will also incorporate the State's goal of achieving 80% net zero greenhouse gas emissions reductions by 2030.

### Innovation

4. The Authority is focused on transitioning to a digital organisation by 2025 and has its 'Future Ports' strategy implemented to bring the right technologies and innovation to the Authority and its customers. This includes improving digital reporting capability to enable more efficient decision-making.

### 2022-23 Dividend Retention

5. The Authority is retaining its 2021-22 and 2022-23 dividend payment of \$66.7 million and \$29.5 million respectively to fund future infrastructure investment. Of the retained dividend, \$54.8 million will be used to fund the Sustaining Capital Works program from 2023-27, at a cost of \$16.7 million, along with two new projects, Crane Refurbishment and Esperance Port Roads Upgrades, at a combined cost of \$13.9 million.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer’s concurrence).

## 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 budget management.	Financially sustainable.	1. Maximise opportunities to create value for the State
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Strong regional jobs.	2. Maintain a flexible and nimble organisational structure with clear accountabilities for competent and knowledgeable personnel
Investing in WA’s Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Maximise opportunities to create value for the State:</b>					
Return on assets.....	12.5%	11.3%	11.1%	9.3%	1
Earnings before interest, taxes, depreciation and amortisation (\$'000).....	64,289	66,856	69,848	62,196	1
Economic rate of return <sup>(a)</sup> .....	7.8%	7.3%	7.8%	6.2%	1
Debt to equity ratio.....	0.1	0.09	0.09	0.08	
<b>Outcome: Maintain a flexible and nimble organisational structure with clear accountabilities for competent and knowledgeable personnel:</b>					
Customer satisfaction score - Corporate index score.....	Survey not conducted	>65	73	>65	
Loss time injury frequency rate.....	4.6	nil or 10% reduction	2.4	nil or 10% reduction	
Cultural entropy score <sup>(b)</sup> .....	33	n.a.	n.a.	<30	2
Total number of vessel visits.....	791	724	724	784	3
Total port trade tonnes (Kt).....	36,065	32,652	32,652	36,520	4
<b>Outcome: Maintain a solid reputation with customers and the community for creating long-term value which protects the environment and heritage assets:</b>					
Number of reportable environment incidents.....	nil	nil or 10% reduction	nil	nil or 10% reduction	

(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) The cultural entropy score is measured by a staff culture survey and represents the gap between three factors: employees' personal values, the perceived values of the organisation, and the desired values of the organisation.

### Explanation of Significant Movements

(Notes)

1. The lower return on assets forecast for the 2023-24 Budget Target is due to a reduction in earnings before interest, taxes, depreciation and amortisation from a one-off transfer of assets on termination of lease arrangements in 2022-23 of \$18.2 million, end of the Government support package for Koolyanobbing iron ore subsidy during 2022-23 of \$10 million, and net operating revenue changes increasing \$20.5 million.
2. The cultural entropy score survey is completed biannually and is out of cycle in 2022-23.
3. The increase in vessel visits forecast in the 2023-24 Budget Target correlates with increased total port trade tonnes.
4. The Authority consults with port users to obtain current trade forecasts, with the main movement in year-on-year trade increasing due to revised grain, spodumene and iron ore volumes in the 2023-24 Budget Target.

## **Asset Investment Program**

1. The Authority's Asset Investment Program for 2023-24 to 2026-27 totals \$129.9 million, investing in projects to support the regional development and economic growth of the State through the import and export of various commodities.

### **New Projects**

2. The Authority will spend \$43.8 million over 2023-24 to 2026-27 on the following infrastructure projects:
  - 2.1. \$17.4 million on operational technology across the three ports to reduce the risk of operational down-time, device failure and security risks;
  - 2.2. \$7.4 million to upgrade the Esperance port access road to provide safe and functional heavy vehicle access, supporting recent growth in non-iron ore trade transported by road;
  - 2.3. \$6.8 million on electrical infrastructure upgrades in Albany and Bunbury to meet minimum compliance requirements and mitigate critical electricity reliability and fire risk issues;
  - 2.4. \$6.5 million for crane refurbishment to sustain continuing operation; and
  - 2.5. \$5.7 million for Bunbury conveyor widening on Berth 8, increasing capacity to support current and future export growth.

### **Existing Projects and Minor Works**

3. The Authority will spend \$23.8 million in 2023-24 on the following existing projects:
  - 3.1. \$9 million of minor works across its three ports for the replacement of plant and equipment, improvements to port infrastructure and other civil works;
  - 3.2. \$8.6 million on the Sustaining Capital Works program to ensure all major assets are in suitable condition to facilitate trade across all three ports;
  - 3.3. \$2.8 million on the Bunbury Pilot Launch replacement to ensure safe transfer of pilots in all weather conditions;
  - 3.4. \$1.6 million on the Bunbury Berth 8 Precinct Fire Ring Main to complete the Berth 8 fire protection system;
  - 3.5. \$1 million on Bunbury Berth 8 capacity upgrades to facilitate trade; and
  - 3.6. \$0.8 million on Esperance Iron Ore Shed Recladding to maintain storage capacity and trade opportunities.

### **COVID-19 Response**

4. The Authority will spend \$9 million in 2023-24 on the following infrastructure projects:
  - 4.1. \$8.5 million on the design and construction of a new public access road and bridge to Turkey Point at the Port of Bunbury; and
  - 4.2. \$0.5 million at the Port of Esperance for the Berth 2 Hardstand and Stormwater System.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Port of Bunbury - Inner Harbour Access Bridge .....	20,470	3,767	3,279	8,525	8,178	-	-
<b>Other Works in Progress</b>							
Infrastructure - Sustaining Capital Works.....	16,652	2,814	2,814	8,580	1,783	1,379	2,096
Port of Bunbury							
Berth 8 Capacity Upgrade .....	8,882	7,843	45	1,039	-	-	-
Berth 8 Precinct Fire Ring Main (Stage Two) .....	3,230	1,630	1,630	1,600	-	-	-
Pilot Launch Replacement.....	3,577	750	750	2,827	-	-	-
Port of Esperance							
Berth 2 Hardstand and Stormwater System (Stage Two) .....	5,640	5,140	5,140	500	-	-	-
Iron Ore Shed 3 Recladding .....	14,580	946	750	750	12,884	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Port of Bunbury - Berth 8 Substation Replacement.....	1,500	1,500	1,277	-	-	-	-
Port of Esperance							
Additional Container Hardstand .....	2,000	2,000	430	-	-	-	-
Berth 2 Hardstand and Stormwater System .....	5,000	5,000	4,728	-	-	-	-
Sealing Internal Port Roads .....	1,500	1,500	257	-	-	-	-
<b>Other Completed Works</b>							
Minor Works - 2022-23 Program .....	21,483	21,483	12,680	-	-	-	-
<b>NEW WORKS</b>							
Infrastructure							
Electrical Infrastructure - Albany and Bunbury .....	6,800	-	-	2,000	3,200	1,600	-
Operational Technology Renewals - All Southern Ports ....	17,400	-	-	9,200	8,200	-	-
Minor Works							
2023-24 Program .....	9,000	-	-	9,000	-	-	-
2024-25 Program .....	9,000	-	-	-	9,000	-	-
2025-26 Program .....	18,000	-	-	-	-	9,000	9,000
Port of Bunbury - CV13 Widening Berth 8 .....	5,700	-	-	4,200	1,500	-	-
Port of Esperance							
Crane Repairs .....	6,460	-	-	6,460	-	-	-
Port Roads Upgrade (Stage One).....	7,400	-	-	7,400	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>184,274</b>	<b>54,373</b>	<b>33,780</b>	<b>62,081</b>	<b>44,745</b>	<b>11,979</b>	<b>11,096</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			30,013	53,556	36,567	11,979	11,096
Drawdown from Royalties for Regions Fund.....			3,767	8,525	8,178	-	-
<b>Total Funding .....</b>			<b>33,780</b>	<b>62,081</b>	<b>44,745</b>	<b>11,979</b>	<b>11,096</b>

## **Financial Statements**

### **Income Statement**

#### *Revenue*

1. Revenue from operations has been revised for the 2022-23 Estimated Actual and 2023-24 Budget Year to align with current expectations of reduced throughput. While some reductions in revenue forecasts to reflect trade forecasts for 2024-25 to 2026-27 are anticipated, these will be considered for update once impacts are better understood. Other revenue in the 2022-23 Estimated Actual includes \$18.2 million income realised on transfer of assets on expiration of contractual arrangements.
2. The operating subsidy ceased during 2022-23. The Authority previously received 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.

#### *Expenses*

3. A significant portion of the increasing supplies and services in the 2023-24 Budget Year are costs to support the development and implementation of an Enterprise Resource Planning system to replace the Authority's legacy financial management system.
4. Total expenses have been revised for the 2022-23 Estimated Actual and 2023-24 Budget Year to reflect expected increases in budgeted expenditure. While some increases in expenditure (primarily relating to maintenance costs, supplies and services) relative to current trade forecasts are expected for 2024-25 to 2026-27, these will be considered for update once the full impacts are better understood.

### **Statement of Financial Position**

5. Movements in cash assets relate to timing of dividend payments and Asset Investment Program funding assumptions.
6. 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)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	147,663	138,025	138,025	175,041	212,247	231,055	234,726
Other revenue (b) .....	2,348	30,098	30,098	8,561	15,082	15,344	15,724
<b>Revenue from Government</b>							
Operating subsidies.....	12,372	5,565	10,010	-	-	-	-
<b>TOTAL REVENUE.....</b>	<b>162,383</b>	<b>173,688</b>	<b>178,133</b>	<b>183,602</b>	<b>227,329</b>	<b>246,399</b>	<b>250,450</b>
<b>Expenses</b>							
Employee benefits (c) .....	39,632	46,184	47,570	47,676	49,693	50,748	50,838
Supplies and services .....	37,922	43,464	43,464	52,696	39,972	40,702	41,802
Accommodation .....	10,296	9,045	9,045	9,826	9,905	10,082	10,334
Depreciation and amortisation .....	10,432	12,808	12,808	13,648	15,020	16,912	17,255
Finance and interest costs.....	497	351	351	264	179	93	95
Other expenses.....	10,071	7,986	8,056	9,996	8,402	8,576	8,722
<b>TOTAL EXPENSES.....</b>	<b>108,850</b>	<b>119,838</b>	<b>121,294</b>	<b>134,106</b>	<b>123,171</b>	<b>127,113</b>	<b>129,046</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>53,533</b>	<b>53,850</b>	<b>56,839</b>	<b>49,496</b>	<b>104,158</b>	<b>119,286</b>	<b>121,404</b>
National Tax Equivalent Regime - Current tax equivalent expense .....	15,707	16,154	17,051	14,849	31,248	35,786	36,420
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>37,826</b>	<b>37,696</b>	<b>39,788</b>	<b>34,647</b>	<b>72,910</b>	<b>83,500</b>	<b>84,984</b>
<b>Dividends .....</b>	<b>-</b>	<b>27,593</b>	<b>-</b>	<b>26,948</b>	<b>51,557</b>	<b>60,640</b>	<b>63,458</b>

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

(b) Other revenue includes \$18.2 million that relates to the end of the Mineral Resources Limited's agreement, part of which includes the recognition of assets in 2022-23.

(c) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 250, 259 and 278 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	38,799	71	22,682	5,204	9,228	37,836	68,689
Cash assets - Retained dividends.....	66,688	53,367	86,574	69,156	64,173	62,794	60,698
Receivables .....	19,945	27,524	21,012	24,272	25,289	26,579	24,825
Other.....	7,088	5,082	7,406	7,745	7,837	7,930	7,930
<b>Total current assets .....</b>	<b>132,520</b>	<b>86,044</b>	<b>137,674</b>	<b>106,377</b>	<b>106,527</b>	<b>135,139</b>	<b>162,142</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	173,461	243,985	212,715	261,148	291,156	286,120	280,104
Receivables .....	6,403	4,949	4,949	3,402	1,754	1	1
Other.....	9,210	9,110	9,382	9,566	9,615	9,665	9,665
<b>Total non-current assets .....</b>	<b>189,074</b>	<b>258,044</b>	<b>227,046</b>	<b>274,116</b>	<b>302,525</b>	<b>295,786</b>	<b>289,770</b>
<b>TOTAL ASSETS .....</b>	<b>321,594</b>	<b>344,088</b>	<b>364,720</b>	<b>380,493</b>	<b>409,052</b>	<b>430,925</b>	<b>451,912</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	8,901	8,139	9,053	9,714	9,872	10,034	10,034
Payables .....	4,123	7,879	4,232	4,327	4,521	4,721	4,721
Borrowings and leases .....	1,782	1,473	1,866	1,778	1,803	932	393
Other.....	3,377	2,041	4,001	4,187	4,220	4,254	4,254
<b>Total current liabilities .....</b>	<b>18,183</b>	<b>19,532</b>	<b>19,152</b>	<b>20,006</b>	<b>20,416</b>	<b>19,941</b>	<b>19,402</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	1,052	1,399	1,127	1,207	1,235	1,264	1,264
Borrowings and leases .....	5,319	3,513	3,846	2,461	1,051	510	510
Other.....	4,465	5,227	4,465	4,465	4,465	4,465	4,465
<b>Total non-current liabilities .....</b>	<b>10,836</b>	<b>10,139</b>	<b>9,438</b>	<b>8,133</b>	<b>6,751</b>	<b>6,239</b>	<b>6,239</b>
<b>TOTAL LIABILITIES.....</b>	<b>29,019</b>	<b>29,671</b>	<b>28,590</b>	<b>28,139</b>	<b>27,167</b>	<b>26,180</b>	<b>25,641</b>
<b>NET ASSETS .....</b>	<b>292,575</b>	<b>314,417</b>	<b>336,130</b>	<b>352,354</b>	<b>381,885</b>	<b>404,745</b>	<b>426,271</b>
<b>EQUITY</b>							
Contributed equity .....	94,899	110,399	98,666	107,191	115,369	115,369	115,369
Accumulated surplus/(deficit).....	182,861	189,203	222,649	230,348	251,701	274,561	296,087
Reserves.....	14,815	14,815	14,815	14,815	14,815	14,815	14,815
<b>TOTAL EQUITY .....</b>	<b>292,575</b>	<b>314,417</b>	<b>336,130</b>	<b>352,354</b>	<b>381,885</b>	<b>404,745</b>	<b>426,271</b>

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



**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	132,990	119,846	123,682	158,049	196,655	212,715	217,143
GST receipts .....	15,622	16,350	16,350	18,137	19,019	19,601	19,601
Other receipts (b).....	18,387	25,311	25,311	22,387	29,757	32,498	33,307
<b>Payments</b>							
Employee benefits.....	(38,896)	(46,004)	(47,390)	(46,949)	(49,506)	(50,557)	(50,838)
Supplies and services .....	(39,565)	(43,386)	(43,103)	(53,701)	(40,041)	(40,380)	(41,802)
Accommodation (c).....	(9,351)	(8,355)	(8,355)	(8,971)	(9,187)	(9,350)	(9,584)
GST payments .....	(15,751)	(16,350)	(16,350)	(18,136)	(19,019)	(19,600)	(19,600)
Finance and interest costs.....	(478)	(348)	(348)	(264)	(176)	(90)	(92)
Other payments.....	(11,034)	(7,986)	(8,056)	(9,049)	(8,402)	(8,577)	(8,726)
<b>Net cash from operating activities .....</b>	<b>51,924</b>	<b>39,078</b>	<b>41,741</b>	<b>61,503</b>	<b>119,100</b>	<b>136,260</b>	<b>139,409</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Payments</b>							
Purchase of non-current assets .....	(18,055)	(59,388)	(33,780)	(62,081)	(44,745)	(11,979)	(11,096)
<b>Net cash from investing activities.....</b>	<b>(18,055)</b>	<b>(59,388)</b>	<b>(33,780)</b>	<b>(62,081)</b>	<b>(44,745)</b>	<b>(11,979)</b>	<b>(11,096)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Other proceeds .....	1,283	1,366	1,366	1,454	1,548	1,648	1,754
<b>Payments</b>							
Repayment of borrowings and leases.....	(1,857)	(1,521)	(1,521)	(1,645)	(1,517)	(1,542)	(682)
<b>Net cash from financing activities.....</b>	<b>(574)</b>	<b>(155)</b>	<b>(155)</b>	<b>(191)</b>	<b>31</b>	<b>106</b>	<b>1,072</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Operating subsidies.....	12,372	5,565	10,010	-	-	-	-
Special Purpose Accounts							
Royalties for Regions							
Regional Infrastructure and Headworks Fund.....	-	13,653	3,767	8,525	8,178	-	-
<b>Payments</b>							
Dividends to Government.....	-	(27,593)	-	(26,948)	(51,557)	(60,640)	(63,458)
National Tax Equivalent Regime - Income Tax..	(18,645)	(16,227)	(17,124)	(14,849)	(31,248)	(35,786)	(36,420)
Local Government Rates Equivalent.....	(945)	(690)	(690)	(855)	(718)	(732)	(750)
<b>Net cash provided to Government .....</b>	<b>7,218</b>	<b>25,292</b>	<b>4,037</b>	<b>34,127</b>	<b>75,345</b>	<b>97,158</b>	<b>100,628</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>26,077</b>	<b>(45,757)</b>	<b>3,769</b>	<b>(34,896)</b>	<b>(959)</b>	<b>27,229</b>	<b>28,757</b>
Cash assets at the beginning of the reporting period .....	79,410	99,195	105,487	109,256	74,360	73,401	100,630
<b>Cash assets at the end of the reporting period .....</b>	<b>105,487</b>	<b>53,438</b>	<b>109,256</b>	<b>74,360</b>	<b>73,401</b>	<b>100,630</b>	<b>129,387</b>

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

(b) Other receipts mainly include rentals, leases and recoupsments of rental related expenses.

(c) Payment of Local Government Rates Equivalent is included within accommodation expense on the Income Statement; however, within the Statement of Cashflows it is recorded as a payment to 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	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Water and Environmental Regulation		
– Total Cost of Services .....	244,639	292,924
– Asset Investment Program .....	26,049	28,570
Biodiversity, Conservation and Attractions		
– Total Cost of Services .....	487,897	565,592
– Asset Investment Program .....	114,570	160,206

## Ministerial Responsibilities

Minister	Agency	Services
Minister for Training; Water; Youth	Water and Environmental Regulation	<ol style="list-style-type: none"> <li>1. Water Information and Advice</li> <li>2. Water Planning, Allocation and Optimisation</li> <li>3. Water Regulation, Licensing and Industry Governance</li> </ol>
Minister for Training; Water; Youth	Water and Environmental Regulation	<ol style="list-style-type: none"> <li>5. Water and Environment Policy</li> </ol>
Minister for Environment; Climate Action; Racing and Gaming	Water and Environmental Regulation	<ol style="list-style-type: none"> <li>4. Environmental Regulation</li> <li>6. Waste Strategies</li> <li>7. Environmental Impact Assessment Services to the Environmental Protection Authority (EPA)</li> <li>8. Environmental Management Services to the EPA</li> <li>9. Compliance Monitoring Services to the Minister</li> </ol>
	Biodiversity, Conservation and Attractions	<ol style="list-style-type: none"> <li>1. Visitor Services and Public Programs Provided at Kings Park and Bold Park</li> <li>3. Visitor Services and Public Programs Provided at Perth Zoo</li> <li>4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark</li> <li>5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters</li> <li>6. Conserving Habitats, Species and Ecological Communities</li> <li>7. Research and Conservation Partnerships</li> <li>8. Implementation of the Forest Management Plan</li> <li>9. Prescribed Burning and Fire Management</li> <li>10. Bushfire Suppression</li> </ol>
Deputy Premier; Minister for State Development, Jobs and Trade; Hydrogen Industry; Tourism; Science	Biodiversity, Conservation and Attractions	<ol style="list-style-type: none"> <li>2. Visitor Services and Public Programs Provided at Rottnest Island</li> </ol>

Division 41 **Water and Environmental Regulation**

Part 10 **Environment**

**Appropriations, Expenses and Cash Assets**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 84 Net amount appropriated to deliver services .....	99,990	125,414	110,263	<b>126,655</b>	110,229	102,052	93,828
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	402	403	403	<b>404</b>	414	424	435
Total appropriations provided to deliver services.....	100,392	125,817	110,666	<b>127,059</b>	110,643	102,476	94,263
<b>CAPITAL</b>							
Item 150 Capital Appropriation.....	11,443	14,277	10,670	<b>10,440</b>	9,894	7,697	6,955
<b>TOTAL APPROPRIATIONS</b> .....	<b>111,835</b>	<b>140,094</b>	<b>121,336</b>	<b>137,499</b>	<b>120,537</b>	<b>110,173</b>	<b>101,218</b>
<b>EXPENSES</b>							
Total Cost of Services .....	182,373	276,432	244,639	<b>292,924</b>	254,761	229,319	218,399
Net Cost of Services <sup>(a)</sup> .....	45,498	119,854	88,339	<b>152,790</b>	116,545	91,911	92,904
<b>CASH ASSETS</b> <sup>(b)</sup> .....	103,160	60,091	99,962	<b>59,919</b>	43,634	40,828	37,007

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

## Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiatives</b>					
Approved Recovered Materials .....	-	955	790	-	-
Building Climate Action Capacity .....	-	201	876	1,069	1,648
Climate Action Fund					
Green Energy Approvals .....	1,663	6,368	5,789	5,849	5,882
Urban Greening Grants .....	-	1,250	2,500	-	-
Climate Action Fund - Climate Adaptation					
Building Climate Resilience of West Kimberley Traditional Owners .....	-	562	766	536	-
Climate Change Impacts on Western Australia's Water Resources .....	-	1,000	316	-	-
Climate Science Initiative Stage Two .....	-	156	578	1,333	1,338
Creating Climate Resilient Rivers .....	-	405	596	349	150
First Nations Climate Resilience Fund .....	-	675	1,175	-	-
Heat Modelling of Perth Metropolitan Area .....	-	267	269	271	-
Sector Adaptation Plan Program .....	-	415	217	219	-
Western Australian Adaptation Research Hub .....	-	256	-	-	-
Commonwealth Funding - Food Waste for Healthy Soils .....	2,125	1,875	1,625	-	-
Compliance Resourcing .....	-	1,484	1,500	1,515	1,525
Digital Capability Fund - Native Vegetation Policy Implementation .....	-	510	564	620	-
Gnangara Groundwater Allocation Plan - Water Efficiency Scheme .....	1,000	-	-	-	-
Perth and Peel Regional Planning .....	-	1,131	537	544	-
<b>Ongoing Initiatives</b>					
Commonwealth Funding - Indian Ocean Territories .....	-	-	(634)	(136)	-
Healthy Estuaries WA .....	-	-	6,250	6,250	6,250
Murujuga Aboriginal Corporation Resourcing .....	95	195	97	-	-
National Pollutant Inventory Resourcing .....	-	180	183	-	-
Noise Regulation Assessments Resourcing .....	-	168	170	171	173
Pilbara Environmental Offsets Fund - Revised Expenditure .....	(1,279)	-	-	-	-
Yamatji Nation Indigenous Land Use Agreement - Indexation .....	-	1	1	-	-
<b>Other</b>					
Government Regional Officer Housing .....	48	45	49	50	54
Public Sector Wages Policy .....	6,413	5,582	7,029	8,662	2,573
Regional Workers Incentive Allowance .....	5	5	5	5	62
State Administrative Tribunal .....	-	-	9	19	30
State Fleet Policy and Procurement Initiatives .....	(26)	58	64	98	87

## Significant Issues Impacting the Agency

### Climate Adaptation

1. The Western Australian Climate Policy establishes the Government's commitment to develop a State-wide Climate Adaptation Strategy (Strategy) and action plan to support Western Australian industries, cities and regions, to identify and manage climate impacts and enhance climate resilience. The Strategy will build on the Climate Resilient WA: Directions for the State's Climate Adaptation Strategy paper, released in December 2022.
2. The Government is already implementing important climate adaptation initiatives, including investments in water supply and demand measures, and coastal erosion responses at the local government level. The 2023-24 Budget has funded priority adaptation initiatives, to be led by the Department and other key State agencies, to support the delivery of the Strategy. These initiatives will enhance the State's adaptation response, by: producing and communicating credible climate information; building public sector climate capability and strengthening accountability; enhancing sector-wide and community partnerships to unite and coordinate action; and empowering and supporting the climate resilience of Aboriginal people.

### Compliance and Regulatory Approvals

3. Due to the growth in Western Australia's mining, oil and gas, industrial and renewable sectors, the Department and the Environmental Protection Authority (EPA) have experienced a significant surge in works approval and licence applications, referrals and environmental management plan approvals. This surge has been particularly evident in the strategically important and complex critical mineral and renewable energy and fuel sector.
4. The Department is committed to a program of reform to address compliance matters. This includes greater use of technologies including drone, satellite and other remote sensing technologies along with the establishment of integrated and place-based compliance teams.
5. In addition, the Department continues to progress reforms through implementation of the *Environmental Protection Amendment Act 2020*, Streamline WA, and the development of Environment Online.

### Green Energy Approvals

6. In response to the growth of the renewable energy sector and to establish Western Australia as a global green energy superpower, in December 2022 the Government announced a \$22.5 million commitment to establish a cross-agency team to deliver faster environmental approval decisions for proponents in Western Australia's renewable energy sector.
7. The Department is leading the implementation of the Green Energy Approvals initiative with partner agencies including: Jobs, Tourism, Science and Innovation; Biodiversity, Conservation and Attractions; Mining, Industry Regulation and Safety; and Planning, Lands and Heritage.
8. This whole-of-government collaboration will drive timely assessments and approvals of green energy projects in Western Australia and deliver strong environmental outcomes for the community.
9. Projects included in this whole-of-government Green Energy Approvals initiative will include conventional wind, solar and wave power generators; hydrogen industries; lithium mining and critical minerals processing; and construction or manufacturing of green energy products such as batteries, electrolyzers, solar panels and turbines.
10. The Green Energy Approvals initiative will drive delivery of green energy solutions for Western Australia, underscoring the Government's commitment to net zero by 2050.

### Healthy Estuaries WA

11. Healthy Estuaries WA, funded through Royalties for Regions at \$6.25 million per annum, is building the science-base and taking on-ground actions needed to protect water quality and the economic, environmental, social and cultural benefits that rely on having healthy estuaries. Healthy Estuaries WA coordinates and implements common actions across seven at-risk estuaries, building regional capability, promoting whole-of-industry engagement, and strengthening cooperative networks to share resources and knowledge.
12. Through a regional partnership model, on-ground works are focused on reducing nutrient losses from agricultural catchments through fertiliser and dairy effluent management, use of soil amendments, stock exclusion fencing to prevent soil erosion and animal manures, and innovative remediation to reduce phosphorus in streams.

### Regulatory Reform

13. The passing of the *Environmental Protection Amendment Act 2020* (EP Amendment Act) in November 2020 resulted in the most significant reform of Western Australian environmental legislation in 30 years.
14. A key reform resulting from the amendments is the regulation of prescribed activities rather than prescribed premises. On 12 September 2022, the Department released a discussion paper: *Environmental Regulation Reform - A Strategic Review of Regulatory Delivery and Fees for Industry Regulation*.
15. The paper identifies changes necessary to bring the third stage of the EP Amendment Act provisions into force, along with opportunities for reforming change that can be implemented in the future. It foreshadows and seeks stakeholder views on further improvements that could be implemented through a program of regulatory reform that would extend beyond 2023.

### **Murujuga Rock Art Monitoring**

16. Murujuga (the Dampier Archipelago, including the Burrup Peninsula) has one of the largest collections of rock art in the world. The rock art is of immense cultural and spiritual significance to Aboriginal people and of significant State, national and international heritage value. The Government is committed to protecting the rock art. The Department has a partnership with the Murujuga Aboriginal Corporation (MAC) to implement the Murujuga Rock Art Strategy to protect the rock art and includes funding to support MAC in its long-term endeavour to manage Murujuga. The strategy establishes a transparent, risk-based and adaptive framework for managing and monitoring the rock art to protect it from the impacts of anthropogenic emissions.
17. A rock art monitoring program is being implemented to determine whether further regulation of emissions from industries on Murujuga and surrounds is required. In 2023, results from the first year of monitoring will be published and interim Environmental Quality Criteria will be developed.

### **Recovered Materials**

18. The Government's Waste Avoidance and Resource Recovery Strategy 2030 (the Waste Strategy) outlines objectives, targets and approaches to avoid the generation of waste, increase material recovery and protect the environment from the impacts of waste.
19. The regulatory framework for waste in Western Australia needs reform to meet the targets of the Waste Strategy. The reform will enable recovery of waste for beneficial uses and make it easier to detect and prosecute illegal waste practices. Work is underway to draft amendment legislation to establish a framework to support the use of recovered materials.

### **Native Vegetation Policy for Western Australia**

20. In 2022-23, the Government committed funding to support the first two years of implementation of the Native Vegetation Policy. The policy seeks a net gain in native vegetation to conserve biodiversity, fix carbon, create jobs and improve business certainty through regulatory clarity.
21. Under the Native Vegetation Policy, the Government has committed additional funding to progress the Western Australian vegetation extent mapping system, under its Asset Investment Program.
22. Recognising the risk that climate change and the urban heat island effect poses to cool, liveable and waterwise towns and their local biodiversity, the Government has committed new funding for local government with the Urban Greening Grants program. This grants program recognises the local government sector's lead role in protecting and enhancing urban canopy through a partnership with the Western Australian Local Government Association to administer the grants.
23. The implementation of this policy will support the State in responding to reforms in the Commonwealth's Nature Positive Plan, including regional planning, progress towards a national nature repair market, and addressing challenges in implementing environmental offsets.

### **Gnangara Groundwater Allocation Plan Implementation**

24. The Gnangara groundwater system is Perth's largest and most important water resource. Reduction in rainfall in Perth due to climate change, combined with increasing groundwater use, has shifted Perth's groundwater systems out of balance.
25. The Gnangara Groundwater Allocation Plan sets out how the Department will manage the groundwater system so it can respond to the impacts of climate change. The measures in the plan will help ensure Perth's environments that depend on groundwater are more resilient to climate change and ensure groundwater remains a viable and low-cost water source for Perth.

### **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
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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 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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Water Information and Advice.....	23,273	37,771	33,967	32,631	32,747	31,240	31,497
2. Water Planning, Allocation and Optimisation.....	33,951	35,792	43,078	41,413	42,280	39,947	38,997
3. Water Regulation, Licensing and Industry Governance .....	15,807	18,427	19,464	19,236	20,115	19,399	19,702
4. Environmental Regulation .....	41,069	44,280	47,081	48,393	48,737	47,232	45,494
5. Water and Environment Policy.....	16,371	37,386	35,360	46,495	50,911	37,292	27,708
6. Waste Strategies.....	32,731	75,886	41,278	76,266	33,448	27,314	27,632
7. Environmental Impact Assessment Services to the EPA .....	13,542	17,463	17,531	20,852	19,923	20,020	20,297
8. Environmental Management Services to the EPA.....	3,872	5,419	4,861	5,384	4,799	4,825	4,918
9. Compliance Monitoring Services to the Minister.....	1,757	4,008	2,019	2,254	1,801	2,050	2,154
<b>Total Cost of Services .....</b>	<b>182,373</b>	<b>276,432</b>	<b>244,639</b>	<b>292,924</b>	<b>254,761</b>	<b>229,319</b>	<b>218,399</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Western Australia's growth and development is supported by the sustainable management of water resources for the long-term benefit of the State:</b>					
Proportion of stakeholders who perceive the Department to be effectively managing the State's water as a resource for sustainable, productive use.....	59%	60%	58%	55%	
Proportion of priority growth areas that have a water supply planning strategy.....	10%	57%	43%	100%	1
<b>Outcome: Emissions, discharges and clearing of native vegetation are effectively regulated to avoid unacceptable risks to public health and the environment:</b>					
Percentage of regulatory compliance activities completed as planned .....	87%	100%	100%	100%	
Percentage of potential environmental risks identified during compliance monitoring program that are rectified within two months.....	34%	40%	30%	40%	2
<b>Outcome: Development and implementation of strategic policy and legislation that promoted sustainable environmental outcomes:</b>					
Percentage of advice and recommendations that met Ministerial approval, without the need for significant modification.....	99%	95%	95%	95%	
<b>Outcome: Waste avoided and the recovery of materials from landfill maximised:</b>					
Percentage of municipal solid waste reported as diverted from landfill through recycling compared to waste strategy target in the Perth Metropolitan Region <sup>(b)</sup> .....	32%	65%	36%	65%	3
Percentage of commercial and industrial waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target <sup>(b)</sup> .....	40%	70%	45%	70%	4
Percentage of construction and demolition waste reported as diverted from landfill through recycling compared to the State-wide waste strategy target <sup>(b)</sup> ....	84%	75%	85%	75%	5
<b>Outcome: Quality advice to the EPA and the Minister on significant proposals and environmental issues:</b>					
The EPA's satisfaction with the Department's Environmental Impact Assessment (EIA) services, during the year, in line with best practice principles of EIA .....	95%	82%	82%	82%	
Percentage of project-specific conditions which did not require significant change following the appeal process .....	89%	82%	89%	82%	
Percentage of assessments that met agreed timelines .....	79%	75%	79%	75%	
The EPA's satisfaction with the Department's provision of environmental management services during the year .....	97%	82%	82%	82%	
<b>Outcome: Compliance with Ministerial statement implementation conditions are monitored effectively:</b>					
The number of Ministerial Statements audited compared to targets .....	57%	100%	90%	90%	

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

(b) The data used to calculate the 2021-22 Actual is based on the published Waste and Recycling in Western Australia 2020-21 report, from annual returns submitted under regulation 18C of the Waste Avoidance and Resource Recovery Regulations 2008 and composition data submitted with waste levy returns. The 2022-23 Estimated Actual is based on provisional data in the draft Waste and Recycling in Western Australia 2021-22 report. The 2022-23 Budget and 2023-24 Budget Target are based on the applicable Waste Strategy 2030 targets.

## Explanation of Significant Movements

(Notes)

- 2021-22 was the first year of a three-year planning cycle covering the period 2021-22 to 2023-24. The 2021-22 Actual is only 4% below the 2021-22 Budget and represents substantial completion of one priority growth area planning strategy out of the seven planned over the three-year period. The 2022-23 Estimated Actual represents the completion of three priority growth area planning strategies out of the four planned for 2022-23. The 2023-24 Budget Target represents completion of three new priority growth area planning strategies and delivery of the seven priority growth area planning strategies planned over 2021-22 to 2023-24.
- The 2022-23 Estimated Actual is expected to be lower than the 2022-23 Budget due to redirection of compliance resources to activities representing the greatest risk to the environment and public health.
- While substantial improvements are being observed in individual local government performance following the introduction of food organics and garden organics (FOGO) services, the overall waste recovery rate was lower in the 2022-23 Estimated Actual compared to the 2022-23 Budget due to lower than expected performance of local government services. Several factors have influenced this outcome, including disruptions to material recovery facility operations, market-related pressures on processors and COVID-19 related delays in supplies and services (e.g. specialist technical staff). The majority of Perth and Peel local governments have now committed to implementing FOGO and this will continue to have a positive effect on waste recovery rates as these services are fully delivered.
- Performance is lower in the 2022-23 Estimated Actual compared to the 2022-23 Budget, in response to reduced material recovery facility capacity, reduced market access and delays in supplies and services needed to implement services in response to COVID-19 impacts. The 2022-23 Estimated Actual has improved compared to the previous year following the impacts of the COVID-19 pandemic. There are likely to be significant opportunities to improve performance against this target in the future with increased recovery of organics through better practices of waste minimisation, increased resource recovery, and reduced contamination of recyclables and organics.
- The decrease in the quantity of construction and demolition waste disposed to landfill is most likely due to the stockpiling of construction and demolition waste, which acts to increase the reported overall diversion rate.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	23,273	37,771	33,967	32,631	1
Less Income.....	9,228	2,897	12,102	11,089	2
Net Cost of Service.....	14,045	34,874	21,865	21,542	
<b>Employees (Full-Time Equivalents) .....</b>	129	135	135	135	
<b>Efficiency Indicators</b>					
Proportion of statutory referrals from decision-making authorities where advice is provided within target timeframes.....	92%	95%	90%	95%	
Average cost per statutory referral assessment.....	\$5,418	\$7,960	\$7,451	\$7,371	3
Average cost per water measurement site managed.....	\$5,944	\$9,389	\$8,242	\$7,414	4

**Explanation of Significant Movements**

(Notes)

1. The reduction in Total Cost of Service between the 2022-23 Budget and the 2022-23 Estimated Actual mainly relates to Rural Water Planning program direct investment on the strategic community water supply network across the dryland agriculture areas.
2. The increase in income between the 2022-23 Budget and 2022-23 Estimated Actual is due to income allocation methodology applied to the Waste Levy, Commonwealth grants and subsidies (National Water Grid Fund, Indian Ocean Territories, and Environment Online), and regulated water fees.
3. The increase in the average cost per statutory referral assessment between the 2021-22 Actual and the 2022-23 Estimated Actual is attributed to an increase to the cost base relating to the Commonwealth National Water Grid Fund.
4. The average cost per water measurement site has increased between the 2021-22 Actual and the 2022-23 Estimated Actual mainly due to changes in cost allocations with the volume of measurement sites remaining relatively consistent.

**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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 33,951	\$'000 35,792	\$'000 43,078	\$'000 41,413	1
Less Income .....	9,816	7,358	11,156	11,561	2
Net Cost of Service .....	24,135	28,434	31,922	29,852	
<b>Employees (Full-Time Equivalents) .....</b>	166	176	176	180	
<b>Efficiency Indicators</b>					
Average cost per plan, report or guidance document to support water planning, allocation and optimisation .....	\$268,753	\$282,257	\$415,969	\$409,599	3
Average cost per hour of scientific support for water planning, allocation and optimisation.....	\$185	\$178	\$205	\$198	4

**Explanation of Significant Movements**

(Notes)

1. The increase in Total Cost of Service between the 2022-23 Budget and the 2022-23 Estimated Actual is largely due to timing of Royalties for Regions program of works relating to Watering WA, Rural Water Planning program, and delivery of the Gngangara Groundwater Allocation Plan.
2. The increase in income between the 2022-23 Budget and the 2022-23 Estimated Actual and the 2023-24 Budget Target is due to changes in income allocation methodology to better attribute income between water and environmental services.
3. The increase in the average cost per plan, report, or guidance document to support water planning, allocation and optimisation between the 2022-23 Budget and the 2022-23 Estimated Actual and the 2023-24 Budget Target is mainly due to higher cost allocations resulting from timing of Royalties for Regions program of works relating to Watering WA, Rural Water Planning program and delivery of the Gngangara Groundwater Allocation Plan, with lower number of documents forecast to be completed supporting water planning, allocation and optimisation activities.
4. The increase in the average cost per hour of scientific support for water planning, allocation, and optimisation between the 2022-23 Budget and the 2022-23 Estimated Actual is due to higher cost allocations resulting from timing of Royalties for Regions program of works relating to Watering WA, Rural Water Planning program, and delivery of the Gngangara Groundwater Allocation Plan.

### 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 management of the legislation governing the operations of water service providers.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 15,807	\$'000 18,427	\$'000 19,464	\$'000 19,236	1
Less Income.....	1,819	4,302	3,086	965	2
Net Cost of Service.....	13,988	14,125	16,378	18,271	
<b>Employees (Full-Time Equivalents) .....</b>	<b>120</b>	<b>128</b>	<b>128</b>	<b>128</b>	
<b>Efficiency Indicators</b>					
Average cost of assessing a water licence application by risk assessment category:					
Low risk.....	\$3,348	\$3,782	\$4,291	\$4,242	3
Medium risk.....	\$4,464	\$5,043	\$5,722	\$5,656	3
High risk.....	\$5,580	\$6,303	\$7,152	\$7,070	3
Average time taken (days) to assess a licence application by risk assessment category:					
Low risk.....	35	65	39	65	4
Medium risk.....	52	75	55	75	4
High risk.....	65	95	81	95	4
Average cost of compliance monitoring and enforcement action.....	\$130	\$156	\$160	\$177	5

#### Explanation of Significant Movements

(Notes)

- The increase in Total Cost of Service between the 2021-22 Actual and the 2022-23 Estimated Actual is mainly due to shared infrastructure forecast cost allocations, delivery of the Gngangara Groundwater Allocation Plan and retention of resources for water licence and permit application assessments for mining and public water supply sectors.
- The increase in income between the 2021-22 Actual and the 2022-23 Estimated Actual is related to increased water licence and permit application assessments fees for mining and public water supply sectors. The reduction in income between the 2022-23 Budget and the 2022-23 Estimated Actual and 2023-24 Budget Target is due to adjustments to regulated fees.
- The average cost of assessing a water licence application by risk assessment category increased in the 2022-23 Estimated Actual due to allocation of shared infrastructure costs, delivery of the Gngangara Groundwater Allocation Plan and retention of resources for water licence and permit application assessments for mining and public water supply sectors.
- The average time taken to assess a licence application by risk assessment category is forecast to improve in the 2022-23 Estimated Actual due to successful implementation of the water licensing backlog action plan and several other water licensing business performance initiatives.
- The increase in the average cost of compliance monitoring and enforcement action between the 2021-22 Actual and the 2022-23 Estimated Actual is due to higher than expected cost allocations forecast resulting from allocation of shared infrastructure costs and delivery of the Gngangara Groundwater Allocation Plan.

#### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	41,069	44,280	47,081	48,393	
Less Income.....	53,049	60,006	55,820	66,454	1
Net Cost of Service.....	(11,980)	(15,726)	(8,739)	(18,061)	
<b>Employees (Full-Time Equivalents) .....</b>	<b>271</b>	<b>288</b>	<b>287</b>	<b>296</b>	
<b>Efficiency Indicators</b>					
Average cost per works approval and licence application .....	\$55,425	\$60,931	\$63,413	\$56,014	2
Average cost per native vegetation clearing permit application .....	\$30,353	\$35,895	\$50,019	\$60,594	3

#### Explanation of Significant Movements

(Notes)

1. The increase in income between the 2022-23 Estimated Actual and the 2023-24 Budget Target is mainly due to additional funding from resourcing of regulatory approvals and adjustments to regulatory fees, partially offset by deferral of new fee income under Part V of the *Environmental Protection Act 1986*.
2. The reduction in the average cost per works approval and licence application between the 2022-23 Estimated Actual and the 2023-24 Budget Target is due to a forecast increase in the total number of works approval and licence applications decided.
3. The average cost per native vegetation clearing permit application increase between the 2022-23 Budget and the 2022-23 Estimated Actual is attributed to a deferral of costs for the Environmental Revegetation and Rehabilitation Program with a forecast reduction in the total number of native vegetation clearing permit applications decided.

#### 5. Water and Environment Policy

The Department develops and implements policies and strategies that promote sound water and environmental outcomes.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	16,371	37,386	35,360	46,495	1
Less Income.....	9,928	20,258	13,010	8,037	2
Net Cost of Service.....	6,443	17,128	22,350	38,458	
<b>Employees (Full-Time Equivalents) .....</b>	<b>84</b>	<b>83</b>	<b>83</b>	<b>95</b>	<b>3</b>
<b>Efficiency Indicators</b>					
Average cost per hour of policy advice and recommendations.....	\$273	\$398	\$471	\$489	4

## Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2021-22 Actual and the 2022-23 Estimated Actual is mainly due to the Murujuga Rock Art Monitoring Program and deferral of Clean Energy Future Fund grants expenditure. The increase in Total Cost of Service between the 2022-23 Estimated Actual and the 2023-24 Budget Target is driven by the new Climate Adaptation and Urban Greening Grants program of works commencing in 2023-24 and deferral of expenditure for the Clean Energy Future Fund, Native Vegetation Rehabilitation Scheme, and the Pilbara Environmental Offsets Fund.
2. The reduction in income between the 2022-23 Budget and the 2022-23 Estimated Actual and the 2023-24 Budget Target is due to the timing of receipts for the Pilbara Environmental Offsets Fund, Murujuga Rock Art Monitoring Program and adjustments to regulatory fees.
3. The increase in employees between the 2022-23 Estimated Actual and the 2023-24 Budget Target is driven by the Climate Adaptation program of works commencing in 2023-24.
4. The increase in the average cost per hour of policy advice and recommendation between the 2021-22 Actual and the 2022-23 Estimated Actual is due to a lower number of forecast hours for policy advice and recommendations with increased costs resulting from the Murujuga Rock Art Monitoring Program and deferral of Clean Energy Future Fund grants expenditure.

## 6. Waste Strategies

The Department works with the Waste Authority to facilitate the avoidance of waste and maximising recovery of materials from landfill.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	32,731	75,886	41,278	76,266	1
Less Income .....	49,950	60,058	56,300	35,312	2
Net Cost of Service .....	(17,219)	15,828	(15,022)	40,954	
<b>Employees (Full-Time Equivalents) .....</b>	<b>68</b>	<b>76</b>	<b>78</b>	<b>84</b>	<b>3</b>
<b>Efficiency Indicators</b>					
Cost of landfill levy compliance as a percentage of landfill levy income collected.....	1.87%	1.5%	1.5%	1.5%	

## Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service between the 2022-23 Budget and the 2022-23 Estimated Actual is due to the deferral of costs related to the National Partnership on Recycling Infrastructure, the E-waste Ban to Landfill and the Waste Avoidance and Resource Recovery program of works from 2022-23 to 2023-24. As a result of this deferral, Total Cost of Service increased for the 2023-24 Budget Target.
2. The reduction in income between the 2022-23 Estimated Actual and the 2023-24 Budget Target is due to the deferral of the National Partnership on Recycling Infrastructure program and reduction in landfill volumes driven by diversion of waste-to-energy facilities and uptake of food organics and garden organics waste operation services.
3. The increase in employees between the 2021-22 Actual and the 2022-23 Estimated Actual is due to additional resources relating to the E-waste Ban to Landfill and resourcing for regulatory approvals.

## 7. Environmental Impact Assessment Services to the EPA

The Department conducts environmental impact assessments of significant proposals and schemes for the EPA.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	13,542	17,463	17,531	20,852	1
Less Income .....	3,047	1,092	4,188	5,692	2
Net Cost of Service .....	10,495	16,371	13,343	15,160	
<b>Employees (Full-Time Equivalents) .....</b>	80	74	81	100	3
<b>Efficiency Indicators</b>					
Cost per standardised unit of assessment output .....	\$45,444	\$58,209	\$74,285	\$69,506	4

### Explanation of Significant Movements

(Notes)

1. The increase in Total Cost of Service between the 2021-22 Actual and the 2022-23 Estimated Actual is caused by the deferral of costs from 2021-22 to 2022-23, relating to resourcing of regulatory approvals for Part IV and Part V applications and assessments, and the Streamline WA reform program. The increase in Total Cost of Service between the 2022-23 Estimated Actual and the 2023-24 Budget Target is attributed to the new Green Energy Approvals team.
2. The increase in income between the 2022-23 Budget and the 2022-23 Estimated Actual and 2023-24 Budget Target is due to the new Green Energy Approvals team.
3. The increase in employees between the 2022-23 Budget and the 2022-23 Estimated Actual and 2023-24 Budget Target is primarily due to the additional resources provided for the new Green Energy Approvals team.
4. The increase in cost per standardised unit of assessment output between the 2021-22 Actual and the 2022-23 Estimated Actual is due to a deferral of costs from 2021-22 to 2022-23, relating to resourcing of regulatory approvals for Part IV and Part V applications and assessments, and the Streamline WA reform program.

## 8. Environmental Management Services to the EPA

The Department develops for the EPA, statutory policies, guidelines and strategic advice to manage environmental impacts and protect the environment.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	3,872	5,419	4,861	5,384	1
Less Income .....	38	258	216	581	2
Net Cost of Service .....	3,834	5,161	4,645	4,803	
<b>Employees (Full-Time Equivalents) .....</b>	21	17	19	24	3
<b>Efficiency Indicators</b>					
Cost per standardised unit of environmental management services output ...	\$26,706	\$54,191	\$48,608	\$53,838	4



## Explanation of Significant Movements

(Notes)

1. The reduction in Total Cost of Service between the 2022-23 Budget and the 2022-23 Estimated Actual is due to a slower uptake of resources for regulatory approvals for Part IV and Part V.
2. The increase in income between the 2022-23 Estimated Actual and the 2023-24 Budget Target is due to additional Part IV fees relating to green energy applications and assessments.
3. The increase in employees between the 2022-23 Estimated Actual and the 2023-24 Budget Target is due to additional resources for the Green Energy Approvals team.
4. The increase in cost per standardised unit of environmental management services output between the 2021-22 Actual and the 2022-23 Estimated Actual is due to deferral of costs from 2021-22 to 2022-23, relating to resourcing of regulatory approvals for Part IV and Part V applications and assessments, and the Streamline WA reform program.

## 9. Compliance Monitoring Services to the Minister

The Department audits the compliance with conditions set under Ministerial approvals and undertakes enforcement actions as appropriate.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 1,757	\$'000 4,008	\$'000 2,019	\$'000 2,254	1
Less Income.....	nil	349	422	443	2
Net Cost of Service.....	1,757	3,659	1,597	1,811	
<b>Employees (Full-Time Equivalents) .....</b>	<b>18</b>	<b>22</b>	<b>23</b>	<b>25</b>	<b>3</b>
<b>Efficiency Indicators</b>					
Average cost per environmental audit completed .....	\$51,684	\$100,191	\$56,079	\$37,574	4

## Explanation of Significant Movements

(Notes)

1. The reduction in Total Cost of Service between the 2022-23 Budget and the 2022-23 Estimated Actual and the 2023-24 Budget Target is mainly due to a review of the Department's service delivery arrangements for the compliance and enforcement activities.
2. The increase in income between the 2022-23 Budget and the 2022-23 Estimated Actual reflects the increased funding from the Commonwealth Government to support the Indian Ocean Territories.
3. The increase in employees between the 2021-22 Actual and the 2022-23 Estimated Actual and 2023-24 Budget Target is mainly due to additional compliance resources to support compliance activities.
4. The increase in the average cost per environmental audit completed between the 2021-22 Actual and the 2022-23 Budget is due to changes in allocation methodology for shared costs. The reduction in the average cost per environmental audit completed between the 2022-23 Budget and the 2022-23 Estimated Actual is mainly due to lower cost allocations. The reduction in the average cost per environmental audit completed between the 2022-23 Estimated Actual and the 2023-24 Budget Target is due to increases in the number of environmental audits forecast to be completed with the Total Cost of Service remaining consistent.

## Asset Investment Program

1. The Department will continue with ongoing investment programs across the State. Its total Asset Investment Program over the forward estimates period is \$77.9 million. This investment supports the delivery of the Department's services and rolling program to update plant, equipment and computer software, and delivery of the ground water investigation, water modelling and bores monitoring programs. The Department's projects include:
  - 1.1. Environment Online: \$11.1 million has been allocated over the forward estimates period to build a 'one-stop-shop' portal to perform business with the Department for environmental-related approvals;
  - 1.2. Land Acquisition - Land Purchase Priority 1 Areas: \$8.4 million to be invested over the forward estimates period on the acquisition of Priority 1 land adjacent to public drinking water supply areas;
  - 1.3. Rural Water Planning and National Water Grid Fund: \$5 million and \$913,000 respectively are planned to be spent 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
  - 1.4. Native Vegetation Policy Implementation: The Department will spend \$2.1 million over the forward estimates period to develop a pilot for a vegetation extent mapping and monitoring system.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Environment Online .....	27,365	16,247	7,795	6,710	4,408	-	-
Land Acquisition - Land Purchase Priority 1 Areas .....	8,410	-	-	3,400	3,010	1,000	1,000
National Water Grid Fund.....	2,819	1,906	1,825	913	-	-	-
Native Vegetation Extent Mapping .....	2,233	122	122	450	1,131	530	-
Plant, Equipment and Minor Works .....	9,668	4,538	849	2,430	990	975	735
Replace and Maintain Monitoring Bores .....	28,894	11,298	2,524	4,774	4,774	4,024	4,024
Replace and Maintain River Gauging Stations.....	12,533	6,517	2,929	1,504	1,504	1,504	1,504
Rural Water Planning Program.....	6,159	1,189	700	3,130	1,840	-	-
State Groundwater Investigation Program .....	30,618	15,149	4,900	3,851	3,983	3,984	3,651
Water Modelling.....	11,385	5,260	915	1,408	1,704	1,605	1,408
<b>COMPLETED WORKS</b>							
Information Management and Equipment - Telemetered							
Water Meter Program .....	250	250	250	-	-	-	-
Port Hedland Dust Taskforce Report.....	404	404	240	-	-	-	-
Rebuild of Australind Jetty.....	3,000	3,000	3,000	-	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>143,738</b>	<b>65,880</b>	<b>26,049</b>	<b>28,570</b>	<b>23,344</b>	<b>13,622</b>	<b>12,322</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			9,833	9,624	9,063	6,854	6,084
Commonwealth Grants .....			1,825	913	-	-	-
Drawdown from the Holding Account.....			7,918	7,043	7,003	6,238	6,238
Internal Funds and Balances.....			6,373	8,210	4,408	-	-
Major Special Purpose Account(s)							
Drawdown from Digital Capability Fund .....			-	50	1,030	530	-
Drawdown from Royalties for Regions Fund .....			100	2,730	1,840	-	-
<b>Total Funding.....</b>			<b>26,049</b>	<b>28,570</b>	<b>23,344</b>	<b>13,622</b>	<b>12,322</b>

## Financial Statements

### Income Statement

#### *Expenses*

1. Total Cost of Services is estimated to increase by \$48.3 million (19.7%) for the 2023-24 Budget Year compared with the 2022-23 Estimated Actual. This is mainly due to increased spending on new initiatives such as Climate Adaptation, Green Energy Approvals, Food Waste for Healthy Soils, compliance resourcing, and Perth and Peel Regional Planning. Other increases relate to a deferral of expenditure from 2022-23 to 2023-24, including the National Partnership on Recycling Infrastructure, Clean Energy Future Fund, Waste Avoidance and Resource Recovery grants, E-waste Ban to Landfill, Native Vegetation Rehabilitation Scheme, and impact of the public sector wages policy.

#### *Income*

2. The Department's total income from Government for the 2023-24 Budget Year is \$15.1 million (12.1%) higher than the 2022-23 Estimated Actual, mainly due to additional funding for the public sector wages policy, compliance resourcing, Perth and Peel Regional Planning, and the reflow of State funds from 2022-23 to 2023-24.
3. Income from sources outside of Government for the 2023-24 Budget Year is expected to decrease by \$16.2 million (10.3%), in comparison to the 2022-23 Estimated Actual, mainly from revised Landfill Levy estimates, a deferral in Commonwealth funding for the National Partnership on Recycling Infrastructure and a reduction in revenue to the Pilbara Environmental Offsets Fund.

### Statement of Financial Position

4. Total assets is estimated to decrease by \$31 million (5.1%) for the 2023-24 Budget Year compared with the 2022-23 Estimated Actual. This reflects a drawdown from cash at bank for carryover of programs from 2022-23, including the National Partnership on Recycling Infrastructure, Waste Avoidance and Resource Recovery, Environment Online, and the Clean Energy Future Fund.

### Statement of Cashflows

5. The decrease in cash balances of \$40 million (40.1%) for the 2023-24 Budget Year compared with the 2022-23 Estimated Actual is due to a reflow of grants and subsidies into 2023-24, increased employee benefits from the public sector wages policy and Green Energy Approvals, the new Food Waste for Healthy Soils grant program, and a reduction in Landfill Levy receipts. This is offset by increases in regulatory fees and fines, service appropriation and receipts paid to the Consolidated Account.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	102,180	120,098	127,185	134,455	132,819	131,699	123,877
Grants and subsidies <sup>(c)</sup> .....	15,120	76,439	35,566	77,782	37,877	20,703	19,546
Supplies and services .....	37,953	41,032	45,588	46,828	50,640	43,650	41,757
Accommodation .....	9,340	8,746	8,801	9,460	9,464	9,181	9,169
Depreciation and amortisation .....	10,413	14,678	14,735	14,738	14,738	14,748	14,754
Finance and interest costs.....	68	86	94	163	158	170	154
Other expenses.....	7,299	15,353	12,670	9,498	9,065	9,168	9,142
<b>TOTAL COST OF SERVICES .....</b>	<b>182,373</b>	<b>276,432</b>	<b>244,639</b>	<b>292,924</b>	<b>254,761</b>	<b>229,319</b>	<b>218,399</b>
<b>Income</b>							
Sale of goods and services.....	1,502	8,779	6,608	4,595	4,640	4,640	4,725
Regulatory fees and fines.....	31,720	33,862	33,544	43,568	46,119	45,929	46,093
Grants and subsidies.....	14,408	20,078	22,911	5,849	1,944	319	319
Landfill levy .....	85,716	83,000	83,000	77,600	76,900	79,800	69,000
Other revenue .....	3,529	10,859	10,237	8,522	8,613	6,720	5,358
<b>Total Income.....</b>	<b>136,875</b>	<b>156,578</b>	<b>156,300</b>	<b>140,134</b>	<b>138,216</b>	<b>137,408</b>	<b>125,495</b>
<b>NET COST OF SERVICES .....</b>	<b>45,498</b>	<b>119,854</b>	<b>88,339</b>	<b>152,790</b>	<b>116,545</b>	<b>91,911</b>	<b>92,904</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	100,392	125,817	110,666	127,059	110,643	102,476	94,263
Resources received free of charge .....	2,561	3,055	3,055	3,055	3,055	3,055	3,055
Special Purpose Account(s) <sup>(d)</sup>							
Climate Action Fund .....	-	2,478	-	-	-	-	-
Royalties for Regions Fund							
Regional Community Services Fund.....	3,212	2,607	1,678	2,412	2,412	1,010	62
Regional Infrastructure and Headworks							
Fund.....	7,303	7,226	6,343	6,716	9,029	6,250	6,250
Other revenues .....	6,587	838	3,506	1,126	1,204	1,573	2,914
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>120,055</b>	<b>142,021</b>	<b>125,248</b>	<b>140,368</b>	<b>126,343</b>	<b>114,364</b>	<b>106,544</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>74,557</b>	<b>22,167</b>	<b>36,909</b>	<b>(12,422)</b>	<b>9,798</b>	<b>22,453</b>	<b>13,640</b>

- (a) Full audited financial statements are published in the Department's Annual Report.
- (b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 957, 1,010 and 1,067 respectively.
- (c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
- (d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

## DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Ban on E-waste to Landfill.....	-	2,000	-	8,629	1,500	-	-
Carbon Innovation Grants Program.....	-	1,450	-	2,900	5,800	1,978	1,977
Clean Energy Future Fund.....	953	9,400	3,601	5,539	5,355	384	2,740
Clean Western Australia - Waste Paper and Cardboard Processing.....	-	12,500	-	15,000	-	-	-
Climate Action Fund - Urban Greening Grants.....	-	-	-	1,250	2,500	-	-
Commonwealth Grants							
Food Waste for Healthy Soils.....	-	-	2,125	1,875	1,625	-	-
National On-farm Emergency Water Infrastructure Rebate Scheme.....	5	-	-	-	-	-	-
National Partnership on Recycling Infrastructure.....	2,034	16,500	9,246	8,254	-	-	-
Smart Farming Partnerships.....	135	-	-	-	-	-	-
Contaminated Sites Management Account Grants.....	110	208	208	208	208	208	208
Establishing and Maintaining Vegetation Offsets Account.....	-	1,000	400	3,600	3,000	3,000	3,000
Gnangara Groundwater Allocation Plan - Water Efficiency Scheme.....	-	-	1,000	-	-	-	-
Grants Other.....	147	-	-	-	-	-	-
Keep Australia Beautiful Council WA.....	112	-	-	-	-	-	-
Murujuga Aboriginal Corporation Resourcing.....	-	-	95	195	97	-	-
Native Vegetation Rehabilitation Scheme.....	-	2,166	1,137	3,830	3,831	2,164	-
Offset Fund for Recovery.....	-	1,350	2,700	1,350	1,350	1,348	-
Pilbara Environmental Offsets Fund.....	79	2,263	984	3,164	3,167	3,167	3,167
Royalties for Regions - Healthy Estuaries WA.....	25	-	-	-	-	-	-
Rural Water Grants.....	-	687	37	687	687	687	687
Rural Water Planning Program.....	742	797	2,777	793	790	-	-
Small Election Commitments - Greening Our Community.....	279	633	633	-	-	-	-
State-wide Water Efficiency Measures.....	50	50	50	50	50	-	-
Waste Avoidance and Resource Recovery Account.....	9,694	9,808	5,180	9,807	7,500	7,500	7,500
Waste Export Ban.....	-	15,000	4,766	10,234	-	-	-
Water Innovation Partnership.....	257	267	267	267	267	267	267
Water Sensitive Cities Australia.....	150	150	150	150	150	-	-
Western Australian Climate Policy.....	348	210	210	-	-	-	-
<b>TOTAL</b> .....	<b>15,120</b>	<b>76,439</b>	<b>35,566</b>	<b>77,782</b>	<b>37,877</b>	<b>20,703</b>	<b>19,546</b>

**STATEMENT OF FINANCIAL POSITION (a)  
(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	23,785	11,773	28,906	17,343	10,268	9,828	9,828
Restricted cash .....	76,862	45,605	68,103	39,183	29,533	26,727	22,906
Holding Account receivables .....	9,238	6,338	9,238	9,238	9,238	9,238	9,238
Receivables .....	25,945	27,303	25,945	25,945	26,453	26,453	26,453
Other.....	1,907	2,145	1,907	1,907	1,907	1,907	1,907
<b>Total current assets .....</b>	<b>137,737</b>	<b>93,164</b>	<b>134,099</b>	<b>93,616</b>	<b>77,399</b>	<b>74,153</b>	<b>70,332</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	72,840	91,585	79,657	87,352	95,087	103,597	112,113
Property, plant and equipment.....	369,577	325,165	349,735	339,806	339,259	331,793	324,260
Intangibles .....	26,765	48,119	38,283	49,537	56,780	56,860	56,213
Restricted cash .....	2,513	2,713	2,953	3,393	3,833	4,273	4,273
Other.....	2	23	2	2	2	2	2
<b>Total non-current assets .....</b>	<b>471,697</b>	<b>467,605</b>	<b>470,630</b>	<b>480,090</b>	<b>494,961</b>	<b>496,525</b>	<b>496,861</b>
<b>TOTAL ASSETS .....</b>	<b>609,434</b>	<b>560,769</b>	<b>604,729</b>	<b>573,706</b>	<b>572,360</b>	<b>570,678</b>	<b>567,193</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	27,297	26,359	27,332	27,367	27,402	27,402	27,402
Payables.....	1,804	778	1,804	1,804	1,804	1,804	1,804
Borrowings and leases .....	953	851	1,242	1,236	1,262	1,295	1,326
Other.....	5,484	5,408	5,499	5,514	5,529	5,529	5,529
<b>Total current liabilities .....</b>	<b>35,538</b>	<b>33,396</b>	<b>35,877</b>	<b>35,921</b>	<b>35,997</b>	<b>36,030</b>	<b>36,061</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	5,511	6,196	5,511	5,511	5,511	5,511	5,511
Borrowings and leases .....	1,440	1,266	2,125	5,793	5,734	5,857	5,443
<b>Total non-current liabilities .....</b>	<b>6,951</b>	<b>7,462</b>	<b>7,636</b>	<b>11,304</b>	<b>11,245</b>	<b>11,368</b>	<b>10,954</b>
<b>TOTAL LIABILITIES.....</b>	<b>42,489</b>	<b>40,858</b>	<b>43,513</b>	<b>47,225</b>	<b>47,242</b>	<b>47,398</b>	<b>47,015</b>
<b>EQUITY</b>							
Contributed equity.....	285,683	245,749	243,041	220,726	209,562	185,268	168,522
Accumulated surplus/(deficit).....	244,766	249,178	281,675	269,253	279,051	301,504	315,144
Reserves.....	36,496	24,984	36,500	36,502	36,505	36,508	36,512
<b>Total equity .....</b>	<b>566,945</b>	<b>519,911</b>	<b>561,216</b>	<b>526,481</b>	<b>525,118</b>	<b>523,280</b>	<b>520,178</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>609,434</b>	<b>560,769</b>	<b>604,729</b>	<b>573,706</b>	<b>572,360</b>	<b>570,678</b>	<b>567,193</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	85,726	105,956	95,931	112,321	95,905	87,728	79,509
Capital appropriation.....	11,443	14,277	10,670	10,440	9,894	7,697	6,955
Holding Account drawdowns.....	5,638	9,238	7,918	7,043	7,003	6,238	6,238
Special Purpose Account(s)							
Climate Action Fund.....	-	2,478	3,622	11,353	11,054	7,354	5,207
Digital Capability Fund.....	-	-	-	560	1,594	1,150	-
Royalties for Regions Fund							
Regional Community Services Fund.....	3,212	2,607	1,678	2,412	2,412	1,010	62
Regional Infrastructure and Headworks							
Fund.....	7,703	9,016	6,443	9,446	10,869	6,250	6,250
Receipts paid into Consolidated Account.....	(54,044)	(41,973)	(41,081)	(32,911)	(34,608)	(34,548)	(23,984)
Other.....	8,181	2,077	4,813	2,498	2,575	1,573	1,573
<b>Net cash provided by Government.....</b>	<b>67,859</b>	<b>103,676</b>	<b>89,994</b>	<b>123,162</b>	<b>106,698</b>	<b>84,452</b>	<b>81,810</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(103,092)	(120,048)	(127,135)	(134,405)	(132,813)	(131,693)	(123,871)
Grants and subsidies.....	(14,832)	(76,439)	(35,566)	(77,782)	(37,877)	(20,703)	(19,546)
Supplies and services.....	(33,623)	(35,861)	(40,417)	(41,644)	(47,175)	(40,185)	(38,279)
Accommodation.....	(9,171)	(8,826)	(8,881)	(9,540)	(9,536)	(9,253)	(9,170)
GST payments.....	(7,432)	(5,882)	(5,882)	(5,710)	(5,710)	(5,710)	(5,710)
Finance and interest costs.....	(67)	(86)	(94)	(163)	(158)	(170)	(154)
Other payments.....	(5,606)	(9,216)	(9,216)	(9,057)	(8,104)	(8,207)	(8,265)
<b>Receipts (b)</b>							
Regulatory fees and fines.....	31,931	33,862	33,544	43,568	46,119	45,929	46,093
Grants and subsidies.....	14,408	20,078	22,911	5,849	1,944	319	319
Sale of goods and services.....	5,013	8,779	6,690	4,679	4,725	4,725	4,726
Landfill levy.....	83,562	83,000	83,000	77,600	76,900	79,800	69,000
GST receipts.....	7,158	5,892	5,892	5,720	5,720	5,720	5,720
Other receipts.....	1,929	9,620	8,848	7,066	7,157	6,635	6,699
<b>Net cash from operating activities.....</b>	<b>(29,822)</b>	<b>(95,127)</b>	<b>(66,306)</b>	<b>(133,819)</b>	<b>(98,808)</b>	<b>(72,793)</b>	<b>(72,438)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(18,094)	(29,065)	(26,049)	(28,570)	(23,344)	(13,622)	(12,322)
Proceeds from sale of non-current assets.....	39	-	-	-	-	-	-
Other receipts.....	11,625	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(6,430)</b>	<b>(29,065)</b>	<b>(26,049)</b>	<b>(28,570)</b>	<b>(23,344)</b>	<b>(13,622)</b>	<b>(12,322)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(1,125)	(775)	(837)	(816)	(831)	(843)	(871)
<b>Net cash from financing activities.....</b>	<b>(1,125)</b>	<b>(775)</b>	<b>(837)</b>	<b>(816)</b>	<b>(831)</b>	<b>(843)</b>	<b>(871)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD.....</b>							
	30,482	(21,291)	(3,198)	(40,043)	(16,285)	(2,806)	(3,821)
Cash assets at the beginning of the reporting period.....	72,678	81,382	103,160	99,962	59,919	43,634	40,828
<b>Cash assets at the end of the reporting period.....</b>	<b>103,160</b>	<b>60,091</b>	<b>99,962</b>	<b>59,919</b>	<b>43,634</b>	<b>40,828</b>	<b>37,007</b>

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

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

**NET APPROPRIATION DETERMINATION**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Regulatory Fees and Fines</b>							
Regulatory Fees - Receipts .....	32,200	33,862	33,544	43,568	46,119	45,929	46,093
<b>Grants and Subsidies</b>							
Other Grants and Contributions .....	21,683	20,766	26,099	6,537	2,632	1,007	1,007
<b>Landfill Levy</b>							
Landfill Levy .....	83,562	83,000	83,000	77,600	76,900	79,800	69,000
<b>Sale of Goods and Services</b>							
Establishing and Maintaining Vegetation							
Offsets Account .....	576	3,000	3,000	3,000	3,000	3,000	3,000
Pilbara Environmental Offsets Fund .....	4,941	5,779	3,690	1,679	1,725	1,725	1,726
<b>GST Receipts</b>							
GST Receipts .....	7,158	5,892	5,892	5,720	5,720	5,720	5,720
<b>Other Receipts</b>							
Implementation of the Murujuga Rock Art							
Strategy .....	-	7,874	6,485	4,664	4,722	3,154	3,154
Interest Received .....	147	850	318	438	451	465	465
Lease of Commercial Land and Buildings .....	242	346	346	346	346	346	346
Other Receipts .....	1,597	657	1,964	2,031	2,096	2,096	2,181
Port Hedland Ambient Air Quality Monitoring...	-	1,282	1,282	1,308	1,330	1,353	1,353
Recoup of Employee Contributions - Housing							
Leased from Government Regional							
Officers' Housing .....	76	-	78	89	99	106	85
<b>TOTAL .....</b>	<b>152,182</b>	<b>163,308</b>	<b>165,698</b>	<b>146,980</b>	<b>145,140</b>	<b>144,701</b>	<b>134,130</b>

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>INCOME</b>							
<b>Fines</b>							
Regulatory Fines .....	57	155	100	100	100	100	100
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>57</b>	<b>155</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>EXPENSES</b>							
<b>Other</b>							
Receipts Paid into the Consolidated							
Account .....	57	155	100	100	100	100	100
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>57</b>	<b>155</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>



## 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.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	380	352	467	456
Receipts:				
Other .....	190	197	197	330
	570	549	664	786
Payments .....	103	208	208	208
<b>CLOSING BALANCE</b> .....	467	341	456	578

### 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.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	29,324	41,227	40,604	38,062
Receipts:				
Other .....	21,252	21,600	21,068	21,188
Loan to Western Australia Return Recycle Renew Limited .....	11,625	-	-	-
	62,201	62,827	61,672	59,250
Payments:				
Grant to Waste Export Ban .....	-	15,000	4,766	10,234
Other .....	21,597	21,326	18,844	24,856
<b>CLOSING BALANCE</b> .....	40,604	26,501	38,062	24,160

### 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.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	1,091	2,870	5,424	7,478
Receipts:				
Other .....	4,940	5,779	3,690	1,679
	6,031	8,649	9,114	9,157
Payments .....	607	2,915	1,636	3,520
<b>CLOSING BALANCE</b> .....	5,424	5,734	7,478	5,637

**ENVIRONMENTAL PROTECTION PART IV COST RECOVERY ACCOUNT**

Account Purpose: The purpose of the trust account is to manage funds recovered under the Environmental Protection (Cost Recovery) Regulation 2021. Funds in this account are to be used for defraying the costs incurred by the Department in receiving and assessing proposals and monitoring the implementation of proposals under Part IV Division 1 or 2 of the *Environmental Protection Act 1986*.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	-	-	1,475	1,475
Receipts:				
Other .....	1,475	-	574	9,729
	1,475	-	2,049	11,204
Payments .....	-	-	574	9,729
<b>CLOSING BALANCE</b> .....	1,475	-	1,475	1,475

Division 42 **Biodiversity, Conservation and Attractions**

Part 10 **Environment**

**Appropriations, Expenses and Cash Assets**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 85 Net amount appropriated to deliver services .....	290,529	300,507	290,447	<b>370,710</b>	306,298	301,213	306,968
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	593	595	595	<b>597</b>	612	627	643
Total appropriations provided to deliver services.....	291,122	301,102	291,042	<b>371,307</b>	306,910	301,840	307,611
<b>CAPITAL</b>							
Item 151 Capital Appropriation.....	45,836	84,150	62,000	<b>94,390</b>	75,331	42,481	11,522
<b>TOTAL APPROPRIATIONS</b> .....	<b>336,958</b>	<b>385,252</b>	<b>353,042</b>	<b>465,697</b>	<b>382,241</b>	<b>344,321</b>	<b>319,133</b>
<b>EXPENSES</b>							
Total Cost of Services .....	457,605	481,075	487,897	<b>565,592</b>	505,302	498,520	504,734
Net Cost of Services <sup>(a)(b)</sup> .....	248,073	345,998	341,434	<b>426,929</b>	366,462	359,003	364,448
<b>CASH ASSETS</b> <sup>(c)</sup> .....	160,152	121,370	136,718	<b>120,074</b>	113,862	108,065	101,000

- (a) Represents Total Cost of Services (expenses) less retained revenues applied to the Department's services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (b) The 2021-22 Actual includes asset revaluation revenue of \$70 million.
- (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 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiatives</b>					
Climate Action Fund - Climate Adaptation					
Sector Adaptation Plan for the Natural Environment Sector .....	-	-	329	330	-
Supporting Climate Resilience and Adaptive Capacity of Western Australia's Threatened Species .....	-	656	1,033	1,033	1,033
Foreshore Stabilisation Stage Two Project at Burswood Park .....	-	480	-	-	-
Forest Management Plan 2024-2033 .....	-	36,044	-	-	-
Climate Action Fund - Green Energy Approvals .....	39	159	160	161	162
Implementing the Western Australian Feral Cat Strategy .....	-	1,671	1,735	1,806	1,884
Perth and Peel Regional Planning .....	-	466	170	174	-
Plan for Our Parks - Shark Bay Terrestrial Reserves and Kennedy Range National Park .....	1,061	7,436	7,205	7,382	7,567
Rottneest Island Authority - Wadjemup Burial Ground and Quod Project (Stage Two) .....	-	3,431	3,591	1,805	179
Tjiwarl Palyakuwa Indigenous Land Use Agreement (ILUA) .....	-(a)	-(a)	-(a)	-(a)	-(a)
<b>Ongoing Initiatives</b>					
2023 Total Solar Eclipse .....	783	-	-	-	-
Carbon Farming Ongoing Funding .....	-	-	-	-	1,477
Collie Adventure Trails Network Maintenance .....	-	154	158	162	166
Pila Nature Reserve Indexation Update .....	116	198	72	74	75
Royalties for Regions - Regional Workers Incentives Allowance Payments .....	88	88	88	88	-
<b>Other</b>					
2023-24 Tariffs, Fees and Charges .....	-	4,520	4,520	4,400	4,400
Government Office Accommodation .....	35	39	39	40	31
Government Regional Officer Housing .....	248	257	266	293	319
Public Sector Wages Policy .....	13,264	11,277	15,159	18,810	25,355
Zoological Parks Authority - Revisions to Expense Limit and Own-source Revenue Estimates .....	85	29	29	29	29

(a) The ILUA remains confidential until it is conclusively registered in accordance with its terms. It is anticipated conclusive registration will occur in late May 2023.

## Significant Issues Impacting the Agency

### Biodiversity Conservation and Ecosystem Management

1. Climate change is impacting species and ecological communities, and the Department will increase its focus on research and management to improve their resilience and adaptive capacity to respond to changing conditions.
  - 1.1. The Department will spend \$3.8 million from 2023-24 to 2026-27 to undertake climate vulnerability and opportunity modelling, plus scientific research on climate resilience and adaptation outcomes. The modelling will inform targeted on-ground action and the development of climate adaptation strategies for species and ecological communities.
  - 1.2. The implementation of on-ground conservation management actions to build the climate resilience of Western Australia's biodiversity will be critical to the persistence of our native, including threatened species. The Department's actions will help retain the capacity of ecosystems to adapt to shifting climatic conditions and withstand a range of current, emerging and future threats.
  - 1.3. The Department is also an active participant in cross-government programs that take action on climate change. A further \$0.7 million will be spent to develop and deliver a Natural Environment Sector Adaptation Plan.

2. On behalf of the Conservation and Parks Commission, the Department will commence implementation of the Forest Management Plan (FMP) 2024-2033 from 1 January 2024, spending approximately \$36 million in 2023-24 to establish activities on approximately 2.5 million hectares of lands managed under the *Conservation and Land Management Act 1984*. The FMP represents a new delivery model compared to previous plans, addressing forest health and supporting cross-agency carriage of actions.
  - 2.1. This new funding will provide for commencement of an ecological thinning program, supporting the Government's decision to end commercial logging of native timber in South West forests. Ecological thinning will improve forest health and resilience against a drying and warming climate, meet the Government's existing commitments for the supply of forest products, and facilitate job retention.
  - 2.2. The Department will also progress and create new conservation reserves, in consultation with Traditional Owners through Noongar Regional Corporations, and deliver a range of forest management activities.
3. The Biodiversity Information Office launched the first iteration of its biodiversity data sharing platform, Dandjoo, and began transmitting data to the Commonwealth's Biodiversity Data Repository in mid-2022. Dandjoo now contains 1.4 million records and further developments are being undertaken to deliver an enhanced web experience for data users and expand the platform's capacity to supply threatened species data and more complex data types.
4. In 2023-24, the Department will commence implementing the Western Australian Feral Cat Strategy, which will provide the framework to support and promote coordinated, collaborative and effective on-ground feral cat management across multiple tenures and involving multiple organisations and groups, including Traditional Owners.
5. The Department will continue to explore carbon abatement and sequestration opportunities on existing and proposed conservation estate, to optimise benefits to the environment, biodiversity and Traditional Owners.

### **Joint Management**

6. The Department continues to establish, and enter into, joint and co-operative management arrangements across the State with Traditional Owners.
  - 6.1. The total number of Aboriginal employees in the Department continues to increase, presenting a significant and enduring change in the Department's focus and employment profile. To maximise benefits of this change, the Department is progressing considered and innovative new training and development programs to support new ways of working and directly enhance staff recruitment, retention and satisfaction.
  - 6.2. Through the Plan for Our Parks initiative, the Department continues to implement Indigenous Land Use Agreements, joint management arrangements and the construction of new visitor infrastructure in new and proposed reserves.
7. Working in partnership with both Whadjuk Traditional Owners and Aboriginal communities around the State, the Wadjemup Project is a \$27.5 million commitment focused on how to best commemorate and memorialise the Aboriginal men and boys who are buried on Rottnest Island. The Project will include delivery of the Burial Ground memorialisation and the completion of urgent restoration works to the Quod, as well as helping determine the future use of the Quod. The Project is made up of capital works totalling \$18.5 million and non-capital expenditure totalling \$9 million.

### **Visitor Services and Capital Upgrades**

8. The Department continues to deliver tangible results and is progressing significant works to deliver improved amenity and experiences across the State, despite industry challenges.
  - 8.1. Perth Zoo will open its new café and function facilities, and an upgraded playground adjacent to the new café in early 2023-24. These new facilities will significantly enhance visitor amenity and support a range of events and activities, including Perth Zoo's 125<sup>th</sup> birthday celebrations in October 2023.

- 8.2. Maintenance and renewal of marine infrastructure, especially Rottnest Island's jetties, to preserve visitor safety and enhance operational efficiency will continue. During 2023-24, this will include the refurbishment of Berths 1-3 of the Main Jetty, following the completion of major upgrades during 2022-23 which included reinforcing and widening of Berths 4-5.
  - 8.3. The Rottnest Island Authority will also progress works in 2023-24 to upgrade its ageing power network and increase renewable penetration, spending \$54.8 million to deliver 75% of the island's power from renewable sources. The expected benefits of these works include improved sustainability, power network reliability and a variety of public safety outcomes.
  - 8.4. The Rottnest Island Authority will continue the delivery of a \$34.1 million project for vital infrastructure upgrades to overhaul Rottnest Island's ageing drinking water production and supply network, providing Rottnest Island with a water scheme that can meet forecast water demands for the next 20 years.
  - 8.5. Following the finalisation of an integrated movement network strategy, the Botanic Gardens and Parks Authority will collaborate with other public authorities to complete a new shared path on Kings Park Road and improve transport options through licence arrangements.
9. The Botanic Gardens and Parks Authority will deliver Lightscape Kings Park in 2023 to attract visitors and foster enhanced understanding about Western Australia's unique flora and cultural identity, while continuing to support recreation and community wellbeing, health and social inclusion through events.

### **Fire Management**

10. Over the past decade, the Department's fire management operations have become increasingly complex and demanding due to several factors, including:
- 10.1. significant growth in the area of land for which it has fire management responsibility;
  - 10.2. the need to support interagency bushfire response efforts at a local, regional and State level, including where these bushfires do not involve Department-managed land;
  - 10.3. increased planning and operational requirements to undertake prescribed burning; and
  - 10.4. the changing climate, meaning that bushfire suppression and prescribed burning activities are undertaken 12 months of the year in many areas.
11. The Department continues to actively recruit people to fill seasonal fire management positions, though this is challenging in some areas. Successful employees are supported through training and partnering with experienced personnel to ensure that skills and experience are gained and developed in a safe and supported environment. The Department actively reviews its workforce planning and recruitment strategies to maximise continuity of business and succession planning.

### **Resource Agreement**

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Ministers, 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
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Visitor Services and Public Programs Provided at Kings Park and Bold Park .....	10,561	11,040	11,390	11,432	11,612	11,721	12,129
2. Visitor Services and Public Programs Provided at Rottnest Island.....	54,964	53,814	59,250	59,013	59,406	57,856	56,772
3. Visitor Services and Public Programs Provided at Perth Zoo .....	26,671	24,992	26,398	26,236	26,865	27,763	28,739
4. Visitor Services and Public Programs Provided in the Swan and Canning Riverpark .....	16,279	17,010	17,436	17,978	17,908	14,896	15,133
5. Visitor Services and Public Programs Provided in National Parks and Other Lands and Waters .....	129,481	152,162	146,386	182,787	153,834	148,854	150,789
6. Conserving Habitats, Species and Ecological Communities .....	70,731	80,159	79,897	84,697	86,317	86,542	87,934
7. Research and Conservation Partnerships ....	21,876	26,587	26,520	26,647	27,207	27,574	28,142
8. Implementation of the Forest Management Plan .....	19,948	21,239	22,348	57,093	20,903	21,173	21,589
9. Prescribed Burning and Fire Management ...	51,531	53,173	54,108	55,190	56,279	56,898	57,848
10. Bushfire Suppression .....	55,563	40,899	44,164	44,519	44,971	45,243	45,659
<b>Total Cost of Services .....</b>	<b>457,605</b>	<b>481,075</b>	<b>487,897</b>	<b>565,592</b>	<b>505,302</b>	<b>498,520</b>	<b>504,734</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Community enjoyment, appreciation and understanding of attractions under the Department's care:</b>					
Average level of visitor satisfaction:					
Kings Park and Bold Park.....	90%	90%	90%	90%	1
Rottnest Island .....	84%	75%	84.3%	85%	
Perth Zoo .....	90%	95%	90%	86%	
Swan and Canning Riverpark .....	82.2%	85%	80.9%	85%	
National parks and other lands and waters .....	94.57%	90%	93%	90%	
<b>Outcome: Plants and animals, and the landscapes they occupy, are conserved through evidence-based conservation actions:</b>					
Proportion of critically endangered and endangered species and ecological communities that have a recovery plan .....	74.6%	72%	73%	72%	
Area of land baited for introduced predators .....	3,875,015 ha	3,822,539 ha	3,875,015 ha	3,875,015 ha	
<b>Outcome: Sustainable use of forest resources:</b>					
Cumulative removal of jarrah and karri sawlogs by approved harvesting operations compared to limits in the Forest Management Plan.....	1,072,540 m <sup>3</sup>	1,719,000 m <sup>3</sup>	1,166,569 m <sup>3</sup>	1,910,000 m <sup>3</sup>	2,3
<b>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:</b>					
Proportion of planned Priority 1 prescribed burns achieved .....	37%	55%	55%	55%	4
Proportion of South West bushfires contained to less than two hectares.....	79%	75%	75%	75%	

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

**Explanation of Significant Movements**

(Notes)

1. The 2022-23 Estimated Actual is higher than the 2022-23 Budget, reflecting data drawn from 2022-23 customer surveys completed to date. The 2022-23 Estimated Actual is consistent with the 2021-22 Actual and has driven a higher Budget Target for 2023-24.
2. The 2022-23 Estimated Actual is lower than the 2022-23 Budget due to the cumulative effect of harvest shortfalls in prior years.
3. The 2023-24 Budget Target is higher than the 2022-23 Budget and the 2022-23 Estimated Actual as the 2023-24 Budget Target figure represents the total allowable cut over the full 10-year period of the FMP 2014-2023, while the 2022-23 Estimated Actual represents the cumulative harvest actually achieved.
4. The 2021-22 Actual is lower than the 2022-23 Budget as less Priority 1 prescribed burns were completed in 2021-22 due to weather conditions not satisfying the required prescribed parameters within each burn prescription.



## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 10,561	\$'000 11,040	\$'000 11,390	\$'000 11,432	
Less Income .....	4,856	6,570	6,570	6,570	
Net Cost of Service .....	5,705	4,470	4,820	4,862	
<b>Employees (Full-Time Equivalents) .....</b>	<b>44</b>	<b>45</b>	<b>45</b>	<b>45</b>	
<b>Efficiency Indicators</b>					
Average cost per visitor at Kings Park and Bold Park .....	\$2.29	\$2.33	\$2.41	\$2.42	

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 54,964	\$'000 53,814	\$'000 59,250	\$'000 59,013	1
Less Income .....	53,021	50,824	62,061	52,136	2
Net Cost of Service .....	1,943	2,990	(2,811)	6,877	1,2
<b>Employees (Full-Time Equivalents) .....</b>	<b>114</b>	<b>112</b>	<b>112</b>	<b>114</b>	
<b>Efficiency Indicators</b>					
Average cost per visitor at Rottnest Island.....	\$129.50	\$114.50	\$91.15	\$96.74	3

### Explanation of Significant Movements

(Notes)

1. The 2023-24 Budget Target is higher than the 2022-23 Budget largely due to expenditure of \$3.4 million for the new Wadjemup Project. The 2022-23 Estimated Actual Total Cost of Service is higher than the 2022-23 Budget due to higher forecast operating costs, primarily associated with the higher number of forecast visitors for 2022-23, higher Consumer Price Index increases in operating costs than budgeted, and the public sector wages policy.
2. The 2022-23 Estimated Actual income is higher than the 2022-23 Budget due to the recognition of \$4.5 million grant revenue from the Commonwealth Government for the National Tourism Icons Program (not budgeted for in 2022-23) and higher than budgeted own source revenue forecast for 2022-23. The higher Total Cost of Service (refer Note 1 above), is more than offset by the higher income, resulting in a lower Net Cost of Service in the 2022-23 Estimated Actual.
3. The 2023-24 Budget Target and the 2022-23 Estimated Actual average cost per visitor at Rottnest Island are lower than the 2022-23 Budget primarily due to higher than expected visitor numbers.

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	26,671	24,992	26,398	26,236	
Less Income.....	16,638	16,435	19,299	16,797	1
Net Cost of Service.....	10,033	8,557	7,099	9,439	2
<b>Employees (Full-Time Equivalents) .....</b>	<b>159</b>	<b>152</b>	<b>156</b>	<b>152</b>	
<b>Efficiency Indicators</b>					
Average cost per visitor at Perth Zoo.....	\$38.69	\$34.24	\$35.43	\$35.22	

#### Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual income is higher than the 2022-23 Budget and the 2023-24 Budget Target due to higher than expected fundraising income to support future asset investment priorities in the Perth Zoo Master Plan.
2. The 2022-23 Budget and 2023-24 Budget Target are higher than the 2022-23 Estimated Actual due to the impact of increased costs relating to payroll and service contracts, and due to the 2022-23 Estimated Actual including higher than expected fundraising income to support future asset investment priorities.

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	16,279	17,010	17,436	17,978	
Less Income.....	139	482	445	440	
Net Cost of Service.....	16,140	16,528	16,991	17,538	
<b>Employees (Full-Time Equivalents) .....</b>	<b>60</b>	<b>61</b>	<b>63</b>	<b>61</b>	
<b>Efficiency Indicators</b>					
Average cost per hectare in the Swan and Canning Riverpark.....	\$2,222.89	\$2,323.14	\$2,381.32	\$2,455.34	

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	129,481	152,162	146,386	182,787	1
Less Income.....	38,880	31,272	31,347	34,579	2
Net Cost of Service.....	90,601	120,890	115,039	148,208	1,2
<b>Employees (Full-Time Equivalents) .....</b>	560	602	602	643	
<b>Efficiency Indicators</b>					
Average cost per hectare in national parks and other lands and waters .....	\$4.10	\$4.56	\$4.34	\$4.85	

### Explanation of Significant Movements

(Notes)

1. The 2023-24 Budget Target is higher compared to the 2022-23 Budget and the 2022-23 Estimated Actual primarily due to deferment of expenditure on the Murujuga National Park Access Road, Yamatji Nation Regional Agreement, and Pila Nature Reserve, additional funding for the joint management of the proposed Kennedy Range National Park and Shark Bay Terrestrial Reserves under the Plan for Our Parks initiative, and new funding relating to ongoing negotiations and mediated settlements involving the State.
2. The 2023-24 Budget Target income is higher than the 2022-23 Budget and the 2022-23 Estimated Actual due to a forecast increase in recreation and tourism revenue.

## 6. Conserving Habitats, Species and Ecological Communities

Develop and implement programs for the conservation of biodiversity.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	70,731	80,159	79,897	84,697	
Less Income.....	4,178	8,410	5,833	6,137	1
Net Cost of Service.....	66,553	71,749	74,064	78,560	
<b>Employees (Full-Time Equivalents) .....</b>	488	506	508	514	
<b>Efficiency Indicators</b>					
Average cost per hectare of wildlife habitat .....	\$2.24	\$2.40	\$2.37	\$2.25	

### Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual and the 2023-24 Budget Target are lower than the 2022-23 Budget due to a revised allocation methodology adopted by the Rottnest Island Authority.

## 7. Research and Conservation Partnerships

Work with the community, industry, Traditional Owners and other stakeholders to deliver research and conservation outcomes.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	21,876	26,587	26,520	26,647	
Less Income .....	15,290	15,214	15,209	15,801	
Net Cost of Service .....	6,586	11,373	11,311	10,846	
<b>Employees (Full-Time Equivalents) .....</b>	99	109	110	109	
<b>Efficiency Indicators</b>					
Average cost per hectare of wildlife habitat .....	\$0.70	\$0.80	\$0.79	\$0.71	1

### Explanation of Significant Movements

(Notes)

1. The 2023-24 Budget Target average cost per hectare of wildlife habitat is lower than the 2022-23 Budget and the 2022-23 Estimated Actual due to an increase in target hectares, mainly from additional national parks and conservation reserves expected to be created under the Plan for Our Parks initiative.

## 8. Implementation of the Forest Management Plan

Manage State forests in accordance with the approved FMP and provide services that support forest production activities.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	19,948	21,239	22,348	57,093	1
Less Income .....	2,532	3,481	3,377	3,768	
Net Cost of Service .....	17,416	17,758	18,971	53,325	
<b>Employees (Full-Time Equivalents) .....</b>	126	136	137	186	1
<b>Efficiency Indicators</b>					
Average cost per hectare of forest.....	\$15.54	\$16.54	\$17.67	\$45.13	1

### Explanation of Significant Movements

(Notes)

1. The 2023-24 Budget Target is higher than the 2022-23 Budget and the 2022-23 Estimated Actual due to increased spending on the implementation of the FMP 2024-2033, including the commencement of an ecological thinning program, creation of new conservation reserves in consultation with Traditional Owners, and delivery of a range of forest management activities.

## 9. Prescribed Burning and Fire Management

Deliver prescribed burning and fire management to protect the community and enhance natural values.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	51,531	53,173	54,108	55,190	
Less Income .....	3,137	1,620	1,545	1,603	
Net Cost of Service .....	48,394	51,553	52,563	53,587	
<b>Employees (Full-Time Equivalents) .....</b>	250	255	256	255	
<b>Efficiency Indicators</b>					
Average cost per hectare burnt .....	\$10.53	\$14.62	\$13.71	\$13.80	1

### Explanation of Significant Movements

(Notes)

- The 2021-22 Actual average cost per hectare burnt is lower than the 2022-23 Budget due to higher hectares burnt (4.9 million) resulting from favourable burning conditions compared to the forecast achievement of 3.6 million hectares set in 2022-23.

## 10. Bushfire Suppression

Suppress bushfires that threaten or occur on lands managed by the Department.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	55,563	40,899	44,164	44,519	
Less Income .....	868	769	777	832	
Net Cost of Service .....	54,695	40,130	43,387	43,687	
<b>Employees (Full-Time Equivalents) .....</b>	117	120	121	120	
<b>Efficiency Indicators</b>					
Average cost per hectare burnt .....	\$25.62	\$13.26	\$18.38	\$17.81	1

### Explanation of Significant Movements

(Notes)

- The 2023-24 Budget Target reflects the average trend of actual areas burnt over the last five financial years.

## Asset Investment Program

1. 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 the forward estimates period is \$362.9 million. The Department's new significant projects include investment of:
  - 1.1. \$18.5 million over the forward estimates period to be spent on capital works in relation to the Wadjemup Project Stage Two, which will include memorialisation of the Burial Ground and urgent restoration works to the Quod on Rottnest Island; and
  - 1.2. \$7.3 million over 2023-24 to 2025-26 to be spent on essential start-up infrastructure to support joint management outcomes, such as for the proposed Kennedy Range National Park and Pimbee National Park, and Shark Bay Terrestrial Reserves.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Infrastructure Stimulus Package							
Great Southern Adventure Trails .....	12,780	6,510	4,102	6,270	-	-	-
Monkey Mia Rejuvenation .....	675	509	-	166	-	-	-
Parks in the Gascoyne Region - Renewal of Visitor Access and Facilities .....							
	1,300	1,050	325	250	-	-	-
Parks in the Great Southern Region - Renewal of Walk and Cycle Trails .....							
	2,240	1,720	1,420	520	-	-	-
Parks in the Perth Metro Region - Visitor Access and Facilities Upgrades .....							
	2,387	1,737	682	650	-	-	-
Perth Metro Region Parks - Assets Refurbishment .....	643	543	57	100	-	-	-
Perth Hills Bike Trails - John Forrest National Park .....	1,500	1,250	1,019	250	-	-	-
Perth Zoo Café/Function Centre .....	21,573	20,903	19,073	670	-	-	-
Rottnest Island							
Water Network .....	19,441	6,541	2,775	5,900	7,000	-	-
Water Production .....	14,699	4,420	800	10,279	-	-	-
<b>Other Works in Progress</b>							
Collie Adventure Trails .....	9,505	8,005	2,444	1,500	-	-	-
Collie Tourism Readiness and Economic Stimulation - Wellington National Park - Parking and Tourism Facilities .....							
	2,471	1,871	860	600	-	-	-
COVID-19 National and World Heritage							
Miluwindi Lennard Gorge Walkway and Lookout .....	260	60	20	200	-	-	-
Reddell Beach Visitor Infrastructure Redevelopment .....	785	285	250	500	-	-	-
Election Commitments							
Beeliar Wetlands .....	3,000	650	558	1,560	790	-	-
Danggu Geike Gorge .....	1,750	1,505	874	245	-	-	-
Dwellingup Trails Gap Project .....	2,350	1,410	1,217	940	-	-	-
Karijini National Park Upgrades .....	16,000	1,700	1,032	13,300	1,000	-	-
Kimberley Wilderness Walk, Wunaamin Miliwundi Ranges .....							
	850	450	399	250	150	-	-
Mount Augustus Tourism Infrastructure .....	10,000	1,127	1,000	3,580	5,293	-	-
Murujuga National Park .....	5,000	1,300	1,213	3,700	-	-	-
Perth Zoo Master Plan 2040 .....	30,000	1,620	1,500	19,930	8,450	-	-
The Gap, Tomdirrup National Park .....	3,300	400	384	2,900	-	-	-
Tourism Package - Peri-Urban Parks .....	29,100	3,984	3,075	13,216	7,600	4,300	-
Yawuru Conservation Park .....	4,500	534	375	2,716	1,250	-	-
Yellagonga Regional Park .....	6,265	1,190	1,094	4,505	570	-	-
Karratha Regional Office .....	5,663	5,230	4,868	433	-	-	-
Plan for Our Parks							
Additional Areas .....	829	279	135	275	275	-	-
Badimia Conservation Reserves .....	5,307	1,511	619	3,646	150	-	-
Buccaneer Archipelago .....	3,237	1,106	272	1,978	51	51	51
Election Commitments							
Expansion of Wellington National Park .....							
Preston River to Ocean and Leschenault Regional Parks (Kalgulup) .....							
	8,196	4,116	3,652	4,080	-	-	-
Fitzroy National Park .....	2,680	1,362	630	1,318	-	-	-
Fitzroy National Park (Royalties for Regions) .....	973	330	330	643	-	-	-
Helena and Aurora Range National Park .....	570	370	20	200	-	-	-
Houtman Abrolhos Islands National Park Management .....	11,601	11,351	4,394	250	-	-	-
Rottnest Island Authority - Electrical Infrastructure							
Upgrade .....	54,800	900	900	10,200	30,900	12,800	-
Rottnest Island Authority - Jetty Upgrades - Main Jetty .....	12,900	11,650	9,178	1,250	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Biodiversity Information Office - 2022-23 Program.....	500	500	500	-	-	-	-
Infrastructure Stimulus Package							
Bibbulmun Track and Munda Biddi Trail Renewal.....	1,195	1,195	74	-	-	-	-
Cape Peron, Shark Bay - Day Use Area Upgrade.....	175	175	175	-	-	-	-
Cape Range - 'Over the Range' Walk Trail .....	50	50	50	-	-	-	-
Gascoyne Region Parks - Assets Refurbishment.....	550	550	81	-	-	-	-
Gloucester Tree - Power Supply Connection .....	225	225	165	-	-	-	-
Goldfields Esperance Parks - Assets Refurbishment .....	700	700	165	-	-	-	-
Gull Rock National Park - Ledge Beach Visitor Facilities ...	135	135	133	-	-	-	-
Kalbarri - Access Roads Line Marking .....	50	50	4	-	-	-	-
Midwest Region Parks - Assets Refurbishment.....	448	448	20	-	-	-	-
Perth Hills Bike Trails - Goat Farm and Kalamunda Circuit.....	2,000	2,000	200	-	-	-	-
Point Peron, Rockingham Lakes - Paths Upgrade .....	1,100	1,100	250	-	-	-	-
Serpentine National Park - Visitor Facilities Upgrade .....	150	150	85	-	-	-	-
Shell Beach, Shark Bay - Visitor Facilities Upgrade .....	500	500	277	-	-	-	-
<b>Other Completed Works</b>							
2023 Total Solar Eclipse .....	524	524	524	-	-	-	-
Botanic Gardens and Parks Authority - Asset							
Replacement - 2022-23 Program .....	1,000	1,000	1,000	-	-	-	-
Collie Tourism Readiness and Economic Stimulation - Collie Township - Wayfinding and Tourism Amenities ....	629	629	277	-	-	-	-
Conservation Land Acquisition - 2022-23 Program.....	420	420	420	-	-	-	-
COVID-19 National and World Heritage							
Lesueur Cockleshell Gully Walk Trail Upgrade .....	36	36	30	-	-	-	-
Monkey Mia Interpretation .....	40	40	40	-	-	-	-
Monkey Mia Trails and Landscape Works.....	185	185	180	-	-	-	-
Ningaloo Coast Milyering Discovery Centre Upgrade.....	150	150	150	-	-	-	-
Election Commitments							
Accessible Parks and Natureplay Western Australia .....	1,000	1,000	925	-	-	-	-
Kalbarri Island Rock .....	250	250	245	-	-	-	-
Lake Stockton .....	500	500	266	-	-	-	-
Fire Related Bridge Maintenance and Replacement - 2022-23 Program .....	2,095	2,095	2,095	-	-	-	-
Firefighting Fleet Replacement - 2022-23 Program.....	2,200	2,200	2,200	-	-	-	-
Koombana Park Facilities.....	11,404	11,404	1,408	-	-	-	-
Park Improvement							
2022-23 Program .....	4,700	4,700	4,700	-	-	-	-
Election Commitment - Lake Kepwari .....	5,166	5,166	434	-	-	-	-
William Bay National Park Tourism Infrastructure .....	2,500	2,500	512	-	-	-	-
Plan for Our Parks - Ningaloo Coastal Reserve.....	1,500	1,500	672	-	-	-	-
Plant and Equipment - 2022-23 Program.....	6,018	6,018	6,018	-	-	-	-
Rottneest Island Authority							
Enhancing National Tourism Icons - 2022-23 Program ..	2,637	2,637	2,637	-	-	-	-
Holiday and Tourism Facilities - 2022-23 Program.....	9,852	9,852	9,852	-	-	-	-
Tourism Road Improvement - 2022-23 Program.....	525	525	525	-	-	-	-
Tree Top Walk Web Struts Replacement.....	4,817	4,817	3,531	-	-	-	-
Yamatji Nation Regional Agreement - Trucks .....	630	630	486	-	-	-	-
Zoological Parks Authority							
Exhibits and Park Facilities - 2022-23 Program.....	1,248	1,248	1,248	-	-	-	-
Facilities and Equipment - Computer Equipment - 2022-23 Program.....	100	100	100	-	-	-	-
<b>NEW WORKS</b>							
Botanic Gardens and Parks Authority - Asset							
Replacement							
2023-24 Program .....	1,000	-	-	1,000	-	-	-
2024-25 Program .....	1,000	-	-	-	1,000	-	-
2025-26 Program .....	1,000	-	-	-	-	1,000	-
2026-27 Program .....	1,000	-	-	-	-	-	1,000
Conservation Land Acquisition							
2023-24 Program .....	420	-	-	420	-	-	-
2024-25 Program .....	420	-	-	-	420	-	-
2025-26 Program .....	420	-	-	-	-	420	-
2026-27 Program .....	420	-	-	-	-	-	420
Fire Related Bridge Maintenance and Replacement							
2023-24 Program .....	2,095	-	-	2,095	-	-	-
2024-25 Program .....	2,095	-	-	-	2,095	-	-
2025-26 Program .....	2,095	-	-	-	-	2,095	-
2026-27 Program .....	2,095	-	-	-	-	-	2,095

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Firefighting Fleet Replacement</b>							
2023-24 Program .....	2,200	-	-	2,200	-	-	-
2024-25 Program .....	2,200	-	-	-	2,200	-	-
2025-26 Program .....	2,200	-	-	-	-	2,200	-
2026-27 Program .....	2,200	-	-	-	-	-	2,200
<b>Park Improvement</b>							
2023-24 Program .....	4,450	-	-	4,450	-	-	-
2024-25 Program .....	4,450	-	-	-	4,450	-	-
2025-26 Program .....	4,950	-	-	-	-	4,950	-
2026-27 Program .....	4,950	-	-	-	-	-	4,950
<b>Plan for Our Parks</b>							
Kennedy Range National Park and Pimbee National Park .....	2,307	-	-	1,078	989	240	-
Matuwa Kurarra Kurarra National Park and Lake Carnegie Nature Reserve .....	5,000	-	-	2,650	1,250	1,100	-
Shark Bay Terrestrial Reserves .....	3,530	-	-	1,536	1,840	154	-
Other .....	1,500	-	-	1,350	75	75	-
<b>Plant and Equipment</b>							
2023-24 Program .....	8,629	-	-	8,629	-	-	-
2024-25 Program .....	8,629	-	-	-	8,629	-	-
2025-26 Program .....	8,629	-	-	-	-	8,629	-
2026-27 Program .....	8,629	-	-	-	-	-	8,629
<b>Rottneet Island Authority - Holiday and Tourism Facilities</b>							
2023-24 Program .....	9,229	-	-	9,229	-	-	-
2024-25 Program .....	9,789	-	-	-	9,789	-	-
2025-26 Program .....	9,789	-	-	-	-	9,789	-
2026-27 Program .....	9,789	-	-	-	-	-	9,789
Rottneet Island Authority - Wadjemup Stage Two .....	18,501	-	-	799	4,275	13,427	-
<b>Tourism Road Improvement</b>							
2023-24 Program .....	2,025	-	-	2,025	-	-	-
2024-25 Program .....	2,150	-	-	-	2,150	-	-
2025-26 Program .....	1,150	-	-	-	-	1,150	-
2026-27 Program .....	2,150	-	-	-	-	-	2,150
Western Australian Feral Cat Strategy .....	500	-	-	500	-	-	-
<b>Zoological Parks Authority - Animal Exhibits and Park Facilities</b>							
2023-24 Program .....	2,805	-	-	2,805	-	-	-
2024-25 Program .....	1,905	-	-	-	1,905	-	-
2025-26 Program .....	1,905	-	-	-	-	1,905	-
2026-27 Program .....	1,905	-	-	-	-	-	1,905
<b>Zoological Parks Authority - Facilities and Equipment - Computer Equipment</b>							
2023-24 Program .....	100	-	-	100	-	-	-
2024-25 Program .....	100	-	-	-	100	-	-
2025-26 Program .....	100	-	-	-	-	100	-
2026-27 Program .....	100	-	-	-	-	-	100
<b>Total Cost of Asset Investment Program .....</b>	<b>540,649</b>	<b>177,753</b>	<b>114,570</b>	<b>160,206</b>	<b>105,016</b>	<b>64,385</b>	<b>33,289</b>
<b>FUNDED BY</b>							
Asset Sales .....			500	500	500	500	500
Capital Appropriation .....			56,751	89,051	69,914	36,976	5,880
Commonwealth Grants .....			1,730	-	-	-	-
Drawdown from the Holding Account .....			13,320	13,320	13,320	13,320	13,320
Internal Funds and Balances .....			31,535	24,061	13,589	13,589	13,589
Major Special Purpose Account(s) Drawdown from Royalties for Regions Fund .....			10,734	33,274	7,693	-	-
<b>Total Funding .....</b>			<b>114,570</b>	<b>160,206</b>	<b>105,016</b>	<b>64,385</b>	<b>33,289</b>



## Financial Statements

### Income Statement

#### *Expenses*

1. The Total Cost of Service is estimated to increase by \$84.5 million between the 2022-23 Budget and the 2023-24 Budget Year, mainly due to increased spending on the implementation of the FMP 2024-2033, the Wadjemup Project, Murujuga National Park Access Road, joint management of the proposed Kennedy Range National Park and Shark Bay Terrestrial Reserves under the Plan for Our Parks initiative, ongoing negotiations and mediated settlements involving the State, supporting Climate Resilience and Adaptive Capacity of Western Australia's Threatened Species, implementing the Western Australian Feral Cat Strategy and maintenance of infrastructure within national parks and campgrounds funded by own source revenue.

#### *Income*

2. The total income from Government is estimated to increase by \$72.9 million to \$424 million in the 2023-24 Budget Year compared to the 2022-23 Budget, largely due to additional funding provided for the above noted initiatives.

### 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 relates to specific purpose accounts funded by external parties which represents the majority of the Department's cash holdings.

### Statement of Cashflows

4. Purchase of non-current assets is expected to increase from \$140.6 million in the 2022-23 Budget to \$160.21 million in the 2023-24 Budget Year. The increase of \$19.6 million is largely the result of increased expenditure on the Wadjemup Project and various Plan for Our Parks projects.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b) .....	237,863	242,031	253,716	268,121	263,955	268,902	275,207
Grants and subsidies (c) .....	13,256	28,030	16,985	39,959	25,621	18,673	18,673
Supplies and services .....	125,070	126,342	131,009	169,280	127,267	123,238	122,805
Accommodation .....	3,919	6,698	6,168	6,792	6,821	7,858	7,902
Depreciation and amortisation .....	46,326	47,417	47,260	47,296	47,295	47,523	47,572
Finance and interest costs .....	371	536	556	834	861	907	864
Other expenses .....	30,800	30,021	32,203	33,310	33,482	31,419	31,711
<b>TOTAL COST OF SERVICES .....</b>	<b>457,605</b>	<b>481,075</b>	<b>487,897</b>	<b>565,592</b>	<b>505,302</b>	<b>498,520</b>	<b>504,734</b>
<b>Income</b>							
Sale of goods and services .....	78,720	82,996	82,488	84,789	84,968	85,156	85,576
Regulatory fees and fines .....	12,357	13,488	16,469	15,888	16,288	16,700	16,927
Grants and subsidies .....	24,807	15,978	20,512	14,283	14,283	14,233	14,233
Other revenue (d) .....	93,648	22,615	26,994	23,703	23,301	23,428	23,550
<b>Total Income .....</b>	<b>209,532</b>	<b>135,077</b>	<b>146,463</b>	<b>138,663</b>	<b>138,840</b>	<b>139,517</b>	<b>140,286</b>
<b>NET COST OF SERVICES .....</b>	<b>248,073</b>	<b>345,998</b>	<b>341,434</b>	<b>426,929</b>	<b>366,462</b>	<b>359,003</b>	<b>364,448</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	291,122	301,102	291,042	371,307	306,910	301,840	307,611
Resources received free of charge .....	1,817	1,691	2,491	2,491	2,541	2,241	2,241
Special Purpose Account(s) (e)							
Climate Action Fund .....	-	1,704	-	-	-	-	-
Royalties for Regions Fund							
Regional Community Services Fund .....	28,349	25,664	27,347	27,811	32,054	28,972	29,016
Other appropriations .....	-	-	1,537	1,052	1,253	1,482	1,933
Other revenues .....	23,568	20,967	20,283	21,337	20,907	20,907	20,907
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>344,856</b>	<b>351,128</b>	<b>342,700</b>	<b>423,998</b>	<b>363,665</b>	<b>355,442</b>	<b>361,708</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD .....</b>	<b>96,783</b>	<b>5,130</b>	<b>1,266</b>	<b>(2,931)</b>	<b>(2,797)</b>	<b>(3,561)</b>	<b>(2,740)</b>

- (a) Full audited financial statements are published in the Department's Annual Reports.
- (b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 2,017, 2,110 and 2,199 respectively.
- (c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
- (d) The 2021-22 Actual for other revenue includes asset revaluation revenue of \$70 million.
- (e) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Aboriginal Ranger Program .....	5,185	10,274	10,199	13,625	19,191	15,250	15,250
City of Karratha - Murujuga National Park							
Access Road .....	-	11,500	-	19,000	-	-	-
Election Commitments .....	3,117	2,258	2,713	3,336	2,932	-	-
Environmental Defenders Office .....	-	75	150	75	75	-	-
Local Projects Local Jobs .....	125	-	-	-	-	-	-
Net Conservation Benefit .....	652	502	502	502	502	502	502
Plan for Our Parks .....	644	-	-	-	-	-	-
Swan and Canning Rivers Management and							
Community Rivercare .....	3,283	3,021	3,021	3,021	2,521	2,521	2,521
Wildlife Conservation .....	250	400	400	400	400	400	400
<b>TOTAL .....</b>	<b>13,256</b>	<b>28,030</b>	<b>16,985</b>	<b>39,959</b>	<b>25,621</b>	<b>18,673</b>	<b>18,673</b>

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	61,656	57,704	67,232	53,130	46,766	40,899	33,764
Restricted cash .....	94,237	59,257	65,157	62,545	62,545	62,545	62,545
Holding Account receivables .....	13,320	13,320	13,320	13,320	13,320	13,320	13,320
Receivables .....	16,821	16,632	17,594	18,483	19,200	18,154	16,565
Other.....	12,675	12,320	12,259	11,492	10,728	10,728	10,728
Assets held for sale .....	13	55	13	13	13	13	13
<b>Total current assets .....</b>	<b>198,722</b>	<b>159,288</b>	<b>175,575</b>	<b>158,983</b>	<b>152,572</b>	<b>145,659</b>	<b>136,935</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	279,845	305,538	305,885	332,077	358,294	384,585	410,925
Property, plant and equipment.....	3,474,791	3,337,636	3,551,733	3,670,352	3,734,317	3,757,149	3,748,814
Receivables .....	119	125	119	119	119	119	119
Intangibles .....	1,013	2,001	876	800	800	800	800
Restricted cash .....	4,259	4,409	4,329	4,399	4,551	4,621	4,691
Other.....	1,327	1,847	941	941	941	941	941
<b>Total non-current assets .....</b>	<b>3,761,354</b>	<b>3,651,556</b>	<b>3,863,883</b>	<b>4,008,688</b>	<b>4,099,022</b>	<b>4,148,215</b>	<b>4,166,290</b>
<b>TOTAL ASSETS .....</b>	<b>3,960,076</b>	<b>3,810,844</b>	<b>4,039,458</b>	<b>4,167,671</b>	<b>4,251,594</b>	<b>4,293,874</b>	<b>4,303,225</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	50,201	48,854	50,655	50,941	51,214	51,522	51,522
Payables .....	20,026	12,012	20,137	20,133	20,075	19,988	19,896
Borrowings and leases .....	4,843	5,505	5,819	6,196	6,270	6,510	6,341
Other.....	25,430	27,930	25,440	25,450	25,460	25,460	25,460
<b>Total current liabilities .....</b>	<b>100,500</b>	<b>94,301</b>	<b>102,051</b>	<b>102,720</b>	<b>103,019</b>	<b>103,480</b>	<b>103,219</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	9,471	9,541	9,471	9,471	9,471	9,471	9,471
Borrowings and leases .....	7,434	8,857	9,844	9,130	9,398	8,996	8,356
Other.....	9,964	8,901	9,802	9,640	9,478	9,478	9,478
<b>Total non-current liabilities .....</b>	<b>26,869</b>	<b>27,299</b>	<b>29,117</b>	<b>28,241</b>	<b>28,347</b>	<b>27,945</b>	<b>27,305</b>
<b>TOTAL LIABILITIES.....</b>	<b>127,369</b>	<b>121,600</b>	<b>131,168</b>	<b>130,961</b>	<b>131,366</b>	<b>131,425</b>	<b>130,524</b>
<b>EQUITY</b>							
Contributed equity .....	3,334,668	3,439,326	3,408,485	3,539,336	3,625,351	3,670,833	3,683,525
Accumulated surplus/(deficit).....	182,263	110,589	183,529	180,598	177,801	174,240	171,500
Reserves.....	315,776	139,329	316,276	316,776	317,076	317,376	317,676
<b>Total equity .....</b>	<b>3,832,707</b>	<b>3,689,244</b>	<b>3,908,290</b>	<b>4,036,710</b>	<b>4,120,228</b>	<b>4,162,449</b>	<b>4,172,701</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>3,960,076</b>	<b>3,810,844</b>	<b>4,039,458</b>	<b>4,167,671</b>	<b>4,251,594</b>	<b>4,293,874</b>	<b>4,303,225</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	252,200	262,089	251,682	331,795	267,373	262,229	267,951
Capital appropriation.....	45,836	84,150	62,000	94,390	75,331	42,481	11,522
Holding Account drawdowns.....	12,480	13,320	13,320	13,320	13,320	13,320	13,320
Special Purpose Account(s)							
Climate Action Fund.....	-	1,704	1,083	3,187	2,991	3,001	1,195
Royalties for Regions Fund							
Regional Community Services Fund.....	28,528	25,664	27,347	27,811	32,054	28,972	29,016
Regional Infrastructure and Headworks							
Fund.....	13,638	18,212	10,734	33,274	7,693	-	-
Other.....	24,830	20,966	20,342	21,336	20,906	20,906	20,907
Administered appropriations.....	-	-	1,537	1,052	1,253	1,482	1,933
<b>Net cash provided by Government.....</b>	<b>377,512</b>	<b>426,105</b>	<b>388,045</b>	<b>526,165</b>	<b>420,921</b>	<b>372,391</b>	<b>345,844</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(235,694)	(241,762)	(253,281)	(267,852)	(263,696)	(268,409)	(274,864)
Grants and subsidies.....	(13,256)	(27,860)	(16,815)	(38,709)	(25,421)	(18,673)	(18,673)
Supplies and services.....	(96,283)	(111,824)	(117,186)	(154,953)	(112,554)	(105,229)	(103,998)
Accommodation.....	(4,059)	(6,918)	(6,388)	(7,012)	(7,043)	(7,857)	(7,902)
GST payments.....	(24,323)	(17,902)	(22,848)	(20,848)	(20,848)	(20,898)	(20,898)
Finance and interest costs.....	(371)	(536)	(556)	(834)	(861)	(907)	(864)
Other payments.....	(50,873)	(45,792)	(46,724)	(49,413)	(48,857)	(48,465)	(49,689)
<b>Receipts (b)</b>							
Regulatory fees and fines.....	12,573	13,488	16,469	15,888	16,288	16,700	16,927
Grants and subsidies.....	21,960	16,780	21,314	15,050	15,050	15,000	15,000
Sale of goods and services.....	77,490	84,307	84,650	86,950	86,667	85,913	86,332
GST receipts.....	24,653	17,905	22,853	20,851	20,851	20,903	20,903
Other receipts.....	23,142	22,271	26,578	23,359	23,469	23,369	23,491
<b>Net cash from operating activities.....</b>	<b>(265,041)</b>	<b>(297,843)</b>	<b>(291,934)</b>	<b>(377,523)</b>	<b>(316,955)</b>	<b>(308,553)</b>	<b>(314,235)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(81,629)	(140,592)	(114,570)	(160,206)	(105,016)	(64,385)	(33,289)
Proceeds from sale of non-current assets.....	856	500	500	500	500	500	500
Other receipts.....	5,000	-	-	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(75,773)</b>	<b>(140,092)</b>	<b>(114,070)</b>	<b>(159,706)</b>	<b>(104,516)</b>	<b>(63,885)</b>	<b>(32,789)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(6,075)	(5,248)	(5,313)	(5,418)	(5,500)	(5,588)	(5,723)
Other payments.....	(162)	(162)	(162)	(162)	(162)	(162)	(162)
<b>Net cash from financing activities.....</b>	<b>(6,237)</b>	<b>(5,410)</b>	<b>(5,475)</b>	<b>(5,580)</b>	<b>(5,662)</b>	<b>(5,750)</b>	<b>(5,885)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD.....</b>							
	30,461	(17,240)	(23,434)	(16,644)	(6,212)	(5,797)	(7,065)
Cash assets at the beginning of the reporting period.....	134,691	138,610	160,152	136,718	120,074	113,862	108,065
Net cash transferred to/from other agencies....	(5,000)	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period.....</b>	<b>160,152</b>	<b>121,370</b>	<b>136,718</b>	<b>120,074</b>	<b>113,862</b>	<b>108,065</b>	<b>101,000</b>

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

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

**NET APPROPRIATION DETERMINATION (a)(b)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Regulatory Fees and Fines</b>							
Regulatory Fees and Fines.....	364	190	190	190	190	190	190
<b>Grants and Subsidies</b>							
Grants and Subsidies.....	24,875	23,335	22,535	23,765	23,335	23,335	23,335
<b>Sale of Goods and Services</b>							
Sale of Goods and Services.....	39,812	36,739	33,104	37,504	37,504	37,504	37,504
<b>GST Receipts</b>							
GST Receipts on Sales.....	5,892	5,500	5,500	5,500	5,500	5,500	5,500
GST Input Credits.....	11,579	5,827	7,827	7,827	7,827	7,827	7,827
<b>Other Receipts</b>							
Other Receipts.....	15,445	15,047	15,050	15,200	15,303	15,377	15,377
Interest Received.....	-	1,988	-	-	-	-	-
<b>TOTAL .....</b>	<b>97,967</b>	<b>88,626</b>	<b>84,206</b>	<b>89,986</b>	<b>89,659</b>	<b>89,733</b>	<b>89,733</b>

(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**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>INCOME</b>							
<b>Fines</b>							
Receipts from Regulatory Fees and Fines....	94	30	30	30	30	30	30
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>94</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>
<b>EXPENSES</b>							
<b>Other</b>							
Loss on Valuation of Biological Assets (a) ...	40,039	-	-	-	-	-	-
Receipts Paid into the Consolidated Account.....	94	30	30	30	30	30	30
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>40,133</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>

(a) Native forest and sandalwood biological assets were transferred to the Department on 1 July 2019. The loss on valuation of biological assets reflects the 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	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
<b>Planning, Lands and Heritage</b>		
– Total Cost of Services .....	183,874	283,901
– Asset Investment Program .....	20,041	19,331
<b>Western Australian Planning Commission</b>		
– Total Cost of Services .....	76,565	56,025
– Asset Investment Program .....	82,007	102,686
<b>Western Australian Land Information Authority</b>		
– Total Cost of Services .....	125,261	136,169
– Asset Investment Program .....	2,943	9,515
<b>DevelopmentWA</b>		
– Asset Investment Program .....	436,599	468,289
<b>Heritage Council of Western Australia</b>		
– Total Cost of Services .....	1,557	1,540
<b>National Trust of Australia (WA)</b>		
– Total Cost of Services .....	6,875	7,442
– Asset Investment Program .....	2,078	876

## Ministerial Responsibilities

Minister	Agency	Services
Minister for Transport; Planning; Ports	Planning, Lands and Heritage	1. Planning Services
Minister for Housing; Lands; Homelessness; Local Government	Planning, Lands and Heritage	2. Land Administration Services
Minister for Culture and the Arts; Sport and Recreation; International Education; Heritage	Planning, Lands and Heritage	3. Historical Heritage Services 4. Aboriginal Heritage Management
Minister for Education; Aboriginal Affairs; Citizenship and Multicultural Interests		
Minister for Transport; Planning; Ports	Western Australian Planning Commission	1. Statutory Planning 2. Strategic Planning 3. Asset Management
Minister for Housing; Lands; Homelessness; Local Government	Western Australian Land Information Authority	1. Land Titling 2. Valuations 3. Land Information and Services 4. Access to Location Information
	DevelopmentWA	n.a.
Minister for Culture and the Arts; Sport and Recreation; International Education; 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 43 **Planning, Lands and Heritage**

### Part 11 **Planning and Land Use**

#### **Appropriations, Expenses and Cash Assets**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 86 Net amount appropriated to deliver services .....	105,455	121,810	81,380	<b>138,394</b>	140,623	144,321	128,352
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	404	407	407	<b>410</b>	414	416	426
Total appropriations provided to deliver services.....	105,859	122,217	81,787	<b>138,804</b>	141,037	144,737	128,778
<b>CAPITAL</b>							
Item 152 Capital Appropriation.....	2,373	5,923	5,924	<b>4,009</b>	3,941	3,831	2,214
<b>TOTAL APPROPRIATIONS</b> .....	<b>108,232</b>	<b>128,140</b>	<b>87,711</b>	<b>142,813</b>	<b>144,978</b>	<b>148,568</b>	<b>130,992</b>
<b>EXPENSES</b>							
Total Cost of Services .....	179,599	222,508	183,874	<b>283,901</b>	260,490	258,644	239,734
Net Cost of Services <sup>(a)</sup> .....	168,554	210,317	171,267	<b>241,001</b>	214,648	212,325	193,244
<b>CASH ASSETS</b> <sup>(b)</sup> .....	67,170	33,452	48,097	<b>35,788</b>	32,562	31,274	30,166

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

(b) As at 30 June each financial year.

## Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Department's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiatives</b>					
Aboriginal Cultural Heritage Act 2021 .....	-	14,023	20,845	21,078	21,033
Aboriginal Heritage Partnership Projects .....	-	524	-	-	-
Climate Action Fund - Climate Adaptation					
Business Case for Coastal Hazards .....	-	300	-	-	-
Integrating Climate Adaptation into Policy Planning .....	-	2,061	1,468	837	670
Climate Action Fund - Green Energy Approvals .....	77	157	159	161	162
Dampier Peninsula Project Cultural Heritage Protection .....	-	500	-	-	-
Housing Diversity Pipeline .....	-	7,495	-	-	-
Infrastructure Development Fund .....	-	30,761	25,568	25,575	-
Kimberley Recovery Housing and Community Roads Package (a) .....	-	-	-	-	-
Local Aboriginal Cultural Heritage Service .....	2,500	5,000	2,500	-	-
Tjiwarl Palyakuwa Indigenous Land Use Agreement (ILUA) .....	- (b)	- (b)	- (b)	- (b)	- (b)
Victoria Quay Place Improvement Project .....	2,500	5,000	-	-	-
<b>Ongoing Initiatives</b>					
Digital Capability Fund - Planning Online Program .....	(385)	705	(217)	(326)	331
Implementation of Planning Reform Phase Two .....	(1,000)	4,533	6,829	7,003	7,054
Indian Ocean Territories Service Delivery Agreement .....	540	442	442	442	442
<b>Other</b>					
Government Regional Officer Housing .....	(283)	(301)	29	29	29
Public Sector Wages Policy .....	5,818	5,106	5,963	7,411	9,444
Revision to Expenditure Profile .....	(32,708)	(12,356)	3,340	16,290	26,628
State Fleet Policy and Procurement Initiatives .....	24	45	45	47	43

(a) Confidential - subject to ongoing negotiations with the Commonwealth Government.

(b) The ILUA remains confidential until it is conclusively registered in accordance with its terms. It is anticipated conclusive registration will occur in late May 2023.

## Significant Issues Impacting the Agency

### Aboriginal Cultural Heritage Act 2021

1. The new *Aboriginal Cultural Heritage Act 2021* will take effect from 1 July 2023, introducing a modern framework for the protection and management of Aboriginal cultural heritage in Western Australia. The inaugural Aboriginal Cultural Heritage Council (the Council) has been appointed to provide strategic advice on protecting and promoting Aboriginal cultural heritage matters, including oversight of processes for permits and management plan authorisation for activities that may harm Aboriginal cultural heritage. The Council will also designate Local Aboriginal Cultural Heritage Services, new regulatory organisations that will have authority to speak for Country and help facilitate agreement-making on land use proposals.

### Kimberley Recovery Housing and Community Roads Package

2. The Department is supporting the Government's recovery efforts in the Fitzroy Valley following flooding from ex-Tropical Cyclone Ellie in December 2022. This includes the repair, refurbishment and/or replacement of around 30 homes on the Aboriginal Land Trust estate and Crown land in the remote communities of Balginjirr, Burawa, Darlanguyaya, Bungardi, Junjuwa, Kupungarri (Wananami), Loanbun (Parukupan) and Karnparrmi. The program of works will be delivered from 2022-23 to 2025-26.

### Carbon Farming on Crown Lands

3. The Department continues to support opportunities offered by carbon farming on the Crown land estate to restore degraded pastoral land, improve biodiversity, empower Traditional Owners, deliver regional jobs and contribute to the State's efforts to mitigate climate change. This includes responding to applications for the State's Eligible Interest Holder Consent in relation to Human-Induced Regeneration and Savanna Burning (emissions avoidance) projects, as well as working across government to progress the development of policies needed to underpin use of additional carbon farming methods on Western Australian Crown land.

### **Housing Diversity Pipeline (Land Supply and Social Housing)**

4. The Government, through the Housing Diversity Pipeline, is seeking to partner with industry on innovative delivery models to deliver more social housing and plan for future housing developments across a number of identified sites. The Department is leading a joint project with the Department of Communities and DevelopmentWA, in consultation with the Department of the Premier and Cabinet and Treasury, to increase the supply of social housing on government-owned land across the State. These agencies work in partnership to identify, de-constrain and divest suitable surplus State-owned land for social housing development and other strategic planning and land use objectives such as within METRONET precincts.

### **Amendments to the *Land Administration 1997 Act***

5. Amendments to the *Land Administration Act 1997* were passed by Parliament in early 2023 and will deliver a new form of land tenure to enable Crown land to be used for multiple purposes and provide long-awaited reform for pastoral lessees. The Department is developing a policy framework for diversification leases that will support the legislative changes to unlock the economic potential of underutilised land, facilitate increased investment in pastoralism and other regionally-based industries and create greater economic opportunities for Aboriginal people.

### **Market-led Proposals**

6. The Department continues to support the Market-led Proposals (MLP) Policy, which was established as a pathway for the private sector to bring forward ideas and work with the Government to create jobs and stimulate the economy. Since 2019, more than 70 unsolicited proposals have been received in addition to the release of seven Problem and Opportunity Statements to support Western Australia's COVID-19 economic response. The MLP Policy was recently updated to improve transparency, introduce new timeframes, reduce duplication and enhance accountability.

### **Inner City Projects**

7. The Department is supporting the implementation and/or delivery of the following City projects:
  - 7.1. development of the Edith Cowan inner-city campus to improve vibrancy in the city centre and stimulate the retail economy;
  - 7.2. redevelopment of the Perth Concert Hall to increase arts and culture offerings and contribute to Perth's arts and tourism sectors;
  - 7.3. community engagement and preliminary design work for an Aboriginal Cultural Centre to celebrate Western Australia's rich Aboriginal culture and history;
  - 7.4. redevelopment of the Perth Cultural Centre to create an attractive and connected cultural hub; and
  - 7.5. the Western Australian Cricket Association's (WACA's) redevelopment of the WACA Ground and delivery of an integrated aquatic facility to benefit the whole community.

### **Planning Reform**

8. The Department, along with the Western Australian Planning Commission, is committed to the continued implementation of the Government's Action Plan for Planning Reform. New legislative, regulatory and policy measures are also being progressed/implemented that will further streamline and improve the State's planning system, including:
  - 8.1. finalising changes to the Development Assessment Panel (DAP) system;
  - 8.2. creating a new permanent assessment pathway for significant development proposals and embedding a centralised, coordinated referral process;
  - 8.3. reforming the Western Australian Planning Commission;
  - 8.4. delivering on the new Infrastructure Development Fund for water, sewerage and electricity costs to de-constrain land and facilitate more housing;
  - 8.5. delivering new planning policies to guide development of activity centres, liveable neighbourhoods and medium density housing in Western Australian communities; and
  - 8.6. improving co-ordination, consistency, and transparency of developer contributions, including creation of a dedicated unit in the Department.

### State Significant Indigenous Land Use Agreements

9. The Department is working closely with the Department of the Premier and Cabinet on multiple significant State ILUAs, including the South West Native Title Settlement Agreement, Yamatji Nation ILUA, Tjiwarl Palyakuwa 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.

### Aboriginal Affairs Planning Authority Act 1972 Amendments

10. The Department is charged with the divestment of the Aboriginal Lands Trust estate to increase direct Aboriginal control of land to strengthen communities, foster economic activity and secure improved outcomes for Aboriginal people in Western Australia. A total of 72 properties have been approved for divestment and 23 properties have been transferred into ownership or management of Aboriginal entities, leaving 288 properties remaining in the Estate. The Department is progressing proposed legislative amendments that will remove barriers to divestment.

### 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
Investing in WA’s Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$’000	Budget \$’000	Estimated Actual \$’000	Budget Year \$’000	Outyear \$’000	Outyear \$’000	Outyear \$’000
1. Planning Services .....	96,102	119,077	92,795	167,810	144,712	151,741	138,114
2. Land Administration Services .....	58,270	71,472	57,548	65,421	68,162	59,805	54,599
3. Historical Heritage Services.....	15,037	16,162	14,523	16,141	14,871	15,687	15,685
4. Aboriginal Heritage Management .....	10,190	15,797	19,008	34,529	32,745	31,411	31,336
<b>Total Cost of Services .....</b>	<b>179,599</b>	<b>222,508</b>	<b>183,874</b>	<b>283,901</b>	<b>260,490</b>	<b>258,644</b>	<b>239,734</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: An effective planning system that supports the development of communities in Western Australia:</b>					
Percentage of applications determined within statutory timeframes .....	84%	85%	89%	85%	
Percentage of finalised appeals (excluding DAPs) that are not upheld on review by the State Administrative Tribunal .....	100%	98%	100%	100%	
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) .....	78%	85%	85%	85%	
Percentage of DAP applications determined within the statutory timeframe.....	74%	76%	81%	85%	1
<b>Outcome: An effective system for the administration of Crown land and the Aboriginal Lands Trust estate:</b>					
Percentage of land tenure change and interest documents validly lodged with the Western Australian Land Information Authority (Landgate).....	99%	99%	99%	99%	
Number of leases or divestments of Aboriginal Lands Trust estate land to direct Aboriginal control .....	18	12	10	10	2
<b>Outcome: An effective system for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations:</b>					
Percentage of visitors to Fremantle Prison satisfied with services provided by the Department.....	96%	97%	97%	97%	
Percentage of statutory approvals delivered to the Aboriginal Cultural Material Committee within set timeframes.....	93%	100%	100%	100%	
Percentage of development/planning referrals processed within set timeframes .....	97%	90%	90%	95%	3
Percentage of nominations progressed to preliminary review within set timeframes .....	100%	90%	100%	100%	4

(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 between the 2022-23 Budget and the 2022-23 Estimated Actual is mainly due to less impacts on DAP meetings from COVID-19 response measures or deferrals, resulting in a higher number of DAP applications being determined within their statutory timeframes. The 2023-24 Budget Target set at 85% reflects previous performance, but may be impacted by implementation of a new DAP system that will change the nature and volume of applications considered by DAPs.
2. The variance between the 2022-23 Budget and the 2022-23 Estimated Actual is due to the engagement-led nature of the divestment program making it difficult to estimate how many divestments may eventuate in any year.
3. The increase between the 2022-23 Estimated Actual and the 2023-24 Budget Target reflects continued effort to improve the management of applications within set timeframes.
4. The increase between the 2022-23 Budget and the 2022-23 Estimated Actual reflects a commitment to complete all preliminary reviews of nominations to the Heritage Council of Western Australia for consideration for inclusion in the State Register within the set timeframes.

## 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 Goal 'Investing in WA's Future' by:

- ensuring flexibility to meet the demands of a changing economy and market environments;
- maximising the use of existing infrastructure rather than incurring the cost of green fields infrastructure with its resulting impact on home affordability;
- ensuring that sufficient land is available for purchase for both residential, commercial and industrial/employment purposes;
- controlling lot sizes and therefore the cost of infrastructure required to service each lot;
- minimising land supply delays and the attendant cost 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	96,102	119,077	92,795	167,810	1
Less Income.....	3,579	2,427	2,477	4,756	2
Net Cost of Service.....	92,523	116,650	90,318	163,054	
<b>Employees (Full-Time Equivalents) .....</b>	<b>442</b>	<b>527</b>	<b>508</b>	<b>549</b>	<b>3</b>
<b>Efficiency Indicators</b>					
Average cost of planning services.....	\$16,036.47	\$18,336.54	\$18,397.05	\$24,670.22	4

### Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service between the 2022-23 Budget and 2022-23 Estimated Actual of \$26.3 million is mainly due to deferring expenditure to align with the Department's revised expenditure profile and deferral of the METRONET Precinct Infrastructure Fund program, partially offset by increases in expenditure for implementation of the public sector wages policy and the Victoria Quay Place Improvement project. The increase in Total Cost of Service between the 2022-23 Estimated Actual and 2023-24 Budget Target of \$75 million is mainly due to the Infrastructure Development Fund, METRONET Precinct Infrastructure Fund (deferred from 2022-23), Housing Diversity Pipeline and Planning Reform Phase Two.
2. The increase in income between the 2022-23 Estimated Actual and 2023-24 Budget Target is mainly due to a projected increase in fee revenue in line with the implementation of the DAP reform program.
3. The increase in full-time equivalents between the 2022-23 Estimated Actual and the 2023-24 Budget Target is mainly due to recruitment of currently vacant positions, as well as staffing to support the implementation of Planning Reform Phase Two and Integrating Climate Adaptation into Policy Planning.
4. The average cost of planning services has increased between the 2022-23 Estimated Actual and the 2023-24 Budget Target due to an increase in investment in planning reforms as well as the projected decline in the number of applications for existing services following the cessation of COVID-19 response measures.

## 2. Land Administration Services

Land Administration Services contributes to the Government Goal of 'Investing in WA's Future' 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 on 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 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 of land access approvals;
  - assisting with operational management and development of land;
  - management of strategic initiatives in accordance with the Aboriginal Lands Trust Strategic Plan; and
  - facilitation of the transfer of land to Aboriginal people.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 58,270	\$'000 71,472	\$'000 57,548	\$'000 65,421	1
Less Income .....	6,183	5,945	6,119	6,127	
Net Cost of Service .....	52,087	65,527	51,429	59,294	
<b>Employees (Full-Time Equivalents) .....</b>	269	278	270	277	
<b>Efficiency Indicators</b>					
Average cost per square kilometre to administer Crown land and Aboriginal Lands Trust estate.....	\$20.04	\$26.50	\$20.54	\$24.58	2

### Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service between the 2022-23 Budget and 2022-23 Estimated Actual of \$14 million is mainly due to deferring expenditure to align with the Department's revised expenditure profile and deferral of expenditure for the South West Native Title Settlement and Yamatji Nation ILUAs, partially offset by an increase in expenditure for the Remote Communities Transformation program (deferred from 2021-22) and implementation of the public sector wages policy. The increase in the 2023-24 Budget Target of \$7.8 million is primarily due to the alignment of the Department's revised expenditure profile and deferral of projects from 2022-23.
2. The decrease in average cost per square kilometre to administer Crown land and Aboriginal Lands Trust estate between the 2022-23 Budget and the 2022-23 Estimated Actual is due to the carryover of project expenditure as detailed in Note 1 above. The average cost is expected to increase in the 2023-24 Budget Target relative to the 2022-23 Estimated Actual in line with the increased expenditure levels as noted above.

### 3. Historical Heritage Services

The Department manages historical 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, and 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	15,037	16,162	14,523	16,141	1
Less Income .....	1,266	3,738	3,886	3,892	
Net Cost of Service .....	13,771	12,424	10,637	12,249	
<b>Employees (Full-Time Equivalents) .....</b>	<b>48</b>	<b>66</b>	<b>65</b>	<b>63</b>	
<b>Efficiency Indicators</b>					
Average cost of historical heritage services .....	\$4,465.30	\$4,232.34	\$5,231.01	\$5,229.44	2
Average cost per visitor to Fremantle Prison .....	\$85.67	\$59.35	\$38.29	\$37.51	3

#### Explanation of Significant Movements

(Notes)

1. The decrease in Total Cost of Service between the 2022-23 Budget and 2022-23 Estimated Actual of \$1.6 million is mainly due to deferral of expenditure for the Tropical Cyclone Seroja Cultural and Heritage Asset Clean-up and Repair Grants program to 2023-24.
2. The average cost of historical heritage services has increased between the 2022-23 Budget and the 2022-23 Estimated Actual as a result of a decreased number of historical heritage services provided.
3. The average cost per visitor to Fremantle Prison has decreased between the 2022-23 Budget and the 2022-23 Estimated Actual mainly due to an increase in the number of visitors as interstate and international travel levels increase following the cessation of the COVID-19 related travel restrictions.



#### 4. Aboriginal Heritage Management

Contributing to the Government Goal of 'Investing in WA's Future', Aboriginal Heritage Management includes:

- supporting the Aboriginal Cultural Material Committee;
- advice on matters relating to Aboriginal heritage;
- processing of statutory approvals and administration of heritage sites register; and
- conducting site assessments, repatriations, site audits and advice.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	10,190	15,797	19,008	34,529	1
Less Income .....	17	81	125	28,125	2
Net Cost of Service .....	10,173	15,716	18,883	6,404	
<b>Employees (Full-Time Equivalents) .....</b>	<b>58</b>	<b>87</b>	<b>85</b>	<b>90</b>	
<b>Efficiency Indicators</b>					
Average cost of Aboriginal Heritage Management services .....	\$3,261.02	\$6,651.06	\$6,959.83	\$7,512.54	

#### Explanation of Significant Movements

(Notes)

1. The \$3.2 million increase in Total Cost of Service between the 2022-23 Budget and 2022-23 Estimated Actual is largely due to expenditure associated with readiness and capacity building grants to the Local Aboriginal Cultural Heritage Services. The \$15.5 million increase to the 2023-24 Budget Target is mainly due to implementation of the *Aboriginal Cultural Heritage Act 2021*, the South West Native Title Settlement, Tjiwarl Palyakuwa ILUA and Yamatji Nation ILUA.
2. The increase in income between the 2022-23 Estimated Actual and 2023-24 Budget Target of \$28 million is due to the recognition of projected revenue through the implementation of the *Aboriginal Cultural Heritage Act 2021*.

## Asset Investment Program

1. The Department's Asset Investment Program (AIP) for 2023-24 is \$19.3 million and is comprised primarily of accommodation, asset replacement, ICT projects and heritage conservation works.
2. Across the forward estimates period the AIP will fund a range of process improvements and works including the following:
  - 2.1. The ICT 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 towards adopting cloud-based services, shifting the requirement for capital funding towards operating expenditure.
  - 2.2. The Planning Online program will facilitate changes to the Department's business processes and systems to support the planning reform initiatives and includes an easy-to-navigate online planning portal that facilitates online lodgement of a broader range of planning applications and provides a more contemporary approach to public engagement.
  - 2.3. Restoration works at Fremantle Prison have commenced to address a backlog 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.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Accommodation Refurbishment and Sustainability							
Initiatives.....	7,140	5,544	808	399	399	399	399
Fremantle Prison - Conservation.....	8,922	2,467	2,467	3,083	1,743	1,629	-
ICT Projects							
Asset Replacement - ICT .....	21,749	18,949	1,296	700	700	700	700
ICT Infrastructure .....	29,645	26,710	1,034	739	734	731	731
Planning Online Program .....	16,977	8,420	8,420	7,764	793	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Roebourne Gaol Conservation.....	880	880	195	-	-	-	-
<b>Other Completed Works</b>							
Acquisition of Belmont Squash Centre .....	1,905	1,905	830	-	-	-	-
Fremantle Prison Critical Works .....	250	250	250	-	-	-	-
Fremantle Prison Priority Conservation .....	4,547	4,547	911	-	-	-	-
ICT Projects - <i>Aboriginal Cultural Heritage Act 2021</i> Implementation.....	3,830	3,830	3,830	-	-	-	-
<b>NEW WORKS</b>							
Other New Works <sup>(a)</sup> .....	21,439	-	-	6,646	12,006	2,787	-
<b>Total Cost of Asset Investment Program.....</b>	<b>117,284</b>	<b>73,502</b>	<b>20,041</b>	<b>19,331</b>	<b>16,375</b>	<b>6,246</b>	<b>1,830</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			5,597	3,626	3,576	3,459	1,830
Internal Funds and Balances.....			3,513	1,295	-	-	-
Major Special Purpose Account(s) Drawdown from Digital Capability Fund .....			10,931	7,764	793	-	-
Other .....			-	6,646	12,006	2,787	-
<b>Total Funding.....</b>			<b>20,041</b>	<b>19,331</b>	<b>16,375</b>	<b>6,246</b>	<b>1,830</b>

(a) Confidential - subject to ongoing negotiations with the Commonwealth Government.

## Financial Statements

### Income Statement

#### Expenses

1. The \$100 million increase in Total Cost of Services between the 2022-23 Estimated Actual and the 2023-24 Budget Year is mainly due to additional expenditure for various programs such as the Infrastructure Development Fund, *Aboriginal Cultural Heritage Act 2021*, Housing Diversity Pipeline and Planning Reform Phase Two, together with revisions to the Department's expenditure profile.
2. Employee benefits expense has increased by \$13.1 million between the 2022-23 Estimated Actual and the 2023-24 Budget Year mainly due to wage growth, recruiting vacant positions across all areas, increased recruitment activities to implement the *Aboriginal Cultural Heritage Act 2021*, additional staffing to support the implementation of Planning Reform Phase Two and other projects such as Kimberley Recovery Housing and Community Roads Package.

#### Income

3. The increased total income between the 2022-23 Estimated Actual and the 2023-24 Budget Year of \$30.3 million is predominately driven by regulatory fees from proponents under the new *Aboriginal Cultural Heritage Act 2021* and increase in cost recovery for planning services.

### Statement of Financial Position

4. The \$12.3 million decrease in cash assets from the 2022-23 Estimated Actual to the 2023-24 Budget Year is mainly due to the deferral of activities to 2023-24. The strong employment market, disruptions in the supply chain and reduced availability of professional and consulting services has led to deferral of many procurement activities.

### Statement of Cashflows

5. The decrease in net cash from operating activities of \$69.3 million between the 2022-23 Estimated Actual and the 2023-24 Budget Year is mainly due to increased operating payments of \$99.6 million, partially offset by an increase in operating receipts of \$30.3 million. These adjustments have been detailed in the Income Statement commentary above.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b).....	101,622	114,941	110,492	123,573	125,357	121,999	128,444
Grants and subsidies (c).....	13,014	15,254	17,351	51,401	36,215	23,315	16,710
Supplies and services.....	30,192	62,273	23,971	63,058	56,009	60,259	63,556
Accommodation.....	9,201	10,465	10,411	10,421	10,536	10,535	10,535
Depreciation and amortisation.....	2,303	4,830	4,868	5,254	7,858	8,729	10,160
Finance and interest costs.....	17	32	47	59	53	52	46
Other expenses.....	23,250	14,713	16,734	30,135	24,462	33,755	10,283
<b>TOTAL COST OF SERVICES.....</b>	<b>179,599</b>	<b>222,508</b>	<b>183,874</b>	<b>283,901</b>	<b>260,490</b>	<b>258,644</b>	<b>239,734</b>
<b>Income</b>							
Sale of goods and services.....	1,829	3,591	3,591	3,591	3,591	3,591	3,591
Regulatory fees and fines.....	3,549	2,753	2,753	33,036	36,061	36,536	36,707
Grants and subsidies.....	610	393	835	841	756	756	756
Other revenue.....	5,057	5,454	5,428	5,432	5,434	5,436	5,436
<b>Total Income.....</b>	<b>11,045</b>	<b>12,191</b>	<b>12,607</b>	<b>42,900</b>	<b>45,842</b>	<b>46,319</b>	<b>46,490</b>
<b>NET COST OF SERVICES.....</b>	<b>168,554</b>	<b>210,317</b>	<b>171,267</b>	<b>241,001</b>	<b>214,648</b>	<b>212,325</b>	<b>193,244</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	105,859	122,217	81,787	138,804	141,037	144,737	128,778
Resources received free of charge.....	10,572	11,245	11,245	11,245	11,245	11,245	11,245
Special Purpose Account(s) (d)							
Digital Capability Fund.....	-	1,339	-	-	-	-	-
Royalties for Regions Fund							
Regional Community Services Fund.....	5,826	5,842	5,926	5,826	2,076	2,076	2,076
Regional Infrastructure and Headworks Fund.....	-	-	300	-	-	-	-
Other revenues.....	51,903	60,298	54,831	70,259	66,368	53,823	48,260
<b>TOTAL INCOME FROM GOVERNMENT.....</b>	<b>174,160</b>	<b>200,941</b>	<b>154,089</b>	<b>226,134</b>	<b>220,726</b>	<b>211,881</b>	<b>190,359</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>5,606</b>	<b>(9,376)</b>	<b>(17,178)</b>	<b>(14,867)</b>	<b>6,078</b>	<b>(444)</b>	<b>(2,885)</b>

- (a) Full audited financial statements are published in the Department's Annual Report.
- (b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 817, 928 and 979 respectively.
- (c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
- (d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<i>Aboriginal Cultural Heritage Act 2021 Grants</i> .....	-	250	250	-	-	-	-
Aboriginal Heritage Grants .....	244	250	250	250	250	250	250
Aboriginal Lands Trust Estate .....	3,538	3,567	3,567	2,064	2,064	2,064	2,064
Anketell Port and Strategic Industrial Area -							
Compensation for Lands Acquisition.....	-	1,818	1,818	1,818	-	-	-
Bushfire Risk Management Planning.....	3,650	3,750	3,750	3,700	-	-	-
Coastal Erosion Hotspots (CoastWA).....	2,901	2,377	2,466	2,271	2,005	1,605	-
Coastal Zone Management.....	143	711	711	708	706	706	706
Cossack Townsite.....	-	120	120	120	120	120	120
Cultural and Heritage Assets Program -							
Severe Tropical Cyclone Seroja .....	-	961	349	1,600	-	-	-
Fire Risk Management Contribution .....	500	450	450	450	450	450	450
Infrastructure Development Fund .....	-	-	-	20,000	15,000	5,000	-
Local Aboriginal Cultural Heritage Service.....	-	-	2,500	17,000	14,500	12,000	12,000
Local Government and Tourism .....	205	-	-	-	-	-	-
Local Government Heritage Consultancy							
Grants .....	-	-	120	120	120	120	120
Management of Araluen Botanic Park .....	1,050	1,000	1,000	1,000	1,000	1,000	1,000
Other .....	81	-	-	-	-	-	-
Planning and Transport Research Centre.....	232	-	-	-	-	-	-
Precinct Infrastructure Fund - High Wycombe							
Station and Redcliffe Station .....	-	-	-	300	-	-	-
Restoration of Heritage Assets.....	470	-	-	-	-	-	-
<b>TOTAL</b> .....	<b>13,014</b>	<b>15,254</b>	<b>17,351</b>	<b>51,401</b>	<b>36,215</b>	<b>23,315</b>	<b>16,710</b>

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	62,478	28,034	42,905	30,596	27,370	26,082	24,974
Restricted cash .....	2,640	2,991	2,740	2,740	2,740	2,740	2,740
Receivables .....	6,884	8,545	6,872	6,872	6,872	6,872	6,872
Other.....	4,241	3,956	4,241	4,241	4,241	4,241	4,241
<b>Total current assets .....</b>	<b>76,243</b>	<b>43,526</b>	<b>56,758</b>	<b>44,449</b>	<b>41,223</b>	<b>39,935</b>	<b>38,827</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	46,391	51,701	51,739	57,473	65,811	75,020	85,660
Property, plant and equipment.....	289,779	346,983	294,771	302,632	313,674	315,374	312,596
Intangibles .....	5,004	13,347	15,587	22,011	19,817	15,962	10,678
Restricted cash .....	2,052	2,427	2,452	2,452	2,452	2,452	2,452
<b>Total non-current assets .....</b>	<b>343,226</b>	<b>414,458</b>	<b>364,549</b>	<b>384,568</b>	<b>401,754</b>	<b>408,808</b>	<b>411,386</b>
<b>TOTAL ASSETS .....</b>	<b>419,469</b>	<b>457,984</b>	<b>421,307</b>	<b>429,017</b>	<b>442,977</b>	<b>448,743</b>	<b>450,213</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	23,358	23,461	24,440	25,523	26,606	27,689	28,772
Payables.....	856	70	856	856	856	856	856
Borrowings and leases .....	253	303	206	214	205	214	216
Other.....	8,386	4,353	8,386	8,397	8,408	8,419	8,430
<b>Total current liabilities .....</b>	<b>32,853</b>	<b>28,187</b>	<b>33,888</b>	<b>34,990</b>	<b>36,075</b>	<b>37,178</b>	<b>38,274</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	4,797	3,453	4,797	4,797	4,797	4,797	4,797
Borrowings and leases .....	729	586	812	656	631	578	460
<b>Total non-current liabilities .....</b>	<b>5,526</b>	<b>4,039</b>	<b>5,609</b>	<b>5,453</b>	<b>5,428</b>	<b>5,375</b>	<b>5,257</b>
<b>TOTAL LIABILITIES.....</b>	<b>38,379</b>	<b>32,226</b>	<b>39,497</b>	<b>40,443</b>	<b>41,503</b>	<b>42,553</b>	<b>43,531</b>
<b>EQUITY</b>							
Contributed equity .....	237,673	254,242	255,559	277,190	284,012	289,172	292,549
Accumulated surplus/(deficit).....	(5,804)	(29,602)	(22,982)	(37,849)	(31,771)	(32,215)	(35,100)
Reserves.....	149,221	201,118	149,233	149,233	149,233	149,233	149,233
<b>Total equity .....</b>	<b>381,090</b>	<b>425,758</b>	<b>381,810</b>	<b>388,574</b>	<b>401,474</b>	<b>406,190</b>	<b>406,682</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>419,469</b>	<b>457,984</b>	<b>421,307</b>	<b>429,017</b>	<b>442,977</b>	<b>448,743</b>	<b>450,213</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	101,022	116,907	76,439	133,070	132,699	135,528	118,138
Capital appropriation .....	2,373	5,923	5,924	4,009	3,941	3,831	2,214
Special Purpose Account(s)							
Climate Action Fund .....	-	-	77	2,518	1,627	998	832
Digital Capability Fund.....	-	11,315	11,885	9,604	1,254	331	331
Royalties for Regions Fund							
Regional Community Services Fund.....	5,826	5,842	5,926	5,826	2,076	2,076	2,076
Regional Infrastructure and Headworks							
Fund.....	-	-	300	-	-	-	-
Social Housing Investment Fund.....	-	-	-	5,500	-	-	-
Other.....	52,885	60,298	54,831	70,259	66,368	53,823	48,260
<b>Net cash provided by Government .....</b>	<b>162,106</b>	<b>200,285</b>	<b>155,382</b>	<b>230,786</b>	<b>207,965</b>	<b>196,587</b>	<b>171,851</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(97,992)	(113,913)	(109,464)	(122,544)	(124,329)	(120,971)	(127,416)
Grants and subsidies.....	(12,934)	(15,254)	(17,351)	(51,401)	(36,215)	(23,315)	(16,710)
Supplies and services .....	(25,232)	(52,615)	(14,313)	(52,394)	(45,344)	(49,594)	(52,891)
Accommodation .....	(8,522)	(9,868)	(9,814)	(9,824)	(9,939)	(9,938)	(9,938)
GST payments .....	(5,910)	(6,240)	(6,240)	(6,240)	(6,240)	(6,240)	(6,240)
Finance and interest costs.....	(17)	(32)	(47)	(59)	(53)	(52)	(46)
Other payments.....	(15,344)	(13,658)	(15,679)	(30,087)	(24,414)	(33,707)	(10,235)
<b>Receipts (b)</b>							
Regulatory fees and fines.....	4,512	2,753	2,753	33,036	36,061	36,536	36,707
Grants and subsidies.....	610	393	835	841	756	756	756
Sale of goods and services.....	1,829	4,444	4,444	4,444	4,444	4,444	4,444
GST receipts .....	5,834	6,233	6,233	6,233	6,233	6,233	6,233
Other receipts .....	5,328	4,609	4,583	4,587	4,589	4,591	4,591
<b>Net cash from operating activities .....</b>	<b>(147,838)</b>	<b>(193,148)</b>	<b>(154,060)</b>	<b>(223,408)</b>	<b>(194,451)</b>	<b>(191,257)</b>	<b>(170,745)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(4,746)	(17,687)	(20,041)	(19,331)	(16,375)	(6,246)	(1,830)
<b>Net cash from investing activities.....</b>	<b>(4,746)</b>	<b>(17,687)</b>	<b>(20,041)</b>	<b>(19,331)</b>	<b>(16,375)</b>	<b>(6,246)</b>	<b>(1,830)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(331)	(326)	(354)	(356)	(365)	(372)	(384)
<b>Net cash from financing activities.....</b>	<b>(331)</b>	<b>(326)</b>	<b>(354)</b>	<b>(356)</b>	<b>(365)</b>	<b>(372)</b>	<b>(384)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>9,191</b>	<b>(10,876)</b>	<b>(19,073)</b>	<b>(12,309)</b>	<b>(3,226)</b>	<b>(1,288)</b>	<b>(1,108)</b>
Cash assets at the beginning of the reporting period .....	57,979	44,328	67,170	48,097	35,788	32,562	31,274
<b>Cash assets at the end of the reporting period .....</b>	<b>67,170</b>	<b>33,452</b>	<b>48,097</b>	<b>35,788</b>	<b>32,562</b>	<b>31,274</b>	<b>30,166</b>

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

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

**NET APPROPRIATION DETERMINATION**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Regulatory Fees and Fines</b>							
Aboriginal Cultural Heritage Fees .....	-	-	-	28,000	28,884	29,384	29,478
Development Assessment Panel Fees .....	1,778	1,611	1,611	3,888	6,029	6,004	6,081
Regulatory Fees and Fines.....	2,733	1,142	1,142	1,148	1,148	1,148	1,148
<b>Grants and Subsidies</b>							
Grants and Subsidies .....	1,485	7,034	2,109	14,853	15,614	4,337	756
<b>Sale of Goods and Services</b>							
Sale of Goods and Services .....	1,829	4,744	4,744	4,744	4,744	4,744	4,744
<b>Service Delivery Agreement</b>							
Receipts from Service Delivery Agreement...	46,574	50,364	47,364	47,866	49,044	49,533	47,551
<b>GST Receipts</b>							
GST Receipts.....	5,834	6,233	6,233	6,233	6,233	6,233	6,233
<b>Other Receipts</b>							
Other Receipts .....	6,587	3,353	3,727	3,419	2,506	751	751
Pastoral Leases .....	4,178	4,249	4,249	4,249	4,249	4,249	4,249
<b>TOTAL .....</b>	<b>70,998</b>	<b>78,730</b>	<b>71,179</b>	<b>114,400</b>	<b>118,451</b>	<b>106,383</b>	<b>100,991</b>

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>INCOME</b>							
<b>Other</b>							
Net Assets Transferred In .....	69,223	-	-	-	-	-	-
Other Revenue .....	260,724	1,569	1,569	1,569	1,569	1,569	1,569
Rent Revenue .....	22,197	18,609	18,609	18,609	18,609	18,609	18,609
Sale of Land .....	52,005	24,000	24,000	23,000	15,000	15,000	15,000
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>404,149</b>	<b>44,178</b>	<b>44,178</b>	<b>43,178</b>	<b>35,178</b>	<b>35,178</b>	<b>35,178</b>
<b>EXPENSES</b>							
<b>Other</b>							
Employee Expenses .....	586	965	965	965	965	965	965
Net Assets Transferred Out .....	13,681	-	-	-	-	-	-
Other Expenses.....	113,848	4,356	4,356	4,356	4,356	4,356	4,356
Payments to Consolidated Account.....	77,650	40,737	40,737	39,737	31,737	31,737	31,737
Revaluation Decrement .....	194,925	-	-	-	-	-	-
<b>TOTAL ADMINISTERED EXPENSES .....</b>	<b>400,690</b>	<b>46,058</b>	<b>46,058</b>	<b>45,058</b>	<b>37,058</b>	<b>37,058</b>	<b>37,058</b>



## Agency Special Purpose Account Details

### DAMPIER TO BUNBURY NATURAL GAS PIPELINE CORRIDOR SPECIAL PURPOSE ACCOUNT

Account Purpose: The Dampier to Bunbury Natural Gas Pipeline Corridor Special Purpose Account provides funds for the widening of the original corridor through the purchase of land and easement over land.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	24,334	23,014	25,759	23,561
Receipts:				
Other .....	2,976	1,556	1,556	1,556
Payments .....	27,310 1,551	24,570 3,754	27,315 3,754	25,117 3,754
<b>CLOSING BALANCE</b> .....	25,759	20,816	23,561	21,363

### ABORIGINAL CULTURAL HERITAGE ACCOUNT

Account Purpose: The Aboriginal Cultural Heritage Account provides for the administration and the enforcement of the *Aboriginal Cultural Heritage Act 2021*.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year <sup>(a)</sup> \$'000
Opening Balance .....	-	-	-	-
Receipts:				
Other .....	-	-	-	28,000
Payments .....	-	-	-	28,000 28,000
<b>CLOSING BALANCE</b> .....	-	-	-	-

(a) The new *Aboriginal Cultural Heritage Act 2021* will take effect from 1 July 2023.

# Division 44 **Western Australian Planning Commission**

## Part 11 **Planning and Land Use**

### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 87 Net amount appropriated to deliver services .....	25,259	11,690	11,690	<b>10,781</b>	10,222	8,132	6,150
<b>Amount Authorised by Other Statutes - Metropolitan Region Improvement Tax Act 1959</b> .....	85,122	88,098	91,323	<b>97,240</b>	98,013	98,793	100,270
Total appropriations provided to deliver services.....	110,381	99,788	103,013	<b>108,021</b>	108,235	106,925	106,420
<b>CAPITAL</b>							
Item 153 Capital Appropriation.....	5,400	5,400	5,400	<b>5,400</b>	5,400	5,400	5,400
<b>TOTAL APPROPRIATIONS</b> .....	115,781	105,188	108,413	<b>113,421</b>	113,635	112,325	111,820
<b>EXPENSES</b>							
Total Cost of Services .....	99,719	67,977	76,565	<b>56,025</b>	55,600	54,332	52,350
Net Cost of Services <sup>(a)</sup> .....	75,865	42,837	54,425	<b>32,841</b>	30,970	28,880	26,898
<b>CASH ASSETS</b> <sup>(b)</sup> .....	422,075	406,504	412,044	<b>424,650</b>	476,264	529,158	584,629

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

(b) As at 30 June each financial year.

### Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Commission's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>Other</b>					
2023-24 Streamlined Budget Process Incentive Funding.....	-	204	-	-	-
2023-24 Tariffs, Fees and Charges .....	(3,000)	(1,956)	(510)	312	312

## Significant Issues Impacting the Agency

### Planning Reform

1. The Commission, in consultation with Planning, Lands and Heritage (DPLH), is continuing implementation of the Action Plan for Planning Reform. An initial phase of reforms delivered immediate changes to Western Australia's planning system through more streamlined, efficient and transparent processes. The next phase will further reform the system, including changes to the composition and operation of the Commission, including retaining the Commission (or a committee of the Commission) as the decision-maker for a permanent assessment pathway for development proposals of State and regional significance.

### State Design Review Panel

2. The State Design Review Panel (SDRP), chaired by the Government Architect of Western Australia, 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. Demand for design review is higher than originally anticipated for both Government projects and private significant developments, and a review has been initiated to ensure the SDRP is appropriately resourced to respond. Collaboration across disciplines, particularly by architects and planners, has been a feature of review sessions and has brought a comprehensive skillset to the complex challenges of the built environment.

### METRONET

3. DPLH, on behalf of the Commission, continues to support the delivery of METRONET by providing urban planning and design expertise in relation to the delivery of public transport infrastructure and the planning of station precincts. DPLH also supports the Commission in its land acquisition, design review, and development approval roles across the METRONET program of works. This work and the application of associated policies will support the growth of these precincts as attractive and liveable places that offer a mix of housing choice in close proximity to new train stations.

### Land Acquisition

4. The Commission will continue its strategic land acquisition program to support the delivery of major infrastructure projects, ensure the protection of Bush Forever areas and reserve land critical for future planning requirements. The Commission is responsible for strategic land acquisition on behalf of the State and is working to acquire selected sites in private ownership.

### Future of Fremantle

5. The Future of Fremantle Planning Committee has been established as a sub-committee of the Commission to develop a vision for the redevelopment of Fremantle's Inner Harbour, focusing on economic development opportunities, job creation, and optimal land use, and to continue developing a new vision for a Victoria Quay Waterfront Precinct. The Economic Development Strategy and Land Use Plan will be developed following extensive community and stakeholder engagement.

## 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
Investing in WA’s Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$’000	Budget \$’000	Estimated Actual \$’000	Budget Year \$’000	Outyear \$’000	Outyear \$’000	Outyear \$’000
1. Statutory Planning .....	20,274	19,899	16,899	17,275	18,662	18,227	18,227
2. Strategic Planning .....	9,244	13,692	25,280	12,207	10,407	9,497	7,458
3. Asset Management .....	70,201	34,386	34,386	26,543	26,531	26,608	26,665
<b>Total Cost of Services .....</b>	<b>99,719</b>	<b>67,977</b>	<b>76,565</b>	<b>56,025</b>	<b>55,600</b>	<b>54,332</b>	<b>52,350</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: An efficient and effective planning system that promotes use and development of land in Western Australia:</b>					
The proportion of residential land in the metropolitan area that is capable of multiple dwellings within 400m and 800m of the capital city, a strategic metropolitan centre, or a train station:					
400 metres .....	44%	45%	44%	45%	
800 metres .....	33%	36%	33%	36%	
The proportion of residential land that is zoned R40 and above that is within 400m of a major regional centre .....					
	62%	67%	66%	67%	
The percentage of subdivision applications determined within the statutory timeframe .....					
	79%	85%	87%	85%	
The percentage of development applications determined within the statutory timeframe .....					
	64%	85%	66%	85%	1
Vacancy rate of residential properties available for rent .....					
	2%	2%	1%	1%	2
Vacancy rate of commercial properties available for rent .....					
	4%	5%	5%	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 2022-23 Budget and 2023-24 Budget Target increased to 85% as compared to the 2021-22 Actual of 64% and 2022-23 Estimated Actual of 66% 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.
2. The 2022-23 Estimated Actual and 2023-24 Budget Target vacancy rate decreased to 1% compared to the 2021-22 Actual and 2022-23 Budget of 2%, mainly due to the current condition of the rental market.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 20,274	\$'000 19,899	\$'000 16,899	\$'000 17,275	1
Less Income .....	14,674	14,654	11,654	12,698	2
Net Cost of Service .....	5,600	5,245	5,245	4,577	
<b>Efficiency Indicators</b>					
Average cost per statutory application.....	\$3,919	\$3,491	\$3,757	\$3,285	3

### 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 DPLH in the Total Cost of Service.
2. The decrease in income between the 2022-23 Budget and the 2022-23 Estimated Actual reflects the lower volume of statutory planning applications received by the Commission, which is attributed to the downturn in the property market and increasing interest rates.
3. Lower average cost per statutory application in the 2023-24 Budget Target compared to the 2022-23 Estimated Actual is due to an increase in the number of statutory planning applications as the property market is anticipated to recover modestly.

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 9,244	\$'000 13,692	\$'000 25,280	\$'000 12,207	1
Less Income .....	nil	nil	nil	nil	
Net Cost of Service .....	9,244	13,692	25,280	12,207	
<b>Efficiency Indicators</b>					
Average cost per strategic project <sup>(a)</sup> .....	\$315,888	\$515,647	\$1,071,263	\$493,889	1

(a) The average cost per strategic project is based on the Total Cost of Services less grants.

### Explanation of Significant Movements

(Notes)

1. The increase between the 2022-23 Budget and the 2022-23 Estimated Actual is due to one-off funding for the facilitation of public infrastructure works. The 2022-23 one-off funding results in a decrease in the 2023-24 Budget Target.

### 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	70,201	34,386	34,386	26,543	1
Less Income.....	9,180	10,486	10,486	10,486	
Net Cost of Service.....	61,021	23,900	23,900	16,057	
<b>Efficiency Indicators</b>					
Average cost of service for the management of Whiteman Park per hectare managed.....	\$2,701	\$2,469	\$2,717	\$2,750	
Average cost of service for the management of residential and commercial properties per property.....	\$21,083	\$20,082	\$21,120	\$21,220	
Average cost of service for the management of reserved land (excluding Whiteman Park and residential and commercial properties) per hectare managed.....	\$446	\$433	\$466	\$469	

#### Explanation of Significant Movements

(Notes)

- The 2021-22 Actual of \$70.2 million included a revaluation decrement of \$7.9 million and impairment losses on land owned of \$29 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 in the 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target. The decrease in the 2023-24 Budget Target is mainly due to a one-off grant provided for transport infrastructure.

## Asset Investment Program

1. The Commission's 2023-24 Asset Investment Program (AIP) of \$102.7 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 forward estimates period is \$255.4 million.
3. The Commission will spend \$4.5 million in 2023-24 to complete the restoration of the heritage-listed Ascot Kilns.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Ascot Kilns Preservation Works .....	10,201	5,701	5,434	4,500	-	-	-
<b>Other Works in Progress</b>							
Buildings/Infrastructure .....	22,873	17,173	1,183	1,800	1,300	1,300	1,300
Other Minor Equipment .....	3,822	3,218	151	151	151	151	151
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Whiteman Park Fencing Works .....	1,024	1,024	18	-	-	-	-
<b>Other Completed Works</b>							
Acquisition of Land - 2022-23 Program .....	67,821	67,821	67,821	-	-	-	-
Regional Land Acquisitions - 2022-23 Program .....	7,400	7,400	7,400	-	-	-	-
<b>NEW WORKS</b>							
Acquisition of Land							
2023-24 Program .....	89,835	-	-	89,835	-	-	-
2024-25 Program .....	43,400	-	-	-	43,400	-	-
2025-26 Program .....	43,400	-	-	-	-	43,400	-
2026-27 Program .....	43,400	-	-	-	-	-	43,400
Regional Land Acquisitions							
2023-24 Program .....	6,400	-	-	6,400	-	-	-
2024-25 Program .....	6,400	-	-	-	6,400	-	-
2025-26 Program .....	6,400	-	-	-	-	6,400	-
2026-27 Program .....	5,400	-	-	-	-	-	5,400
<b>Total Cost of Asset Investment Program.....</b>	<b>357,776</b>	<b>102,337</b>	<b>82,007</b>	<b>102,686</b>	<b>51,251</b>	<b>51,251</b>	<b>50,251</b>
<b>FUNDED BY</b>							
Asset Sales .....			5,000	20,250	5,000	5,000	5,000
Capital Appropriation .....			5,400	5,400	5,400	5,400	5,400
Internal Funds and Balances.....			71,607	77,036	40,851	40,851	39,851
<b>Total Funding.....</b>			<b>82,007</b>	<b>102,686</b>	<b>51,251</b>	<b>51,251</b>	<b>50,251</b>



## Financial Statements

### Income Statement

#### *Expenses*

1. Total Cost of Services for the 2022-23 Estimated Actual is higher than the 2022-23 Budget by \$8.6 million due to one-off funding for the facilitation of public infrastructure works, partially offset by lower service delivery agreement payments to DPLH.
2. Total Cost of Services for the 2023-24 Budget Year is lower than the 2022-23 Estimated Actual by \$20.5 million due to one-off funding for the facilitation of public infrastructure works in 2022-23 and a decrease in grants and subsidies expenditure.

#### *Income*

3. Total income for the 2022-23 Estimated Actual is lower than the 2022-23 Budget by \$3 million due to a lower collection of statutory planning application fees. The downturn in the property market and increasing interest rates have contributed to a lower volume of statutory planning applications received by the Commission.
4. Total income from Government for the 2022-23 Estimated Actual is higher than the 2022-23 Budget by \$10.4 million due to higher Metropolitan Region Improvement Tax and interest revenue, which is attributed to the increase in the forecast interest rate from 0.8% to 2.7%.

### Statement of Financial Position

5. The increase in property, plant and equipment over the forward estimates period is mainly due to land acquisitions to support key Government priorities and transport infrastructure requirements.

### Statement of Cashflows

6. The increase in net cash from operating activities of \$21.6 million between the 2022-23 Estimated Actual and the 2023-24 Budget Year is mainly due to decreased payments of \$20.5 million and increased receipts of \$1 million. These have been detailed in the Income Statement commentary above.
7. The decrease in net cash from investing activities of \$5.4 million between the 2022-23 Estimated Actual and the 2023-24 Budget Year is mainly due to a deferral of land acquisition to 2023-24, partially offset by a one-off land sale of \$15.2 million in 2023-24.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Grants and subsidies (b) .....	300	9,030	9,030	300	300	300	300
Supplies and services .....	361	2,063	1,751	1,875	563	563	563
Depreciation and amortisation .....	33,237	3,600	3,600	3,600	3,600	3,600	3,600
Other expenses (c) .....	65,821	53,284	62,184	50,250	51,137	49,869	47,887
<b>TOTAL COST OF SERVICES .....</b>	<b>99,719</b>	<b>67,977</b>	<b>76,565</b>	<b>56,025</b>	<b>55,600</b>	<b>54,332</b>	<b>52,350</b>
<b>Income</b>							
Regulatory fees and fines .....	14,674	14,654	11,654	12,698	14,144	14,966	14,966
Other revenue .....	9,180	10,486	10,486	10,486	10,486	10,486	10,486
<b>Total Income.....</b>	<b>23,854</b>	<b>25,140</b>	<b>22,140</b>	<b>23,184</b>	<b>24,630</b>	<b>25,452</b>	<b>25,452</b>
<b>NET COST OF SERVICES .....</b>	<b>75,865</b>	<b>42,837</b>	<b>54,425</b>	<b>32,841</b>	<b>30,970</b>	<b>28,880</b>	<b>26,898</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	110,381	99,788	103,013	108,021	108,235	106,925	106,420
Resources received free of charge .....	209	450	450	450	450	450	450
Other revenues .....	2,935	4,600	11,788	13,262	14,000	14,500	14,600
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>113,525</b>	<b>104,838</b>	<b>115,251</b>	<b>121,733</b>	<b>122,685</b>	<b>121,875</b>	<b>121,470</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>37,660</b>	<b>62,001</b>	<b>60,826</b>	<b>88,892</b>	<b>91,715</b>	<b>92,995</b>	<b>94,572</b>

(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) On average, approximately \$48 million per annum relates to service delivery agreement-related payments to DPLH.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Funding of Transport Infrastructure .....	-	8,730	8,730	-	-	-	-
Strategic Transport Evaluation Model.....	300	300	300	300	300	300	300
<b>TOTAL .....</b>	<b>300</b>	<b>9,030</b>	<b>9,030</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	24,146	15,322	14,508	16,771	16,771	16,771	16,771
Restricted cash .....	397,929	391,182	397,536	407,879	459,493	512,387	567,858
Receivables .....	6,931	2,429	6,901	6,871	6,841	6,811	6,781
Other.....	57,672	45,779	57,672	57,672	57,672	57,672	57,672
Assets held for sale.....	6,162	15,290	6,162	6,162	6,162	6,162	6,162
<b>Total current assets .....</b>	<b>492,840</b>	<b>470,002</b>	<b>482,779</b>	<b>495,355</b>	<b>546,939</b>	<b>599,803</b>	<b>655,244</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	7,019	7,399	7,399	7,779	8,159	8,539	8,919
Property, plant and equipment.....	569,083	688,828	644,990	726,326	771,477	816,628	860,779
Intangibles .....	35,801	36,110	35,801	35,801	35,801	35,801	35,801
<b>Total non-current assets .....</b>	<b>611,903</b>	<b>732,337</b>	<b>688,190</b>	<b>769,906</b>	<b>815,437</b>	<b>860,968</b>	<b>905,499</b>
<b>TOTAL ASSETS .....</b>	<b>1,104,743</b>	<b>1,202,339</b>	<b>1,170,969</b>	<b>1,265,261</b>	<b>1,362,376</b>	<b>1,460,771</b>	<b>1,560,743</b>
<b>CURRENT LIABILITIES</b>							
Payables.....	34	-	34	34	34	34	34
Other.....	17,179	14,967	17,179	17,179	17,179	17,179	17,179
<b>Total current liabilities .....</b>	<b>17,213</b>	<b>14,967</b>	<b>17,213</b>	<b>17,213</b>	<b>17,213</b>	<b>17,213</b>	<b>17,213</b>
<b>EQUITY</b>							
Contributed equity .....	4,953	(3,106)	10,353	15,753	21,153	26,553	31,953
Accumulated surplus/(deficit).....	1,036,722	1,194,327	1,097,548	1,186,440	1,278,155	1,371,150	1,465,722
Reserves.....	45,855	44,839	45,855	45,855	45,855	45,855	45,855
Other.....	-	(48,688)	-	-	-	-	-
<b>Total equity .....</b>	<b>1,087,530</b>	<b>1,187,372</b>	<b>1,153,756</b>	<b>1,248,048</b>	<b>1,345,163</b>	<b>1,443,558</b>	<b>1,543,530</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,104,743</b>	<b>1,202,339</b>	<b>1,170,969</b>	<b>1,265,261</b>	<b>1,362,376</b>	<b>1,460,771</b>	<b>1,560,743</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	108,779	99,408	102,633	107,641	107,855	106,545	106,040
Capital appropriation .....	5,400	5,400	5,400	5,400	5,400	5,400	5,400
Other.....	11,033	4,600	11,788	13,262	14,000	14,500	14,600
<b>Net cash provided by Government .....</b>	<b>125,212</b>	<b>109,408</b>	<b>119,821</b>	<b>126,303</b>	<b>127,255</b>	<b>126,445</b>	<b>126,040</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Grants and subsidies.....	(300)	(9,030)	(9,030)	(300)	(300)	(300)	(300)
Supplies and services .....	(152)	(1,613)	(1,301)	(1,425)	(113)	(113)	(113)
GST payments.....	(3,525)	(3,330)	(3,330)	(3,330)	(3,330)	(3,330)	(3,330)
Other payments.....	(57,669)	(53,254)	(62,154)	(50,220)	(51,107)	(49,839)	(47,857)
<b>Receipts</b>							
Regulatory fees and fines.....	13,827	14,654	11,654	12,698	14,144	14,966	14,966
GST receipts.....	2,153	3,330	3,330	3,330	3,330	3,330	3,330
Other receipts .....	10,018	7,986	7,986	7,986	7,986	7,986	7,986
<b>Net cash from operating activities .....</b>	<b>(35,648)</b>	<b>(41,257)</b>	<b>(52,845)</b>	<b>(31,261)</b>	<b>(29,390)</b>	<b>(27,300)</b>	<b>(25,318)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(132,163)	(97,863)	(82,007)	(102,686)	(51,251)	(51,251)	(50,251)
Proceeds from sale of non-current assets.....	4,661	5,000	5,000	20,250	5,000	5,000	5,000
<b>Net cash from investing activities.....</b>	<b>(127,502)</b>	<b>(92,863)</b>	<b>(77,007)</b>	<b>(82,436)</b>	<b>(46,251)</b>	<b>(46,251)</b>	<b>(45,251)</b>
Cash assets at the beginning of the reporting period .....	460,013	431,216	422,075	412,044	424,650	476,264	529,158
<b>Cash assets at the end of the reporting period .....</b>	<b>422,075</b>	<b>406,504</b>	<b>412,044</b>	<b>424,650</b>	<b>476,264</b>	<b>529,158</b>	<b>584,629</b>

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

## Agency Special Purpose Account Details

### METROPOLITAN REGION IMPROVEMENT ACCOUNT

Account Purpose: This account was established in December 1959 under the *Metropolitan Region Improvement Tax Act 1959* to provide funds for the Commission to manage the Metropolitan Region Scheme.

	2021-22	2022-23	2022-23	2023-24
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000
Opening Balance .....	443,433	409,075	385,020	386,903
Receipts:				
Appropriations.....	83,900	88,098	91,323	97,240
Other .....	27,009	16,440	23,190	40,320
	554,342	513,613	499,533	524,463
Payments .....	169,322	129,486	112,630	125,579
<b>CLOSING BALANCE .....</b>	<b>385,020</b>	<b>384,127</b>	<b>386,903</b>	<b>398,884</b>

## Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 88 Net amount appropriated to deliver services .....	40,220	36,602	42,664	<b>48,025</b>	68,138	62,799	50,072
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	338	339	339	<b>340</b>	348	357	366
Total appropriations provided to deliver services <sup>(a)</sup> .....	40,558	36,941	43,003	<b>48,365</b>	68,486	63,156	50,438
<b>CAPITAL</b>							
Item 154 Capital Appropriation.....	4,028	958	560	<b>3,388</b>	1,467	2,475	3,410
<b>TOTAL APPROPRIATIONS</b> .....	<b>44,586</b>	<b>37,899</b>	<b>43,563</b>	<b>51,753</b>	<b>69,953</b>	<b>65,631</b>	<b>53,848</b>
<b>EXPENSES</b>							
Total Cost of Services .....	106,350	117,403	125,261	<b>136,169</b>	126,401	127,818	128,637
Net Cost of Services <sup>(b)</sup> .....	20,205	28,725	30,994	<b>56,229</b>	42,035	28,389	44,864
<b>CASH ASSETS</b> <sup>(c)</sup> .....	16,668	21,102	17,135	<b>18,100</b>	21,292	21,243	23,452

(a) The increase in total appropriations provided to deliver services in the 2024-25 and 2025-26 Outyears reflects the agreed funding arrangement with Government following the partial commercialisation of the Western Australian Land Information Authority (Landgate).

(b) Represents Total Cost of Services (expenses) less retained revenues applied to Landgate'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 Landgate's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>New Initiative</b>					
Spatial WA.....	-	12,393	-	-	-
<b>Other</b>					
Office Accommodation - 1 Midland Square Rental and Outgoings .....	2,880	1,581	-	-	-
Public Sector Wages Policy .....	3,182	2,747	3,646	4,627	5,686
Salaries and Allowances Tribunal.....	-	-	7	16	25
State Fleet Policy and Procurement Initiatives.....	(4)	5	4	5	3
Strategic Development Plan 2023-24 to 2026-27.....	(1)	(833)	3,286	4,341	2,744
Workforce Requirements.....	-	3,705	3,900	4,703	5,272

## Significant Issues Impacting the Agency

1. The economic circumstances within Australia, including increasing inflation, rising interest rates, high employment, a low rental vacancy rate, net migration into Western Australia, and other related factors, will continue to impact the Western Australian property market. Document registration will continue to be managed in line with property market demand.
2. Landgate is implementing the *Transfer of Land Amendment Act 2022*, which was passed by Parliament in June 2022. The most significant of the reforms under this Act is the removal of duplicate paper titles from the conveyancing process, which now operates electronically.
  - 2.1. Duplicate titles have been optional since 1996 and over half the titles in the land title register have not had a duplicate title issued. At present 99% of all land title transactions involving a mortgage does not issue a duplicate title.
  - 2.2. Landgate has undertaken public and industry consultation on the amendments to be implemented in August 2023. A public information campaign is underway, with considerable educational material also available on Landgate's corporate website. Industry has been very supportive of the change, which benefits both industry and consumers, as property owners will no longer need their bank to purchase and store a duplicate certificate of title for the registration of land transactions.
3. The passing of the *Transfer of Land Act Amendment Act 2022* has also resulted in Landgate changing its notice practices for requisitions on land transactions. In future, these notices will be emailed rather than posted, thereby speeding up the process by avoiding postal delays. As part of the implementation, Landgate has consulted with industry regarding the security of emails and how to securely return evidence to Landgate via email. Industry is very supportive of this change and is working with Landgate to establish how this will be implemented.
4. To support greater competition in the electronic conveyancing marketplace, Landgate is participating in ongoing national work through the Australian Registrar's National Electronic Conveyancing Council to progress a model that enables interoperability between multiple Electronic Lodgement Network Operators.
  - 4.1. Amendments to the Electronic Conveyancing National Law cover issues regarding mandating interoperability and financial settlement. All jurisdictions other than Western Australia and South Australia have adopted a national legal scheme approach, where they adopt the amendments as part of their laws once it is passed in New South Wales. Western Australia and South Australia operate under a corresponding law regime, under which each State enacts their own separate legislation to mirror the New South Wales legislation.
5. Landgate continues to collaborate with other Australian States and Territories and New Zealand on a project to develop an interjurisdictionally-consistent 3D cadastral survey data model. The project has provided 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 Western Australia's critical land and property data, will support priority Government land development and infrastructure projects.
6. Landgate is modernising its property valuations system, which generates more than one million rating and taxing valuations every year for all properties across the State. The current system has been in place for more than 20 years and requires replacement to ensure business continuity, align with Government's digital standards, enhance management of cyber security risks and meet the projected growth in demand for valuation services. There will also be an opportunity to leverage the new technologies to improve service delivery for Landgate's customers and streamline valuation processes for greater efficiency.
7. Landgate will continue planning the Spatial WA Program. Spatial WA is a program of work proposing the delivery of whole-of-government digital infrastructure for improved data sharing, collaboration and decision-making. It is intended that this infrastructure will comprise of an Advanced Spatial Digital Twin (SDT) and Next Generation Spatial Cadastre (NGSC).

- 7.1. It is proposed that an SDT will consist of a whole-of-government data sharing platform with advanced capabilities, providing Western Australian agencies with a secure environment to seamlessly share and connect to both spatial and non-spatial datasets in real-time and allowing for collaboration across agencies. The advanced capabilities would provide users with visualisation and modelling tools, allowing for data to be viewed and analysed in 4D (3D and time). It is intended that the SDT will replace the existing Shared Location Information Platform, which currently shares over 5,000 datasets, and is limited to agencies uploading and users downloading their data.
- 7.2. It is intended that an NGSC will provide a contemporary 4D system for managing and maintaining the State's spatial cadastral data, with cadastral data the critical enabling dataset for the SDT. Cadastral data provides an accurate representation of land parcel boundaries for all Crown and freehold land in Western Australia. Currently managed in the 2D Spatial Cadastral Database (SCDB), the NGSC would enable representation of land boundaries in a true, 3D form, with 4D capability to track boundary changes over time. It is proposed that an NGSC will replace part of Landgate's legacy SmartPlan system and the SCDB.

## 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 budget management.	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 Governments' 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

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Land Titling .....	32,456	36,649	36,922	35,010	35,685	35,244	35,558
2. Valuations .....	37,417	39,872	43,086	42,896	45,909	46,972	47,486
3. Land Information and Services .....	30,213	33,636	37,683	47,749	37,461	38,266	38,220
4. Access to Location Information.....	6,264	7,246	7,570	10,514	7,346	7,336	7,373
<b>Total Cost of Services .....</b>	<b>106,350</b>	<b>117,403</b>	<b>125,261</b>	<b>136,169</b>	<b>126,401</b>	<b>127,818</b>	<b>128,637</b>

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: The State's administrative, commercial and social systems are supported by land tenure information, certainty of ownership and other interests in land:</b>					
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 .....	89.51%	80%	80%	80%	
The number of adjusted Certificates of Title arising from identified errors as a percentage of the total Certificates of Title on the land titles register .....	0.1%	≤0.25%	≤0.25%	≤0.25%	
<b>Outcome: Independent valuations support Governments' collection of rates and taxes, and management of property assets:</b>					
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.....	91.6%	>92.5%	>92.5%	>92.5%	
Unimproved Value .....	90.8%	>92.5%	>92.5%	>92.5%	
Coefficient of Dispersion to check uniformity of values:					
Gross Rental Value.....	4.25%	<7%	<7%	<7%	
Unimproved Value. ....	7.45%	<15%	<15%	<15%	
Adjustments of rating and taxing values as a result of objections and appeals as a percentage of total values in force.....	0.011%	<0.2%	<0.2%	<0.2%	
<b>Outcome: Land and location information and services to support the management and development of the State:</b>					
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.....	88.74%	85%	85%	85%	
Completion rate of property boundary related jobs within the agreed benchmarks <sup>(b)</sup> .....	97.46%	97.2%	97.2%	97.2%	
Imagery systems availability supporting the State's mapping, monitoring and predicting of bushfires .....	99.92%	99%	99%	99%	
Overall satisfaction with the capture of, discovery of and access to Government location information.....	84%	80%	80%	80%	

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

(b) As a result of a change made to the Outcome Based Management framework at the 2022-23 Mid-year Review, the 2022-23 Budget for this indicator varies from that reported in the 2022-23 Budget Papers. This revised target of 97.2% will be used for reporting in the 2022-23 Annual Report key effectiveness indicators.

**Services and Key Efficiency Indicators****1. Land Titling**

A land titling service that provides land tenure information, certainty of ownership and other interests in land.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 32,456	\$'000 36,649	\$'000 36,922	\$'000 35,010	1
Less Income .....	73,068	65,167	67,572	67,992	
Net Cost of Service .....	(40,612)	(28,518)	(30,650)	(32,982)	
<b>Employees (Full-Time Equivalents) .....</b>	99	110	110	110	
<b>Efficiency Indicators</b>					
Average cost of maintaining land tenure information, certainty of ownership and other interests in land, per Certificate of Title .....	\$21.58	\$23.87	\$24.29	\$22.73	1



## Explanation of Significant Movements

(Notes)

- The 2021-22 Actual outcomes for Total Cost of Service and average cost per certificate of title are lower than the 2022-23 Estimated Actual and 2023-24 Budget Target as a result of issues recruiting staff with the appropriate skills in 2021-22.

### 2. Valuations

An impartial valuation service.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 37,417	\$'000 39,872	\$'000 43,086	\$'000 42,896	1
Less Income .....	6,498	19,263	22,321	7,515	2
Net Cost of Service .....	30,919	20,609	20,765	35,381	
<b>Employees (Full-Time Equivalents) .....</b>	201	195	191	191	
<b>Efficiency Indicators</b>					
Average cost per valuation.....	\$15.54	\$16.61	\$17.59	\$17.44	1

## Explanation of Significant Movements

(Notes)

- The 2021-22 Actual outcomes for Total Cost of Service and average cost per valuation are lower than the 2022-23 Estimated Actual and 2023-24 Budget Target as a result of delays in implementation of major projects.
- The nature of the Gross Rental Value Metropolitan Triennial Program (Metropolitan Revaluation Program) leads to fluctuations in income. The 2023-24 year is the first year of the triennial program, with all revenue for the triennium to be recognised in the third and final year of the program in 2025-26, in accordance with AASB 15: *Revenue from Contracts with Customers*. Revenue from the previous triennium was all recognised in the 2022-23 Estimated Actual, hence the fall in revenue in the 2023-24 Budget Target.

### 3. Land Information and Services

Capture, maintenance and delivery of land information and services.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 30,213	\$'000 33,636	\$'000 37,683	\$'000 47,749	1
Less Income .....	5,048	3,392	3,037	3,076	
Net Cost of Service .....	25,165	30,244	34,646	44,673	
<b>Employees (Full-Time Equivalents) .....</b>	126	137	155	160	2
<b>Efficiency Indicators</b>					
Average cost of providing land information and services for the State (per square kilometre) .....	\$11.96	\$13.31	\$14.91	\$18.90	1

## Explanation of Significant Movements

(Notes)

1. The 2021-22 Actual outcomes for Total Cost of Service and average cost of providing land information are lower than the 2022-23 Estimated Actual and 2023-24 Budget Target as a result of issues recruiting staff with the appropriate skills in 2021-22. The 2023-24 Budget Target includes planning and preparation costs for the Spatial WA project.
2. The increase in the number of employees from the 2021-22 Actual to the 2022-23 Estimated Actual is the result of the realignment of resource requirements. The 2023-24 Budget Target includes employees associated with the implementation of the Spatial WA project.

### 4. Access to Location Information

Access to the State's location information.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 6,264	\$'000 7,246	\$'000 7,570	\$'000 10,514	1
Less Income .....	1,531	856	1,337	1,357	
Net Cost of Service .....	4,733	6,390	6,233	9,157	
<b>Employees (Full-Time Equivalents) .....</b>	16	31	17	21	2
<b>Efficiency Indicators</b>					
Average cost per dataset .....	\$803.03	\$930.17	\$924.72	\$1,247.84	1

## Explanation of Significant Movements

(Notes)

1. The 2021-22 Actual outcomes for Total Cost of Service and average cost per dataset are lower than the 2022-23 Estimated Actual and 2023-24 Budget Target as a result of issues recruiting staff with the appropriate skills in 2021-22. The 2023-24 Budget Target includes planning and preparation costs for the Spatial WA project.
2. The decrease in the number of employees from the 2022-23 Budget to the 2022-23 Estimated Actual is the result of the realignment of resource requirements since the original budget for 2022-23 was set.

### Asset Investment Program

1. Landgate's Asset Investment Program totals \$9.5 million in 2023-24 and focuses on progressing key asset investments based on delivering strategic initiatives and continuing to improve service delivery. This includes:
  - 1.1. modernising the current valuations system to deliver more reliable and efficient valuation products (such as asset valuations) for local and State governments;
  - 1.2. implementing amendments to the *Transfer of Land Act 1893* to include electronic document processes, providing industry with greater confidence in electronic conveyancing and the efficiencies it brings;
  - 1.3. ongoing works on Landgate's business environment to ensure it provides a safe, functional, and innovative environment to meet specialised business needs; and
  - 1.4. the ongoing upgrade and replacement of ICT assets based on asset management life cycle and enhanced capabilities offered by new technologies.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Asset Replacement							
ICT - Asset Replacement Program .....	8,402	1,572	600	1,260	1,088	491	3,991
Workplace Enablement .....	6,775	2,055	330	2,820	900	650	350
Business Improvement							
Transfer of Land Act Amendments Implementation.....	1,462	12	12	1,450	-	-	-
Valuation Services System Reform.....	4,293	1,520	715	2,570	203	-	-
Infrastructure - Shared Location Information Platform.....	1,550	500	500	500	250	150	150
<b>COMPLETED WORKS</b>							
Business Improvement - Corporate Website Redevelopment....	560	560	560	-	-	-	-
Infrastructure - Geocentric Datum of Australia 2020 .....	2,235	2,235	226	-	-	-	-
<b>NEW WORKS</b>							
Business Improvement							
Data Strategy Hub.....	3,000	-	-	300	700	1,000	1,000
Portal WA.....	6,400	-	-	-	1,900	2,500	2,000
Infrastructure							
Addressing and Geographic Naming Applications							
Replacement .....	3,250	-	-	-	800	1,600	850
Aerial Imagery Platform.....	615	-	-	615	-	-	-
Geodetic Applications Replacement .....	3,600	-	-	-	2,000	1,500	100
Topographic Modernisation .....	1,150	-	-	-	600	550	-
<b>Total Cost of Asset Investment Program.....</b>	<b>43,292</b>	<b>8,454</b>	<b>2,943</b>	<b>9,515</b>	<b>8,441</b>	<b>8,441</b>	<b>8,441</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			560	3,388	1,467	2,475	3,410
Drawdown from the Holding Account.....			1,569	5,548	6,974	5,966	5,031
Internal Funds and Balances.....			814	579	-	-	-
<b>Total Funding .....</b>			<b>2,943</b>	<b>9,515</b>	<b>8,441</b>	<b>8,441</b>	<b>8,441</b>

## Financial Statements

### Income Statement

#### Expenses

1. The 2023-24 Budget Year Total Cost of Services of \$136.2 million is \$10.9 million higher than the 2022-23 Estimated Actual. This is due to planning and preparation costs for the Spatial WA project and includes program management and data capture expenses.

#### Income

2. Total income in the 2023-24 Budget Year is expected to be \$14.3 million lower than the 2022-23 Estimated Actual due to the cyclical nature of the triennial Metropolitan Revaluation Program. Revenue for the entire program was recognised on delivery of the final product (a valuation) in the third year, 2022-23, in line with AASB 15: *Revenue from Contracts with Customers*. As 2023-24 is the first year of the triennial program the revenue for this Program will be recognised in 2025-26.
3. The increase in service appropriations in the 2023-24 Budget Year compared to the 2022-23 Estimated Actual relates to funding received for workforce requirements approved at the 2022-23 Mid-year Review to ensure Landgate maintains service delivery and business capability and for whole-of-government agreed funding parameter adjustments.

### Statement of Financial Position

4. The equity reflected in the Statement of Financial Position is negative as a result of the payment of the \$1.4 billion lump sum proceeds received from the Landgate Partial Commercialisation settlement by Landgate to the Consolidated Account in 2019-20 as tax equivalents and dividends.
5. The forecast improvement in the negative equity position in the 2023-24 Budget Year in comparison to the 2022-23 Estimated Actual is due to:
  - 5.1. the capital contributions received from Government to fund the 2023-24 Asset Investment Program in line with agreed funding arrangements;
  - 5.2. the Digital Capability Fund receipts via equity contributions to fund recurrent planning and preparation costs for the first year of the Spatial WA project; and
  - 5.3. a decrease in the value of the service concession liability, through its reduction over the period of the arrangement (amortisation) as a non-cash revenue, which results in a decrease in the accumulated deficit offsetting the negative equity that originated due from the Landgate Partial Commercialisation proceeds being paid to the Consolidated Account.
6. In the 2023-24 Budget Year, total assets are \$12.6 million lower than the 2022-23 Estimated Actual, largely due to the decrease in debtors associated with the Metropolitan Revaluation Program. This reflects the third and final year of the triennial program in 2022-23 when invoices are raised with cash received largely in 2023-24.
7. In the 2023-24 Budget Year, total liabilities are \$27 million lower in comparison to the 2022-23 Estimated Actual due to the annual reduction (amortisation) of the service concession deferred revenue liability that originated from the \$1.4 billion proceeds of the Landgate Partial Commercialisation arrangement paid to the Consolidated Account in 2019. The relevant accounting standard, AASB 1059: *Service Concession Arrangements: Grantors* required the proceeds be spread across each year of the 40-year life of the partial commercialisation agreement as non-cash deferred revenue. The revenue is brought to book annually, and this partly extinguishes the service concession deferred revenue liability balance each year until the agreement expiry date when the deferred revenue will be fully extinguished.

### Statement of Cashflows

8. The 2023-24 Budget Year closing cash balance is \$1 million higher than the 2022-23 Estimated Actual due to receipts from the third and final year of the triennial Metropolitan Revaluation Program in 2022-23 being received in 2023-24.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	49,693	57,616	60,623	58,476	60,089	61,787	63,337
Grants and subsidies <sup>(c)</sup> .....	295	135	135	135	135	135	135
Supplies and services .....	29,395	33,842	33,416	49,520	38,135	38,760	37,436
Accommodation .....	6,454	6,075	8,955	7,870	6,100	6,220	6,335
Depreciation and amortisation .....	14,292	13,651	13,651	11,328	12,572	10,998	10,925
Finance and interest costs.....	3	16	12	21	17	15	13
Other expenses.....	6,218	6,068	8,469	8,819	9,353	9,903	10,456
<b>TOTAL COST OF SERVICES</b> .....	<b>106,350</b>	<b>117,403</b>	<b>125,261</b>	<b>136,169</b>	<b>126,401</b>	<b>127,818</b>	<b>128,637</b>
<b>Income</b>							
Sale of goods and services <sup>(d)</sup> .....	45,788	50,754	55,662	41,376	44,665	60,027	44,352
Other revenue <sup>(e)</sup> .....	40,357	37,924	38,605	38,564	39,701	39,402	39,421
<b>Total Income</b> .....	<b>86,145</b>	<b>88,678</b>	<b>94,267</b>	<b>79,940</b>	<b>84,366</b>	<b>99,429</b>	<b>83,773</b>
<b>NET COST OF SERVICES</b> .....	<b>20,205</b>	<b>28,725</b>	<b>30,994</b>	<b>56,229</b>	<b>42,035</b>	<b>28,389</b>	<b>44,864</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations <sup>(f)</sup> .....	40,558	36,941	43,003	48,365	68,486	63,156	50,438
Resources received free of charge .....	1,538	300	300	300	300	300	300
Other revenues .....	8,261	11,389	11,471	6,136	6,836	12,525	5,604
<b>TOTAL INCOME FROM GOVERNMENT</b> .....	<b>50,357</b>	<b>48,630</b>	<b>54,774</b>	<b>54,801</b>	<b>75,622</b>	<b>75,981</b>	<b>56,342</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD</b> .....	<b>30,152</b>	<b>19,905</b>	<b>23,780</b>	<b>(1,428)</b>	<b>33,587</b>	<b>47,592</b>	<b>11,478</b>
Income tax benefit/(expense) .....	(65)	-	-	-	-	-	-
<b>CHANGE IN SURPLUS/(DEFICIENCY) FOR THE PERIOD AFTER INCOME TAX EQUIVALENTS</b> .....	<b>30,087</b>	<b>19,905</b>	<b>23,780</b>	<b>(1,428)</b>	<b>33,587</b>	<b>47,592</b>	<b>11,478</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 442, 473 and 482 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.

(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.

(f) The increase in service appropriations in the 2024-25 and 2025-26 Outyears reflects the agreed funding arrangement with Government following the partial commercialisation of Landgate.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Land Surveyors Licensing Board <sup>(a)</sup> .....	35	35	35	35	35	35	35
Other Grants and Subsidies <sup>(b)</sup> .....	260	100	100	100	100	100	100
<b>TOTAL</b> .....	<b>295</b>	<b>135</b>	<b>135</b>	<b>135</b>	<b>135</b>	<b>135</b>	<b>135</b>

(a) This amount represents a grant paid by Landgate to the Land Surveyors Licensing Board (the Board). The Board is an affiliated body but is not subject to the operational control of Landgate and reports to Parliament separately.

(b) 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)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	15,191	19,341	15,449	16,212	19,196	18,934	20,925
Restricted cash .....	214	245	214	214	214	214	214
Holding Account receivables .....	6,253	6,974	5,548	8,989	7,981	7,046	8,403
Receivables .....	14,005	26,230	26,416	10,798	13,075	28,777	11,753
Other.....	53,075	5,396	35,101	33,330	32,645	32,768	31,055
<b>Total current assets .....</b>	<b>88,738</b>	<b>58,186</b>	<b>82,728</b>	<b>69,543</b>	<b>73,111</b>	<b>87,739</b>	<b>72,350</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	32,461	28,896	35,006	28,916	25,789	23,109	19,049
Property, plant and equipment.....	5,274	8,775	5,059	7,246	8,180	7,618	9,388
Intangibles <sup>(b)</sup> .....	30,358	26,535	22,673	28,741	23,701	21,757	17,587
Restricted cash .....	1,263	1,516	1,472	1,674	1,882	2,095	2,313
Other.....	2,369	4,325	3,966	2,149	2,150	4,078	2,152
<b>Total non-current assets .....</b>	<b>71,725</b>	<b>70,047</b>	<b>68,176</b>	<b>68,726</b>	<b>61,702</b>	<b>58,657</b>	<b>50,489</b>
<b>TOTAL ASSETS .....</b>	<b>160,463</b>	<b>128,233</b>	<b>150,904</b>	<b>138,269</b>	<b>134,813</b>	<b>146,396</b>	<b>122,839</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	12,600	13,699	12,600	12,600	12,600	12,600	12,600
Payables.....	2,138	1,657	2,175	2,219	2,264	2,310	2,357
Lease liabilities.....	34	86	88	87	87	88	84
Other <sup>(c)</sup> .....	46,254	47,474	46,381	46,507	46,605	46,704	46,808
<b>Total current liabilities .....</b>	<b>61,026</b>	<b>62,916</b>	<b>61,244</b>	<b>61,413</b>	<b>61,556</b>	<b>61,702</b>	<b>61,849</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	2,436	2,865	2,505	2,576	2,637	2,699	2,763
Lease liabilities.....	77	243	262	193	145	119	129
Other <sup>(c)</sup> .....	1,283,800	1,251,572	1,249,429	1,222,270	1,183,604	1,144,938	1,106,272
<b>Total non-current liabilities .....</b>	<b>1,286,313</b>	<b>1,254,680</b>	<b>1,252,196</b>	<b>1,225,039</b>	<b>1,186,386</b>	<b>1,147,756</b>	<b>1,109,164</b>
<b>TOTAL LIABILITIES.....</b>	<b>1,347,339</b>	<b>1,317,596</b>	<b>1,313,440</b>	<b>1,286,452</b>	<b>1,247,942</b>	<b>1,209,458</b>	<b>1,171,013</b>
<b>EQUITY</b>							
Contributed equity <sup>(d)</sup> .....	(1,095,323)	(1,094,311)	(1,094,763)	(1,078,982)	(1,077,515)	(1,075,040)	(1,071,630)
Accumulated surplus/(deficit).....	(98,375)	(102,079)	(74,595)	(76,023)	(42,436)	5,156	16,634
Reserves.....	6,822	7,027	6,822	6,822	6,822	6,822	6,822
<b>Total equity .....</b>	<b>(1,186,876)</b>	<b>(1,189,363)</b>	<b>(1,162,536)</b>	<b>(1,148,183)</b>	<b>(1,113,129)</b>	<b>(1,063,062)</b>	<b>(1,048,174)</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>160,463</b>	<b>128,233</b>	<b>150,904</b>	<b>138,269</b>	<b>134,813</b>	<b>146,396</b>	<b>122,839</b>

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

(b) Intangibles includes service concession assets classified under AASB 1059.

(c) 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.

(d) 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.

**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations <sup>(b)</sup> .....	35,857	33,532	39,594	45,466	65,647	60,805	48,110
Capital appropriation .....	4,028	958	560	3,388	1,467	2,475	3,410
Holding Account drawdowns .....	2,496	6,253	1,569	5,548	6,974	5,966	5,031
Special Purpose Account(s)							
Digital Capability Fund .....	-	-	-	12,393	-	-	-
Tax equivalent regime .....	(447)	-	-	-	-	-	-
Other.....	8,415	11,389	11,471	6,136	6,836	12,525	7,942
<b>Net cash provided by Government .....</b>	<b>50,349</b>	<b>52,132</b>	<b>53,194</b>	<b>72,931</b>	<b>80,924</b>	<b>81,771</b>	<b>64,493</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(51,008)	(57,357)	(60,554)	(58,404)	(60,028)	(61,723)	(63,275)
Grants and subsidies.....	(295)	(135)	(135)	(135)	(135)	(135)	(135)
Supplies and services .....	(31,439)	(33,842)	(33,368)	(49,448)	(38,089)	(38,712)	(37,386)
Accommodation .....	(5,791)	(6,075)	(8,955)	(7,870)	(6,100)	(6,220)	(6,335)
GST payments .....	(13,567)	(13,246)	(14,403)	(14,381)	(14,739)	(15,263)	(15,616)
Finance and interest costs.....	(3)	(16)	(12)	(21)	(17)	(15)	(13)
Other payments.....	(4,528)	(5,669)	(8,168)	(8,520)	(9,053)	(9,605)	(10,155)
<b>Receipts</b>							
Sale of goods and services.....	43,743	33,047	39,748	60,679	40,570	42,373	62,782
GST receipts.....	13,625	13,246	14,403	14,381	14,739	15,262	15,616
Other receipts .....	3,940	1,053	1,731	1,338	1,035	736	755
<b>Net cash from operating activities .....</b>	<b>(45,323)</b>	<b>(68,994)</b>	<b>(69,713)</b>	<b>(62,381)</b>	<b>(71,817)</b>	<b>(73,302)</b>	<b>(53,762)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(3,912)	(7,211)	(2,943)	(9,515)	(8,441)	(8,441)	(8,441)
Other payments.....	(55,200)	-	-	-	(25,000)	-	-
Other receipts .....	64,600	30,000	20,000	-	27,600	-	-
<b>Net cash from investing activities.....</b>	<b>5,488</b>	<b>22,789</b>	<b>17,057</b>	<b>(9,515)</b>	<b>(5,841)</b>	<b>(8,441)</b>	<b>(8,441)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Lease liability payments .....	(80)	(71)	(71)	(70)	(74)	(77)	(81)
<b>Net cash from financing activities.....</b>	<b>(80)</b>	<b>(71)</b>	<b>(71)</b>	<b>(70)</b>	<b>(74)</b>	<b>(77)</b>	<b>(81)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>10,434</b>	<b>5,856</b>	<b>467</b>	<b>965</b>	<b>3,192</b>	<b>(49)</b>	<b>2,209</b>
Cash assets at the beginning of the reporting period .....	6,234	15,246	16,668	17,135	18,100	21,292	21,243
<b>Cash assets at the end of the reporting period .....</b>	<b>16,668</b>	<b>21,102</b>	<b>17,135</b>	<b>18,100</b>	<b>21,292</b>	<b>21,243</b>	<b>23,452</b>

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

(b) The increase in service appropriations in the 2024-25 and 2025-26 Outyears reflects the agreed funding arrangement with Government following the partial commercialisation of Landgate.

# DevelopmentWA

## Part 11 Planning and Land Use

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	34,419	23,759	15,271	<b>9,825</b>	17,229	22,402	16,150
Local Government Rates Equivalent .....	11,066	8,355	8,355	<b>8,484</b>	8,715	8,933	9,156
Dividends <sup>(a)(b)</sup> .....	23,435	54,215	1,500	<b>45,925</b>	58,186	55,153	40,649
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies.....	220,899	269,934	195,144	<b>196,654</b>	202,859	118,145	73,842
Other Subsidies .....	9,996	6,500	5,773	<b>5,429</b>	-	-	-
Special Purpose Accounts .....	11,458	7,827	2,501	<b>5,326</b>	-	-	-
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution.....	36,500	32,373	35,070	<b>49,220</b>	17,753	-	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	75	75	75	<b>75</b>	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	556,072	589,826	515,361	<b>529,812</b>	628,262	614,265	535,344
Revenue from Government .....	242,353	291,261	210,418	<b>218,009</b>	202,859	118,145	73,842
Total Expenses <sup>(c)</sup> .....	708,844	819,823	689,253	<b>792,645</b>	776,424	663,495	563,871
Total Borrowings.....	176,625	249,097	239,917	<b>193,271</b>	129,203	110,869	110,869
<b>NET PROFIT AFTER TAX.....</b>	<b>54,122</b>	<b>37,505</b>	<b>21,255</b>	<b>(54,649)</b>	<b>37,468</b>	<b>46,513</b>	<b>29,165</b>
<b>CASH ASSETS <sup>(d)</sup> .....</b>	<b>240,973</b>	<b>184,976</b>	<b>228,833</b>	<b>213,702</b>	<b>238,163</b>	<b>216,586</b>	<b>176,966</b>

(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) DevelopmentWA will retain 2022-23 dividend payments to contribute to funding future infrastructure investment (other than special dividends). Refer to Significant Issues Impacting the Government Trading Enterprise 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 Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustments</b>					
Bentley Residential Redevelopment.....	-	-	408	1,125	1,066
Industrial Land Development Fund.....	-	(15,000)	(20,000)	-	-
Kalgoorlie Lot 505.....	-	(782)	(11,200)	-	-
Ocean Reef Marina.....	(5,272)	(11,599)	(10,544)	(3,585)	-
Regional Development Assistance Program.....	-	(3,000)	(3,000)	(3,000)	(3,000)
Yagan Square - Activation.....	(1,650)	-	-	-	-
<b>Other</b>					
2022-23 Retained Dividend.....	(48,697)	-	-	-	-
Business Update - Operating Parameter Adjustments.....	95,838	(18,399)	(80,319)	(26,015)	(4,228)
Business Update - Sales and Asset Investment Program.....	(7,593)	(22,369)	(5,538)	-	-

## Significant Issues Impacting the Government Trading Enterprise

1. With the development industry facing considerable supply-side pressures associated with materials and labour, DevelopmentWA continues to face issues including escalating costs and project delays. Low housing stock and a tight rental market is expected to ease when the current high level of dwellings under construction translate into additional housing supply. Additionally, residential housing and development sales and delivery programs are experiencing demand side challenges due to reduced borrower capacity and finance availability with rising interest rates.
2. Smaller scale regional projects are facing additional delivery challenges with the redirection of regional contractors and resources to major natural disaster recovery projects.
3. Responding to the State's social and affordable housing needs, DevelopmentWA is pursuing the delivery of one and two-bedroom homes which are aligned to the needs of people seeking social and affordable housing, in proximity to services and major transport precincts.
4. The demand for industrial land in light, general, special and heavy industry areas continues to be sustained and above long-run absorption rates. DevelopmentWA is working with Jobs, Tourism, Science and Innovation through the Industrial Lands Authority to provide land and infrastructure to match the demands of industry across the State.
5. DevelopmentWA launched its Net Zero Transition Plan in November 2021. DevelopmentWA continues to work with lead policy departments in areas including environmental impact, climate change mitigation, water-sensitive design, sustainability, waste recycling, and distributed energy systems transition. DevelopmentWA is also committed to reconciliation with Aboriginal people and will continue to demonstrate best practices with respect to Native Title, Aboriginal Cultural Heritage protection and Closing the Gap through its Reconciliation Action Plan.
6. DevelopmentWA is working collaboratively with Communities; Community Housing Providers; Planning, Lands and Heritage; and Treasury towards the delivery of more social and affordable housing across the State.
7. With the progress of the GTE reform framework, DevelopmentWA is working closely with Treasury with objectives on strategic plans, appropriate governance, reporting, transparency and accountability.

### 2022-23 Retained Dividend

8. DevelopmentWA will retain its forecast 2022-23 dividend payment of \$48.7 million to fund infrastructure investments. Of the retained dividend amount, \$5 million has been utilised to fund the Bunbury Waterfront project, and \$11.2 million for the Bentley Residential Redevelopment. The remaining \$32.5 million retained dividend is being considered for allocation to other DevelopmentWA projects.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## 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 budget management.	A highly capable, innovative organisation.	1. High capability, excellent workforce, safe working environment, satisfied customers, innovative project outcomes
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Prosperous industry.	2. Facilitating economic diversification and jobs growth in industrial areas throughout Western Australia
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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 <sup>(a)</sup>

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: High capability, excellent workforce, safe working environment, satisfied customers, innovative project outcomes:</b>					
Percentage of revenue target achieved .....	99%	>90%	90%	>90%	
Staff retention .....	79%	>90%	90%	>85%	
Safe working environment: reportable lost time injury frequency rate .....	2.2	<2	<2	<2.5	
Customer satisfaction rating: customers satisfied with overall purchase process .....	93%	>90%	>90%	>90%	
Net Zero scope one and scope two emissions compared to 2021 baseline <sup>(b)</sup> .....	n.a.	n.a.	n.a.	<80%	
<b>Outcome: Facilitating economic diversification and jobs growth in industrial areas throughout Western Australia:</b>					
Priority project development milestones met or exceeded .....	93%	>90%	>90%	>90%	
Sufficient developed lots (= 5 developed lots available and/or next stage ready for development in each of DevelopmentWA's key industrial estates) .....	8 projects	>5	>5	>5	
<b>Outcome: Developing high quality major projects, transport-oriented development, urban regeneration projects, rail station precincts and land for new communities:</b>					
Priority project development milestones met or exceeded (including land provided for social housing program) .....	78%	>90%	>90%	>90%	
Percentage of new approved business cases that include the prescribed social housing mix targets <sup>(c)</sup> .....	n.a.	n.a.	n.a.	100%	
Number of social housing dwelling equivalents from land transferred to the Department of Communities or a Community Housing Provider <sup>(c)</sup> .....	n.a.	n.a.	n.a.	>120	
<b>Outcome: Working with stakeholders across the State to deliver projects and land for new communities which support regional economic development and job creation:</b>					
Priority regional project development milestones met or exceeded .....	88%	>90%	>90%	>90%	

(a) Further detail in support of the key performance indicators (KPIs) is provided in DevelopmentWA's Annual Report.

(b) New KPI established from 2023-24. DevelopmentWA's Net Zero Transition roadmap, grouping actions and focus areas are available on its website.

(c) New KPI established from 2023-24.

## Asset Investment Program

1. DevelopmentWA's 2023-24 Asset Investment Program (AIP) totals \$468 million across a combination of land acquisitions and the delivery for land development and infrastructure requirements. These include strategic site acquisitions, construction works and securing key approvals and design outcomes. The 2023-24 AIP will enable the delivery of land for housing, businesses and infrastructure to support Western Australian communities. Social and affordable housing is a key focus for DevelopmentWA across its delivery programs.
2. \$128 million will be invested through the Industrial Lands Authority, supporting strategic, general and light industrial businesses to power Western Australia's economy. This includes development at:
  - 2.1. Peel Business Park - Nambelup Kaadadjan (375 ongoing jobs via stage one and two occupants, contributing \$122 million to the local economy each year);
  - 2.2. Lot 505 Kalgoorlie (140 construction jobs from lot creation, 423 building construction jobs, and 785 ongoing jobs, contributing an estimated \$320 million to the local economy annually);
  - 2.3. Orion Industrial Park (940 construction jobs via stages one to five and 1,835 ongoing jobs, contributing \$749 million to the local economy annually); and
  - 2.4. the delivery of 13 Strategic Industrial Areas across the State. In 2018-19, modelling estimated direct employment at 19,939 jobs in 2022-23, contributing more than \$51 billion to the State's economy annually.
3. \$150 million is to be invested in metropolitan projects to provide connected precincts and housing diversity, including social and affordable housing. This includes the development of Subi East Precinct (2,700 construction jobs, 660 ongoing jobs and \$1 billion in private sector investment), the Alkimos Central city centre (10,450 ongoing jobs upon completion), Ocean Reef Marina (8,600 construction jobs, more than 900 ongoing jobs and expected to inject \$3 billion into the State's economy when complete), and re-imagining the vision for the East Perth Power Station precinct.
4. \$30 million will be invested in projects in regional Western Australia, creating resilient and revitalised cities and towns across the State. Significant projects include the delivery of residential and commercial land at Broome North, new housing options within Karratha's Madigan at Baynton West, and a range of residential and tourism opportunities in Albany.
5. \$136 million will be invested in the Residential Land Program to support the delivery of social and affordable housing across the State through the partnering program. Significant projects within this program for 2023-24 include Brabham, Ellenbrook, Sienna Wood and Albany.
6. \$24 million will be invested for new facilities and infrastructure at the Australian Marine Complex (four projects and almost 600 construction jobs), redevelopment of the Bentley Technology Park into an innovative centre of excellence in Perth's south (35 construction jobs), and the development of the Australian Automation and Robotics Precinct in Perth's northern suburbs (70 construction jobs and up to 5,000 ongoing jobs upon completion).

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Australian Marine Complex Superyacht Fabrication							
Facility and Infrastructure .....	38,920	31,415	21,093	7,505	-	-	-
East Keralup Economic Activation .....	8,977	6,564	2,833	2,413	-	-	-
Kemerton General Industrial Area .....	6,566	1,516	755	5,049	-	-	-
Neerabup Australian Automation and Robotics Park .....	21,071	11,808	6,337	7,395	1,865	2	2
Nyamba Buru Yawuru - Health and Wellbeing Campus .....	10,225	1,264	1,224	2,337	3,500	3,124	-
<b>Other Works in Progress</b>							
Development of Land							
Industrial Lands Authority Program							
Election Commitment - Peel Business Park,							
Nambeelup .....	36,740	30,583	2,065	6,157	-	-	-
Industry and Infrastructure Acquisition and Development .....	1,759,475	1,424,854	124,656	121,345	104,734	88,948	54,586
Metropolitan Program							
Alkimos Central .....	79,267	16,167	9,278	27,500	8,900	11,200	15,500
East Perth Power Station .....	87,629	78,837	39,684	5,986	2,806	-	-
Metropolitan Land Acquisition and Development .....	1,713,553	1,443,375	38,766	64,100	55,221	76,147	103,983
Ocean Reef Marina .....	283,048	98,146	29,855	32,794	83,776	44,307	24,025
Subi East Precinct .....	143,314	86,308	23,273	19,315	23,546	12,117	2,028
Regional Program - Regional Land Acquisition and Development .....							
	1,724,657	1,633,518	20,282	30,036	31,897	18,366	11,214
Residential Program							
Bentley Residential Redevelopment .....							
	48,074	204	204	17,242	13,113	12,510	5,004
Residential Projects and Land Development for Social and Affordable Housing .....							
	767,980	298,483	114,313	119,115	110,624	132,639	119,618
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Nyamba Buru Yawuru - Bulky Goods Precinct .....	156	156	116	-	-	-	-
<b>Other Completed Works</b>							
Development of Land							
Industrial Lands Authority Program - Forrestdale Business Park .....							
	32,317	32,317	1,866	-	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>6,761,969</b>	<b>5,195,515</b>	<b>436,600</b>	<b>468,289</b>	<b>439,982</b>	<b>399,360</b>	<b>335,960</b>
<b>FUNDED BY</b>							
Borrowings .....			102,657	118,091	20,467	20,348	-
Capital Appropriation .....			35,070	49,220	17,753	-	-
Internal Funds and Balances .....			(30,679)	269,921	380,018	375,427	335,960
Major Special Purpose Account(s)							
Drawdown from Royalties for Regions Fund .....			2,501	5,326	-	-	-
Other .....			320,051	10,131	21,744	3,585	-
Other Grants and Subsidies .....			7,000	15,600	-	-	-
<b>Total Funding .....</b>			<b>436,600</b>	<b>468,289</b>	<b>439,982</b>	<b>399,360</b>	<b>335,960</b>

## Financial Statements

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	515,533	548,429	471,988	499,554	592,267	585,750	527,141
Other revenue.....	40,539	41,397	43,373	30,258	35,995	28,515	8,203
<b>Revenue from Government</b>							
Operating subsidies.....	220,899	269,934	195,144	196,654	202,859	118,145	73,842
Capital subsidies.....	-	7,000	7,000	10,600	-	-	-
Resources received free of charge.....	133	-	-	-	-	-	-
Other subsidies.....	9,863	6,500	5,773	5,429	-	-	-
Special Purpose Account(s)							
Royalties for Regions							
Regional Community Services Fund.....	530	-	-	-	-	-	-
Regional Infrastructure and Headworks Fund.....	10,928	7,827	2,501	5,326	-	-	-
<b>TOTAL REVENUE.....</b>	<b>798,425</b>	<b>881,087</b>	<b>725,779</b>	<b>747,821</b>	<b>831,121</b>	<b>732,410</b>	<b>609,186</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	30,222	36,339	39,619	41,500	42,864	44,298	45,727
Supplies and services.....	53,980	27,038	22,868	82,465	43,854	51,062	48,433
Accommodation.....	15,624	16,860	18,978	19,241	19,603	17,770	14,672
Depreciation and amortisation.....	21,802	19,495	19,621	19,049	18,803	18,117	17,277
Finance and interest costs.....	2,597	5,788	5,901	5,824	4,077	2,402	4,233
Cost of land sold.....	478,311	505,132	401,778	483,773	522,160	418,645	309,484
Other expenses.....	106,308	209,171	180,488	140,793	125,063	111,201	124,045
<b>TOTAL EXPENSES.....</b>	<b>708,844</b>	<b>819,823</b>	<b>689,253</b>	<b>792,645</b>	<b>776,424</b>	<b>663,495</b>	<b>563,871</b>
<b>NET PROFIT/(LOSS) BEFORE TAX.....</b>	<b>89,581</b>	<b>61,264</b>	<b>36,526</b>	<b>(44,824)</b>	<b>54,697</b>	<b>68,915</b>	<b>45,315</b>
National Tax Equivalent Regime							
Current tax equivalent expense.....	34,419	23,759	15,271	9,825	17,229	22,402	16,150
Deferred tax equivalent expense.....	1,040	-	-	-	-	-	-
<b>NET PROFIT/(LOSS) AFTER TAX.....</b>	<b>54,122</b>	<b>37,505</b>	<b>21,255</b>	<b>(54,649)</b>	<b>37,468</b>	<b>46,513</b>	<b>29,165</b>
<b>Dividends.....</b>	<b>23,435</b>	<b>54,215</b>	<b>1,500</b>	<b>45,925</b>	<b>58,186</b>	<b>55,153</b>	<b>40,649</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 222, 269 and 273 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	125,506	89,244	107,034	107,202	160,160	167,586	132,684
Cash assets - Retained dividends.....	68,940	50,000	101,703	92,566	61,929	36,929	36,929
Restricted cash .....	46,527	-	20,096	13,934	13,774	9,771	5,053
Receivables .....	37,416	110,141	78,742	11,777	11,777	11,777	14,166
Inventory - Land and development.....	552,935	549,592	669,173	632,664	591,038	593,865	608,165
Other.....	57,961	101,643	114,464	168,557	216,493	251,407	251,407
<b>Total current assets .....</b>	<b>889,285</b>	<b>900,620</b>	<b>1,091,212</b>	<b>1,026,700</b>	<b>1,055,171</b>	<b>1,071,335</b>	<b>1,048,404</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	519,997	472,838	504,753	515,441	511,005	495,533	478,338
Receivables .....	72,352	14,845	73,105	74,441	43,770	43,770	43,770
Inventory - Land and development.....	645,779	585,027	615,012	606,786	569,982	574,441	613,294
Cash investments.....	-	45,732	-	-	2,300	2,300	2,300
Other.....	94,123	90,793	94,123	94,123	94,123	93,668	93,668
<b>Total non-current assets .....</b>	<b>1,332,251</b>	<b>1,209,235</b>	<b>1,286,993</b>	<b>1,290,791</b>	<b>1,221,180</b>	<b>1,209,712</b>	<b>1,231,370</b>
<b>TOTAL ASSETS .....</b>	<b>2,221,536</b>	<b>2,109,855</b>	<b>2,378,205</b>	<b>2,317,491</b>	<b>2,276,351</b>	<b>2,281,047</b>	<b>2,279,774</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	7,768	8,970	7,860	7,954	7,954	7,954	7,954
Payables .....	105,888	24,961	105,773	98,421	118,538	129,038	133,222
Borrowings and leases .....	50,298	52,439	50,293	28,517	20,434	2,100	2,100
Other.....	166,309	79,444	176,323	160,302	160,017	166,170	172,240
<b>Total current liabilities .....</b>	<b>330,263</b>	<b>165,814</b>	<b>340,249</b>	<b>295,194</b>	<b>306,943</b>	<b>305,262</b>	<b>315,516</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	3,193	3,603	3,232	3,272	3,272	3,272	3,272
Borrowings and leases .....	137,441	211,436	200,029	172,111	115,518	114,912	114,869
Other.....	129,830	79,727	133,061	142,637	149,306	164,929	164,929
<b>Total non-current liabilities .....</b>	<b>270,464</b>	<b>294,766</b>	<b>336,322</b>	<b>318,020</b>	<b>268,096</b>	<b>283,113</b>	<b>283,070</b>
<b>TOTAL LIABILITIES.....</b>	<b>600,727</b>	<b>460,580</b>	<b>676,571</b>	<b>613,214</b>	<b>575,039</b>	<b>588,375</b>	<b>598,586</b>
<b>NET ASSETS .....</b>	<b>1,620,809</b>	<b>1,649,275</b>	<b>1,701,634</b>	<b>1,704,277</b>	<b>1,701,312</b>	<b>1,692,672</b>	<b>1,681,188</b>
<b>EQUITY</b>							
Contributed equity .....	1,524,313	1,597,268	1,593,800	1,696,975	1,714,728	1,714,728	1,714,728
Accumulated surplus/(deficit).....	96,496	52,007	107,834	7,302	(13,416)	(22,056)	(33,540)
<b>TOTAL EQUITY .....</b>	<b>1,620,809</b>	<b>1,649,275</b>	<b>1,701,634</b>	<b>1,704,277</b>	<b>1,701,312</b>	<b>1,692,672</b>	<b>1,681,188</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	447,485	483,364	392,658	470,529	555,283	623,964	446,989
GST receipts.....	59,727	78,277	80,253	86,368	34,064	69,369	68,080
Other receipts.....	110,958	131,129	139,794	138,176	99,934	97,066	80,324
<b>Payments</b>							
Employee benefits.....	(33,774)	(40,318)	(43,557)	(45,514)	(42,914)	(44,348)	(45,777)
Supplies and services.....	(10,783)	(27,694)	(15,326)	(26,798)	(18,289)	(13,377)	(16,160)
Accommodation (b).....	(4,558)	(8,720)	(10,838)	(12,824)	(10,889)	(8,837)	(5,516)
GST payments.....	(60,113)	(71,787)	(71,787)	(82,867)	(27,871)	(63,186)	(64,766)
Finance and interest costs.....	(2,506)	(5,736)	(5,751)	(5,671)	(4,065)	(2,390)	(4,193)
Payment for the purchase of inventories.....	(391,850)	(470,385)	(432,567)	(440,796)	(427,861)	(397,093)	(335,962)
Other payments.....	(241,499)	(290,178)	(255,101)	(173,160)	(145,491)	(248,545)	(169,687)
<b>Net cash from operating activities.....</b>	<b>(126,913)</b>	<b>(222,048)</b>	<b>(222,222)</b>	<b>(92,557)</b>	<b>11,901</b>	<b>12,623</b>	<b>(46,668)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	30	-	-	-	-	-	-
Other receipts.....	18,750	-	-	-	-	-	-
<b>Payments</b>							
Purchase of non-current assets.....	(26,601)	(676)	(4,032)	(27,493)	(12,123)	(2,270)	-
<b>Net cash from investing activities.....</b>	<b>(7,821)</b>	<b>(676)</b>	<b>(4,032)</b>	<b>(27,493)</b>	<b>(12,123)</b>	<b>(2,270)</b>	<b>-</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	16,000	135,692	226,577	198,810	196,893	270,348	280,000
<b>Payments</b>							
Repayment of borrowings and leases.....	(30,991)	(165,741)	(165,877)	(246,390)	(261,792)	(289,521)	(280,839)
Other payments.....	-	(52,426)	(52,426)	(50,521)	(46,900)	(44,414)	-
<b>Net cash from financing activities.....</b>	<b>(14,991)</b>	<b>(82,475)</b>	<b>8,274</b>	<b>(98,101)</b>	<b>(111,799)</b>	<b>(63,587)</b>	<b>(839)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Capital subsidies.....	-	7,000	7,000	10,600	-	-	-
Operating subsidies.....	212,347	269,934	195,144	196,654	202,859	118,145	73,842
Equity contributions.....	36,500	32,373	35,070	49,220	17,753	-	-
Other subsidies.....	42,063	6,500	5,773	5,429	-	-	-
Special Purpose Account(s)							
Royalties for Regions							
Regional Community Services Fund.....	530	-	-	-	-	-	-
Regional Infrastructure and Headworks Fund.....	10,928	7,827	2,501	5,326	-	-	-
<b>Payments</b>							
Dividends to Government.....	(23,435)	(54,215)	(1,500)	(45,925)	(58,186)	(55,153)	(40,649)
National Tax Equivalent Regime - Income Tax..	(24,681)	(24,280)	(15,793)	(9,848)	(17,229)	(22,402)	(16,150)
Local Government Rates Equivalent.....	(11,066)	(8,355)	(8,355)	(8,436)	(8,715)	(8,933)	(9,156)
Receipts paid into Consolidated Account.....	(2,205)	(14,000)	(14,000)	-	-	-	-
<b>Net cash provided to Government.....</b>	<b>(240,981)</b>	<b>(222,784)</b>	<b>(205,840)</b>	<b>(203,020)</b>	<b>(136,482)</b>	<b>(31,657)</b>	<b>(7,887)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD.....</b>	<b>91,256</b>	<b>(82,415)</b>	<b>(12,140)</b>	<b>(15,131)</b>	<b>24,461</b>	<b>(21,577)</b>	<b>(39,620)</b>
Cash assets at the beginning of the reporting period.....	149,717	267,391	240,973	228,833	213,702	238,163	216,586
<b>Cash assets at the end of the reporting period.....</b>	<b>240,973</b>	<b>184,976</b>	<b>228,833</b>	<b>213,702</b>	<b>238,163</b>	<b>216,586</b>	<b>176,966</b>

(a) Full audited financial statements are published in DevelopmentWA'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 it is recorded as a payment to Government and not as a payment from operating activities.



# Division 46 **Heritage Council of Western Australia**

## Part 11 **Planning and Land Use**

### **Appropriations, Expenses and Cash Assets**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 89 Net amount appropriated to deliver services .....	1,606	1,557	1,557	<b>1,540</b>	1,555	1,571	1,603
Total appropriations provided to deliver services.....	1,606	1,557	1,557	<b>1,540</b>	1,555	1,571	1,603
<b>TOTAL APPROPRIATIONS</b> .....	1,606	1,557	1,557	<b>1,540</b>	1,555	1,571	1,603
<b>EXPENSES</b>							
Total Cost of Services .....	3,043	1,557	1,557	<b>1,540</b>	1,555	1,571	1,603
Net Cost of Services <sup>(a)</sup> .....	3,041	1,557	1,557	<b>1,540</b>	1,555	1,571	1,603
<b>CASH ASSETS</b> <sup>(b)</sup> .....	8,317	7,494	8,317	<b>8,317</b>	8,317	8,317	8,317

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

(b) As at 30 June each financial year.

### **Spending Changes**

The Council has had no recurrent spending changes impacting its Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022.

### **Significant Issues Impacting the Agency**

#### **Heritage Grants Program**

1. The Council, through Planning, Lands and Heritage, continues to provide an annual grants program for conservation and interpretation projects and events that celebrate State Heritage Registered Places and encourage more Western Australians to engage with the State's history. The grants assist in protecting the social, environmental and economic value that the State's historic heritage assets hold for communities across 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 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
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations.	1. Cultural Heritage Conservation Services

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Cultural Heritage Conservation Services....	3,043	1,557	1,557	1,540	1,555	1,571	1,603
<b>Total Cost of Services .....</b>	<b>3,043</b>	<b>1,557</b>	<b>1,557</b>	<b>1,540</b>	<b>1,555</b>	<b>1,571</b>	<b>1,603</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22	2022-23	2022-23	2023-24	Note
	Actual	Budget	Estimated Actual	Budget Target	
<b>Outcome: Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations:</b>					
Extent to which development approvals issued for registered places are consistent with the Council's advice to decision-making authorities.....	100%	100%	100%	100%	
Percentage of additional private investment generated from grant-assisted conservation projects .....	330%	150%	223%	250%	1

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

### Explanation of Significant Movements

(Notes)

- The 2021-22 Actual of 330% is due to several applicants contributing at least 1.5 times more than the grant provided. The 2022-23 Estimated Actual and the 2023-24 Budget Target reflect higher contributions from grant recipients compared to the 2022-23 Budget due to anticipated rising costs.

## Services and Key Efficiency Indicators

### 1. Cultural Heritage Conservation Services

Cultural heritage conservation services establish and maintain a comprehensive State Register of Heritage Places, 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 3,043	\$'000 1,557	\$'000 1,557	\$'000 1,540	1
Less Income .....	2	nil	nil	nil	
Net Cost of Service .....	3,041	1,557	1,557	1,540	
<b>Efficiency Indicators</b>					
Average number of days to make preliminary determinations .....	42	45	40	37	

### Explanation of Significant Movements

(Notes)

1. The higher 2021-22 Actual of \$3 million is largely attributed to completed conservation works at the Parry Street Precinct as part of the COVID-19 Response.

## Financial Statements

### Income Statement

#### Expenses

1. The slight decrease in Total Cost of Services between the 2022-23 Estimated Actual and the 2023-24 Budget Year is attributable to the cessation of the streamlined budget incentive funding, partially offset by an increase due to a 1% indexation being applied for non-salary related expenditure.

#### Income

2. Consistent with the slight decrease in Total Cost of Services, the slight decrease in income from Government between the 2022-23 Estimated Actual and the 2023-24 Budget Year is attributable to the cessation of the streamlined budget incentive funding, partially offset by an increase due to a 1% indexation being applied for non-salary related expenditure.

### Statement of Cashflows

3. Net cash provided by Government has decreased slightly in the 2023-24 Budget Year due to the cessation of the streamlined budget incentive funding, partially offset by an increase due to a 1% indexation being applied for non-salary related expenditure.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Grants and subsidies (b) .....	1,336	1,221	1,221	1,221	1,221	1,221	1,221
Supplies and services .....	1,671	226	226	195	195	195	195
Other expenses .....	36	110	110	124	139	155	187
<b>TOTAL COST OF SERVICES .....</b>	<b>3,043</b>	<b>1,557</b>	<b>1,557</b>	<b>1,540</b>	<b>1,555</b>	<b>1,571</b>	<b>1,603</b>
<b>Income</b>							
Other revenue .....	2	-	-	-	-	-	-
<b>Total Income.....</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET COST OF SERVICES .....</b>	<b>3,041</b>	<b>1,557</b>	<b>1,557</b>	<b>1,540</b>	<b>1,555</b>	<b>1,571</b>	<b>1,603</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	1,606	1,557	1,557	1,540	1,555	1,571	1,603
Other revenues .....	470	-	-	-	-	-	-
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>2,076</b>	<b>1,557</b>	<b>1,557</b>	<b>1,540</b>	<b>1,555</b>	<b>1,571</b>	<b>1,603</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>(965)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(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.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Heritage Grants Program .....	1,336	1,221	1,221	1,221	1,221	1,221	1,221
<b>TOTAL .....</b>	<b>1,336</b>	<b>1,221</b>	<b>1,221</b>	<b>1,221</b>	<b>1,221</b>	<b>1,221</b>	<b>1,221</b>

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	1,087	1,030	1,087	1,087	1,087	1,087	1,087
Restricted cash .....	7,230	6,464	7,230	7,230	7,230	7,230	7,230
Receivables .....	132	3	132	132	132	132	132
Other.....	85	1	85	85	85	85	85
<b>Total current assets .....</b>	<b>8,534</b>	<b>7,498</b>	<b>8,534</b>	<b>8,534</b>	<b>8,534</b>	<b>8,534</b>	<b>8,534</b>
<b>CURRENT LIABILITIES</b>							
Payables.....	1,860	1,212	1,860	1,860	1,860	1,860	1,860
Other.....	161	-	161	161	161	161	161
<b>Total current liabilities .....</b>	<b>2,021</b>	<b>1,212</b>	<b>2,021</b>	<b>2,021</b>	<b>2,021</b>	<b>2,021</b>	<b>2,021</b>
<b>EQUITY</b>							
Contributed equity.....	-	(5,282)	-	-	-	-	-
Accumulated surplus/(deficit).....	6,513	11,568	6,513	6,513	6,513	6,513	6,513
<b>Total equity .....</b>	<b>6,513</b>	<b>6,286</b>	<b>6,513</b>	<b>6,513</b>	<b>6,513</b>	<b>6,513</b>	<b>6,513</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>8,534</b>	<b>7,498</b>	<b>8,534</b>	<b>8,534</b>	<b>8,534</b>	<b>8,534</b>	<b>8,534</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	1,606	1,557	1,557	1,540	1,555	1,571	1,603
Other.....	470	-	-	-	-	-	-
<b>Net cash provided by Government .....</b>	<b>2,076</b>	<b>1,557</b>	<b>1,557</b>	<b>1,540</b>	<b>1,555</b>	<b>1,571</b>	<b>1,603</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Grants and subsidies.....	(690)	(1,221)	(1,221)	(1,221)	(1,221)	(1,221)	(1,221)
Supplies and services .....	(1,724)	(226)	(226)	(195)	(195)	(195)	(195)
GST payments.....	(339)	-	-	-	-	-	-
Other payments.....	(32)	(110)	(110)	(124)	(139)	(155)	(187)
<b>Receipts</b>							
GST receipts.....	338	-	-	-	-	-	-
Other receipts .....	2	-	-	-	-	-	-
<b>Net cash from operating activities .....</b>	<b>(2,445)</b>	<b>(1,557)</b>	<b>(1,557)</b>	<b>(1,540)</b>	<b>(1,555)</b>	<b>(1,571)</b>	<b>(1,603)</b>
Cash assets at the beginning of the reporting period .....	8,686	7,494	8,317	8,317	8,317	8,317	8,317
<b>Cash assets at the end of the reporting period .....</b>	<b>8,317</b>	<b>7,494</b>	<b>8,317</b>	<b>8,317</b>	<b>8,317</b>	<b>8,317</b>	<b>8,317</b>

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

## Division 47 **National Trust of Australia (WA)**

### Part 11 **Planning and Land Use**

#### **Appropriations, Expenses and Cash Assets**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 90 Net amount appropriated to deliver services .....	3,184	3,185	3,354	<b>3,809</b>	3,895	3,972	4,082
Total appropriations provided to deliver services.....	3,184	3,185	3,354	<b>3,809</b>	3,895	3,972	4,082
<b>CAPITAL</b>							
Item 155 Capital Appropriation.....	435	435	435	<b>435</b>	435	435	435
<b>TOTAL APPROPRIATIONS</b> .....	<b>3,619</b>	<b>3,620</b>	<b>3,789</b>	<b>4,244</b>	<b>4,330</b>	<b>4,407</b>	<b>4,517</b>
<b>EXPENSES</b>							
Total Cost of Services .....	5,776	8,577	6,875	<b>7,442</b>	6,999	7,077	7,188
Net Cost of Services <sup>(a)</sup> .....	3,250	3,930	4,238	<b>4,382</b>	3,938	4,123	4,162
<b>CASH ASSETS</b> <sup>(b)</sup> .....	2,554	3,323	1,457	<b>1,257</b>	1,057	749	512

(a) 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.

(b) As at 30 June each financial year.

#### **Spending Changes**

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Trust's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>Other</b>					
Appointment of Caretakers.....	-	479	496	514	532
Public Sector Wages Policy .....	169	150	176	220	297

#### **Significant Issues Impacting the Agency**

1. The Trust will maintain its focus on the conservation, interpretation, activation and adaptive reuse of heritage places and management of its collections. While the management of conservation works, including maintenance, will remain a priority to revitalise and activate these properties to enable better outcomes for Government, there will be increased focus on cultural landscapes associated with the places.
2. The Trust will continue to work on enhancing the value, awareness and public participation in heritage through increased focus on community engagement, delivered through formal and non-formal schools, public education programs and events.
3. The Trust will continue to promote public investment and participation in heritage through its community-based public tax-deductible appeals, its focus on Aboriginal heritage, visitation to its places open to the public, 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
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Conservation and Management of Built Heritage .....	3,384	4,927	3,950	4,038	3,578	3,638	3,731
2. Heritage Services to the Community .....	2,392	3,650	2,925	3,404	3,421	3,439	3,457
<b>Total Cost of Services .....</b>	<b>5,776</b>	<b>8,577</b>	<b>6,875</b>	<b>7,442</b>	<b>6,999</b>	<b>7,077</b>	<b>7,188</b>

### Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22	2022-23	2022-23	2023-24	Note
	Actual	Budget	Estimated Actual	Budget Target	
<b>Outcome: Engage community support for the conservation of our natural, Aboriginal and historic heritage for the present and the future:</b>					
Percentage of planned conservation performed to enable community access to National Trust places .....	0.5%	1.7%	1.8%	0.5%	1
Number of people accessing, engaging, attending National Trust places and receiving heritage services .....	21,180	22,885	24,092	25,297	2

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

## Explanation of Significant Movements

(Notes)

- The percentage of planned conservation performed to enable community access to National Trust places is forecast to reduce in the 2023-24 Budget Target, relative to the 2022-23 Estimated Actual, as the amount of conservation work being carried out is based on the current approved Strategic Asset Plan and funding that the Trust can source through grant applications.
- The 2023-24 Budget Target for the number of people accessing, engaging, attending National Trust places and receiving heritage services is higher than in previous years, reflecting tourism within the State returning to pre-pandemic levels.

## 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.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 3,384	\$'000 4,927	\$'000 3,950	\$'000 4,038	1
Less Income .....	2,005	2,972	2,383	2,758	1
Net Cost of Service .....	1,379	1,955	1,567	1,280	
<b>Employees (Full-Time Equivalents) .....</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>	
<b>Efficiency Indicators</b>					
Average operating cost per place managed .....	\$31,361	\$46,481	\$36,574	\$33,878	1

## Explanation of Significant Movements

(Notes)

- The decreases in the 2022-23 Estimated Actual for Total Cost of Service, income, and average operating cost per place managed compared to the 2022-23 Budget mainly reflect the impact of recognising income and expenditure relating to heritage appeals and foundation activities in accordance with AASB 15: *Revenue from Contracts with Customers* and AASB 1058: *Income of Not-for-Profit Entities*.

### 2. Heritage Services to the Community

The interpretation heritage awareness and education service includes programs targeted at the general public, schools, professional development and training, and community services.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 2,392	\$'000 3,650	\$'000 2,925	\$'000 3,404	1
Less Income .....	521	1,675	254	302	1
Net Cost of Service .....	1,871	1,975	2,671	3,102	
<b>Employees (Full-Time Equivalents) .....</b>	<b>14</b>	<b>15</b>	<b>15</b>	<b>23</b>	<b>2</b>
<b>Efficiency Indicators</b>					
Average operating cost per person accessing, engaging, attending National Trust places and heritage services provided .....	\$113	\$160	\$121	\$135	1



## Explanation of Significant Movements

(Notes)

- The decreases in the 2022-23 Estimated Actual for the Total Cost of Service, income, and average operating cost per person compared to the 2022-23 Budget mainly reflect the impact of recognising income and expenditure relating to heritage appeals and foundation activities in accordance with AASB 15 and AASB 1058. The 2023-24 Budget Targets include additional expenditure relating to the appointment of caretakers to ensure the Trust's buildings are clean and available for public visitors. As a consequence of changes to State employment laws starting June 2022 (*Industrial Relations Legislation Amendment Act 2021*), volunteer wardens previously appointed by the Trust are now considered to be employees.
- The increase in the number of full-time equivalents (FTEs) in the 2023-24 Budget Target reflects the additional staff to be employed as caretakers at National Trust places following changes in State employment laws.

## Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
Asset Replacement - Wesleyan Chapel Repairs.....	556	410	410	146	-	-	-
Property Restoration - Lotteryst West Land Covenanting Program .....	130	100	100	30	-	-	-
<b>COMPLETED WORKS</b>							
<b>Election Commitments</b>							
Property Restoration - Luisini Winery Nature Play Area....	400	400	400	-	-	-	-
<b>Other Completed Works</b>							
Asset Replacement							
2022-23 Program .....	50	50	50	-	-	-	-
Avondale Farm Repairs.....	110	110	110	-	-	-	-
Property Restoration							
2021-22 Program .....	638	638	241	-	-	-	-
2022-23 Program .....	650	650	650	-	-	-	-
Collie Roundhouse Restoration .....	999	999	78	-	-	-	-
Lotteryst West Conservation Project .....	1,974	1,974	39	-	-	-	-
<b>NEW WORKS</b>							
Asset Replacement							
2023-24 Program .....	50	-	-	50	-	-	-
2024-25 Program .....	50	-	-	-	50	-	-
2025-26 Program .....	50	-	-	-	-	50	-
2026-27 Program .....	50	-	-	-	-	-	50
Property Restoration							
2023-24 Program .....	650	-	-	650	-	-	-
2024-25 Program .....	650	-	-	-	650	-	-
2025-26 Program .....	650	-	-	-	-	650	-
2026-27 Program .....	650	-	-	-	-	-	650
<b>Total Cost of Asset Investment Program.....</b>	<b>8,307</b>	<b>5,331</b>	<b>2,078</b>	<b>876</b>	<b>700</b>	<b>700</b>	<b>700</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			435	435	435	435	435
Drawdown from the Holding Account.....			265	265	265	265	265
Internal Funds and Balances.....			758	-	-	-	-
Other .....			520	146	-	-	-
Other Grants and Subsidies .....			100	30	-	-	-
<b>Total Funding .....</b>			<b>2,078</b>	<b>876</b>	<b>700</b>	<b>700</b>	<b>700</b>

## Financial Statements

### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	2,631	3,290	3,459	3,961	3,674	3,736	3,831
Supplies and services .....	1,640	3,432	1,551	1,626	1,470	1,486	1,502
Accommodation .....	247	383	383	383	383	383	383
Depreciation and amortisation .....	714	655	655	655	655	655	655
Other expenses .....	544	817	827	817	817	817	817
<b>TOTAL COST OF SERVICES .....</b>	<b>5,776</b>	<b>8,577</b>	<b>6,875</b>	<b>7,442</b>	<b>6,999</b>	<b>7,077</b>	<b>7,188</b>
<b>Income</b>							
Sale of goods and services .....	1	200	200	200	200	200	200
Grants and subsidies .....	419	-	-	-	-	-	-
Other revenue .....	2,106	4,447	2,437	2,860	2,861	2,754	2,826
<b>Total Income .....</b>	<b>2,526</b>	<b>4,647</b>	<b>2,637</b>	<b>3,060</b>	<b>3,061</b>	<b>2,954</b>	<b>3,026</b>
<b>NET COST OF SERVICES .....</b>	<b>3,250</b>	<b>3,930</b>	<b>4,238</b>	<b>4,382</b>	<b>3,938</b>	<b>4,123</b>	<b>4,162</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations .....	3,184	3,185	3,354	3,809	3,895	3,972	4,082
Grants from Government .....	455	-	-	-	-	-	-
Other revenues .....	-	802	1,322	706	-	-	-
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>3,639</b>	<b>3,987</b>	<b>4,676</b>	<b>4,515</b>	<b>3,895</b>	<b>3,972</b>	<b>4,082</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD .....</b>	<b>389</b>	<b>57</b>	<b>438</b>	<b>133</b>	<b>(43)</b>	<b>(151)</b>	<b>(80)</b>

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

(b) The FTEs for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 27, 29 and 37 respectively.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	2,125	2,071	1,228	1,028	828	520	283
Restricted cash .....	429	1,252	229	229	229	229	229
Holding Account receivables .....	265	265	265	265	265	265	265
Receivables .....	180	328	313	382	84	236	388
Other.....	2,752	34	2,752	2,752	2,752	2,752	2,752
<b>Total current assets .....</b>	<b>5,751</b>	<b>3,950</b>	<b>4,787</b>	<b>4,656</b>	<b>4,158</b>	<b>4,002</b>	<b>3,917</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	3,863	4,253	4,253	4,643	5,033	5,423	5,813
Property, plant and equipment.....	113,475	104,495	114,903	115,129	115,829	115,879	115,929
Intangibles .....	215	207	215	215	215	215	215
Other.....	91	89	91	91	91	91	91
<b>Total non-current assets .....</b>	<b>117,644</b>	<b>109,044</b>	<b>119,462</b>	<b>120,078</b>	<b>121,168</b>	<b>121,608</b>	<b>122,048</b>
<b>TOTAL ASSETS .....</b>	<b>123,395</b>	<b>112,994</b>	<b>124,249</b>	<b>124,734</b>	<b>125,326</b>	<b>125,610</b>	<b>125,965</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	712	748	712	712	712	712	712
Payables .....	141	73	122	39	94	94	94
Other.....	2,160	735	2,160	2,160	2,305	2,305	2,305
<b>Total current liabilities .....</b>	<b>3,013</b>	<b>1,556</b>	<b>2,994</b>	<b>2,911</b>	<b>3,111</b>	<b>3,111</b>	<b>3,111</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	99	105	99	99	99	99	99
Other.....	701	843	701	701	701	701	701
<b>Total non-current liabilities .....</b>	<b>800</b>	<b>948</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>
<b>TOTAL LIABILITIES.....</b>	<b>3,813</b>	<b>2,504</b>	<b>3,794</b>	<b>3,711</b>	<b>3,911</b>	<b>3,911</b>	<b>3,911</b>
<b>EQUITY</b>							
Contributed equity .....	29,186	29,278	29,621	30,056	30,491	30,926	31,361
Accumulated surplus/(deficit).....	59,834	58,683	60,272	60,405	60,362	60,211	60,131
Reserves.....	30,562	22,529	30,562	30,562	30,562	30,562	30,562
<b>Total equity .....</b>	<b>119,582</b>	<b>110,490</b>	<b>120,455</b>	<b>121,023</b>	<b>121,415</b>	<b>121,699</b>	<b>122,054</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>123,395</b>	<b>112,994</b>	<b>124,249</b>	<b>124,734</b>	<b>125,326</b>	<b>125,610</b>	<b>125,965</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	2,529	2,530	2,699	3,154	3,240	3,317	3,427
Capital appropriation .....	435	435	435	435	435	435	435
Holding Account drawdowns .....	265	265	265	265	265	265	265
Other.....	300	802	1,322	706	-	-	-
<b>Net cash provided by Government .....</b>	<b>3,529</b>	<b>4,032</b>	<b>4,721</b>	<b>4,560</b>	<b>3,940</b>	<b>4,017</b>	<b>4,127</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(2,635)	(3,283)	(3,452)	(3,954)	(3,667)	(3,729)	(3,824)
Supplies and services .....	(1,640)	(3,595)	(1,714)	(1,789)	(1,633)	(1,649)	(1,665)
Accommodation .....	(247)	(366)	(366)	(366)	(366)	(366)	(366)
GST payments .....	(160)	(270)	(270)	(270)	(270)	(270)	(270)
Other payments.....	(544)	(694)	(704)	(694)	(694)	(694)	(694)
<b>Receipts</b>							
Grants and subsidies.....	419	-	-	-	-	-	-
Sale of goods and services.....	1	200	200	200	200	200	200
GST receipts .....	302	270	270	270	270	270	270
Other receipts .....	3,263	4,306	2,296	2,719	2,720	2,613	2,685
<b>Net cash from operating activities .....</b>	<b>(1,241)</b>	<b>(3,432)</b>	<b>(3,740)</b>	<b>(3,884)</b>	<b>(3,440)</b>	<b>(3,625)</b>	<b>(3,664)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(735)	(800)	(2,078)	(876)	(700)	(700)	(700)
Other payments.....	(2,722)	-	-	-	-	-	-
<b>Net cash from investing activities .....</b>	<b>(3,457)</b>	<b>(800)</b>	<b>(2,078)</b>	<b>(876)</b>	<b>(700)</b>	<b>(700)</b>	<b>(700)</b>
Cash assets at the beginning of the reporting period .....	3,723	3,523	2,554	1,457	1,257	1,057	749
<b>Cash assets at the end of the reporting period .....</b>	<b>2,554</b>	<b>3,323</b>	<b>1,457</b>	<b>1,257</b>	<b>1,057</b>	<b>749</b>	<b>512</b>

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

## 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	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Synergy		
– Asset Investment Program .....	267,627	57,302
Western Power		
– Asset Investment Program .....	891,486	1,106,445
Horizon Power		
– Asset Investment Program .....	108,148	105,488
Water Corporation		
– Asset Investment Program .....	728,114	1,113,534
Bunbury Water Corporation		
– Asset Investment Program .....	10,607	13,497
Busselton Water Corporation		
– Asset Investment Program .....	4,073	8,610

## Ministerial Responsibilities

<b>Minister</b>	<b>Agency</b>	<b>Services</b>
Minister for Mines and Petroleum; Energy; Corrective Services; Industrial Relations	Synergy	n.a.
	Western Power	n.a.
	Horizon Power	n.a.
Minister for Training; Water; 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

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b> <sup>(a)(b)</sup>							
Local Government Rates Equivalent .....	754	1,318	1,111	<b>1,180</b>	1,170	492	491
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies <sup>(c)(d)</sup> .....	357,372	761,005	827,159	<b>924,426</b>	313,067	252,367	253,117
Other Subsidies <sup>(e)</sup> .....	4,726	7,900	7,900	<b>7,900</b>	7,900	7,900	7,900
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution <sup>(f)</sup> .....	155,701	33,301	40,504	-	-	-	-
Special Purpose Accounts .....	-	-	112,600	-	-	-	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	75	75	75	<b>75</b>	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	3,145,052	2,829,466	3,150,751	<b>3,259,149</b>	3,220,806	3,262,682	3,296,330
Revenue from Government .....	362,098	770,615	836,769	<b>932,326</b>	320,967	260,267	261,017
Total Expenses <sup>(g)</sup> .....	3,895,434	3,540,444	3,958,989	<b>4,109,381</b>	3,486,360	3,356,150	3,474,152
Total Borrowings .....	161,130	280,037	280,037	<b>211,004</b>	182,142	176,007	176,007
<b>NET PROFIT AFTER TAX</b> .....	<b>(388,074)</b>	<b>59,637</b>	<b>28,531</b>	<b>82,094</b>	<b>55,413</b>	<b>166,799</b>	<b>83,195</b>
<b>CASH ASSETS</b> <sup>(h)</sup> .....	<b>446,956</b>	<b>138,893</b>	<b>308,653</b>	<b>264,775</b>	<b>266,826</b>	<b>350,519</b>	<b>380,361</b>

(a) In determining the dividend payment to the general government sector, Net Profit After Tax (NPAT) may be adjusted based on other factors as permitted by the relevant legislation.

(b) No income tax is projected to be payable over the forward estimates period as Synergy is not expected to return taxable profits.

(c) Synergy received significant additional operating subsidies in 2022-23 primarily as a result of administering the \$400 Household Electricity Credit.

(d) Synergy will receive significant additional operating subsidies in 2023-24 primarily as a result of administering the electricity credits for residential and small business customers.

(e) Includes amounts from Communities (Hardship Utilities Grants Scheme).

(f) In 2022-23, Synergy will receive equity contributions for asset investment inclusive of the Kwinana Big Battery (Kwinana Battery Energy Storage System 1) and electric vehicle charging stations.

(g) Excludes current tax expense, deferred tax expense and dividends.

(h) 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 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustments</b>					
Cost of Living Support - Household and Small Business Electricity Credits...	-	(531,000)	-	-	-
Renewable Development Feasibility Works.....	(15,105)	-	-	-	-
<b>Other</b>					
Financial Viability Subsidies and Rebates and Concessions.....	(38,049)	(35,912)	(6,586)	3,998	3,426

## Significant Issues Impacting the Government Trading Enterprise

### External Environment and Challenges

- On 14 June 2022, the Government announced the retirement of all State-owned coal-fired power stations by 2030, as part of its climate action commitment and in response to the acute operational and economic challenges facing coal-fired generation due to the strong and continuing growth in generation from rooftop solar and renewables.
- As part of the same announcement, the Government also committed to significant investment in renewable generation and storage, which will require Synergy to deliver a pipeline of renewable assets by 2030 to replace coal-fired generation. This pipeline of renewable assets will reduce Synergy's carbon emissions by 80% by 2030 (compared to 2020-21 levels).

### Pipeline of Renewable Assets and Energy Storage

- Over 2023-24, Synergy will continue to progress the development of renewable generation and energy storage infrastructure to replace its coal-fired generation assets by 2030. Projects to be progressed in 2023-24 include the Kwinana Battery Energy Storage System 2 (KBESS 2), Collie Battery Energy Storage System (CBESS) and King Rocks Wind Farm. These projects are in addition to the Kwinana Battery Energy Storage System 1 (KBESS 1) which is due to be operational from late 2022-23.
- KBESS 1 is the first large-scale battery to be built in Western Australia. The 100 MW/200 MWh utility-scale transmission-connected battery is located at Synergy's decommissioned Kwinana Power Station and will be used by the Australian Energy Market Operator to support system security from 2023-24. KBESS 2 is a 200 MW/800 MWh battery and will be located adjacent to KBESS 1. In 2022-23, Synergy lodged a development application for this project.
- The large-scale grid connected battery to be developed in Collie (CBESS) will also provide four hours of storage and an additional 500 MW of capacity.
- In addition to the above energy storage projects, Synergy continues to progress the King Rocks Wind Farm. This proposed wind farm is located 35 km northeast of Hyden in the Shire of Kondinin and will consist of up to 30 wind turbines. The project has received development approval from the Shire of Kondinin.
- Additional renewable generation and energy storage projects will continue to be progressed during 2023-24, including developments resulting from expression of interest processes conducted during 2022-23.

### Customers and Hardship

- Synergy is working with the State and Commonwealth Governments to assist customers with cost of living pressures by providing electricity credits to both residential and small business customers.



9. Customers will continue to be at the core of everything Synergy does. Synergy is dedicated to helping its customers access affordable and efficient energy solutions, make empowered decisions about their energy management, and navigate Western Australia's changing energy landscape. This includes identifying and developing green energy opportunities for commercial and industrial customers.
10. Synergy is committed to actively supporting customers experiencing financial hardship through individual case managers, programs such as the Household Energy Efficiency Scheme and the Smart Energy for Social Housing (SESH), and a range of specialised services.
11. Synergy's Case Management program provides tailored hardship assistance options to customers experiencing severe financial difficulty. The program consists of a team of specially trained case managers who work one-on-one with customers.
12. 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.

### **Distributed Energy Resources**

13. Distributed Energy Resources (DER) are smaller-scale devices that can use, generate, and/or store electricity and form part of the local distribution (low voltage) system.
14. During 2023-24, Synergy will deliver the second stage of Virtual Power Plants (VPP) for schools by providing schools in Geraldton, Kalgoorlie and Kalbarri with small-scale battery storage systems and solar, and will continue to deliver the SESH and Project Symphony projects. Synergy will continue to identify and develop opportunities to expand the amount of DER under aggregation and opportunities will be driven by a combination of customer demand, commerciality, overall system security requirements and decarbonisation objectives.
15. Synergy recognises the potential benefit that DER brings to customers by allowing them to increasingly control how their energy needs are met. Synergy will continue to explore ways to complement DER integration while also considering the challenges for regulators and implications for Western Australia's energy market.
16. Synergy continues to invest in DER to develop the tools and technologies that are needed to accelerate DER uptake, when and where it makes sense to do so, while at the same time providing a return on investment for Synergy and the Government.

### **Workforce Transition**

17. Since August 2019, when the Government announced the staged retirements of Synergy's coal-fired Muja C Units 5 and 6, Synergy has worked collaboratively with its workforce, the Collie community, unions, and the Government to ensure a supportive and appropriate transition for those directly impacted.
18. Following the June 2022 announcement that Synergy's remaining coal-fired power stations would be retired by 2030, the Workforce Transition Program will ensure Collie Power Station employees are assisted through the transition in the same way as those impacted at Muja Power Station. Tailored pathway support, services and resources are available to help achieve individual transition plans across pathways including retirement, alternate roles within Synergy and further opportunities outside of Synergy.

### **Financial Sustainability**

19. 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 South West Interconnected System) and for rebates and concessions to customers that it administers on behalf of the Government.
  - 19.1. A range of operating subsidies were approved as part of previous Budgets to fund Synergy for revenue shortfalls that it is currently unable to recover.
20. Synergy will receive equity contributions over the forward estimates period to fund major capital works projects that are 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 KBESS 1, electric vehicle charging stations, thermal fleet flexibility projects and expansion of the VPP for schools project.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## 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 budget management.	Sensibly managing the Budget to set the State up for the long-term future.	1. Financial performance
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Improve Aboriginal training and employment opportunities.	2. Increase organisation diversity
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Safety and compliance with regulatory requirements.	3. Employee safety
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Take action on climate change, developing climate-resilient communities and a prosperous low-carbon future.	4. Protecting our environment 5. Customer service

### Outcomes and Key Performance Indicators

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Financial performance:</b>					
Earnings before interest, taxes, depreciation, and amortisation (EBITDA) (\$ million) equal or greater than <sup>(a)</sup> .....	301.5	≥178.1	133.7	≥135.8	1
EBITDA margin equal or greater than <sup>(a)</sup> .....	9%	≥4.9%	4.1%	≥4.1%	1
NPAT margin equal or greater than .....	5.8%	≥1.7%	0.7%	≥1.4%	1
<b>Outcome: Increase organisation diversity:</b>					
Diversity index met <sup>(b)(c)</sup> .....	n.a.	n.a.	n.a.	5/5	
<b>Outcome: Employee safety:</b>					
Recordable Injury Frequency Rate (RIFR) equal or less than <sup>(d)</sup> .....	1.4	≤1.7	5	≤5	2

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Protecting our environment:</b>					
Reduce emissions by 80% by 2030 (from 2020-21 levels) <sup>(c)</sup> .....	n.a.	n.a.	n.a.	≤4,500 kt CO <sub>2</sub> -e	
<b>Outcome: Customer service:</b>					
Customer Effort Score (CES) <sup>(e)</sup> .....	66.4%	≥68.2%	69.6%	≥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) Scoring where each item is scored 0 if not met, or 1 if met (i.e. pass/fail) for the following metrics: greater than ten Aboriginal and Torres Strait Islander employees; women in senior leadership representing more than 40% of the leadership group; employees with disclosed disability representing more than 4.5% of the workforce; an inclusivity measure of greater than 60%; and spend with Aboriginal and Torres Strait Islander businesses representing 3.5% of the overall procured spend.
- (c) New key performance indicator established from 2023-24.
- (d) The RIFR is calculated as the number of injuries resulting in lost-time, medical treatment, modified duties, or hearing loss claims, divided by total hours worked, multiplied by one million.
- (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)

- The 2021-22 Actual excludes a range of one-off charges including the impairment of non-current assets, an allowance for inventory obsolescence, provision for onerous contracts and the share of profit from a joint venture.
- The increase between the 2022-23 Budget and 2022-23 Estimated Actual is due to modified duties and hearing loss claims being included in the calculation of the RIFR from the 2022-23 Estimated Actual onwards.

### Asset Investment Program

- In 2023-24, Synergy will spend \$57 million on its Asset Investment Program, investing in projects that reposition Synergy to respond to the evolving energy market, support communities and customers through investment in renewable energy technology and maintain its existing generation asset base to ensure stable and reliable energy. These investments support economic growth and jobs in the regions, where a significant portion of the existing generation asset base is located.
- As detailed in the 2023-24 Budget Paper No. 3, an additional \$2.7 billion has been provisioned to Synergy over 2022-23 to 2024-25 to undertake renewable generation and storage projects to replace generation from the State-owned coal-fired power stations and help to deliver the Government's approved decarbonisation commitments. This forms part of the plan that the Government announced in June 2022 regarding investment in renewable energy projects.
- In addition to the \$2.7 billion that has been provisioned, Synergy is budgeted to spend \$112.6 million in 2022-23 to progress wind generation and battery storage projects that will help to meet the Government's decarbonisation objectives.

### Generation

- 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 \$46.7 million in 2023-24. Major investments include:
  - \$14.3 million for the plant maintenance program at Muja Power Station. This will ensure the safe operation of the plant at the lowest cost to ensure operational reliability, efficiency, availability and flexibility of the plant to meet rapidly changing market demands through to the asset's end of life;

- 4.2. \$14.1 million at Pinjar Power Station for turbine rotor replacements to meet industry practice, exhaust frame assemblies for safe operation of the plant and various associated plant maintenance on the Pinjar Units. The turbine rotors and supporting infrastructure at the Pinjar site play a pivotal role in meeting consumer demand for energy during peak demand times. The replacement of turbine rotors is required to mitigate the risk of failure;
- 4.3. \$12.6 million for various projects at Collie Power Station, including an auto voltage regulator upgrade and saline water upgrades that need to be addressed to mitigate risks of contamination;
- 4.4. \$1.8 million for the continuation of rehabilitation-related compliance works and the relocation of shared services at Kwinana Power Station in order to support other generation uses; and
- 4.5. various projects supporting all sites account for the remainder of the generation investments including a control room upgrade and generator performance monitoring equipment in support of the Wholesale Electricity Market (WEM) Readiness project.

### Corporate

5. A total of \$5.2 million in 2023-24 has been allocated for the replacement and/or upgrade of ICT infrastructure associated with finance and human resources systems, as well as ongoing ICT capital expenditure requirements such as the replacement of end-of-life devices.
6. Additionally, \$1.2 million in 2023-24 has been committed to various infrastructure and system upgrades to ensure readiness for the WEM reforms which will be implemented by October 2023.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Retail - Smart Energy for Social Housing.....	4,648	3,761	2,000	887	-	-	-
<b>Other Works in Progress</b>							
Corporate							
Business Systems Replacement .....	84,685	70,281	7,461	5,240	3,000	3,000	3,164
Property, Plant and Equipment .....	17,278	9,396	2,588	3,300	1,500	1,500	1,582
WEM Market Readiness .....	17,636	16,461	5,320	1,175	-	-	-
Generation							
Cockburn Gas Turbine .....	94,636	52,962	3,586	2,859	9,000	14,802	15,013
Collie Power Station .....	92,246	65,396	8,760	12,607	7,000	6,528	715
Kwinana Power Station .....	65,080	60,298	4,479	1,768	3,014	-	-
Muja Power Station .....	179,747	139,656	15,127	14,338	11,083	5,670	9,000
Other Generation Infrastructure Projects .....	74,580	70,526	4,754	1,000	1,000	1,000	1,054
Pinjar Gas Turbine .....	86,801	35,124	14,478	14,128	9,331	13,000	15,218
<b>COMPLETED WORKS</b>							
<b>Election Commitment</b>							
Retail - Election Commitment - VPPs .....	5,332	5,332	5,130	-	-	-	-
<b>Other Completed Works</b>							
Decarbonisation							
Battery Storage .....	46,000	46,000	46,000	-	-	-	-
Wind Generation .....	66,600	66,600	66,600	-	-	-	-
Generation							
Big Battery .....	173,500	173,500	58,926	-	-	-	-
Firewater Containment System.....	10,900	10,900	10,900	-	-	-	-
Flexible Operations .....	12,749	12,749	6,000	-	-	-	-
Retail							
Electric Vehicle Charging Stations .....	8,137	8,137	5,048	-	-	-	-
Emergency Solar Management .....	1,802	1,802	470	-	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>1,042,357</b>	<b>848,881</b>	<b>267,627</b>	<b>57,302</b>	<b>44,928</b>	<b>45,500</b>	<b>45,746</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			127,720	57,302	44,928	45,500	45,746
Major Special Purpose Account(s) Drawdown from Climate Action Fund.....			112,600	-	-	-	-
Other .....			27,307	-	-	-	-
<b>Total Funding .....</b>			<b>267,627</b>	<b>57,302</b>	<b>44,928</b>	<b>45,500</b>	<b>45,746</b>

## Financial Statements

### Income Statement

#### *Revenue*

1. Operating subsidies provided to Synergy in 2022-23 and 2023-24 (and associated grants and subsidies expenditure) are materially higher due to the:
  - 1.1. \$400 Household Electricity Credit scheme in 2022-23; and
  - 1.2. the electricity credits for residential and small business customers in 2023-24.
2. The \$60.4 million decrease in other revenue in the 2023-24 Budget Year, compared to the 2022-23 Estimated Actual, relates to Synergy meeting its renewable energy certificate obligations and recovering shortfall payments made in 2019-20 and 2020-21.

#### *Expenses*

3. The 2021-22 Actual depreciation and amortisation expenditure reflects the impairment of non-current assets totalling \$569.5 million.

### Statement of Financial Position

4. Synergy's net assets are projected to return to a positive position from 2024-25 as a result of increased investment in property, plant and equipment and reduced reliance on borrowings supported by additional operating subsidies and equity contributions from the Government.

### Statement of Cashflows

5. The increases in operating subsidies and other payments in 2022-23 and 2023-24 are due to Synergy administering the one-off \$400 Household Electricity Credit and the 2023-24 electricity credits for residential and small business customers.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	3,122,473	2,763,583	3,080,365	3,249,169	3,211,371	3,253,422	3,286,981
Other revenue .....	22,579	65,883	70,386	9,980	9,435	9,260	9,349
<b>Revenue from Government</b>							
Operating subsidies.....	357,372	761,005	827,159	924,426	313,067	252,367	253,117
Capital subsidies .....	-	1,710	1,710	-	-	-	-
Other subsidies .....	4,726	7,900	7,900	7,900	7,900	7,900	7,900
<b>TOTAL REVENUE.....</b>	<b>3,507,150</b>	<b>3,600,081</b>	<b>3,987,520</b>	<b>4,191,475</b>	<b>3,541,773</b>	<b>3,522,949</b>	<b>3,557,347</b>
<b>Expenses</b>							
Employee benefits (b).....	145,681	159,729	173,324	163,457	166,868	166,672	165,367
Grants and subsidies.....	141,011	514,368	516,190	628,642	105,123	117,049	121,861
Supplies and services .....	2,858,336	2,677,666	3,057,296	3,093,577	3,007,630	2,874,133	2,986,691
Accommodation .....	1,585	1,729	1,689	1,758	1,748	1,070	1,068
Depreciation and amortisation .....	618,196	78,026	45,062	63,190	66,245	61,756	58,621
Finance and interest costs.....	32,155	40,338	61,881	58,809	41,719	39,770	45,152
Other expenses.....	98,470	68,588	103,547	99,948	97,027	95,700	95,392
<b>TOTAL EXPENSES.....</b>	<b>3,895,434</b>	<b>3,540,444</b>	<b>3,958,989</b>	<b>4,109,381</b>	<b>3,486,360</b>	<b>3,356,150</b>	<b>3,474,152</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>(388,284)</b>	<b>59,637</b>	<b>28,531</b>	<b>82,094</b>	<b>55,413</b>	<b>166,799</b>	<b>83,195</b>
National Tax Equivalent Regime - Deferred tax equivalent expense .....	(210)	-	-	-	-	-	-
<b>NET PROFIT/(LOSS) AFTER TAX.....</b>	<b>(388,074)</b>	<b>59,637</b>	<b>28,531</b>	<b>82,094</b>	<b>55,413</b>	<b>166,799</b>	<b>83,195</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 1,010, 975 and 1,077 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	446,956	138,893	308,653	264,775	266,826	350,519	380,361
Receivables .....	389,214	153,111	157,348	123,434	98,617	96,906	101,119
Assets held for sale .....	12,796	198	5,868	5,868	5,868	5,670	5,670
Other .....	172,549	232,690	164,435	145,246	162,029	174,038	197,692
<b>Total current assets .....</b>	<b>1,021,515</b>	<b>524,892</b>	<b>636,304</b>	<b>539,323</b>	<b>533,340</b>	<b>627,133</b>	<b>684,842</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment .....	365,522	927,630	594,736	592,865	577,767	582,683	571,771
Intangibles .....	85,446	102,718	77,920	77,185	73,533	40,672	40,960
Other .....	62,520	56,209	65,846	65,625	44,159	54,777	48,790
<b>Total non-current assets .....</b>	<b>513,488</b>	<b>1,086,557</b>	<b>738,502</b>	<b>735,675</b>	<b>695,459</b>	<b>678,132</b>	<b>661,521</b>
<b>TOTAL ASSETS .....</b>	<b>1,535,003</b>	<b>1,611,449</b>	<b>1,374,806</b>	<b>1,274,998</b>	<b>1,228,799</b>	<b>1,305,265</b>	<b>1,346,363</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	43,785	40	4,052	4,092	4,132	4,012	4,012
Payables .....	595,041	246,555	226,605	225,458	215,860	209,636	220,264
Borrowings and leases .....	21,344	18,982	21,344	21,344	21,344	21,344	21,344
Interest payable .....	378	-	378	378	378	378	378
Other .....	151,657	207,477	141,027	103,022	67,126	127,436	121,972
<b>Total current liabilities .....</b>	<b>812,205</b>	<b>473,054</b>	<b>393,406</b>	<b>354,294</b>	<b>308,840</b>	<b>362,806</b>	<b>367,970</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	27,549	43,858	27,549	27,549	27,549	27,549	27,549
Borrowings and leases .....	345,074	444,093	442,512	349,883	294,725	259,426	230,680
Other .....	662,199	435,258	641,728	591,567	590,567	481,567	463,052
<b>Total non-current liabilities .....</b>	<b>1,034,822</b>	<b>923,209</b>	<b>1,111,789</b>	<b>968,999</b>	<b>912,841</b>	<b>768,542</b>	<b>721,281</b>
<b>TOTAL LIABILITIES .....</b>	<b>1,847,027</b>	<b>1,396,263</b>	<b>1,505,195</b>	<b>1,323,293</b>	<b>1,221,681</b>	<b>1,131,348</b>	<b>1,089,251</b>
<b>NET ASSETS .....</b>	<b>(312,024)</b>	<b>215,186</b>	<b>(130,389)</b>	<b>(48,295)</b>	<b>7,118</b>	<b>173,917</b>	<b>257,112</b>
<b>EQUITY</b>							
Contributed equity .....	1,448,445	1,481,746	1,601,549	1,601,549	1,601,549	1,601,549	1,601,549
Accumulated surplus/(deficit) .....	(1,764,812)	(1,261,101)	(1,736,281)	(1,654,187)	(1,598,774)	(1,431,975)	(1,348,780)
Reserves .....	4,343	(7,523)	4,343	4,343	4,343	4,343	4,343
<b>TOTAL EQUITY .....</b>	<b>(312,024)</b>	<b>213,122</b>	<b>(130,389)</b>	<b>(48,295)</b>	<b>7,118</b>	<b>173,917</b>	<b>257,112</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	3,144,201	2,689,977	3,129,920	3,085,690	3,125,459	3,128,672	3,123,027
GST receipts .....	315,108	229,034	272,372	314,344	309,352	303,719	343,939
Other receipts .....	9,833	65,883	149,732	98,333	17,558	17,160	50,493
<b>Payments</b>							
Employee benefits.....	(107,555)	(159,729)	(191,734)	(162,580)	(165,419)	(165,831)	(153,014)
Supplies and services .....	(3,034,294)	(2,739,106)	(3,223,362)	(3,107,069)	(2,968,842)	(2,856,673)	(2,931,286)
Accommodation <sup>(b)</sup> .....	(831)	(411)	(411)	(411)	(412)	(410)	(410)
GST payments .....	(323,756)	(284,888)	(328,226)	(340,448)	(334,392)	(332,185)	(343,862)
Finance and interest costs.....	(29,539)	(6,859)	(8,666)	(6,513)	(5,496)	(5,298)	(5,858)
Other payments.....	(225,296)	(501,433)	(780,856)	(733,947)	(225,076)	(219,457)	(271,185)
<b>Net cash from operating activities .....</b>	<b>(252,129)</b>	<b>(707,532)</b>	<b>(981,231)</b>	<b>(852,601)</b>	<b>(247,268)</b>	<b>(130,303)</b>	<b>(188,156)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	228	-	-	-	-	-	-
Other receipts .....	5,568	3,078	2,447	3,456	4,008	3,890	3,895
<b>Payments</b>							
Purchase of non-current assets .....	(171,306)	(143,443)	(267,627)	(57,302)	(44,928)	(45,500)	(45,746)
<b>Net cash from investing activities.....</b>	<b>(165,510)</b>	<b>(140,365)</b>	<b>(265,180)</b>	<b>(53,846)</b>	<b>(40,920)</b>	<b>(41,610)</b>	<b>(41,851)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	-	192,476	268,006	150,815	179,000	125,000	125,000
<b>Payments</b>							
Repayment of borrowings and leases .....	(57,110)	(149,099)	(149,099)	(219,848)	(207,862)	(131,135)	(125,000)
<b>Net cash from financing activities.....</b>	<b>(57,110)</b>	<b>43,377</b>	<b>118,907</b>	<b>(69,033)</b>	<b>(28,862)</b>	<b>(6,135)</b>	<b>-</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Capital subsidies .....	-	1,710	1,710	-	-	-	-
Operating subsidies.....	372,969	763,303	827,805	925,147	312,453	255,009	253,116
Equity contributions.....	155,701	33,301	40,504	-	-	-	-
Other subsidies .....	4,714	7,900	7,900	7,900	7,900	7,900	7,900
Special Purpose Account(s)							
Climate Action Fund .....	-	-	112,600	-	-	-	-
<b>Payments</b>							
Local Government Rates Equivalent.....	(754)	(1,318)	(1,318)	(1,445)	(1,252)	(1,168)	(1,167)
<b>Net cash provided to Government .....</b>	<b>(532,630)</b>	<b>(804,896)</b>	<b>(989,201)</b>	<b>(931,602)</b>	<b>(319,101)</b>	<b>(261,741)</b>	<b>(259,849)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>57,881</b>	<b>376</b>	<b>(138,303)</b>	<b>(43,878)</b>	<b>2,051</b>	<b>83,693</b>	<b>29,842</b>
Cash assets at the beginning of the reporting period .....	389,075	138,517	446,956	308,653	264,775	266,826	350,519
<b>Cash assets at the end of the reporting period .....</b>	<b>446,956</b>	<b>138,893</b>	<b>308,653</b>	<b>264,775</b>	<b>266,826</b>	<b>350,519</b>	<b>380,361</b>

(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 it is recorded as a payment to 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

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	89,343	113,485	82,913	<b>102,896</b>	154,317	168,441	189,869
Local Government Rates Equivalent .....	1,622	1,651	1,651	<b>1,692</b>	1,734	1,769	1,813
Dividends <sup>(a)(b)</sup> .....	-	301,093	78,871	<b>222,971</b>	275,651	315,348	337,806
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Other Subsidies .....	6,749	-	1,500	<b>1,500</b>	-	-	-
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution <sup>(c)</sup> .....	176,489	93,759	108,481	<b>142,019</b>	145,480	153,592	144,431
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	75	75	75	<b>75</b>	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	1,930,155	1,904,412	1,922,222	<b>1,935,653</b>	2,192,336	2,313,300	2,435,143
Revenue from Government .....	6,749	-	1,500	<b>1,500</b>	-	-	-
Total Expenses <sup>(d)</sup> .....	1,370,218	1,349,717	1,477,888	<b>1,525,895</b>	1,633,524	1,702,486	1,781,708
Total Borrowings .....	7,418,773	7,870,975	7,523,937	<b>7,911,492</b>	8,142,102	8,325,790	8,467,614
<b>NET PROFIT AFTER TAX</b> .....	400,499	391,075	316,580	<b>290,895</b>	393,075	429,594	457,347
<b>CASH ASSETS</b> <sup>(e)</sup> .....	29,509	25,000	29,509	<b>29,509</b>	29,509	29,509	29,509

(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) Western Power will retain its interim dividend payment in 2022-23 to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise for further detail.

(c) Equity contributions arise where Government returns cash to Western Power via an equity injection. They are made up of contributions for dividends on capital contributions, equity contribution for taxes on residential customers' contributions, and equity contribution to offset dividends on asset sales.

(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 Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustments</b>					
Cook Street Substation .....	(24)	(42)	(177)	(196)	(191)
Decarbonisation .....	(51)	(4,365)	(8,080)	(8,514)	(8,305)
Fifth Access Arrangement - Draft Decision .....	(11,893)	(40,077)	35,784	137,635	209,061
Relocation and Augmentation of Network Assets .....	-	(980)	(2,123)	(2,256)	(2,182)
<b>Other</b>					
2022-23 Estimated Outturn and Recashflows .....	(27,455)	(7,439)	37,830	41,750	38,971
2022-23 Retained Dividend .....	(178,154)	5,395	6,834	7,048	7,094
Interest Cost Update .....	(33,647)	(44,404)	(54,015)	(63,671)	(67,740)
Non-reference and Unregulated Services - Alignment to 10-year Business Plan .....	(1,568)	12,048	8,814	8,054	7,644
Tariff Equalisation Contribution Update .....	(2)	(16,889)	13,364	3,274	13

## Significant Issues Impacting the Government Trading Enterprise

1. Decarbonisation of the economy is driving a step change increase in future large loads, renewable generation and storage as industry moves towards 2030 and 2050 decarbonisation targets.
2. Western Power is actively investing to ensure the grid has the technologies needed to increase the share of renewable generation powering the community and to meet the load demand increase that will allow other industries to achieve their emissions targets through electrification.
3. Western Power's grid is in a period of transition with existing network assets ageing and approaching end of life, as well as a forecast increased load demand for major customers. New technologies and network strategies are being adopted to efficiently maximise the use of the grid.

### Transmission Growth

4. The clean energy transition will require significant transmission investment in the coming years as more industrial customers electrify their processes as part of their decarbonisation efforts. Coupled with this new load, a significant amount of renewable energy will need to connect to the grid to meet demand and replace fossil fuel generation as power stations are retired. Western Power continues to support the Government's South West Interconnected System (SWIS) Demand Assessment, which is an initial assessment of new and existing demand for renewable energy from the grid.
5. Western Power recognises that with accelerated timelines to meet decarbonisation targets it needs to review the customer connections process. Customer connection applications have more than doubled in the past three years with more applications forecast in the coming years, marking a significant step change for the business. Western Power is improving its customer connections process with proposed changes including how it manages enquiries, initiates projects, scoping and planning.

### Distribution Transformation

6. The distribution network is facing both reliability and safety challenges in the regions. To address these issues, Western Power is working to underground more of the metropolitan area network to increase network capacity and prepare for an electrified future for customers, including electric vehicles. In regional areas Western Power is installing stand-alone power systems and smaller microgrids in areas where it makes sense. This shift towards a modular grid will ultimately help deliver a more resilient electricity network for the community.

7. The integration of Distributed Energy Resources (DER) technologies into the traditional electricity network represents both an opportunity and a challenge for Western Power. DER provides the opportunity to leverage new technologies to improve the safety and reliability of existing services while lowering costs. At the same time, it presents opportunities to provide new products to Western Power's customers and the energy market.

### Business and Financial Sustainability

8. Like many businesses around the world, Western Power's supply chain has not been immune to the disruptive effects of the COVID-19 pandemic. Availability of equipment such as transformers, switchgear and metering units have all been affected and this has caused delays to many projects. As the network is poised to grow, over the next one to three years Western Power will need to advance studies for key network expansion and undertake key procurement activities to meet the State's decarbonisation commitments.
9. Western Power has also experienced an increased workforce turnover as a result of macroeconomic conditions, including inflation and competition for energy talent. Western Power is working to deliver on all elements of its employee value proposition; however, workforce growth is required to deliver its capital portfolio and maintain the existing network.

### 2022-23 Retained Dividend

10. Western Power will retain its forecast 2022-23 interim dividend payment of \$178.1 million to fund future infrastructure investments. This is in addition to the \$534.1 million in 2021-22 dividend payments previously retained. The funds will be quarantined pending approval of business cases for strategic infrastructure requirements. Of the total retained dividend amount, \$76.4 million has been allocated to the relocation and augmentation of network assets across the metropolitan area and \$126 million towards transmission network investments to support decarbonisation.

### Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

### 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 budget management.	Ensure business and financial sustainability.	1. Optimise the use of Western Power's assets to deliver our services
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Provide reliable customer supply to enable the economy.	2. Maintain availability of customer supply across the South West Interconnected Network (SWIN)
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Ensure the safety of our people.	3. Minimise injuries impacting our people and their ability to deliver services to the community
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Connect more renewables to decarbonise our community.	4. Increase the proportion of all electricity needs met by renewable energy, through tracking of total electricity generation in the SWIS 5. Increase energy resilience and solutions for rural and remote customers through adoption of Standalone Power Systems 6. Increase network resilience and amenity through underground migration of distribution network

## Outcomes and Key Performance Indicators

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Optimise the use of Western Power's assets to deliver our services:</b>					
Return on regulated asset base <sup>(a)</sup> .....	5.6%	n.a.	6.3%	≥5.9%	
<b>Outcome: Maintain availability of customer supply across the SWIN:</b>					
Network availability .....	99.91%	≥99.93%	99.92%	≥99.9%	
<b>Outcome: Minimise injuries impacting our people and their ability to deliver services to the community:</b>					
All injury frequency rate <sup>(b)</sup> .....	22	≤15	24	≤24	1
Total recordable injury frequency rate <sup>(a)(c)</sup> .....	4.9	n.a.	6.8	≤6.8	
<b>Outcome: Increase the proportion of all electricity needs met by renewable energy, through tracking of total electricity generation in the SWIS:</b>					
Percentage of renewables in the grid <sup>(d)</sup> .....	33.5%	32%	33%	>34%	
<b>Outcome: Increase energy resilience and solutions for rural and remote customers through adoption of Standalone Power Systems:</b>					
Delivery of Standalone Power Systems (SPS) <sup>(a)(e)</sup> .....	218	n.a.	491	≥600	
<b>Outcome: Increase network resilience and amenity through underground migration of distribution network:</b>					
Customers converted to underground power <sup>(a)(f)</sup> .....	5,761	n.a.	9,079	≥1,575	

(a) New key performance indicator. The 2021-22 Actual is calculated based on previous business activity.

(b) Measurement of the number of 'all' injuries per one million hours worked where 'all' injuries include: fatalities, lost time injuries, restricted work injuries, medical treatment injuries, first aid injuries and no treatment required injuries, on a rolling 12-month basis. Re-baseline of target in line with Explanation of Significant Movements Note 1 below.

(c) Measurement of the number of 'recordable' injuries per one million hours worked where 'recordable' injuries include: fatalities, lost time injuries, restricted work injuries, and medical treatment injuries, on a rolling 12-month basis. Re-baseline of target has occurred in line with Explanation of Significant Movements Note 1 below.

(d) Measure previously titled 'Proportion of all electricity needs met by renewables' in the 2022-23 Budget. Measure renamed to better reflect Western Power's focus on the SWIS.

(e) Delivery of SPS is measured cumulatively as Western Power progresses towards its target of 3,200 SPS units deployed by 2031.

(f) Customer conversions measured annually. The 2023-24 Budget Target reflects the completion the State Underground Power Program and Network Renewal Underground Program Pilot, and cutover to the Targeted Underground Power Program.

### Explanation of Significant Movements

(Notes)

1. The increase in all injury frequency rate between the 2022-23 Budget and the 2022-23 Estimated Actual is due to improved reporting of a contracting company, with 70% of all injuries being minor, i.e. first aid injury or no treatment required.

## 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, affordable and efficient supply of electricity with a focus on more flexible connection and operation of DER and large-scale renewables.
2. As part of Western Power's Access Arrangement submission and approvals process, the Economic Regulation Authority (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 2023-24 Budget will be the second year of the fifth Access Arrangement (AA5), covering the period 2022-23 to 2026-27.
3. Western Power's grid is in a period of transition. Its 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 the increased introduction of these technologies into the grid. Western Power will also play a critical role in the energy transition by connecting renewable energies to the grid and allowing electrification of industries to achieve their own decarbonisation goals. This transformation has already started, with Western Power investing \$1.1 billion in 2023-24 and a further \$3.3 billion across the outyears.

## Government Initiatives

4. As part of the Government's plan to reduce whole-of-government 2030 greenhouse gas emissions by 80% below 2021 levels, \$122 million will be invested in 2023-24 for future network augmentations to support the decarbonisation of the SWIS and enable more renewable energy sources to be connected to the grid.
5. Western Power's 2023-24 AIP includes \$52.2 million allocated to the relocation and/or upgrade of transmission and distribution assets to facilitate broader capital works across the metropolitan area.
6. 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. Fifteen areas/suburbs in Perth have already received underground power under Round 6, including: Kardinya South, Collier, Manning, Victoria Park West, Victoria Park East, Carlisle North, and Shelley West. Works in Maylands Central and South Lake East are expected to be completed by the end of 2023-24. A total of around 18,000 properties will benefit from underground power in this round.

## Growth

7. 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 and contribute to the energy transition, with \$141.5 million allocated for customer-driven works and \$42.7 million in network augmentation in 2023-24.
8. Capacity expansion projects for the distribution network will continue to address future loading and voltage obligations on Western Power's forecast customer demand for load. The number of over-utilised feeders is forecast to increase compared to previous years that had flat or negative growth in areas. Investment will be required to cater for load growth and avoid premature asset ageing.
9. 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 subdivisions and network extensions to cater for the connection of major distribution connected loads.

## Safety

10. The safety of the community and staff is Western Power's most important priority. Investment in safety accounts for 36% of the forecast capital expenditure over the period 2023-24 to 2026-27.

11. Western Power has adopted a risk-based approach to asset replacement and renewal, by targeting assets in the poorest condition and identifying treatments that achieve the greatest risk reduction per dollar invested. Western Power's Grid Strategy is based on long-term scenario planning for evolving customer preferences and needs, which identifies the right technology to use at the right place and time. This approach provides a roadmap for the grid's vision and minimises whole-of-lifecycle costs and regrettable investment.
12. Western Power will commit \$274.4 million in 2023-24 to continue important safety programs, including:
  - 12.1. \$194.5 million to replace 229 km of the highest-risk overhead conductors and replacing or reinforcing 14,697 wooden power poles to mitigate safety risks in the most fire-prone areas with management programs;
  - 12.2. \$23.4 million as part of tranche two of Western Power's Network Renewal Underground Program Pilot, where significant capital works projects have been planned to replace and upgrade sections of the overhead network with underground power. The program is an opportunity for local governments to capitalise on the significant investment by Western Power to improve reliability, increase ability to host DER, improve safety and enhance customer choice. In 2023-24 the program will be delivered in suburbs/areas including: Melville, Doubleview, North Perth/Mount Hawthorn, Kensington, Mount Lawley and Bassendean/Bayswater; and
  - 12.3. \$55.8 million on the deployment of 207 standalone power systems as part of round three of the election commitment to improve power system reliability for regional customers in the Western Power network area.

### **Security**

13. Investment in security is designed to reduce supply interruptions resulting from transmission line or electrical facility outages. Western Power will commit \$2.7 million in voltage and fault level management to address fault-rated equipment, voltage instability and relieving voltage constraints in the network.

### **Service**

14. Service covers investment to ensure regulatory compliance, system reliability, asset replacement, metering, business support, ICT including Supervisory Control and Data Acquisition (SCADA), and building and site management (termed corporate real estate). Western Power will invest \$410.4 million in service-related projects in 2023-24. Key investments include:
  - 14.1. \$154.3 million for business support and ICT, which primarily includes upgrades and replacement of ICT hardware and software that face rapid obsolescence, maintenance of telecommunication network management systems and cybersecurity;
  - 14.2. \$35.2 million on corporate real estate to undertake upgrades to depots to meet current workplace safety practices and improve financial efficiency through redevelopment and consolidation. Investment includes upgrades to the Geraldton depot and upgrade of storage facilities at the Bibra Lake depot. It also includes expenditure for finalisation of the South Metro depot and modernisation of the Balcatta, Picton and Kalgoorlie depots;
  - 14.3. \$66.7 million on metering, including the installation of 155,892 advanced meters. Advanced meters provide more detailed usage and power quality information and can be read remotely so will support the Government's Energy Transformation Strategy, as well as improve safety outcomes by reducing the risk of electric shocks;
  - 14.4. \$55.5 million in regulatory compliance with upgrades to substation security and improvements to network reliability; and
  - 14.5. \$98.7 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 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>Government Initiatives</b>							
Decarbonisation .....	126,000	4,000	4,000	122,000	-	-	-
Relocation and Augmentation of Network Assets .....	119,855	37,556	33,429	52,170	13,757	8,186	8,186
State Underground Power Program .....	229,928	212,041	8,075	17,887	-	-	-
<b>Growth</b>							
<b>Distribution</b>							
Capacity Expansion .....	404,907	279,930	42,218	24,383	32,699	35,619	32,276
Customer Access .....	1,894,679	1,449,524	114,253	107,880	108,125	117,001	112,149
<b>Transmission</b>							
Capacity Expansion .....	281,939	183,243	9,017	18,348	30,692	29,586	20,070
Customer Driven .....	559,138	432,300	53,213	33,624	37,311	40,543	15,360
Other Asset Investment - Motor Vehicle Fleet and Mobile Plant .....	168,827	71,367	18,971	42,624	19,008	17,110	18,718
<b>Safety</b>							
Bushfire Mitigation .....	93,020	80,051	2,325	777	3,942	4,063	4,187
Conductor Management .....	915,870	675,531	60,112	40,509	78,100	61,646	60,084
Connection Management .....	201,457	176,609	4,339	3,884	6,704	6,985	7,275
Grid Transformation .....	675,704	56,459	25,990	23,369	191,174	198,548	206,154
Pole Management .....	2,521,466	2,039,151	131,890	150,091	102,988	112,404	116,832
Standalone Power System .....	283,358	72,784	27,833	55,795	38,642	51,360	64,777
<b>Security</b>							
Thermal Management .....	3,724	3,078	-	2	216	214	214
Voltage and Fault Level Management .....	44,144	32,980	264	2,727	8	1,867	6,562
<b>Service</b>							
Business Support and ICT .....	1,433,405	858,645	108,593	154,330	127,931	144,473	148,026
Corporate Real Estate .....	388,229	302,914	42,148	35,192	50,123	-	-
Metering .....	614,241	290,547	53,942	66,680	91,187	84,708	81,119
Regulatory Compliance .....	427,528	250,914	45,336	55,500	52,824	37,655	30,635
Reliability Driven Asset Replacement .....	1,261,222	766,419	92,340	98,673	126,788	131,153	138,189
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Decommissioning and Undergrounding Works .....	17,343	17,343	13,002	-	-	-	-
Safety - Service Connection Condition Monitoring .....	15,003	15,003	196	-	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>12,680,987</b>	<b>8,308,389</b>	<b>891,486</b>	<b>1,106,445</b>	<b>1,112,219</b>	<b>1,083,121</b>	<b>1,070,813</b>
<b>FUNDED BY</b>							
Borrowings .....			281,794	393,500	311,884	886,943	903,847
Other .....			609,692	712,945	800,335	196,178	166,966
<b>Total Funding .....</b>			<b>891,486</b>	<b>1,106,445</b>	<b>1,112,219</b>	<b>1,083,121</b>	<b>1,070,813</b>

## **Financial Statements**

### **Income Statement**

1. 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.
2. Western Power's approach to populating the 2023-24 Budget Year and the outyears is based on the Draft Decision released by the ERA in September 2022. Accordingly, network tariff revenue and expenses are aligned to the approved envelope over the 2022-23 to 2026-27 period. The ERA's AA5 final determination, published recently on 31 March 2023, will be reflected in Western Power's forward estimates period as part of the 2024-25 Mid-year Review.
3. The extent to which this update in network tariff revenue will affect retail electricity prices for residential customers is determined by the Government.

### **Statement of Financial Position**

4. The increase in net assets over the forward estimates period reflects the ongoing investment in the AIP as reflected in the AA5 Draft Decision, which is funded by internally generated funds and part borrowings from the Western Australian Treasury Corporation.
5. The increase in borrowings in the 2023-24 Budget and over the outyears will largely be to finance Western Power's investment in capital expenditure and net payment to shareholder (Government) in the form of dividends.

### **Statement of Cashflows**

6. The decrease in net cash from financing activities in the 2022-23 Estimated Actual is due to the 2022-23 interim dividend being retained, in line with the Government's direction, which has been used to temporarily reduce borrowings until business cases for strategic infrastructure investments have been approved.
7. Western Power's borrowings in the 2023-24 Budget and over the outyears is primarily impacted by the level of network tariff revenue it receives from customers, offset by investment in capital expenditure and net payment to shareholder (Government) in the form of dividends.



**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	1,774,988	1,723,946	1,751,236	1,762,924	1,925,862	2,026,138	2,172,964
Other revenue .....	155,167	180,466	170,986	172,729	266,474	287,162	262,179
<b>Revenue from Government</b>							
Capital subsidies .....	5,707	-	-	-	-	-	-
Other subsidies .....	1,042	-	1,500	1,500	-	-	-
<b>TOTAL REVENUE.....</b>	<b>1,936,904</b>	<b>1,904,412</b>	<b>1,923,722</b>	<b>1,937,153</b>	<b>2,192,336</b>	<b>2,313,300</b>	<b>2,435,143</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	201,587	213,779	239,639	202,723	217,775	219,049	228,595
Supplies and services .....	202,433	199,002	216,658	195,989	182,131	183,241	189,473
Accommodation .....	2,274	3,094	3,094	3,156	3,219	3,284	3,366
Depreciation and amortisation .....	439,551	436,667	463,756	529,165	609,534	652,239	694,510
Finance and interest costs.....	220,446	229,437	276,415	299,707	320,012	333,942	342,536
Other expenses.....	116,927	92,738	103,326	98,155	101,853	103,731	106,228
Tariff Equalisation Contribution.....	187,000	175,000	175,000	197,000	199,000	207,000	217,000
<b>TOTAL EXPENSES.....</b>	<b>1,370,218</b>	<b>1,349,717</b>	<b>1,477,888</b>	<b>1,525,895</b>	<b>1,633,524</b>	<b>1,702,486</b>	<b>1,781,708</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>566,686</b>	<b>554,695</b>	<b>445,834</b>	<b>411,258</b>	<b>558,812</b>	<b>610,814</b>	<b>653,435</b>
National Tax Equivalent Regime							
Current tax equivalent expense.....	89,343	113,485	82,913	102,896	154,317	168,441	189,869
Deferred tax equivalent expense.....	76,844	50,135	46,341	17,467	11,420	12,779	6,219
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>400,499</b>	<b>391,075</b>	<b>316,580</b>	<b>290,895</b>	<b>393,075</b>	<b>429,594</b>	<b>457,347</b>
<b>Dividends .....</b>	<b>-</b>	<b>301,093</b>	<b>78,871</b>	<b>222,971</b>	<b>275,651</b>	<b>315,348</b>	<b>337,806</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 3,024, 3,361 and 3,542 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	29,509	25,000	29,509	29,509	29,509	29,509	29,509
Receivables .....	336,923	290,236	334,451	335,123	341,348	348,196	358,609
Assets held for sale .....	6,292	400	6,292	6,292	6,292	6,292	6,292
Other .....	126,946	111,449	126,207	125,453	125,453	125,453	125,453
<b>Total current assets .....</b>	<b>499,670</b>	<b>427,085</b>	<b>496,459</b>	<b>496,377</b>	<b>502,602</b>	<b>509,450</b>	<b>519,863</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment .....	11,997,226	12,624,528	12,461,828	13,064,788	13,572,817	14,069,300	14,511,202
Intangibles .....	179,072	253,019	213,092	262,362	321,490	321,490	321,490
Receivables .....	330	417	330	343	343	343	343
Other .....	24,017	648	24,017	24,017	24,017	24,017	24,017
<b>Total non-current assets .....</b>	<b>12,200,645</b>	<b>12,878,612</b>	<b>12,699,267</b>	<b>13,351,510</b>	<b>13,918,667</b>	<b>14,415,150</b>	<b>14,857,052</b>
<b>TOTAL ASSETS .....</b>	<b>12,700,315</b>	<b>13,305,697</b>	<b>13,195,726</b>	<b>13,847,887</b>	<b>14,421,269</b>	<b>14,924,600</b>	<b>15,376,915</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	114,433	116,430	117,186	117,213	119,676	119,728	120,081
Payables .....	129,413	109,470	78,598	103,567	143,869	158,649	176,202
Borrowings and leases .....	37,698	17,579	37,135	37,135	37,135	37,135	37,135
Other .....	184,393	111,659	220,085	237,941	258,424	279,643	299,379
<b>Total current liabilities .....</b>	<b>465,937</b>	<b>355,138</b>	<b>453,004</b>	<b>495,856</b>	<b>559,104</b>	<b>595,155</b>	<b>632,797</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	7,720	12,283	9,219	9,462	9,697	9,698	9,700
Borrowings and leases .....	7,402,047	7,874,131	7,507,569	7,888,588	8,119,198	8,302,886	8,444,710
Other .....	1,237,348	1,324,359	1,292,481	1,310,586	1,326,970	1,342,723	1,351,598
<b>Total non-current liabilities .....</b>	<b>8,647,115</b>	<b>9,210,773</b>	<b>8,809,269</b>	<b>9,208,636</b>	<b>9,455,865</b>	<b>9,655,307</b>	<b>9,806,008</b>
<b>TOTAL LIABILITIES .....</b>	<b>9,113,052</b>	<b>9,565,911</b>	<b>9,262,273</b>	<b>9,704,492</b>	<b>10,014,969</b>	<b>10,250,462</b>	<b>10,438,805</b>
<b>NET ASSETS .....</b>	<b>3,587,263</b>	<b>3,739,786</b>	<b>3,933,453</b>	<b>4,143,395</b>	<b>4,406,300</b>	<b>4,674,138</b>	<b>4,938,110</b>
<b>EQUITY</b>							
Contributed equity .....	1,864,789	1,958,547	1,973,270	2,115,288	2,260,769	2,414,361	2,558,792
Accumulated surplus/(deficit) .....	1,745,165	1,867,076	1,982,874	2,050,798	2,168,222	2,282,468	2,402,009
Reserves .....	(22,691)	(85,837)	(22,691)	(22,691)	(22,691)	(22,691)	(22,691)
<b>TOTAL EQUITY .....</b>	<b>3,587,263</b>	<b>3,739,786</b>	<b>3,933,453</b>	<b>4,143,395</b>	<b>4,406,300</b>	<b>4,674,138</b>	<b>4,938,110</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	1,717,627	1,724,875	1,752,043	1,766,892	1,930,044	2,030,729	2,177,693
Grants and subsidies.....	414	1,037	1,037	-	-	-	-
GST receipts.....	170,458	175,091	177,119	185,805	188,699	190,926	194,407
Other receipts.....	172,352	112,708	135,870	133,302	225,535	244,656	218,053
<b>Payments</b>							
Employee benefits.....	(202,858)	(213,724)	(238,292)	(204,750)	(217,207)	(218,897)	(228,030)
Supplies and services.....	(192,666)	(182,514)	(199,363)	(198,127)	(181,904)	(181,492)	(187,470)
Accommodation (b).....	(652)	(3,094)	(3,094)	(3,156)	(3,219)	(1,515)	(1,553)
GST payments.....	(172,564)	(175,091)	(177,119)	(185,805)	(188,699)	(190,926)	(199,025)
Finance and interest costs.....	(227,990)	(232,588)	(269,137)	(296,884)	(313,641)	(330,208)	(339,686)
Tariff Equalisation Fund.....	(187,000)	(175,000)	(175,000)	(197,000)	(199,000)	(207,000)	(217,000)
Other payments.....	(147,471)	(95,447)	(105,508)	(100,420)	(102,792)	(105,620)	(108,166)
<b>Net cash from operating activities.....</b>	<b>929,650</b>	<b>936,253</b>	<b>898,556</b>	<b>899,857</b>	<b>1,137,816</b>	<b>1,230,653</b>	<b>1,309,223</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	17,633	-	-	-	-	-	-
<b>Payments</b>							
Purchase of non-current assets.....	(792,972)	(1,011,265)	(891,486)	(1,106,445)	(1,112,219)	(1,083,121)	(1,070,813)
<b>Net cash from investing activities.....</b>	<b>(775,339)</b>	<b>(1,011,265)</b>	<b>(891,486)</b>	<b>(1,106,445)</b>	<b>(1,112,219)</b>	<b>(1,083,121)</b>	<b>(1,070,813)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	575,000	1,128,590	808,079	1,057,087	898,073	851,147	809,283
Other proceeds.....	6,134	-	-	-	-	-	-
<b>Payments</b>							
Repayment of borrowings and leases.....	(827,349)	(702,896)	(702,896)	(669,489)	(667,461)	(667,461)	(667,460)
Other payments.....	(10,358)	(15,792)	(15,792)	(15,837)	(15,883)	(16,201)	(16,606)
<b>Net cash from financing activities.....</b>	<b>(256,573)</b>	<b>409,902</b>	<b>89,391</b>	<b>371,761</b>	<b>214,729</b>	<b>167,485</b>	<b>125,217</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Capital subsidies.....	-	3,687	3,687	-	-	-	-
Equity contributions.....	176,489	93,759	108,481	142,019	145,480	153,592	144,431
Other subsidies.....	-	-	1,500	1,500	-	-	-
<b>Payments</b>							
Dividends to Government.....	-	(301,096)	(78,871)	(222,971)	(275,652)	(315,349)	(337,806)
National Tax Equivalent Regime - Income Tax..	(93,475)	(129,589)	(129,607)	(84,029)	(108,420)	(151,491)	(168,439)
Local Government Rates Equivalent.....	(1,622)	(1,651)	(1,651)	(1,692)	(1,734)	(1,769)	(1,813)
<b>Net cash provided to Government.....</b>	<b>(81,392)</b>	<b>334,890</b>	<b>96,461</b>	<b>165,173</b>	<b>240,326</b>	<b>315,017</b>	<b>363,627</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD.....</b>	<b>(20,870)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash assets at the beginning of the reporting period.....	50,379	25,000	29,509	29,509	29,509	29,509	29,509
<b>Cash assets at the end of the reporting period.....</b>	<b>29,509</b>	<b>25,000</b>	<b>29,509</b>	<b>29,509</b>	<b>29,509</b>	<b>29,509</b>	<b>29,509</b>

(a) Full audited financial statements are published in Western 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 it is recorded as a payment to 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

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	4,067	2,805	1,044	<b>1,796</b>	4,579	7,541	6,849
Local Government Rates Equivalent .....	491	704	733	<b>751</b>	770	789	809
Dividends <sup>(a)(b)</sup> .....	-	5,660	-	<b>3,679</b>	6,719	11,820	12,288
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies <sup>(c)</sup> .....	6,795	35,545	56,559	<b>31,060</b>	8,315	6,128	15,835
Other Subsidies .....	-	200	200	<b>200</b>	200	200	200
Special Purpose Accounts <sup>(d)</sup> .....	-	-	11,801	<b>39,990</b>	40,668	40,533	31,961
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution <sup>(e)</sup> .....	24,016	-	-	<b>2,404</b>	-	-	14,451
Special Purpose Accounts .....	-	3,500	3,500	<b>7,455</b>	17,496	14,446	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	75	75	75	<b>75</b>	75	75	75
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	566,212	532,924	535,044	<b>574,417</b>	580,856	580,245	586,787
Revenue from Government .....	6,795	35,745	68,560	<b>71,250</b>	49,183	46,861	47,996
Total Expenses <sup>(f)</sup> .....	557,644	558,219	599,027	<b>638,659</b>	614,886	605,973	611,953
Total Borrowings .....	803,353	840,364	850,579	<b>908,061</b>	933,925	940,541	958,322
<b>NET PROFIT AFTER TAX</b> .....	10,422	7,645	3,533	<b>5,212</b>	10,574	13,592	15,981
<b>CASH ASSETS</b> <sup>(g)</sup> .....	154,079	177,746	168,157	<b>197,560</b>	236,812	258,469	282,358

- (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) Horizon Power will retain 2022-23 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise for further detail.
- (c) Horizon Power will receive additional operating subsidies in 2023-24 primarily as a result of administering the electricity credits for residential and small business customers.
- (d) Relates to the essential services for remote communities transferred from Communities.
- (e) Equity contribution for 2023-24 comprises \$2.4 million for electric vehicle charging infrastructure.
- (f) Excludes current tax expense, deferred tax expense and dividends.
- (g) 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 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustments</b>					
Billing and Safety Systems.....	(1,841)	(883)	(532)	(443)	(454)
Cost of Living Support - Household and Small Business Electricity Credits...	-	(20,500)	-	-	-
Customer-Funded Temporary Solar Connection.....	-	(131)	5,451	905	(156)
Dampier Resilience Project.....	-	(59)	(159)	(206)	(212)
Distributed Energy Resources Management System Roll-out.....	-	(652)	(807)	(813)	(813)
Electric Vehicle Smart Charger and Vehicle-to-Grid Trial.....	-	(104)	(159)	(206)	(214)
Exmouth 80% Renewables System.....	-	(68)	(318)	1,443	1,946
Expenses Escalation Review.....	(15,367)	(5,527)	(11,552)	(12,152)	(13,248)
Gas Supply Replenishment.....	-	(1,651)	(2,348)	(3,019)	(3,732)
Investment in a Renewables Operator.....	-	(34)	405	489	489
New Large Enterprise Contract.....	677	2,137	2,783	1,831	464
Outage and Life Support Management.....	-	(924)	(1,472)	(1,596)	(1,607)
Property - New Builds.....	-	846	95	(77)	(77)
Remote Essential Service Provision Transfer.....	(12,213)	(40,121)	(40,794)	(41,098)	(42,930)
Revised Demand and Energy Forecast.....	(158)	2,690	435	1,951	(2,302)
Standalone Power Systems Roll-out.....	-	(231)	(275)	(275)	(275)
Tariff Adjustment Payment Update.....	-	(202)	(92)	77	-
Tariff and Social Concession Update.....	-	(318)	(684)	(995)	(3,787)
Tariff Equalisation Contribution Update.....	-	4,163	11,888	15,281	19,838
<b>Other</b>					
2022-23 Retained Dividend.....	(3,348)	-	-	-	-
Public Sector Wages Policy.....	(4,073)	82	(2,445)	(3,236)	(4,559)

## Significant Issues Impacting the Government Trading Enterprise

### Customer Choice

#### Battery Energy Storage Systems

- Horizon Power is installing additional Battery Energy Storage Systems (BESS) in several communities across Western Australia, with the intent of managing higher levels of Distributed Energy Resources (DER) without adverse impact on network reliability, shifting peak loads and providing critical solar smoothing functionality.

#### Community Batteries

- Horizon Power's first community batteries were commissioned in early 2023 and will deliver a new energy storage solution to enable storage of excess energy generated by rooftop solar in Broome, smoothing the crossflow of energy between homes and the network and improving power supply stability. As Horizon Power rolls out more batteries across its service area, the stabilising function of community batteries will enable more residents to install rooftop solar.

### Energy Affordability

- The energy landscape is shifting quickly, with increasing uptake of behind-the-meter renewables and storage, electric vehicles and electrification - all of which are significantly changing the way customers interact with energy, and with Horizon Power. Horizon Power's 'energy affordability' strategic goal aims to ensure all customers have the ability and insight to reduce their energy bills by choosing products that meet their specific needs.
- Horizon Power supports customer choice across its suite of products and regularly engages with its customers to ensure it has the right solutions to allow all customers to reduce their energy expenses. Horizon Power's customers expect safe and reliable electricity, however, the biggest issue across the regional service area is high electricity consumption. To this end, Horizon Power is developing products and services which provide customers with access to the information they need to proactively manage their usage and bills.
- Horizon Power is working with the State and Commonwealth Governments to assist customers with cost of living pressures by providing electricity credits to both residential and small business customers.

### *Esperance Energy Transition Plan*

6. Horizon Power has supported impacted Esperance customers' transition off the reticulated gas network to alternative longer-term energy solutions through the Esperance Energy Transition Plan.

### **Decarbonisation**

7. Horizon Power's focus on decarbonisation and its goal to reduce its carbon emissions by 80% by 2030 firmly aligns with Government policy and reflects Horizon Power's position that the electricity industry should lead the way towards decarbonisation. The 80% reduction in carbon emissions is an ambitious target for Horizon Power and moves the focus away from carbon offsets to genuine abatement activities and increasing access to renewable energy where possible. As an electricity generator, Horizon Power must be accountable and responsible for emissions across its business.

### *Climate Change Policy*

8. As a vertically integrated energy utility operating across the vast and variable climatic regions of Western Australia, Horizon Power acknowledges that its assets, communities and businesses are exposed to the projected escalating impacts of climate change. As a GTE, Horizon Power is aligned with the Government's Climate Policy, energy initiatives and strategic directions, and supports its ambitious target of an 80% reduction in emissions by 2030, and overarching net zero by 2050 target. The Western Australian Climate Policy documents the Government's numerous strategies, actions and commitment to work with all sectors of the Western Australian economy to achieve these targets. An investment in infrastructure will take climate resilience into consideration.

### *Denham Green Hydrogen Demonstration Project*

9. Horizon Power recognises that future power system delivery will look vastly different to the traditional model the industry has employed over the past several decades. Horizon Power strongly supports the Government's Renewable Hydrogen Strategy and understands this zero-carbon fuel offers significant potential as a renewable power source. Horizon Power is leveraging its assets, resources, and vertically-integrated structure to develop its own hydrogen strategy. Horizon Power understands that hydrogen is an evolving initiative and will look to Government strategies to guide its participation in this space.
10. The Denham Green Hydrogen Demonstration project, the first of its kind in Australia, is one example of how Horizon Power envisions future microgrids could take shape. Horizon Power chose Denham as the site for its green hydrogen demonstration plant because of its abundance of wind and solar resources. Renewable energy can be used for green hydrogen production, and like Denham, many communities in Horizon Power's service area have favourable conditions for renewable power generation.

### *Zero Hydrocarbon Towns*

11. Through its Integrated Resource Planning work, several communities in the Horizon Power service area are on track to significantly reduce their emissions by 2030, with modelling in Exmouth showing 80% renewable power can be achieved.

### *Electric Vehicle Charging Network*

12. Horizon Power strongly supports the State Electric Vehicle Strategy and resulting actions that can assist the uptake of electric vehicles (EVs). Horizon Power is collaborating with Synergy to support the Government's priority to significantly reduce carbon emissions by 2030 by installing EV charging stations across the State.
13. These fast-charging stations are the first step in reducing the barriers for EV use across Western Australia. Horizon Power has plans for a vehicle-to-grid trial which will help it gain insights into how EVs and smart chargers can play a pivotal role in future energy systems.

### **Sustainable Business**

14. Horizon Power's focus on maintaining a sustainable business means it will be able to deliver on its purpose, both today and well into the future. One way Horizon Power can successfully achieve this goal is by commercialising aspects of its product offering. Where it makes sense, Horizon Power will own generation assets which enable it to improve scale and lower the cost of supply, as well as increase its chances of generating new revenue.

### Standalone Power Systems

15. Horizon Power continues the wider roll-out of the next generation of Standalone Power Systems (SPS), an effective renewable energy solution customised to the needs of end-of-grid customers. Horizon Power has been allocated \$45.8 million to install a further 150 SPS units across Western Australia by 2025-26 as part of the Government's SPS commitment.

### People, Safety and Wellbeing

16. Futureproofing its employees with the necessary skills to meet the rapidly changing energy sector is critical to Horizon Power's success. Equally important is establishing an inspired workplace culture that attracts and retains a talented pool of professionals. Horizon Power has formed a collaborative team with GTE Diversity and Inclusion leads to align on Diversity and Inclusion events and messaging.
17. An essential component of Horizon Power's guiding principles is to have a positive impact on Aboriginal customers, employees and communities. Horizon Power's Reconciliation Action Plan demonstrates a commitment to Aboriginal people by delivering tangible and sustainable benefits and a culture of inclusion, understanding and promotion of reconciliation with Aboriginal people.

### 2022-23 Retained Dividend

18. Horizon Power will retain its forecast 2022-23 dividend payment of \$3.3 million to fund future infrastructure investments. This is in addition to the \$5.7 million in 2021-22 dividend payments previously retained and allocated in its entirety to the Utility of the Future Program. The remaining funds will be quarantined pending approval of business cases for strategic infrastructure requirements.

### Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

### 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 budget management.	Sustainable business.	1. Optimising and extending core business
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	People, safety, and wellbeing.	2. Minimise the risk of harm 3. Be a high-performing business

## Outcomes and Key Performance Indicators

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Optimising and extending core business:</b>					
Cost to supply unit cost (cents/kWh) <sup>(a)</sup> .....	35.9	38.9	38.2	37.3	
Return on assets <sup>(b)</sup> .....	3.6%	3.1%	3%	3.2%	
Net Profit After Tax .....	\$10.4 million	\$7.6 million	\$3.5 million	\$5.2 million	1
<b>Outcome: Minimise the risk of harm:</b>					
Lost time injury frequency rate <sup>(c)</sup> .....	nil	nil	nil	nil	
Total number of notifiable incidents <sup>(d)</sup> .....	14	nil	14	nil	
Unassisted pole failure rate <sup>(e)</sup> .....	0.6	1.6	0.7	1	
<b>Outcome: Be a high-performing business:</b>					
Customer satisfaction <sup>(f)</sup> .....	73%	70%	70%	70%	
System Average Interruption Duration Index (SAIDI) <sup>(g)</sup> .....	155 minutes	290 minutes	157 minutes	290 minutes	2
System Average Interruption Frequency Index (SAIFI) <sup>(h)</sup> .....	2.1	6.6	2.1	6.6	2
Number of compliant systems (out of 38) <sup>(i)</sup> .....	29	33	29	33	3
Major project completion within ±5% of approved budget <sup>(j)</sup> .....	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 to be sustained, per one million hours worked, over a given 12-month period.

(d) A network operator must notify the Director of Building and Energy, 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 2022-23 Estimated Actual Net Profit After Tax is lower mainly due to an increase in diesel and gas prices; and supply chain costs.
2. The 2022-23 Estimated Actual reduction in comparison to the 2022-23 Budget in SAIDI and SAIFI is a result of investment in maintenance leading to reduced number of outages and interruptions.
3. The reduction in the 2022-23 Estimated Actual compared to the 2022-23 Budget for the number of compliant systems is driven by outages in the towns of Wyndham, Halls Creek, Esperance and Hopetoun due to environmental impacts (including storms, floods and bushfires) and the commissioning of high penetration renewables.



## Asset Investment Program

1. Horizon Power will invest \$105.5 million during 2023-24 and a further \$207.9 million in its Asset Investment Program across the outyears. This investment in regional Western Australia will continue to focus on providing safe and reliable electricity supply to regional customers and supporting jobs in regional areas.

### Standalone Power Systems Roll-out

2. Horizon Power continues the wider roll-out of the next generation of SPS, an effective renewable energy solution customised to the needs of end-of-grid customers. Horizon Power has been allocated \$13.3 million to install a further 50 SPS units in the Esperance Region by the end of 2023-24 as part of the Government's SPS commitment.

### Energy Storage in Regional Towns

3. Horizon Power is installing \$30.8 million worth of BESS in nine regional towns over 2020-21 to 2023-24. 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. To enable the integration of the BESS in Gascoyne Junction and Menzies, the control systems would require substantial upgrades. As such, these two batteries have been moved to Halls Creek and Fitzroy Crossing and will be delivered within the existing budget allocations.

### Asset Management Plan

4. Horizon Power is forecast to invest \$44.1 million in 2023-24 and a further \$139.9 million across the outyears 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.

### EV Charging Infrastructure

5. The EV 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 Eucla 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.

### Customer-funded Temporary Solar Connection

6. Horizon Power entered into a consultancy agreement to complete network connection studies to connect a solar plant on the Burrup Peninsula to the North West Interconnected System. Horizon Power estimates the cost of the 33kV network solution at \$7.6 million, which it would fund upfront and recoup from the customer.

### Mid West Solar Program

7. The Australian energy sector is undergoing a profound and complex transformation as the benefits and shift to renewable energy gathers momentum. Remote Aboriginal communities and regional 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 has obtained Commonwealth funding for seven remote Aboriginal communities and regional towns to install renewables, due to their reliance on diesel fuel to generate electricity. As the price of diesel fuel is high and its use for energy heavily contributes to carbon emissions, this investment will implement solar and BESS into the energy mix for each community/town.

### Remote Communities Photovoltaics

8. The Government will invest \$11.6 million to enable the design and construction of renewables in six remote Kimberley Aboriginal communities, which will reduce the reliance on diesel generated power and deliver cleaner energy to communities.

### **Dampier Resilience Project**

9. Horizon Power will invest \$3.8 million to upgrade its transmission assets to a more robust design and allow it to continue to utilise the Rio Tinto interconnection to maintain reliability of electricity supply on the Burrup and Airport feeders.

### **Distributed Energy Resource Management System Roll-out**

10. Horizon Power is rolling out industry-leading technology to unlock access to renewables and reduce carbon emissions in microgrids across regional and remote Western Australia. The technology - DER Management System (DERMS) - will allow rooftop solar, battery, and EV customers to safely integrate with utility-owned energy resources, such as power stations, solar farms and batteries.
11. In Onslow, Horizon Power has demonstrated that DERMS is able to safely integrate high levels of rooftop solar and storage, along with utility-owned renewables, to power the town with 100% renewable energy. Horizon Power intends to leverage off the lessons learnt in Onslow and roll-out this technology across its regional microgrids. The DERMS will allow more customers to install solar panels in the regional and remote areas, lower energy bills and reduce carbon emissions. Horizon Power will be able to integrate the rooftop solar with its own existing energy resources.

### **EV Smart Charger and Vehicle-to-Grid Trial**

12. The Government has released the State EV Strategy to support the adoption of electric vehicles. A rapid uptake of EVs would have consequences for the power system and consequently the Government is managing this impact with actions outlined in the DER Roadmap.
13. Managing the safe and efficient integration of DER, which includes EVs, is important to unlocking the full potential of EVs and addressing the potential risks to small electricity networks. An action item in the DER Roadmap requires trials to better understand the capabilities of vehicle-to-grid technology, for example, using EVs to power homes.
14. To meet the DER Roadmap requirement, an EV Action Plan has been developed in consultation with industry stakeholders (including Horizon Power) to help manage the future integration of EVs in Western Australia.

### **Exmouth Power Project**

15. The existing Power Purchase Agreement (PPA) in Exmouth expires in September 2024. Horizon Power will pursue a replacement PPA which seeks to deliver an 80% renewable energy solution.

### **Outage and Life Support Management System**

16. To ensure better safety management of customers, Horizon Power will invest \$8.8 million over 2023-24 and 2024-25 to upgrade its Outage and Life Support Management System to allow for near real-time visibility of its distribution network and proactive identification of outages.

### **Property - New Builds**

17. Horizon Power will invest \$3.8 million in 2023-24 to undertake construction of six new residential houses to help meet its regional staff accommodation needs.

### **Remote Communities - Transfer of Essential Services**

18. The Government is continuing to transfer responsibility for 141 remote communities power and water services in Western Australia's remote Aboriginal communities from Communities to licensed specialists Horizon Power and the Water Corporation. Under the transfer, which commenced from 1 April 2023, these remote communities will transition to improved and more reliable power and water services, enhancing wellbeing outcomes for residents.
19. Horizon Power will invest \$53.8 million to improve the quality of services in these remote Aboriginal communities, including immediate rectification of existing issues, investment in SPS or renewables in the small and self-managed towns, advanced metering infrastructure to automate meter reading, remotely connect/disconnect and detect neutral integrity defects.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>Election Commitments</b>							
Major Projects - Standalone Power Systems Roll Out .....	13,319	8,083	8,083	5,236	-	-	-
<b>COVID-19 Response</b>							
Energy Storage in Regional Towns							
Fitzroy Crossing.....	2,009	309	309	1,700	-	-	-
Halls Creek.....	2,035	335	335	1,700	-	-	-
<b>Other Works in Progress</b>							
<b>Asset Management Plan</b>							
Asset Replacement .....	151,644	114,653	8,691	8,908	9,131	9,359	9,593
Capacity.....	23,585	20,214	792	812	832	853	874
Knowledge and Technology Investment .....	59,067	46,521	3,319	2,794	3,171	3,250	3,331
Mobile Plant and Operational Fleet.....	34,505	30,842	860	882	904	927	950
Property Management.....	58,189	38,649	4,590	4,705	4,823	4,944	5,068
Regulatory Compliance .....	61,025	43,239	4,179	4,283	4,390	4,500	4,613
Reliability .....	113,506	68,725	10,521	10,784	11,054	11,330	11,613
Safety .....	213,172	167,905	10,635	10,901	11,174	11,453	11,739
<b>Customer Funded Works</b>							
Other Customer Driven Works.....	168,262	153,250	3,753	3,753	3,753	3,753	3,753
Temporary Solar Connection.....	7,554	754	754	6,800	-	-	-
<b>Major Projects</b>							
Electric Vehicle Charging Infrastructure .....	12,920	8,322	7,599	4,598	-	-	-
Mid West Solar Program .....	13,500	9,415	4,520	4,085	-	-	-
Remote Communities Photovoltaics .....	11,632	5,692	360	5,940	-	-	-
<b>COMPLETED WORKS</b>							
<b>COVID-19 Response</b>							
Denham Hydrogen Demonstration Plant.....	9,255	9,255	3,220	-	-	-	-
<b>Energy Storage in Regional Towns</b>							
Broome .....	7,975	7,975	3,464	-	-	-	-
Carnarvon .....	4,000	4,000	1,461	-	-	-	-
Esperance.....	2,050	2,050	2,050	-	-	-	-
Exmouth.....	7,916	7,916	977	-	-	-	-
Marble Bar.....	1,741	1,741	206	-	-	-	-
Yungngora.....	1,960	1,960	457	-	-	-	-
Remote Communities Embedded Networks.....	3,811	3,811	512	-	-	-	-
<b>Solar, Energy Storage and LED Streetlights for Derby</b>							
Hospital and the Shire of Derby .....	4,760	4,760	1,619	-	-	-	-
Standalone Power Systems.....	13,502	13,502	16	-	-	-	-
<b>Major Projects</b>							
Derby Port.....	1,200	1,200	1,180	-	-	-	-
Esperance Power Project.....	16,616	16,616	1,247	-	-	-	-
Kununurra Cotton Gin Electricity Infrastructure .....	3,500	3,500	3,500	-	-	-	-
Onslow Distributed Energy Resource Project.....	105,293	105,293	3,496	-	-	-	-
Refurbishment of Denham Power Station .....	11,819	11,819	1,953	-	-	-	-
Remote Communities Land Acquisition .....	1,444	1,444	1,444	-	-	-	-
Utility of the Future .....	19,203	19,203	12,046	-	-	-	-
<b>NEW WORKS</b>							
<b>Major Projects</b>							
Dampier Resilience Project .....	3,800	-	-	1,900	1,900	-	-
<b>Distributed Energy Resources Management System</b>							
Roll-out.....	2,000	-	-	2,000	-	-	-
Electric Vehicle Smart Charger and Vehicle-to-Grid Trial.....	2,150	-	-	2,150	-	-	-
Exmouth Power Project.....	10,000	-	-	5,000	5,000	-	-
Outage and Life Support Management System.....	8,765	-	-	5,280	3,485	-	-
Property - New Builds.....	3,822	-	-	3,822	-	-	-
Remote Communities - Transfer of Essential Services.....	53,848	-	-	7,455	17,496	14,446	14,451
<b>Total Cost of Asset Investment Program.....</b>	<b>1,246,354</b>	<b>932,953</b>	<b>108,148</b>	<b>105,488</b>	<b>77,113</b>	<b>64,815</b>	<b>65,985</b>
<b>FUNDED BY</b>							
Borrowings.....			77,226	84,982	55,864	46,616	47,781
Capital Appropriation .....			-	2,404	-	-	14,451
Internal Funds and Balances.....			23,669	6,894	-	-	-
<b>Major Special Purpose Account(s)</b>							
Drawdown from Remote Communities Fund.....			-	7,455	17,496	14,446	-
Drawdown from Royalties for Regions Fund.....			3,500	-	-	-	-
Other .....			3,753	3,753	3,753	3,753	3,753
<b>Total Funding .....</b>			<b>108,148</b>	<b>105,488</b>	<b>77,113</b>	<b>64,815</b>	<b>65,985</b>

## **Financial Statements**

### **Income Statement**

#### *Revenue*

1. The increase in the sale of goods and services for the 2023-24 Budget Year and over the outyears is primarily due to new energy agreements with large commercial customers.
2. Operating subsidies provided to Horizon Power in 2022-23 and 2023-24 (and associated grants and subsidies expenditure) are higher largely due to the:
  - 2.1. \$400 Household Electricity Credit scheme in 2022-23; and
  - 2.2. electricity credits for residential and small business customers in 2023-24.

#### *Expenses*

3. The total expenses for the 2023-24 Budget Year is forecast to increase by \$39.6 million from the 2022-23 Estimated Actual primarily due to the combined impacts of the:
  - 3.1. provision of essential services in remote Aboriginal communities; and
  - 3.2. electricity credits for residential and small business customers.

### **Statement of Cashflows**

4. The increase in other payments in 2022-23 and 2023-24 are largely due to the \$400 Household Electricity Credit scheme and the electricity credits for residential and small business customers respectively.

**INCOME STATEMENT <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	329,978	321,071	323,191	341,824	342,128	344,492	340,638
Other revenue .....	49,234	36,853	36,853	35,593	39,728	28,753	29,149
Tariff Equalisation Contribution.....	187,000	175,000	175,000	197,000	199,000	207,000	217,000
<b>Revenue from Government</b>							
Operating subsidies.....	6,795	35,545	56,559	31,060	8,315	6,128	15,835
Other subsidies .....	-	200	200	200	200	200	200
Special Purpose Account(s)							
Remote Communities .....	-	-	4,345	9,420	9,486	8,572	-
Royalties for Regions							
Regional Infrastructure and Headworks							
Fund.....	-	-	7,456	30,570	31,182	31,961	31,961
<b>TOTAL REVENUE.....</b>	<b>573,007</b>	<b>568,669</b>	<b>603,604</b>	<b>645,667</b>	<b>630,039</b>	<b>627,106</b>	<b>634,783</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	71,997	63,782	67,709	67,864	69,562	71,302	73,083
Grants and subsidies.....	4,016	31,753	31,753	27,733	5,271	5,446	5,582
Supplies and services .....	272,176	256,660	291,222	332,735	334,016	333,176	343,758
Accommodation .....	5,213	4,431	4,613	4,562	4,681	4,801	4,926
Depreciation and amortisation .....	104,926	107,031	107,031	110,033	107,956	103,200	101,684
Finance and interest costs.....	53,817	56,333	57,970	59,349	60,950	58,991	53,649
Other expenses.....	45,499	38,229	38,729	36,383	32,450	29,057	29,271
<b>TOTAL EXPENSES.....</b>	<b>557,644</b>	<b>558,219</b>	<b>599,027</b>	<b>638,659</b>	<b>614,886</b>	<b>605,973</b>	<b>611,953</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>15,363</b>	<b>10,450</b>	<b>4,577</b>	<b>7,008</b>	<b>15,153</b>	<b>21,133</b>	<b>22,830</b>
National Tax Equivalent Regime							
Current tax equivalent expense .....	4,067	2,805	1,044	1,796	4,579	7,541	6,849
Deferred tax equivalent expense .....	874	-	-	-	-	-	-
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>10,422</b>	<b>7,645</b>	<b>3,533</b>	<b>5,212</b>	<b>10,574</b>	<b>13,592</b>	<b>15,981</b>
<b>Dividends .....</b>	<b>-</b>	<b>5,660</b>	<b>-</b>	<b>3,679</b>	<b>6,719</b>	<b>11,820</b>	<b>12,288</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 503, 550 and 584 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	152,121	177,573	162,851	192,254	231,506	253,163	277,052
Cash assets - Retained dividends.....	1,958	173	5,306	5,306	5,306	5,306	5,306
Receivables .....	44,021	36,750	43,229	43,125	43,125	43,125	43,125
Assets held for sale .....	3,925	1,469	3,925	3,925	3,925	3,925	3,925
Other.....	17,947	17,881	17,947	17,947	17,947	17,947	17,947
<b>Total current assets .....</b>	<b>219,972</b>	<b>233,846</b>	<b>233,258</b>	<b>262,557</b>	<b>301,809</b>	<b>323,466</b>	<b>347,355</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	1,443,235	1,477,645	1,488,469	1,526,927	1,536,461	1,533,362	1,525,453
Intangibles .....	272,964	348,713	229,609	187,394	203,816	169,319	142,318
Receivables .....	3,967	3,639	3,967	3,967	3,967	3,967	3,967
Other investments .....	553	518	553	553	553	553	553
Other.....	121,348	105,387	121,348	123,848	123,848	123,848	123,848
<b>Total non-current assets .....</b>	<b>1,842,067</b>	<b>1,935,902</b>	<b>1,843,946</b>	<b>1,842,689</b>	<b>1,868,645</b>	<b>1,831,049</b>	<b>1,796,139</b>
<b>TOTAL ASSETS .....</b>	<b>2,062,039</b>	<b>2,169,748</b>	<b>2,077,204</b>	<b>2,105,246</b>	<b>2,170,454</b>	<b>2,154,515</b>	<b>2,143,494</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	18,609	17,913	18,609	18,609	18,609	18,609	18,609
Payables .....	57,625	74,554	57,625	57,625	57,625	57,625	57,625
Borrowings and leases .....	123,988	92,531	126,395	122,453	124,394	127,757	116,877
Other.....	22,101	16,965	22,101	24,921	24,921	24,921	24,921
<b>Total current liabilities .....</b>	<b>222,323</b>	<b>201,963</b>	<b>224,730</b>	<b>223,608</b>	<b>225,549</b>	<b>228,912</b>	<b>218,032</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	3,265	3,513	3,265	3,265	3,265	3,265	3,265
Borrowings and leases .....	1,034,669	1,183,225	1,042,262	1,064,094	1,108,115	1,074,830	1,058,918
Other.....	161,063	140,177	159,195	155,135	153,030	150,795	148,422
<b>Total non-current liabilities .....</b>	<b>1,198,997</b>	<b>1,326,915</b>	<b>1,204,722</b>	<b>1,222,494</b>	<b>1,264,410</b>	<b>1,228,890</b>	<b>1,210,605</b>
<b>TOTAL LIABILITIES.....</b>	<b>1,421,320</b>	<b>1,528,878</b>	<b>1,429,452</b>	<b>1,446,102</b>	<b>1,489,959</b>	<b>1,457,802</b>	<b>1,428,637</b>
<b>NET ASSETS .....</b>	<b>640,719</b>	<b>640,870</b>	<b>647,752</b>	<b>659,144</b>	<b>680,495</b>	<b>696,713</b>	<b>714,857</b>
<b>EQUITY</b>							
Contributed equity .....	416,113	419,613	419,613	429,472	446,968	461,414	475,865
Accumulated surplus/(deficit).....	224,606	221,257	228,139	229,672	233,527	235,299	238,992
<b>TOTAL EQUITY .....</b>	<b>640,719</b>	<b>640,870</b>	<b>647,752</b>	<b>659,144</b>	<b>680,495</b>	<b>696,713</b>	<b>714,857</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	329,612	319,171	321,291	339,915	340,190	342,490	338,586
Grants and subsidies.....	-	569	569	-	-	-	-
GST receipts.....	49,125	36,338	36,338	37,407	37,844	38,601	39,566
Other receipts.....	53,363	30,271	30,271	28,405	32,896	21,921	22,317
Tariff Equalisation Contribution.....	187,000	175,000	175,000	197,000	199,000	207,000	217,000
<b>Payments</b>							
Employee benefits.....	(71,746)	(63,706)	(67,633)	(67,786)	(69,562)	(71,302)	(73,083)
Supplies and services.....	(302,370)	(257,579)	(292,118)	(333,616)	(333,360)	(332,539)	(343,105)
Accommodation (b).....	(4,735)	(2,763)	(2,877)	(2,999)	(3,073)	(4,775)	(4,894)
GST payments.....	(49,190)	(36,323)	(36,323)	(37,407)	(37,844)	(38,601)	(39,566)
Finance and interest costs.....	(54,208)	(51,894)	(53,531)	(55,320)	(57,252)	(55,183)	(49,979)
Other payments.....	(45,184)	(69,870)	(70,432)	(63,892)	(37,407)	(32,375)	(32,677)
<b>Net cash from operating activities.....</b>	<b>91,667</b>	<b>79,214</b>	<b>40,555</b>	<b>41,707</b>	<b>71,432</b>	<b>75,237</b>	<b>74,165</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	700	-	-	1,224	-	-	-
<b>Payments</b>							
Purchase of non-current assets.....	(122,847)	(100,053)	(108,148)	(105,488)	(77,113)	(64,815)	(65,985)
Other payments.....	(35)	-	-	(2,500)	-	-	-
<b>Net cash from investing activities.....</b>	<b>(122,182)</b>	<b>(100,053)</b>	<b>(108,148)</b>	<b>(106,764)</b>	<b>(77,113)</b>	<b>(64,815)</b>	<b>(65,985)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	195,000	232,710	243,363	235,475	152,328	136,404	137,569
<b>Payments</b>							
Repayment of borrowings and leases.....	(185,098)	(231,975)	(231,975)	(215,916)	(162,006)	(166,326)	(164,361)
<b>Net cash from financing activities.....</b>	<b>9,902</b>	<b>735</b>	<b>11,388</b>	<b>19,559</b>	<b>(9,678)</b>	<b>(29,922)</b>	<b>(26,792)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Operating subsidies.....	9,632	35,545	56,559	31,060	8,315	6,128	15,835
Equity contributions.....	24,016	-	-	2,404	-	-	14,451
Other subsidies.....	-	200	200	200	200	200	200
Special Purpose Account(s)							
Remote Communities.....	-	-	4,345	16,875	26,982	23,018	-
Royalties for Regions							
Regional Infrastructure and Headworks							
Fund.....	-	3,500	10,956	30,570	31,182	31,961	31,961
<b>Payments</b>							
Dividends to Government.....	-	(5,660)	-	(3,679)	(6,719)	(11,820)	(12,288)
National Tax Equivalent Regime - Income Tax..	(3,333)	(2,805)	(1,044)	(1,796)	(4,579)	(7,541)	(6,849)
Local Government Rates Equivalent.....	(491)	(704)	(733)	(733)	(770)	(789)	(809)
<b>Net cash provided to Government.....</b>	<b>(29,824)</b>	<b>(30,076)</b>	<b>(70,283)</b>	<b>(74,901)</b>	<b>(54,611)</b>	<b>(41,157)</b>	<b>(42,501)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD.....</b>	<b>9,211</b>	<b>9,972</b>	<b>14,078</b>	<b>29,403</b>	<b>39,252</b>	<b>21,657</b>	<b>23,889</b>
Cash assets at the beginning of the reporting period.....	144,868	167,774	154,079	168,157	197,560	236,812	258,469
<b>Cash assets at the end of the reporting period.....</b>	<b>154,079</b>	<b>177,746</b>	<b>168,157</b>	<b>197,560</b>	<b>236,812</b>	<b>258,469</b>	<b>282,358</b>

(a) Full audited financial statements are published in 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 it is recorded as a payment to 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

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	384,640	405,810	398,489	<b>436,266</b>	462,992	465,560	497,448
Local Government Rates Equivalent .....	7,675	8,202	8,202	<b>8,386</b>	8,575	8,790	9,009
Dividends <sup>(a)(b)</sup> .....	-	727,965	-	<b>759,919</b>	826,665	837,985	919,421
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies.....	393,170	472,023	560,516	<b>621,111</b>	653,675	678,133	706,505
Other Subsidies .....	15,983	47,812	30,684	<b>56,236</b>	24,275	5,081	200
Special Purpose Accounts .....	126,016	53,957	63,614	<b>31,767</b>	33,672	34,514	23,928
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution.....	22,586	-	4,425	<b>87,462</b>	-	-	39,210
Special Purpose Accounts .....	-	-	4,511	<b>55,343</b>	64,221	56,485	15
<b>RATIOS</b>							
Dividend Payout Ratio (%).....	85	85	85	<b>85</b>	85	85	85
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	2,528,436	2,564,013	2,586,693	<b>2,684,577</b>	2,788,705	2,889,981	3,040,489
Revenue from Government.....	535,169	573,792	654,814	<b>709,114</b>	711,622	717,728	730,633
Total Expenses <sup>(c)</sup> .....	1,808,449	1,804,061	1,929,693	<b>1,990,145</b>	2,019,848	2,122,868	2,154,700
Total Borrowings.....	5,429,046	5,436,990	5,471,965	<b>5,677,893</b>	5,809,643	5,813,010	5,977,989
<b>NET PROFIT AFTER TAX.....</b>	<b>878,510</b>	<b>934,157</b>	<b>918,808</b>	<b>982,993</b>	<b>1,036,841</b>	<b>1,039,893</b>	<b>1,132,021</b>
<b>CASH ASSETS <sup>(d)</sup> .....</b>	<b>736,094</b>	<b>760,219</b>	<b>1,508,802</b>	<b>1,463,954</b>	<b>1,502,949</b>	<b>1,549,470</b>	<b>1,754,840</b>

(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) The Corporation will retain 2022-23 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise 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 Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustments</b>					
Flat Rocks Wind Farm Stage Two .....	(1,554)	(3,042)	(26,213)	(66,613)	(68,184)
Infill Sewerage Program <sup>(a)</sup> .....	-	2,683	(897)	1,117	17,508
Interest Revenue and Expense Updates .....	(42,716)	(47,073)	(38,422)	(37,261)	(35,891)
Operating Expenditure Cost Escalation .....	(38,179)	(44,922)	(50,888)	(58,238)	(64,209)
Public Sector Wages Policy - Cost of Living Payment .....	-	(10,597)	(143)	-	-
Regulated and Other Revenue Update (Including Operating Subsidies) .....	4,289	(3,363)	(22)	(10,113)	10,215
Remote Communities - Transfer of Essential Services .....	(9,676)	(33,889)	(39,470)	(44,481)	(50,591)
<b>Other</b>					
2022-23 Retained Dividend .....	(716,940)	-	-	-	-

(a) A total of \$55 million has been allocated to this program with the final investment program to be finalised.

## Significant Issues Impacting the Government Trading Enterprise

- Over the next year, the Corporation's operating environment will continue to be shaped by the need to adapt to a changing climate, economic pressures, increased social and environmental expectations, technological progress and demand for a future-ready workforce.

### Impact of Climate Change

- Climate change will continue to impact the availability of water sources, customers' demand for water, the need to address greenhouse gas emissions, the options available for energy consumption, and the need for infrastructure adaptation. In this context, implementation of the Western Australian Climate Policy will help align the Corporation's actions with those of the rest of the State.
- Reduced rainfall, particularly in the South West, 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.
- To help reduce dependence on rainfall and groundwater, the Corporation is preparing to deliver a new seawater desalination plant at Alkimos that will be able to supply up to 100 billion litres of drinking water per year.

### Economic Pressures

- High inflation, supply chain disruptions and competition for contractor availability has resulted in significant cost pressures for the Corporation.
- The Corporation will focus on providing affordable water, wastewater and drainage services for customers with transparent, efficient and value for money fees and charges.

### Increasing Social and Environmental Expectations

- The Corporation understands that customers want safe, secure, fit-for-purpose water services, while keeping the cost as low as possible in the long-term. The community is expecting more of service providers as good corporate citizens, reflected in increased scrutiny of their environmental impact, relationships with Traditional Owners and local communities, and employment and sourcing choices. This will drive the need to provide improved transparency across a range of dimensions including operational, environmental, social, governance and financial performance.

## Other Trends

8. The Corporation is also facing accelerating technological progress (particularly around cyber security and artificial intelligence) and a growing demand for a future-ready workforce. These factors require investment in people, processes and assets to continue delivering services.

## Retained Dividend

9. The Corporation retained its 2021-22 and 2022-23 dividend payments totalling \$2.1 billion to contribute to funding the Alkimos Seawater Desalination Plant. To date, \$84.6 million has been allocated to planning and enabling works and \$763.7 million has been used to temporarily reduce borrowings.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## 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 budget management.	Sustainably finance our vision.	1. Reducing total recurring expenditure to fund our key priorities and provide socially equitable outcomes for communities
WA Jobs Plan: Diversifying the WA economy, creating local jobs for the future.	Empowering our people to deliver our best performance.	2. Engaging and enabling our employees to perform at our best
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Safety for customers, communities and employees.	3. Providing safe and secure water to meet or exceed the United Nations Sustainable Development Goal 6 4. Improving employee and public safety outcomes
	Local solutions in partnership with communities.	5. Driving value for money and customer satisfaction across all regions and segments 6. Building trust among the communities we serve
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Accelerating environmental sustainability of the water cycle as our climate changes.	7. Accelerating to net zero for scope 1 and 2 greenhouse gas emissions 8. Educating the community on climate change impacts, driving waterwise outcomes and ramping up wastewater recycling

## Outcomes and Key Performance Indicators

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Reducing total recurring expenditure to fund our key priorities and provide socially equitable outcomes for communities:</b>					
Total cost per property .....	\$2,076	\$2,067	\$2,223	\$2,291	
<b>Outcome: Engaging and enabling our employees to perform at our best:</b>					
Employee Experience Survey - Engagement (%) <sup>(a)</sup> .....	2 <sup>nd</sup> quartile	2 <sup>nd</sup> quartile	2 <sup>nd</sup> quartile	2 <sup>nd</sup> quartile	
<b>Outcome: Providing safe and secure water to meet or exceed the United Nations Sustainable Development Goal 6:</b>					
Please see footnote <sup>(b)</sup> .....	n.a.	n.a.	n.a.	n.a.	
<b>Outcome: Improving employee and public safety outcomes:</b>					
Total recordable injury frequency rate (per million hours worked) .....	3.8	<3	3.8	<3	1
<b>Outcome: Driving value for money and customer satisfaction across all regions and segments:</b>					
Individual measurement of value for money, across regions and segments (score out of 10) <sup>(c)</sup> .....	2 <sup>nd</sup> quartile	2 <sup>nd</sup> quartile	2 <sup>nd</sup> quartile	2 <sup>nd</sup> quartile	
<b>Outcome: Building trust among the communities we serve:</b>					
Individual measurement of community trust, across regions and segments (score out of 10) <sup>(c)</sup> .....	Top quartile	Top quartile	Top quartile	Top quartile	
<b>Outcome: Accelerating to net zero for scope 1 and 2 greenhouse gas emissions:</b>					
Reported greenhouse gas emissions (CO <sub>2</sub> equivalent kilotonnes) <sup>(d)</sup> .....	648	588	455	568	
<b>Outcome: Educating the community on climate change impacts, driving waterwise outcomes and ramping up wastewater recycling:</b>					
Wastewater recycled.....	21.1%	21%	19.4%	21%	

(a) From Qualtrics comparative data against other 'Australian companies' benchmark.

(b) This is a new measure based on data collected annually, therefore actual numbers are not yet available. Due to the scope and complexity, targets are still under consideration and will be set in 2023-24.

(c) From the Water Services Association of Australia Customer Perceptions survey against 30 water utilities in Australia and New Zealand.

(d) Long-term target of net zero greenhouse gas emissions by 2050. Current measure is consistent with National Greenhouse Energy Reporting Scheme methodology (scope 1 and scope 2, do not include offsets). 2022-23 Estimated Actual as at 24 March 2023.

## Explanation of Significant Movements

(Notes)

1. There has been an increase in the number of recordable injuries in early 2023, the majority being minor in nature. The Corporation currently has targeted safety and wellbeing programs in place that will play a significant role in reducing injuries.

## Asset Investment Program

1. In 2023-24, the Corporation will spend \$1.1 billion on asset investment projects across the State. These projects will support the expansion or improvement of the Corporation's services and ensure customers have continued access to reliable, high-quality water, wastewater and drainage services.

### Expenditure in the Metropolitan Area

2. A total of \$487.5 million has been committed to projects across the metropolitan area in 2023-24. The projects include safeguarding drinking water supply to a growing population as climate change continues to place stress on traditional water sources and providing for the construction of facilities to collect and treat wastewater.
3. In 2023-24, \$184.7 million has been committed to metropolitan water network and supply projects, including:
  - 3.1. \$58.3 million towards the Alkimos Seawater Desalination Plant, which will produce 50 GL of water per annum and have capacity for future expansion to 100 GL per annum; and
  - 3.2. \$7.4 million for the drilling and equipping of production bores as part of the Wanneroo South Groundwater Scheme Stage One. These bores will provide increased flexibility to extract additional groundwater in the event of low inflows to dams. The project has an estimated total cost of \$50.9 million.
4. Expenditure on wastewater treatment projects in both the northern and southern corridors totals \$202.4 million in 2023-24, including a \$57 million upgrade to the Woodman Point Water Resource Recovery Facility. The project will upgrade all aspects of the solids treatment facilities to increase treatment capacity. The project has an estimated total cost of \$285.3 million.
5. The Corporation will also spend a further \$85 million on the relocation and augmentation of water network assets.

### Expenditure in the Regions

6. Regional Western Australia will continue to see investment in the development and upgrade of water and wastewater infrastructure, with a total of \$290.6 million committed in 2023-24.
  - 6.1. A total of \$202.3 million will be spent in 2023-24 on regional water projects, including:
    - 6.1.1. \$30.2 million towards the construction of a water treatment plant in Onslow, which will produce 1.5 million litres of potable water per day. The project has an estimated total cost of \$79 million; and
    - 6.1.2. \$9.9 million towards refurbishing the South Hedland water storage tank to ensure continuity of supply. The project has an estimated total cost of \$10.9 million.
  - 6.2. A total of \$52.8 million will be spent in 2023-24 on regional wastewater projects, including:
    - 6.2.1. \$7.2 million towards additional storage at the Broome North Water Resource Recovery Facility. This project will accommodate increased inflows and ensure optimal functioning of the wastewater treatment plant. The project has an estimated total cost of \$9 million;
    - 6.2.2. \$3.7 million towards relining sections of the sewer network in Northam and Wongan Hills. The relining aims to prevent recurring blockages and avert potential wastewater overflows. The project has an estimated total cost of \$5.8 million; and
    - 6.2.3. \$19.3 million under the Remote Communities - Transfer of Essential Services program to deliver secure, reliable and improved water and wastewater services to 141 remote Aboriginal communities.

### **Election Commitments**

7. The Corporation has allocated funding over the forward estimates period for the following election commitments:
  - 7.1. \$46.4 million under the Essential and Municipal Services Upgrade Program to deliver more reliable and improved water services to a number of larger remote communities; and
  - 7.2. \$13.3 million towards the Albert Street Drain project, located in the City of Stirling, which will improve local area amenity and water quality.

### **COVID-19 Response**

8. The Corporation will invest \$19 million in 2023-24 under the Remote Aboriginal Communities Accelerated Works program which delivers improved water services to remote Aboriginal and town-based communities. This project has an estimated total value of \$63.2 million.

### **Energy Infrastructure**

9. Government has approved funding of \$188.8 million in 2023-24 towards the Flat Rocks Wind Farm Stage Two. The windfarm will support the Government's commitment to powering Perth's desalination plants with renewable energy, as well as reducing greenhouse gas emissions by 2030.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
COVID-19 Response - Remote Aboriginal Communities							
Accelerated Works .....	63,207	9,871	6,677	19,021	21,782	7,833	4,700
Election Commitments							
Albert St Drain .....	13,700	400	400	4,500	4,600	4,200	-
Essential and Municipal Services Upgrade Program .....	60,707	14,320	10,709	16,192	25,315	4,880	-
Relocation and Augmentation of Network Assets .....	131,822	26,160	4,064	85,039	1,079	6	19,538
Metropolitan							
Drainage							
Capacity .....	69,387	48,066	7,094	8,992	5,114	1,454	5,761
Renewals .....	29,804	19,145	7,231	1,885	5,614	1,476	1,684
Wastewater							
Network Capacity .....	505,580	248,879	99,509	65,271	58,072	72,603	60,755
Network Renewals .....	184,073	123,435	19,327	19,068	18,246	13,296	10,028
Treatment Capacity .....	658,370	240,775	87,216	107,545	31,929	132,495	145,626
Treatment Renewals .....	145,740	73,794	11,013	10,502	15,277	30,502	15,665
Water							
Network Capacity .....	364,327	219,860	35,719	32,993	37,603	27,218	46,653
Network Renewals .....	322,915	191,517	19,897	32,047	45,210	33,471	20,670
Supply Capacity .....	519,741	342,457	72,286	99,512	41,937	8,523	27,312
Supply Renewals .....	216,981	123,321	35,967	20,147	29,518	20,960	23,035
Regional							
Drainage							
Capacity .....	36,701	34,504	1,146	158	1,199	433	407
Renewals .....	38,660	21,209	2,879	1,477	7,872	3,679	4,423
Irrigation .....	167,370	34,182	8,655	33,911	53,162	42,841	3,274
Wastewater							
Network Capacity .....	92,363	52,927	6,309	6,681	14,220	4,296	14,239
Network Renewals .....	100,439	52,793	7,902	14,830	13,775	9,703	9,338
Treatment Capacity .....	208,773	156,998	25,977	21,137	10,752	10,117	9,769
Treatment Renewals .....	60,800	24,632	7,885	10,129	6,658	8,346	11,035
Water							
Network Capacity .....	242,546	109,470	22,862	68,495	34,884	14,842	14,855
Network Renewals .....	500,024	189,186	29,348	44,915	85,106	77,492	103,325
Supply Capacity .....	541,778	268,125	35,031	78,394	83,558	61,462	50,239
Supply Renewals .....	59,438	34,876	4,879	10,518	5,020	3,792	5,232
Service							
Business Support Costs .....	425,993	297,999	36,787	36,573	35,475	28,473	27,473
Capital Support Costs .....	255,938	141,837	28,218	28,358	28,500	28,643	28,600
Corporate Real Estate .....	179,611	107,556	17,717	17,755	18,100	18,100	18,100
Energy Infrastructure .....	322,161	39,037	39,037	188,749	94,375	-	-
Operational Information and Control .....	235,636	120,376	27,000	28,740	28,840	28,840	28,840
<b>COMPLETED WORKS</b>							
COVID-19 Response - Irrigation of Public Open Space in Broome .....	14,429	14,429	8,056	-	-	-	-
Election Commitment - Olga Road - Albany Highway and Kelvin Road Intersection (Pipe Relocation) .....	6,529	6,529	1,317	-	-	-	-
<b>Total Cost of Asset Investment Program .....</b>	<b>6,775,543</b>	<b>3,388,665</b>	<b>728,114</b>	<b>1,113,534</b>	<b>862,792</b>	<b>699,976</b>	<b>710,576</b>
<b>FUNDED BY</b>							
Borrowings .....			4,064	189,026	94,375	-	-
Internal Funds and Balances .....			717,639	781,703	704,196	643,491	671,351
Major Special Purpose Account(s)							
Drawdown from Remote Communities Fund .....			1,386	19,334	34,982	39,210	-
Drawdown from Royalties for Regions Fund .....			3,125	36,009	29,239	17,275	15
Other .....			-	87,462	-	-	39,210
Other Grants and Subsidies .....			1,900	-	-	-	-
<b>Total Funding .....</b>			<b>728,114</b>	<b>1,113,534</b>	<b>862,792</b>	<b>699,976</b>	<b>710,576</b>

## Financial Statements

### Income Statement

#### Revenue

- Income in the 2023-24 Budget Year is \$152.2 million higher than the 2022-23 Estimated Actual as inflation and the flow-on impact of new capital projects have increased tariff and operating subsidy revenue.

#### Expenses

- Expenses in the 2023-24 Budget Year are up \$60.5 million compared to the 2022-23 Estimated Actual, driven by increases in the cost of supplies and services, employee benefits and depreciation, largely due to inflation and an increase in the value of the asset investment program.

### Statement of Cashflows

- The closing cash balance for the 2022-23 Estimated Actual has increased by \$748.6 million compared to the 2022-23 Budget. This is largely due to the Corporation retaining its 2022-23 dividend payments to use for the construction of the Alkimos Seawater Desalination Plant.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	2,319,382	2,372,012	2,372,225	2,458,561	2,550,587	2,645,276	2,749,954
Other revenue.....	209,054	192,001	214,468	226,016	238,118	244,705	290,535
<b>Revenue from Government</b>							
Operating subsidies.....	393,170	472,023	560,516	621,111	653,675	678,133	706,505
Capital subsidies.....	4,520	35,806	14,478	43,944	23,675	4,881	-
Other subsidies.....	11,463	12,006	16,206	12,292	600	200	200
Special Purpose Account(s)							
Remote Communities.....	-	-	4,075	8,880	10,327	10,586	-
Royalties for Regions							
Regional Community Services Fund.....	126,016	53,957	59,539	22,887	23,345	23,928	23,928
<b>TOTAL REVENUE.....</b>	<b>3,063,605</b>	<b>3,137,805</b>	<b>3,241,507</b>	<b>3,393,691</b>	<b>3,500,327</b>	<b>3,607,709</b>	<b>3,771,122</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	365,268	449,974	450,118	484,367	471,673	474,481	475,372
Supplies and services.....	586,547	475,060	475,060	487,854	492,885	494,842	496,604
Accommodation.....	7,675	8,202	8,202	8,386	8,575	8,790	9,009
Depreciation and amortisation.....	532,767	541,070	548,212	579,174	590,773	609,258	610,048
Finance and interest costs.....	170,780	169,953	233,563	233,767	224,429	234,804	240,257
Other expenses.....	145,412	159,802	214,538	196,597	231,513	300,693	323,410
<b>TOTAL EXPENSES.....</b>	<b>1,808,449</b>	<b>1,804,061</b>	<b>1,929,693</b>	<b>1,990,145</b>	<b>2,019,848</b>	<b>2,122,868</b>	<b>2,154,700</b>
<b>NET PROFIT/(LOSS) BEFORE TAX.....</b>	<b>1,255,156</b>	<b>1,333,744</b>	<b>1,311,814</b>	<b>1,403,546</b>	<b>1,480,479</b>	<b>1,484,841</b>	<b>1,616,422</b>
National Tax Equivalent Regime							
Current tax equivalent expense.....	384,640	405,810	398,489	436,266	462,992	465,560	497,448
Deferred tax equivalent expense.....	(7,994)	(6,223)	(5,483)	(15,713)	(19,354)	(20,612)	(13,047)
<b>NET PROFIT/(LOSS) AFTER TAX.....</b>	<b>878,510</b>	<b>934,157</b>	<b>918,808</b>	<b>982,993</b>	<b>1,036,841</b>	<b>1,039,893</b>	<b>1,132,021</b>
<b>Dividends.....</b>	<b>-</b>	<b>727,965</b>	<b>-</b>	<b>759,919</b>	<b>826,665</b>	<b>837,985</b>	<b>919,421</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 3,627, 3,774 and 3,774 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	149,270	182,590	197,249	211,675	250,670	292,508	498,003
Cash assets - Retained dividends (b) .....	586,824	577,629	1,311,553	1,252,279	1,252,279	1,252,279	1,252,279
Restricted cash .....	-	-	-	-	-	4,683	4,558
Receivables .....	272,850	235,186	276,231	279,776	287,544	295,809	307,050
Other.....	64,425	93,034	65,325	67,325	69,425	71,625	71,625
<b>Total current assets .....</b>	<b>1,073,369</b>	<b>1,088,439</b>	<b>1,850,358</b>	<b>1,811,055</b>	<b>1,859,918</b>	<b>1,916,904</b>	<b>2,133,515</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	17,831,152	18,061,974	18,076,978	18,687,535	19,049,289	19,222,830	19,413,268
Intangibles .....	83,154	65,255	83,154	83,154	83,154	83,154	83,154
Receivables .....	26,101	24,867	26,101	26,102	26,100	26,100	26,100
<b>Total non-current assets .....</b>	<b>17,940,407</b>	<b>18,152,096</b>	<b>18,186,233</b>	<b>18,796,791</b>	<b>19,158,543</b>	<b>19,332,084</b>	<b>19,522,522</b>
<b>TOTAL ASSETS .....</b>	<b>19,013,776</b>	<b>19,240,535</b>	<b>20,036,591</b>	<b>20,607,846</b>	<b>21,018,461</b>	<b>21,248,988</b>	<b>21,656,037</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	117,127	117,136	117,097	117,497	117,497	117,497	117,497
Payables .....	326,794	380,091	372,094	335,645	345,510	326,843	341,658
Borrowings and leases .....	17,024	19,259	7,880	7,979	8,146	8,148	8,001
Other.....	47,844	63,365	52,933	53,227	54,067	55,363	55,363
<b>Total current liabilities .....</b>	<b>508,789</b>	<b>579,851</b>	<b>550,004</b>	<b>514,348</b>	<b>525,220</b>	<b>507,851</b>	<b>522,519</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	35,425	37,859	33,325	32,925	32,925	32,925	32,925
Borrowings and leases .....	5,644,394	5,638,217	5,703,816	5,958,959	6,101,658	6,109,771	6,261,376
Other.....	225,472	248,100	221,990	208,277	190,924	172,313	161,265
<b>Total non-current liabilities .....</b>	<b>5,905,291</b>	<b>5,924,176</b>	<b>5,959,131</b>	<b>6,200,161</b>	<b>6,325,507</b>	<b>6,315,009</b>	<b>6,455,566</b>
<b>TOTAL LIABILITIES.....</b>	<b>6,414,080</b>	<b>6,504,027</b>	<b>6,509,135</b>	<b>6,714,509</b>	<b>6,850,727</b>	<b>6,822,860</b>	<b>6,978,085</b>
<b>NET ASSETS .....</b>	<b>12,599,696</b>	<b>12,736,508</b>	<b>13,527,456</b>	<b>13,893,337</b>	<b>14,167,734</b>	<b>14,426,128</b>	<b>14,677,952</b>
<b>EQUITY</b>							
Contributed equity .....	257,284	257,608	266,220	409,025	473,246	529,731	568,956
Accumulated surplus/(deficit).....	5,015,736	5,152,224	5,934,544	6,157,618	6,367,794	6,569,702	6,782,302
Reserves.....	7,326,676	7,326,676	7,326,692	7,326,694	7,326,694	7,326,695	7,326,694
<b>TOTAL EQUITY .....</b>	<b>12,599,696</b>	<b>12,736,508</b>	<b>13,527,456</b>	<b>13,893,337</b>	<b>14,167,734</b>	<b>14,426,128</b>	<b>14,677,952</b>

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

(b) The Corporation has retained its 2021-22 and 2022-23 dividend payments to contribute to funding construction of the Alkimos Seawater Desalination Plant.



**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	2,302,783	2,359,871	2,342,465	2,469,440	2,556,897	2,623,917	2,734,914
Grants and subsidies.....	3,774	3,775	3,775	1,888	-	-	-
GST receipts.....	108,861	117,182	117,182	116,008	117,589	117,589	117,589
Other receipts.....	154,396	135,716	161,181	169,659	176,719	181,981	224,384
<b>Payments</b>							
Employee benefits.....	(365,639)	(445,864)	(446,008)	(480,150)	(467,354)	(470,082)	(470,894)
Supplies and services.....	(611,127)	(475,060)	(475,060)	(487,854)	(492,885)	(494,842)	(496,604)
GST payments.....	(113,502)	(117,719)	(117,719)	(116,539)	(118,127)	(118,127)	(118,127)
Finance and interest costs.....	(189,906)	(182,090)	(245,150)	(246,638)	(244,217)	(248,767)	(256,094)
Other payments.....	(80,600)	(161,270)	(133,122)	(251,851)	(229,019)	(286,629)	(317,076)
<b>Net cash from operating activities.....</b>	<b>1,209,040</b>	<b>1,234,541</b>	<b>1,207,544</b>	<b>1,173,963</b>	<b>1,299,603</b>	<b>1,305,040</b>	<b>1,418,092</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	1,002	1,600	1,600	1,600	1,601	1,600	1,600
<b>Payments</b>							
Purchase of non-current assets.....	(613,788)	(648,319)	(728,114)	(1,113,534)	(862,792)	(699,976)	(710,576)
<b>Net cash from investing activities.....</b>	<b>(612,786)</b>	<b>(646,719)</b>	<b>(726,514)</b>	<b>(1,111,934)</b>	<b>(861,191)</b>	<b>(698,376)</b>	<b>(708,976)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	-	739,485	774,460	1,000,058	923,308	816,186	956,054
<b>Payments</b>							
Repayment of borrowings and leases.....	(367,983)	(743,448)	(745,175)	(751,240)	(786,372)	(810,086)	(808,265)
Other payments.....	(8,729)	(7,336)	(7,336)	(7,459)	(7,579)	(7,724)	(7,746)
<b>Net cash from financing activities.....</b>	<b>(376,712)</b>	<b>(11,299)</b>	<b>21,949</b>	<b>241,359</b>	<b>129,357</b>	<b>(1,624)</b>	<b>140,043</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Capital subsidies.....	6,878	36,232	36,444	23,937	3,846	12,048	-
Operating subsidies.....	393,170	472,023	560,516	621,111	653,675	678,133	706,505
Equity contributions.....	22,586	-	4,425	87,462	-	-	39,210
Other subsidies.....	11,463	12,006	16,206	12,292	600	200	200
Special Purpose Account(s)							
Remote Communities.....	-	-	5,461	28,214	45,309	49,796	-
Royalties for Regions							
Regional Community Services Fund.....	126,016	53,957	59,539	22,887	23,345	23,928	23,928
Regional Infrastructure and Headworks Fund.....	-	-	3,125	36,009	29,239	17,275	15
<b>Payments</b>							
Dividends to Government.....	-	(727,965)	-	(759,918)	(826,661)	(837,986)	(919,422)
National Tax Equivalent Regime - Income Tax..	(403,214)	(372,264)	(407,785)	(411,844)	(449,552)	(493,123)	(485,216)
Local Government Rates Equivalent.....	(7,675)	(8,202)	(8,202)	(8,386)	(8,575)	(8,790)	(9,009)
<b>Net cash provided to Government.....</b>	<b>(149,224)</b>	<b>534,213</b>	<b>(269,729)</b>	<b>348,236</b>	<b>528,774</b>	<b>558,519</b>	<b>643,789</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD.....</b>	<b>368,766</b>	<b>42,310</b>	<b>772,708</b>	<b>(44,848)</b>	<b>38,995</b>	<b>46,521</b>	<b>205,370</b>
Cash assets at the beginning of the reporting period.....	367,328	717,909	736,094	1,508,802	1,463,954	1,502,949	1,549,470
<b>Cash assets at the end of the reporting period.....</b>	<b>736,094</b>	<b>760,219</b>	<b>1,508,802</b>	<b>1,463,954</b>	<b>1,502,949</b>	<b>1,549,470</b>	<b>1,754,840</b>

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

# Bunbury Water Corporation

## Part 12 Utilities

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	1,145	897	913	995	1,753	2,068	1,937
Local Government Rates Equivalent .....	89	96	92	74	76	78	80
Dividends <sup>(a)(b)</sup> .....	-	910	-	903	996	1,814	2,152
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies.....	856	1,232	1,586	2,342	3,264	4,295	4,417
<b>EQUITY CONTRIBUTION FROM GENERAL GOVERNMENT SECTOR</b>							
Equity Contribution.....	10,170	11,050	11,050	-	-	-	-
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	85	85	85	85	85	85	85
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	16,755	17,221	17,819	18,543	19,209	19,337	19,787
Revenue from Government.....	856	1,232	1,586	2,342	3,264	4,295	4,417
Total Expenses <sup>(c)</sup> .....	15,036	16,217	17,329	18,624	18,488	18,931	19,803
Total Borrowings.....	5,807	15,509	8,509	7,487	11,940	10,422	8,858
<b>NET PROFIT AFTER TAX.....</b>	<b>1,929</b>	<b>1,339</b>	<b>1,557</b>	<b>1,696</b>	<b>2,989</b>	<b>3,526</b>	<b>3,301</b>
<b>CASH ASSETS <sup>(d)</sup> .....</b>	<b>17,722</b>	<b>1,204</b>	<b>25,674</b>	<b>15,189</b>	<b>1,361</b>	<b>238</b>	<b>857</b>

(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) Bunbury Water Corporation (Aqwest) will retain 2022-23 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise 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 Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustments</b>					
ICT Cyber Security Requirements .....	-	(208)	(709)	(653)	(696)
Residential Water Tariff Operating Subsidy Increase.....	(234)	(303)	(427)	(490)	(257)
<b>Other</b>					
2022-23 Retained Dividend.....	(1,103)	-	-	-	-
Expenditure and Revenue Update.....	254	639	737	314	(484)
Public Sector Wages Policy .....	(64)	(204)	(162)	(204)	(180)

## **Significant Issues Impacting the Government Trading Enterprise**

### **Climate Change**

1. In 2020, the Government released the Western Australian Climate Policy, which sets out a plan to make Western Australia more climate resilient and ensure a prosperous low-carbon future with the target to achieve net zero emissions by 2050. As a regional water provider, Aqwest is a lead agency with the action to invest in water infrastructure and water recycling to enhance security, efficiency and resilience of community water schemes. Aqwest is now reviewing its Environmental Sustainability Strategic Plan to bring in renewable energy, waste and recycling initiatives, with its aspirational target to achieve net zero emissions by 2030.
2. In the South West, the effects of climate change have never been more apparent than they are today. Since the mid-1970s, a 15% reduction in average annual rainfall has been recorded. Further to this, the threat of saltwater intrusion is reducing the long-term sustainability of Aqwest's only viable water source, the Yarragadee Aquifer.

### **Cyber Security**

3. Aqwest faces the growing challenges of cyber security and emerging technologies. Aqwest will continue working to ensure its systems, services and information are protected from cyber threats and misuse.

### **2022-23 Retained Dividend**

4. Aqwest will retain its forecast 2022-23 dividend payment of \$1.1 million to fund future infrastructure investment. Aqwest will use this amount to reduce borrowings pending approval of business cases for strategic infrastructure requirements. Aqwest's 2021-22 retained dividend of \$1.1 million was allocated to fund the Bunbury Water Resource Recovery Scheme, which provides recycled water for irrigation of public open space, construction and other industrial activities.

### **Statement of Corporate Intent**

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer's concurrence).

## 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 budget management.	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: Diversifying the WA economy, creating local jobs for 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: Supporting our local and regional communities to thrive.	Provide accessibility and support for employees, vulnerable customers and the Greater Bunbury community.	5. Strong supported community
Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	Provide climate-resilient, 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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Long-term financial viability:</b>					
Economic real rate of return .....	2%	1.3%	0.7%	1.1%	1
<b>Outcome: Satisfied customers:</b>					
Overall customer satisfaction rating.....	88%	85%	85%	85%	
<b>Outcome: Local jobs and local suppliers:</b>					
Percentage of local suppliers (Buy Local Policy target).....	59%	70%	70%	70%	
<b>Outcome: Highly skilled and diversified workforce:</b>					
Increase jobs by >2% per annum <sup>(a)</sup> .....	17%	>2%	>2%	>2%	
Training expenditure per annum against salaries and wages.....	2.4%	>3%	>3%	>3%	
Safety index <sup>(b)</sup> .....	1	1	1	1	
<b>Outcome: Strong supported community:</b>					
Customer awareness of Aqwest services .....	93%	85%	93%	85%	
Employee diversity and wellbeing index <sup>(b)</sup> .....	0.7	1	1	1	
Strong communities index <sup>(b)</sup> .....	0.8	1	1	1	

<b>Outcome: Safe, reliable, high-quality drinking water:</b>					
Customers agree water is safe to drink .....	86%	85%	81%	85%	
Microbiological compliance .....	100%	100%	100%	100%	
Average frequency of an unplanned interruption (per 1,000 properties) .....	158	<250	<250	<250	
<b>Outcome: Safe, reliable, recycled water available:</b>					
Make available 2GL of recycled water per annum .....	nil	2	nil	nil	2
Develop a proof of concept for Managed Aquifer Recharge (MAR) <sup>(c)</sup> .....	n.a.	n.a.	n.a.	Yes	
<b>Outcome: Environmentally sustainable operations:</b>					
Environmental sustainability index <sup>(b)</sup> .....	0.8	1	1	1	

(a) This indicator targets an increase to full-time jobs by decreasing contracted work without negatively impacting on operating expenses.

(b) A detailed explanation of the composition of the indices will be provided in Aqwest's 2023-24 Statement of Corporate Intent.

(c) New key performance indicator for 2023-24. Not reported previously.

### Explanation of Significant Movements

(Notes)

1. The decline in the 2022-23 Estimated Actual and 2023-24 Budget Target reflect an increase in non-current assets resulting from asset revaluations, and a reduction in profit resulting from higher operating costs.
2. The Bunbury Water Resource Recovery Scheme scheduled completion date has been delayed, therefore no recycled water will be produced in the 2023-24 financial year.

### Asset Investment Program

#### Key Deliverables

1. Aqwest's Asset Investment Program totals \$44.2 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.
2. The total investment over the forward estimates period includes:
  - 2.1. \$9.1 million to fluoridate the water supply;
  - 2.2. \$6.6 million to refurbish and maintain existing water storage and treatment infrastructure; and
  - 2.3. \$4.5 million to replace ageing water mains.
3. Aqwest plans to invest \$21.9 million over the forward estimates period to build the Bunbury Water Resource Recovery Scheme. The scope of the project is currently under review, with proof of concept work underway in relation to managed aquifer recharge, as an alternative to constructing large water mains.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>COVID-19 Response</b>							
Water Resource Recovery Scheme .....	30,397	8,507	800	1,600	20,290	-	-
<b>Other Works in Progress</b>							
Treatment Plants - Fluoridation .....	10,848	1,789	1,189	9,059	-	-	-
<b>COMPLETED WORKS</b>							
Fleet, ICT and Other - 2022-23 Program .....	615	615	615	-	-	-	-
Mains - 2022-23 Program .....	2,204	2,204	2,204	-	-	-	-
Reservoirs - 2022-23 Program .....	3,408	3,408	3,408	-	-	-	-
Services - 2022-23 Program .....	62	62	62	-	-	-	-
Treatment Plants							
2022-23 Program .....	2,264	2,264	2,264	-	-	-	-
Ngoora Moolinap Water Treatment Plant .....	14,444	14,444	65	-	-	-	-
<b>NEW WORKS</b>							
Fleet, ICT and Other							
2023-24 Program .....	567	-	-	567	-	-	-
2024-25 Program .....	530	-	-	-	530	-	-
2025-26 Program .....	415	-	-	-	-	415	-
2026-27 Program .....	340	-	-	-	-	-	340
Mains							
2023-24 Program .....	1,380	-	-	1,380	-	-	-
2024-25 Program .....	999	-	-	-	999	-	-
2025-26 Program .....	1,022	-	-	-	-	1,022	-
2026-27 Program .....	1,144	-	-	-	-	-	1,144
Reservoirs							
2023-24 Program .....	380	-	-	380	-	-	-
2024-25 Program .....	650	-	-	-	650	-	-
2025-26 Program .....	2,285	-	-	-	-	2,285	-
2026-27 Program .....	1,004	-	-	-	-	-	1,004
Services							
2023-24 Program .....	64	-	-	64	-	-	-
2024-25 Program .....	65	-	-	-	65	-	-
2025-26 Program .....	67	-	-	-	-	67	-
2026-27 Program .....	69	-	-	-	-	-	69
Treatment Plants							
2023-24 Program .....	447	-	-	447	-	-	-
2024-25 Program .....	979	-	-	-	979	-	-
2025-26 Program .....	626	-	-	-	-	626	-
2026-27 Program .....	182	-	-	-	-	-	182
<b>Total Cost of Asset Investment Program .....</b>	<b>77,457</b>	<b>33,293</b>	<b>10,607</b>	<b>13,497</b>	<b>23,513</b>	<b>4,415</b>	<b>2,739</b>
<b>FUNDED BY</b>							
Borrowings .....			2,451	1,058	1,616	-	-
Capital Appropriation .....			11,050	-	-	-	-
Internal Funds and Balances .....			(2,508)	12,497	21,569	4,415	2,739
Other .....			(386)	(58)	328	-	-
<b>Total Funding .....</b>			<b>10,607</b>	<b>13,497</b>	<b>23,513</b>	<b>4,415</b>	<b>2,739</b>

## Financial Statements

### Income Statement

#### Revenue

- Revenue is forecast to increase over the forward estimates period as a result of higher operating subsidy requirements for residential water supply and usage. Increasing cost pressures are driving the need for tariff increases, which are currently subsidised for residential customers.

#### Expenses

- Total expenses are forecast to rise over the forward estimates period, driven by increased investment in cyber security, wages, depreciation and other market cost pressures.

### Statement of Financial Position

- Aqwest's financial position remains stable over the forward estimates period. Compared to the 2021-22 Actual, total assets have increased mainly due to recent asset revaluations and a new operating lease for office accommodation. Liabilities have also mainly increased due to the office accommodation operating lease, which in total has nil impact on net assets.

### Statement of Cashflows

- Aqwest's cash position is forecast to remain positive over the forward estimates period.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	15,366	16,035	16,003	16,651	17,356	18,044	18,459
Other revenue.....	1,389	1,186	1,816	1,892	1,853	1,293	1,328
<b>Revenue from Government</b>							
Operating subsidies.....	856	1,232	1,586	2,342	3,264	4,295	4,417
<b>TOTAL REVENUE.....</b>	<b>17,611</b>	<b>18,453</b>	<b>19,405</b>	<b>20,885</b>	<b>22,473</b>	<b>23,632</b>	<b>24,204</b>
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	4,753	5,870	5,721	6,502	6,673	6,810	6,981
Supplies and services .....	4,021	3,921	4,578	4,841	4,191	4,176	4,179
Accommodation .....	1,049	1,189	1,243	1,149	1,179	1,212	1,246
Depreciation and amortisation .....	3,520	3,486	3,915	4,073	4,425	4,451	5,102
Finance and interest costs.....	101	89	146	271	233	437	376
Other expenses.....	1,592	1,662	1,726	1,788	1,787	1,845	1,919
<b>TOTAL EXPENSES.....</b>	<b>15,036</b>	<b>16,217</b>	<b>17,329</b>	<b>18,624</b>	<b>18,488</b>	<b>18,931</b>	<b>19,803</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>2,575</b>	<b>2,236</b>	<b>2,076</b>	<b>2,261</b>	<b>3,985</b>	<b>4,701</b>	<b>4,401</b>
National Tax Equivalent Regime							
Current tax equivalent expense .....	1,145	897	913	995	1,753	2,068	1,937
Deferred tax equivalent expense <sup>(c)</sup> .....	(499)	-	(394)	(430)	(757)	(893)	(837)
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>1,929</b>	<b>1,339</b>	<b>1,557</b>	<b>1,696</b>	<b>2,989</b>	<b>3,526</b>	<b>3,301</b>
<b>Dividends <sup>(d)</sup> .....</b>	<b>-</b>	<b>910</b>	<b>-</b>	<b>903</b>	<b>996</b>	<b>1,814</b>	<b>2,152</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 45, 55 and 61.

(c) Deferred tax included in current component for 2022-23 Budget.

(d) Dividends retained for Asset Investment Program in 2021-22 and 2022-23.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	17,722	1,204	25,674	15,189	1,361	238	857
Receivables .....	2,690	2,045	2,757	2,825	2,897	2,970	3,043
Other.....	965	782	989	1,013	1,038	1,064	1,091
Total current assets .....	21,377	4,031	29,420	19,027	5,296	4,272	4,991
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	125,294	165,022	133,737	143,256	162,440	162,504	160,243
Other.....	7,686	1,945	7,686	7,686	7,686	7,686	7,686
Total non-current assets .....	132,980	166,967	141,423	150,942	170,126	170,190	167,929
<b>TOTAL ASSETS</b> .....	154,357	170,998	170,843	169,969	175,422	174,462	172,920
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	945	884	828	853	878	905	932
Payables .....	2,168	1,927	2,380	2,437	2,499	2,562	2,624
Borrowings and leases .....	798	1,697	1,022	1,047	1,518	1,564	1,613
Other.....	10	-	-	-	-	-	-
Total current liabilities .....	3,921	4,508	4,230	4,337	4,895	5,031	5,169
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	23	22	23	23	25	25	26
Borrowings and leases .....	5,009	13,812	8,974	7,630	11,288	9,372	7,379
Other.....	11,725	11,339	11,330	10,900	10,142	9,250	8,413
Total non-current liabilities .....	16,757	25,173	20,327	18,553	21,455	18,647	15,818
<b>TOTAL LIABILITIES</b> .....	20,678	29,681	24,557	22,890	26,350	23,678	20,987
<b>NET ASSETS</b> .....	133,679	141,317	146,286	147,079	149,072	150,784	151,933
<b>EQUITY</b>							
Contributed equity .....	22,070	33,120	33,120	33,120	33,120	33,120	33,120
Accumulated surplus/(deficit).....	48,274	40,861	49,831	50,624	52,617	54,329	55,478
Reserves.....	63,335	67,336	63,335	63,335	63,335	63,335	63,335
<b>TOTAL EQUITY</b> .....	133,679	141,317	146,286	147,079	149,072	150,784	151,933

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



**STATEMENT OF CASHFLOWS <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	15,429	15,965	15,913	16,558	17,261	17,946	18,358
GST receipts.....	1,419	5,091	1,852	2,171	3,115	1,211	1,057
Other receipts.....	1,171	1,117	1,715	1,798	1,756	1,194	1,226
<b>Payments</b>							
Employee benefits.....	(4,984)	(5,834)	(5,671)	(6,451)	(6,620)	(6,756)	(6,925)
Supplies and services.....	(1,887)	(1,286)	(1,784)	(2,644)	(2,100)	(2,140)	(2,202)
Accommodation <sup>(b)</sup> .....	(960)	(1,093)	(1,151)	(1,075)	(1,103)	(1,134)	(1,166)
GST payments.....	(1,291)	(5,090)	(1,852)	(2,171)	(3,115)	(1,211)	(1,057)
Finance and interest costs.....	(105)	(89)	(89)	(225)	(200)	(417)	(371)
Other payments.....	(3,336)	(4,276)	(4,488)	(3,952)	(3,844)	(3,848)	(3,860)
<b>Net cash from operating activities.....</b>	<b>5,456</b>	<b>4,505</b>	<b>4,445</b>	<b>4,009</b>	<b>5,150</b>	<b>4,845</b>	<b>5,060</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	90	-	-	-	-	-	-
<b>Payments</b>							
Purchase of non-current assets.....	(7,456)	(38,126)	(10,607)	(13,497)	(23,513)	(4,415)	(2,739)
<b>Net cash from investing activities.....</b>	<b>(7,366)</b>	<b>(38,126)</b>	<b>(10,607)</b>	<b>(13,497)</b>	<b>(23,513)</b>	<b>(4,415)</b>	<b>(2,739)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	-	10,500	3,500	-	5,500	-	-
<b>Payments</b>							
Repayment of borrowings and leases.....	(784)	(798)	(1,018)	(1,366)	(1,404)	(1,889)	(1,950)
<b>Net cash from financing activities.....</b>	<b>(784)</b>	<b>9,702</b>	<b>2,482</b>	<b>(1,366)</b>	<b>4,096</b>	<b>(1,889)</b>	<b>(1,950)</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Operating subsidies.....	856	1,232	1,586	2,342	3,264	4,295	4,417
Equity contributions.....	10,170	11,050	11,050	-	-	-	-
<b>Payments</b>							
Dividends to Government <sup>(c)</sup> .....	-	(910)	-	(903)	(996)	(1,814)	(2,152)
National Tax Equivalent Regime - Income Tax....	(1,100)	(897)	(912)	(996)	(1,753)	(2,067)	(1,937)
Local Government Rates Equivalent.....	(89)	(96)	(92)	(74)	(76)	(78)	(80)
<b>Net cash provided to Government.....</b>	<b>(9,837)</b>	<b>(10,379)</b>	<b>(11,632)</b>	<b>(369)</b>	<b>(439)</b>	<b>(336)</b>	<b>(248)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD.....</b>	<b>7,143</b>	<b>(13,540)</b>	<b>7,952</b>	<b>(10,485)</b>	<b>(13,828)</b>	<b>(1,123)</b>	<b>619</b>
Cash assets at the beginning of the reporting period.....	10,579	14,744	17,722	25,674	15,189	1,361	238
<b>Cash assets at the end of the reporting period.....</b>	<b>17,722</b>	<b>1,204</b>	<b>25,674</b>	<b>15,189</b>	<b>1,361</b>	<b>238</b>	<b>857</b>

(a) Full audited financial statements are published in Aqwest'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 it is recorded as a payment to Government and not as a payment from operating activities.

(c) Dividends retained for Asset Investment Program in 2021-22 and 2022-23.

# Busselton Water Corporation

## Part 12 Utilities

### Interactions with the Consolidated Account, Dividend Payout Ratio and Government Trading Enterprise Information

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>REVENUE TO GENERAL GOVERNMENT SECTOR</b>							
National Tax Equivalent Regime - Income Tax.....	1,236	557	520	924	1,506	982	801
Local Government Rates Equivalent .....	64	67	67	69	70	72	72
Dividends <sup>(a)(b)</sup> .....	-	437	-	230	1,832	2,987	1,949
<b>EXPENSES FROM GENERAL GOVERNMENT SECTOR</b>							
Operating Subsidies.....	761	688	700	700	718	735	754
<b>RATIOS</b>							
Dividend Payout Ratio (%) .....	85	85	85	85	85	85	85
<b>GOVERNMENT TRADING ENTERPRISE INFORMATION</b>							
Revenue from Operations .....	13,898	12,081	12,081	13,644	15,745	14,570	14,234
Revenue from Government .....	761	688	700	700	718	735	754
Total Expenses <sup>(c)</sup> .....	13,363	11,646	11,807	11,668	11,805	12,439	12,797
Total Borrowings .....	-	-	-	-	-	1,325	1,602
<b>NET PROFIT AFTER TAX.....</b>	<b>60</b>	<b>566</b>	<b>454</b>	<b>1,752</b>	<b>3,152</b>	<b>1,884</b>	<b>1,390</b>
<b>CASH ASSETS <sup>(d)</sup> .....</b>	<b>15,011</b>	<b>12,501</b>	<b>14,591</b>	<b>10,009</b>	<b>8,082</b>	<b>5,243</b>	<b>3,177</b>

(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) The Corporation will retain 2022-23 dividend payments to instead contribute to funding future infrastructure investment. Refer to Significant Issues Impacting the Government Trading Enterprise 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 Government Trading Enterprise's (GTE's) Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Key Adjustments</b>					
Caves Road Mains Upgrade .....	-	-	422	1,077	-
Water Tariff Increase .....	-	117	427	469	513
<b>Other</b>					
2022-23 Retained Dividend.....	(2,137)	-	-	-	-
Public Sector Wages Policy .....	(35)	(105)	(56)	(62)	-
Operating Revenue and Expenditure Update .....	-	234	1,462	1,454	1,187

## **Significant Issues Impacting the Government Trading Enterprise**

### **Climate Change**

1. Climate change is having a significant impact in the South West of Western Australia through declining rainfall and rising sea levels. Combined with groundwater abstraction by all users, these impacts are influencing the freshwater/saltwater interface in the vicinity of the Corporation's existing borefields which are located near the coast. Consequently, abstraction of water from coastal bores needs to reduce and be sustainably managed and future bores need to be located inland rather than near the coast. In response to these impacts, and strong persistent growth that is driving an increased demand for potable water, the Corporation is conducting preliminary work to support the Inland Borefield Transition (Plant 8) Project.

### **Financial Sustainability**

2. Financial modelling has identified continuing population growth, resulting in additional service connections and higher consumption. The Corporation continues to increase its capital investment program in response to increasing service demand and climate change. The Corporation continues to closely monitor this and work together with stakeholders to ensure its ongoing financial sustainability.

### **Cyber Security**

3. Cyber security risk is a key focus for the Corporation. To mitigate this risk, a comprehensive and systematic approach to threat continues to be applied. This is achieved through strategic planning with a key focus on governance, maturity and continuous improvement.

### **2022-23 Retained Dividend**

4. The Corporation will retain its 2022-23 dividend payments totalling \$2.1 million to fund future infrastructure investment. The funds will be quarantined pending approval of business cases for strategic infrastructure requirements. The Corporation will use \$2.1 million of its combined 2021-22 and 2022-23 retained dividends of \$4.3 million to fund a new storage tank at Plant 4.

## Statement of Corporate Intent

The following performance information (financial and non-financial) is the subject of a Statement of Corporate Intent, agreed by the Board and Minister (with the Treasurer’s concurrence).

## 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 budget management.	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 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: Diversifying the WA economy, creating local jobs for 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: Supporting our local and regional communities to thrive.	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
Investing in WA’s Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.	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

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>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 outputs:</b>					
Business Excellence Index.....	5	5.25	5.25	5.5	
<b>Outcome: Committed to achieving excellent results and using effective methods to monitor and demonstrate performance and review and improve performance:</b>					
Drinking water quality compliance with health standards .....	100%	100%	100%	100%	
<b>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:</b>					
The Office of Digital Government's cyber security controls - Minimum requirement achieved for all controls .....	n.a.	1	1	1	
<b>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:</b>					
WorkSafe assessments .....	Platinum	Gold	Platinum	Gold	
<b>Outcome: Committed to growing our business by expanding and diversifying our existing water services:</b>					
Timely provision of new infrastructure required for land development and growth opportunities .....	100%	100%	100%	100%	
<b>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:</b>					
Number of complaints per 1,000 customers (rolling average) .....	1.3	<10	1	<5	
<b>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:</b>					
Energy efficiency monthly production (rolling year) (kWh/kL).....	0.6	0.6	0.6	≤0.6	
Residential water efficiency (kL/pp/year) .....	104	109	109	107	
<b>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:</b>					
Strategic Development Plan and Statement of Corporate Intent submitted to Minister .....	April 2021	April 2022	April 2022	April 2023	

## **Asset Investment Program**

1. The Corporation's Asset Investment Program (AIP) reflects its capital investment requirements for the forward estimates period. A total of \$25.8 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. \$9.3 million for the replacement and maintenance of tanks and delivery pumps used to store treated water, and to ensure greater efficiency of energy consumption;
  - 2.2. \$4.3 million for preliminary works including design and detail relating to the development of a new Inland Borefield and Water Treatment Plant (Plant 8) adjacent to the Busselton Regional Airport;
  - 2.3. \$3.5 million for an additional storage tank at Plant 4. This is required to meet the increasing demand in West Busselton and to ensure continuity of supply to the Water Corporation's Dunsborough supply;
  - 2.4. \$2.6 million for the installation of new connections, new meters, and ongoing meter replacement;
  - 2.5. \$1.9 million to upgrade reticulation mains and services within the network;
  - 2.6. \$1.6 million for an upgrade to the trunk water main on Caves Road, which supplies the Water Corporation's Dunsborough operations to support the second stage of a 60-year agreement; and
  - 2.7. \$1.1 million for the ongoing upgrade and renewal of mobile plant and vehicles.
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 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COMPLETED WORKS</b>							
Building, Land and Land Improvements - 2022-23							
Program .....	275	275	275	-	-	-	-
ICT - 2022-23 Program .....	385	385	385	-	-	-	-
New Connections and Meters - 2022-23 Program .....	526	526	526	-	-	-	-
New Mains and Services - 2022-23 Program.....	545	545	545	-	-	-	-
Plant, Mobile and Other Purchases - 2022-23 Program....	408	408	408	-	-	-	-
Treatment Plants - 2022-23 Program .....	1,934	1,934	1,934	-	-	-	-
<b>NEW WORKS</b>							
Building, Land and Land Improvements							
2023-24 Program .....	100	-	-	100	-	-	-
2024-25 Program .....	150	-	-	-	150	-	-
2025-26 Program .....	218	-	-	-	-	218	-
2026-27 Program .....	15	-	-	-	-	-	15
ICT							
2023-24 Program .....	235	-	-	235	-	-	-
2024-25 Program .....	200	-	-	-	200	-	-
2025-26 Program .....	400	-	-	-	-	400	-
2026-27 Program .....	100	-	-	-	-	-	100
New Connections and Meters							
2023-24 Program .....	767	-	-	767	-	-	-
2024-25 Program .....	965	-	-	-	965	-	-
2025-26 Program .....	401	-	-	-	-	401	-
2026-27 Program .....	506	-	-	-	-	-	506
New Mains and Services							
2023-24 Program .....	552	-	-	552	-	-	-
2024-25 Program .....	164	-	-	-	164	-	-
2025-26 Program .....	975	-	-	-	-	975	-
2026-27 Program .....	257	-	-	-	-	-	257
Caves Road Mains Upgrade.....	1,589	-	-	1,589	-	-	-
Plant, Mobile and Other Purchases							
2023-24 Program .....	483	-	-	483	-	-	-
2024-25 Program .....	205	-	-	-	205	-	-
2025-26 Program .....	213	-	-	-	-	213	-
2026-27 Program .....	203	-	-	-	-	-	203
Treatment Plants							
2023-24 Program .....	2,882	-	-	2,882	-	-	-
2024-25 Program .....	107	-	-	-	107	-	-
2025-26 Program .....	2,534	-	-	-	-	2,534	-
2026-27 Program .....	3,779	-	-	-	-	-	3,779
Inland Borefield Transition - New Water Treatment							
Plant (Plant 8).....	4,346	-	-	252	2,492	1,325	277
New Storage Tank at Plant 4.....	3,500	-	-	1,750	1,750	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>29,919</b>	<b>4,073</b>	<b>4,073</b>	<b>8,610</b>	<b>6,033</b>	<b>6,066</b>	<b>5,137</b>
<b>FUNDED BY</b>							
Asset Sales.....			159	85	118	-	118
Borrowings.....			-	-	-	1,325	277
Internal Funds and Balances.....			3,914	8,525	5,915	4,741	4,742
<b>Total Funding .....</b>			<b>4,073</b>	<b>8,610</b>	<b>6,033</b>	<b>6,066</b>	<b>5,137</b>

## **Financial Statements**

### **Income Statement**

#### *Revenue*

1. The increase in total revenue across the forward estimates period is largely driven by the water tariff price path and sustained population growth in the region, resulting in additional service connections and higher consumption.

#### *Expenses*

2. Growth in expenditure over the forward estimates period is reflective of the additional cost of producing and distributing higher volumes of water.
3. Current market conditions are resulting in higher costs for materials and labour and delays in sourcing materials and contractors.
4. Depreciation expenses will decrease in 2023-24 and 2024-25 due to a revaluation of assets undertaken as at 30 June 2022.

### **Statement of Financial Position**

5. The Statement of Financial Position shows a stable equity position over the forward estimates period. Compared to the 2021-22 Actual, total net assets will increase due mainly to an ongoing investment in property plant and equipment.

### **Statement of Cashflows**

6. Net cash from operating activities continues to increase due to anticipated growth in water sales because of sustained population and consequently demand growth in the region. Expenditure increases are limited to the cost of producing and distributing higher volumes of water.
7. An AIP of \$5.1 million to \$8.6 million per annum is maintained during the forward estimates period.
8. Cash assets at the end of the forward estimates period will reduce due to the Corporation's ongoing investment in property, plant and equipment required to meet the demand needs of the region.



**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>REVENUE</b>							
<b>Revenue from operations</b>							
Sale of goods and services.....	11,389	10,635	10,635	11,502	11,903	12,322	12,758
Other revenue .....	2,509	1,446	1,446	2,142	3,842	2,248	1,476
<b>Revenue from Government</b>							
Operating subsidies.....	761	688	700	700	718	735	754
<b>TOTAL REVENUE.....</b>	<b>14,659</b>	<b>12,769</b>	<b>12,781</b>	<b>14,344</b>	<b>16,463</b>	<b>15,305</b>	<b>14,988</b>
<b>Expenses</b>							
Employee benefits (b) .....	3,513	4,037	4,178	4,204	4,326	4,443	4,368
Supplies and services .....	3,048	2,851	2,871	3,340	3,053	3,101	3,276
Accommodation .....	700	658	658	663	690	708	708
Depreciation and amortisation .....	2,792	3,109	3,109	2,500	2,748	3,026	3,284
Finance and interest costs.....	16	6	6	6	6	89	89
Other expenses.....	3,294	985	985	955	982	1,072	1,072
<b>TOTAL EXPENSES.....</b>	<b>13,363</b>	<b>11,646</b>	<b>11,807</b>	<b>11,668</b>	<b>11,805</b>	<b>12,439</b>	<b>12,797</b>
<b>NET PROFIT/(LOSS) BEFORE TAX .....</b>	<b>1,296</b>	<b>1,123</b>	<b>974</b>	<b>2,676</b>	<b>4,658</b>	<b>2,866</b>	<b>2,191</b>
National Tax Equivalent Regime - Current tax equivalent expense .....	1,236	557	520	924	1,506	982	801
<b>NET PROFIT/(LOSS) AFTER TAX .....</b>	<b>60</b>	<b>566</b>	<b>454</b>	<b>1,752</b>	<b>3,152</b>	<b>1,884</b>	<b>1,390</b>
<b>Dividends .....</b>	<b>-</b>	<b>437</b>	<b>-</b>	<b>230</b>	<b>1,832</b>	<b>2,987</b>	<b>1,949</b>

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

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 30, 32 and 33 respectively.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>  
(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	12,810	10,300	10,253	7,421	7,244	4,405	2,339
Cash assets - Retained dividends.....	2,201	2,201	4,338	2,588	838	838	838
Receivables .....	4,311	3,089	4,312	4,312	4,312	4,312	4,312
Other.....	717	662	717	717	717	717	717
<b>Total current assets .....</b>	<b>20,039</b>	<b>16,252</b>	<b>19,620</b>	<b>15,038</b>	<b>13,111</b>	<b>10,272</b>	<b>8,206</b>
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment.....	100,399	101,570	101,280	107,453	110,769	114,011	115,986
Intangibles .....	209	540	288	310	330	240	140
Other.....	917	-	917	917	917	917	917
<b>Total non-current assets .....</b>	<b>101,525</b>	<b>102,110</b>	<b>102,485</b>	<b>108,680</b>	<b>112,016</b>	<b>115,168</b>	<b>117,043</b>
<b>TOTAL ASSETS .....</b>	<b>121,564</b>	<b>118,362</b>	<b>122,105</b>	<b>123,718</b>	<b>125,127</b>	<b>125,440</b>	<b>125,249</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	753	1,209	774	796	818	909	1,000
Payables .....	990	1,536	992	996	996	996	996
Borrowings and leases .....	88	122	88	88	88	88	88
<b>Total current liabilities .....</b>	<b>1,831</b>	<b>2,867</b>	<b>1,854</b>	<b>1,880</b>	<b>1,902</b>	<b>1,993</b>	<b>2,084</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	22	147	85	150	217	217	217
Borrowings and leases .....	45	76	46	46	46	1,371	1,648
Other.....	16,720	16,904	16,720	16,720	16,720	16,720	16,720
<b>Total non-current liabilities .....</b>	<b>16,787</b>	<b>17,127</b>	<b>16,851</b>	<b>16,916</b>	<b>16,983</b>	<b>18,308</b>	<b>18,585</b>
<b>TOTAL LIABILITIES.....</b>	<b>18,618</b>	<b>19,994</b>	<b>18,705</b>	<b>18,796</b>	<b>18,885</b>	<b>20,301</b>	<b>20,669</b>
<b>NET ASSETS .....</b>	<b>102,946</b>	<b>98,368</b>	<b>103,400</b>	<b>104,922</b>	<b>106,242</b>	<b>105,139</b>	<b>104,580</b>
<b>EQUITY</b>							
Accumulated surplus/(deficit).....	34,664	43,051	35,118	36,640	37,960	36,857	36,298
Reserves.....	68,282	55,317	68,282	68,282	68,282	68,282	68,282
<b>TOTAL EQUITY .....</b>	<b>102,946</b>	<b>98,368</b>	<b>103,400</b>	<b>104,922</b>	<b>106,242</b>	<b>105,139</b>	<b>104,580</b>

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

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Sale of goods and services.....	10,317	10,634	10,634	11,503	11,903	12,322	12,758
GST receipts .....	529	482	482	482	482	482	527
Other receipts .....	2,210	1,446	1,446	2,142	3,841	2,248	1,476
<b>Payments</b>							
Employee benefits.....	(3,923)	(3,952)	(4,093)	(4,117)	(4,237)	(4,352)	(4,277)
Supplies and services .....	(1,246)	(1,365)	(1,365)	(1,784)	(1,510)	(1,433)	(1,475)
Accommodation (b).....	(636)	(591)	(591)	(594)	(620)	(636)	(636)
GST payments .....	(537)	(482)	(482)	(482)	(482)	(482)	(527)
Finance and interest costs.....	(16)	(6)	(6)	(6)	(6)	(89)	(89)
Other payments.....	(2,857)	(2,454)	(2,474)	(2,508)	(2,523)	(2,740)	(2,873)
<b>Net cash from operating activities .....</b>	<b>3,841</b>	<b>3,712</b>	<b>3,551</b>	<b>4,636</b>	<b>6,848</b>	<b>5,320</b>	<b>4,884</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from sale of non-current assets.....	34	159	159	85	118	58	118
<b>Payments</b>							
Purchase of non-current assets .....	(1,827)	(4,398)	(4,073)	(8,610)	(6,033)	(6,066)	(5,137)
<b>Net cash from investing activities .....</b>	<b>(1,793)</b>	<b>(4,239)</b>	<b>(3,914)</b>	<b>(8,525)</b>	<b>(5,915)</b>	<b>(6,008)</b>	<b>(5,019)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds from borrowings.....	-	-	-	-	-	1,325	277
<b>Payments</b>							
Repayment of borrowings and leases .....	(367)	(170)	(170)	(170)	(170)	(170)	(140)
<b>Net cash from financing activities.....</b>	<b>(367)</b>	<b>(170)</b>	<b>(170)</b>	<b>(170)</b>	<b>(170)</b>	<b>1,155</b>	<b>137</b>
<b>CASHFLOWS FROM GOVERNMENT</b>							
<b>Receipts</b>							
Operating subsidies.....	761	688	700	700	718	735	754
<b>Payments</b>							
Dividends to Government.....	-	(437)	-	(230)	(1,832)	(2,987)	(1,949)
National Tax Equivalent Regime - Income Tax..	(1,261)	(557)	(520)	(924)	(1,506)	(982)	(801)
Local Government Rates Equivalent.....	(64)	(67)	(67)	(69)	(70)	(72)	(72)
<b>Net cash provided to Government .....</b>	<b>564</b>	<b>373</b>	<b>(113)</b>	<b>523</b>	<b>2,690</b>	<b>3,306</b>	<b>2,068</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>1,117</b>	<b>(1,070)</b>	<b>(420)</b>	<b>(4,582)</b>	<b>(1,927)</b>	<b>(2,839)</b>	<b>(2,066)</b>
Cash assets at the beginning of the reporting period .....	13,894	13,571	15,011	14,591	10,009	8,082	5,243
<b>Cash assets at the end of the reporting period .....</b>	<b>15,011</b>	<b>12,501</b>	<b>14,591</b>	<b>10,009</b>	<b>8,082</b>	<b>5,243</b>	<b>3,177</b>

(a) Full audited financial statements are published in the Corporation'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 it is recorded as a payment to Government and not as a payment from operating activities.

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