



Western Australia
Police

ANNUAL REPORT 2017



100 CELEBRATING
YEARS WOMEN IN
1917-2017 WA POLICE



CONTENTS

COMMISSIONER'S FOREWORD	4
EXECUTIVE SUMMARY	5
OVERVIEW OF THE AGENCY	8
AGENCY AT A GLANCE	9
OPERATIONAL STRUCTURE	10
REGIONS AND DISTRICTS	11
ENABLING LEGISLATION	13
OUTCOME BASED MANAGEMENT FRAMEWORK	14
AGENCY PERFORMANCE	15
REPORT ON OPERATIONS	16
<i>CASE STUDY: ILLICIT DRUGS</i>	18
<i>CASE STUDY: FAMILY VIOLENCE</i>	20
<i>CASE STUDY: 100 YEARS OF WOMEN IN POLICING</i>	25
DISCLOSURES AND LEGAL COMPLIANCE	34
FINANCIAL STATEMENTS	40
KEY PERFORMANCE INDICATORS	124
OTHER FINANCIAL DISCLOSURES	145
OTHER LEGAL REQUIREMENTS	153
GOVERNMENT POLICY REQUIREMENTS	158



STATEMENT OF COMPLIANCE

Hon. Michelle Roberts MLA
Minister for Police; Road Safety

In accordance with Section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament the Report of the Western Australia Police Service for the year ending 30 June 2017.

The Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

KARL J O'CALLAGHAN APM
COMMISSIONER OF POLICE

9 AUGUST 2017

CONTACTS

Address:

Police Headquarters
2 Adelaide Terrace
East Perth WA 6004

Internet: www.police.wa.gov.au

Email: waps.reply@police.wa.gov.au

Telephone:

Police Headquarters: (08) 9222 1111

Local Police Stations, Police Assistance, General Enquiries: 131 444

COMMISSIONER'S FOREWORD

I am pleased to present my final annual report as your Commissioner of Police. In the past 13 years there have been many changes both culturally and operationally. We are a very different police force to the one I took over in 2004 as we came out of the shadow of the Kennedy Royal Commission. The hard work and dedication of the people of the WA Police since that time have made us one of the most respected forces in Australia and one which delivers consistent high levels of service.

It is also to the credit of our people that crime rates, public satisfaction and response times have improved significantly, not only during the last 13 years, but also over the term covered by this report. In the last 12 months we have seen a consistently reducing crime rate due partly, but not entirely, to police effort. In saying this, I acknowledge the myriad of social issues which impact on crime in this State.

We need look no further than the front cover of this report to prove just how much we have changed. As we celebrate 100 years of Women in Policing we can be proud that our workforce is not defined by gender, but is defined by inclusivity and equality. Key operational and managerial roles are performed by both men and women. This is in stark contrast to the organisation that we were less than two decades ago when such roles were almost exclusively occupied by men.

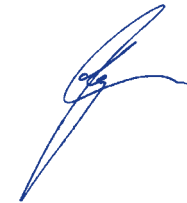
The complexity of issues facing WA Police this year are well documented in this report and the executive summary. It will come as no surprise to see that the dominant challenges facing the police are complex, and include: high rates of methamphetamine use, high rates of family violence, concerns over the number of child abuse victims and challenges brought by culturally and linguistically diverse groups. As I have said many times, the solution to these problems lies largely outside of the hands of police. Nevertheless, police have made an outstanding contribution to managing the outcomes of these problems.

Australia's terrorism threat level remains at probable, despite significant events in Europe. We have focussed on intelligence sharing and maintaining capability and readiness through preparation, planning and training. We will need to be relentless in these activities to ensure that West Australians continue to enjoy a safe lifestyle.

During the year we increased our focus on traffic enforcement on country roads as regional Western Australia continues to dominate the fatal and serious crash statistics. Our regional roads strategy has resulted in a significant increase in patrol hours outside of the metropolitan area. There has also been a shift in our automated traffic enforcement strategy and we have installed the first point-

to-point or average speed camera on the Forrest Highway and fixed cameras at other regional locations.

May I take this opportunity to thank all those who work tirelessly to make our community safe and contribute to the wellness of our community. It has been a privilege and an honour to work with them in delivering policing services to Western Australia.



Karl J O'Callaghan APM

Commissioner of Police

9 AUGUST 2017



EXECUTIVE SUMMARY



WA Police faces wide and varied challenges and complexities; both in addressing the drivers of crime and in responding to crime. A holistic response to addressing these challenges is recognised and the agency remains committed to focusing on issues of safety and security, vulnerable communities, responsive policing, community partnerships and workforce capability.

The safety and security to the community is reflective of both WA Police's core services and its mission to enhance the quality of life and well-being of all people in Western Australia by contributing to making our State a safe and secure place. Several key issues for WA Police have been identified and continue to be a priority. These are the supply and distribution of illicit drugs, particularly methamphetamine; maintaining a constant vigilance on countering terrorism; and targeting unsafe road-user behaviour.

- The supply and distribution of illicit drugs, especially methamphetamine, continue to have a significant impact on the community. The flow-on effects of methamphetamine use is significant and requires cross government cooperation to reduce both the demand and the associated harm. WA Police continues to progress the 2017-2021 Methamphetamine Action Plan focusing on preventing methamphetamine from

entering the state by targeting key passage hubs, seizing methamphetamine and arresting those responsible for its supply and distribution.

- The National Terrorism Public Alert System for terrorism in Australia is registered as probable. WA Police has established investigative and intelligence teams with responsibility for examining National Security Hotline reports, issue motivated groups, fixated threats, racial vilification, online investigations and persons at risk of radicalisation. During the year, the Protective Security Unit was established to oversight internal protective security for police officers, assets and information, and also to assist government and industry partners with protection of their critical infrastructure and response to emergency incidents.
- WA Police continues to maintain a strong focus towards targeting road-user behaviours known to be the major causal factors in fatal and serious crashes. The capability and capacity of traffic enforcement has been enhanced through an increase in regional and metropolitan mobile speed camera hours together with fixed camera sites on the freeway and red light camera expansion. Additionally, the advancement in breath and drug testing programs has enabled an increase in the

testing of driver impairment from alcohol and illicit drugs.

WA Police recognises the significance of vulnerable communities and these remain a focus of service delivery outcomes. A number of initiatives have been implemented to provide services to reflect the unique and vulnerable nature of these groups. Examples include victims and secondary victims of family violence and child sexual abuse, as well as those individuals entering the Perth Watch House requiring a full body search.

- Family violence continues to be an issue affecting many members of our community, with reports of family violence steadily increasing. WA Police is continuously seeking to improve the way it delivers its services and in 2016, the WA Police Crime Investigation Standards and Family Violence Division was created to manage strategic initiatives aimed at improving the WA Police response to family violence and enhance relationships with partner agencies, in both government and non-government sectors.
- The agency is committed towards a multi-agency response to investigate child sexual abuse. The establishment of the Multi-Agency Investigation and Support Team (MIST) in Armadale, brings together government and non-government agencies

to a community based, collaborative working model to support children, young people and their families who have experienced child sexual abuse.

- In March 2017, a body scanning machine was fully commissioned at the Perth Watch House to provide a non-intrusive full body scan capability for detecting items concealed on the person and to alleviate the need for the majority of full body searches. Due to the significant number of admissions to the Perth Watch House, the non-invasive body scanning has reduced the amount of time needed to otherwise conduct a full body scan and has increased the safety of both staff and detainees.

WA Police continues to adapt its services and infrastructure to deliver responsive, contemporary and innovative services. Areas of priority include a review and alignment of our crime reporting and recording practices, enhancing connectivity through radio network upgrades, and also continuing to review and improve metropolitan policing services.

- During the year, WA Police reviewed its crime reporting and recording practices and commissioned the Australian Bureau of Statistics to provide independent examination and analysis of our data and processes. The Crime Recording and Reporting Project was established and will align the agency's reporting and recording practices with national standards, implement robust quality assurance practices and provide an ongoing governance model.

- WA Police continues to enhance communication capability through the ongoing implementation of major projects under the Communications Infrastructure Program. This currently involves upgrades to the WA Police and Department of Corrective Services regional voice radio infrastructure and equipment from analogue to digital. This will ensure compliance with national radio licencing standards and provide greater reliability and response capacity, improved transparency and increased safety and security for police officers and the broader community.
- In March 2017 WA Police enhanced service delivery, including providing 24/7 and extended opening hours to certain metropolitan police stations, allocating additional resources to reduce response times in outlying areas, strengthening metropolitan operations, as well as consolidating and streamlining work practices.

WA Police recognises the essential role community partnerships have in effective service delivery. Given Western Australia is one of the most culturally diverse states in Australia, unique policing challenges are presented to the agency, which are alleviated through active partnership with community groups. This engenders participation in law enforcement initiatives and improves community resilience. Furthermore, community partnerships with both government and non-government agencies are essential to leverage expertise and services for WA Police to address the causal factors of crime, to reduce demand, and improve community safety.

- WA Police continues to support the Common Goal Soccer Academy to provide culturally and linguistically diverse youth an opportunity for a better quality of life and a greater sense of belonging through their involvement in sport. The initiative is a collaborative effort between a number of state government agencies, non-government entities, City of Stirling and the Mirrabooka Mosque. Since May 2016 the number of participants has steadily increased and participants are reporting an increase in positive feelings toward police and the program. Due to the success of the academy in Mirrabooka, it has been expanded into Cannington with other local partnerships.
- Youth Crime Intervention Officers (YCIOs) in Geraldton implemented an initiative to deter at-risk youth from offending by building demolition cars to race at a local speedway. A number of local businesses and community members were involved in the program and it resulted in the cars appearing at the Geraldton Speedway Demolition Derby in April 2017. The initiative has given participants an interest in cars and the program has opened up options to explore work opportunities in the automotive industry.



- WA Police participated in a Local Government Community Safety Network Conference, meeting with local government representatives to share information and discuss issues, initiatives and opportunities. The conference examined how local government and non-government organisations may assist to drive change on behalf of state government agencies, utilising their experience with people impacted by government strategies.

In order to respond to the constantly changing and complex crime environment, WA Police is committed to ensuring that it has an adaptive, trained and responsive workforce. This is achieved through various strategies, including those which aim to attract and retain a diverse workforce and encourage participation and representation through its entire workforce structure. Additionally, WA Police acknowledges its history and the achievements and advancement of female personnel by celebrating 100 years of women in policing in 2017.

- The Aboriginal Cadet Program was established in June 2016 to mitigate against a number of barriers identified in the employment of Aboriginal applicants to WA Police. In addition to a mentoring program, a specifically designed course was created to increase literacy and learning skills and personal development opportunities. The Program is a two-year deployment in various policing activities and environments and is designed to prepare cadets to undertake the police recruit selection process.
- The agency has commenced work on the development of a Gender Equality Strategy with the aim of creating an inclusive workplace culture that supports gender equality. To underpin this strategy, WA Police has identified gender equality; visible leadership and accountability; being a gender inclusive employer; and promoting a safe, respectful, inclusive culture is essential.

- In 2017, WA Police celebrates 100 years of women in policing. To celebrate this milestone and the evolution of the role of women in policing, WA Police has hosted several events and coordinated initiatives to acknowledge the significant contribution women have made to the agency and the broader community. Events include professional development opportunities, leadership programs and open access sessions across WA, allowing women to discuss current policing matters with senior female personnel.



OVERVIEW OF THE AGENCY

AGENCY AT A GLANCE



285,903
NUMBER OF PUBLIC
CALLS TO
000

643,167
NUMBER OF
CALLS TO
131 444

54,740
NUMBER OF PUBLIC
CALLS TO
**CRIME
STOPPERS**

1 POLICING
OUTCOME:
CONTRIBUTE
TO COMMUNITY
SAFETY
&
SECURITY

6,793
POLICE OFFICERS^(a)

2,180
POLICE STAFF^(b)

10
POLICE
DISTRICTS

158
POLICE
STATIONS

LARGEST SINGLE
POLICE JURISDICTION
IN THE WORLD
COVERING
2.5M SQ KM

7,137,260
PAGE VIEWS
WA POLICE WEBSITE

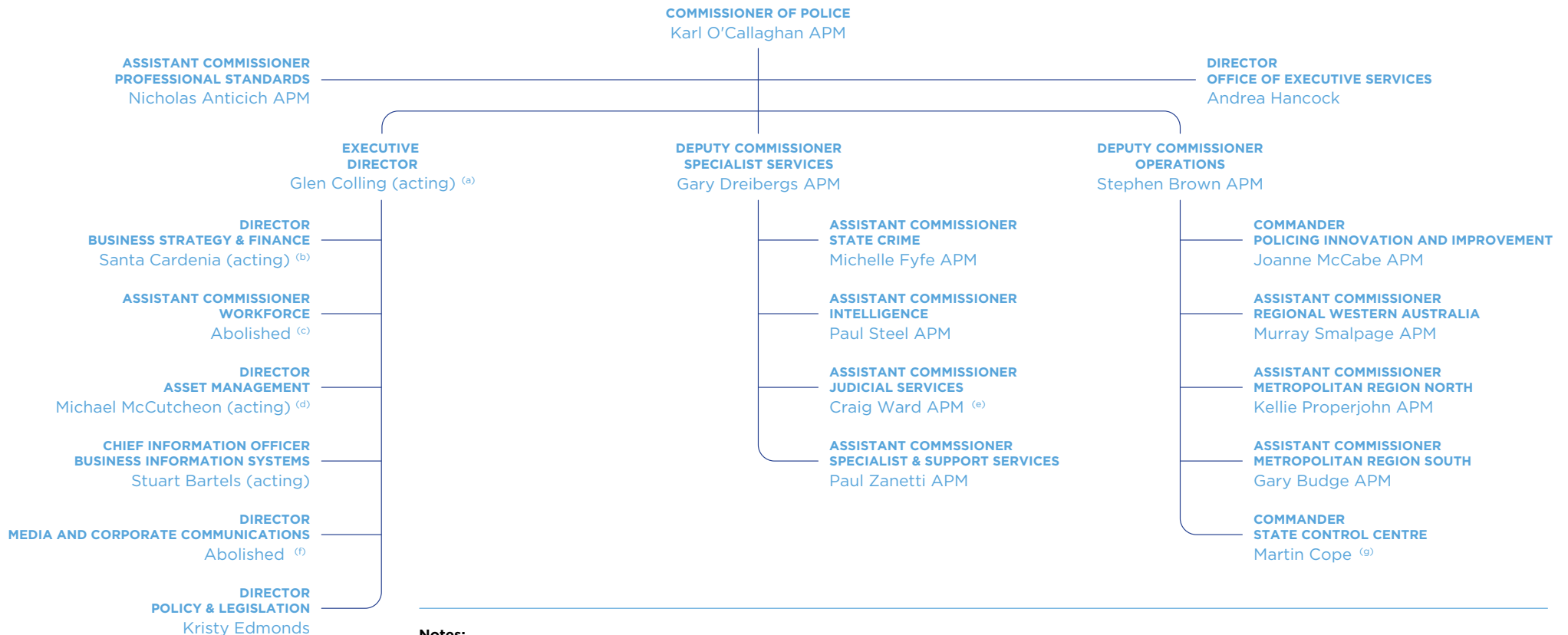
\$1.395B
POLICE
BUDGET

(a) Personnel figures are based on a headcount, which includes employees on leave without pay as at 30 June (not full-time equivalent (FTE) staff).

(b) Police Staff includes Public Servants and Wages employees, but does not include Crossing Guards.

OPERATIONAL STRUCTURE

As at 30 June 2017



Notes:

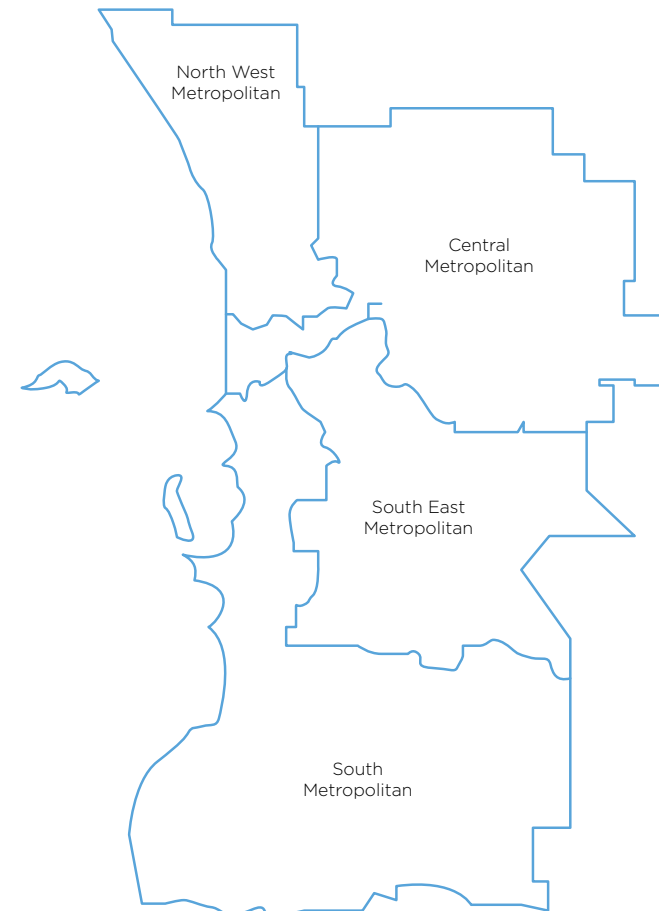
- (a) Glen Colling (Director Business Strategy & Finance) acted in the position of Executive Director from 12 June 2017 following the transfer of Anthony Kannis
- (b) Santa Cardenia acted in the position of Director Business Strategy & Finance from 12 June 2017
- (c) The position of Assistant Commissioner Workforce was abolished on 29 June 2017 following the transfer of Craig Ward
- (d) Michael McCutcheon acted in the position of Director Asset Management from 19 June 2017 following the retirement of Gary Lord
- (e) Craig Ward commenced as Assistant Commissioner Judicial Services from 29 June 2017 following the retirement of Duane Bell
- (f) The position of Director Media & Corporate Communications was abolished on 29 June 2017 following the retirement of Neil Stanbury
- (g) John Ballantyne acted as Commander State Control Centre until 28 February 2017 when Martin Cope commenced acting in the role

REGIONS AND DISTRICTS

Metropolitan Region

Area in square kilometres	7,258
Population as at 2016 Census	1,944,580
Number of police officers	2,805
Number of police staff	188
Ratio of police officers to population	1:693

Districts	Number of police stations
Central Metropolitan	8
North West Metropolitan	10
South East Metropolitan	7
South Metropolitan	10
Total	35



Regional WA Region

Area in square kilometres	2,519,388
Population as at 2016 Census	523,450
Number of police officers	1,425
Number of police staff	113
Ratio of police officers to population	1:367

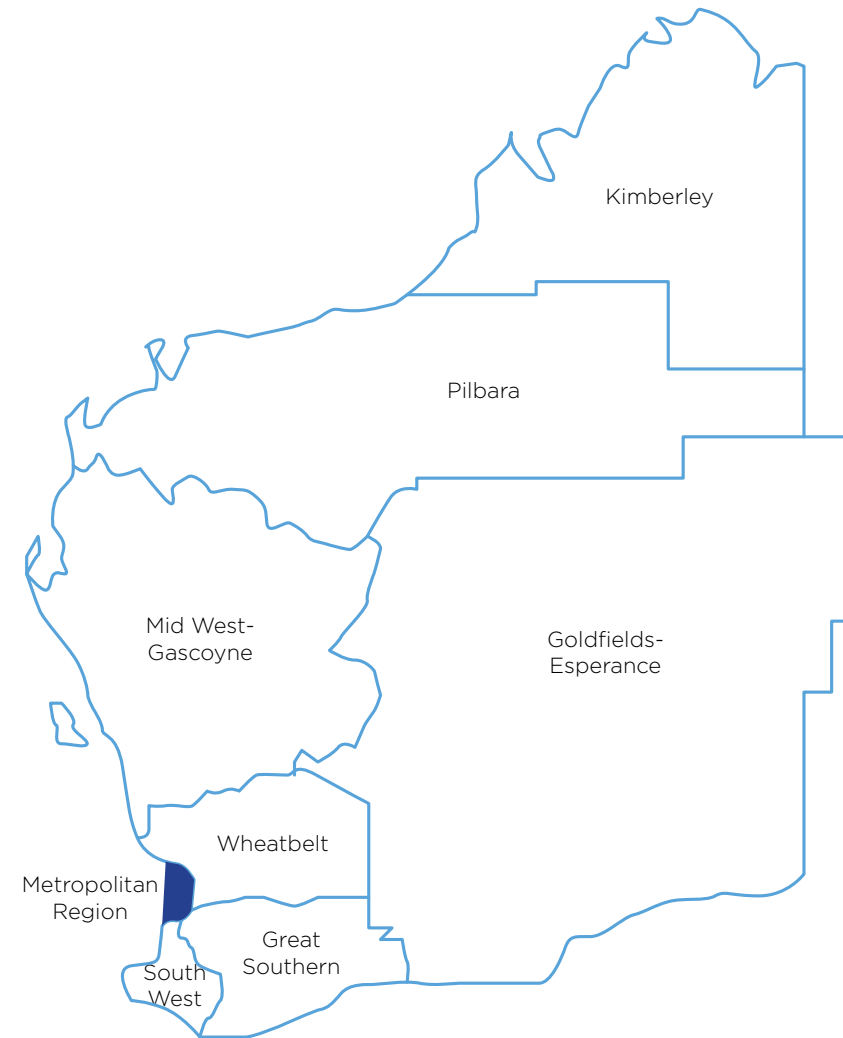
Districts	Number of police stations
Goldfields-Esperance	14
Great Southern	24
Kimberley	12
Mid West-Gascoyne	19
Pilbara	15
South West	16
Wheatbelt	23
Total	123

Notes:

The population of the Metropolitan and Regional WA Regions is based on WA Police district boundaries. The combined population of the Regions does not equal the Census population for WA as this also includes persons with no usual address and those under the category of migratory, offshore and shipping.

Personnel figures for police officers and police staff are calculated by averaging the actual FTE over four quarters during the 2016-17 financial year.

The number of police stations includes the Kintore Multi-Jurisdictional Police Facility, which is physically located in the Northern Territory. The Goldfields-Esperance District boundary includes sections located within the borders of the Northern Territory and South Australia in respect of which WA Police officers are stationed or carry out duties in accordance with the *Cross-border Justice Act 2008* and *Cross-border Justice Regulations 2009*. This Act covers policing and law enforcement and modifies the operation of WA law in this cross-border region of WA/SA/NT.



Source:

Area and population are derived from the 2016 Census of Population and Housing, Australian Bureau of Statistics. Population based on place of usual residence on Census night, 9 August 2016.



ENABLING LEGISLATION



The Police Department was established under the provisions of the Public Service Act 1904 on 16 December 1964. On 1 July 1997, under the authority of sub-section 35(d) of the *Public Sector Management Act 1994*, the name of the Department was changed to the Police Service.

The individual entities the Police Service and the Western Australia Police Force (established under the *Police Act 1892*) combined are known as the Western Australia Police (WA Police).

The WA Police administers the following legislation:

- *Australian Crime Commission (Western Australia) Act 2004*
- *Community Protection (Offender Reporting) Act 2004*
- *Criminal and Found Property Disposal Act 2006*
- *Criminal Investigation Act 2006*
- *Criminal Investigation (Covert Powers) Act 2012*
- *Criminal Investigation (Identifying People) Act 2002*
- *Firearms Act 1973*
- *Graffiti Vandalism Act 2016*
- *Mandatory Testing (Infectious Diseases) Act 2014*
- *Misuse of Drugs Act 1981*
- *Pawnbrokers and Second-hand Dealers Act 1994*
- *Police Act 1892*
- *Police Assistance Compensation Act 1964*
- *Police (Medical and Other Expenses for Former Officers) Act 2008*
- *Protective Custody Act 2000*
- *Public Order in Streets Act 1984*
- *Security and Related Activities (Control) Act 1996*
- *Surveillance Devices Act 1998*
- *Telecommunications (Interception and Access) Western Australia Act 1996*
- *Terrorism (Extraordinary Powers) Act 2005*
- *Terrorism (Preventative Detention) Act 2006*
- *Weapons Act 1999*
- *Witness Protection (Western Australia) Act 1996*


RESPONSIBLE MINISTER

The Hon. Michelle Roberts, MLA,
Minister for Police; Road Safety.



MISSION

To enhance the quality of life and well-being of all people in Western Australia by contributing to making our State a safe and secure place.



OUTCOME BASED MANAGEMENT FRAMEWORK

Under the Western Australian Government's Outcome Based Management (OBM) Framework, the WA Police seeks to contribute to the Government's goal of 'Outcomes Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians'.

WA Police Link to Government Goal

Government Goal	What we sought to achieve (Outcome)	The services provided
Outcomes Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians	Outcome 1: Contribute to community safety and security	Service 1: Metropolitan policing services Service 2: Regional and remote policing services Service 3: Specialist policing services

SHARED RESPONSIBILITIES WITH OTHER AGENCIES

WA Police did not share responsibility for the delivery of services with other agencies in 2016-17.



AGENCY PERFORMANCE

REPORT ON OPERATIONS

SAFETY AND SECURITY

The safety and security of the community is impacted by a number of underlying issues and challenges. WA Police needs to be agile and focus effort on the multifaceted and intricate social issues that impact the community the most. The supply and distribution of illicit drugs, especially methamphetamine; maintaining a constant vigilance on counter terrorism; and targeting unsafe road-user behaviour continue to be key priorities for the agency.



Counter Terrorism

WA Police is the lead agency with a responsibility to maintain a high capability for prevention, preparedness, response and recovery from incidents of terrorism. The National Terrorism Public Alert System for terrorism in Australia is registered as probable, meaning credible intelligence, assessed by security agencies, indicates individuals or groups continue to possess the intent and capability to conduct a terrorist attack in Australia.

WA Police has established investigative and intelligence teams with responsibility for examining National Security Hotline reports, issue motivated groups, fixated threats, racial vilification, online investigations and persons at risk of radicalisation.

During the year, the WA Police Protective Security Unit was established to oversight internal protective security for police officers, assets and information, and to assist government and industry partners with protection of their critical infrastructure and response to emergency incidents.

In June 2017, a number of Protective Service Officers graduated to provide protective security at Parliament House and other key precincts. Protective Service Officers are entrusted with select policing powers whilst on duty, including the power to stop, search, detain and arrest, whilst carrying force options including firearms and tasers.

Traffic Enforcement

WA Police continues to maintain a strong focus towards targeting road-user behaviours known to be major causal factors in fatal and serious crashes. By maintaining a high proportion of enforcement activities on the most serious offences, and strengthening partnerships with key road safety organisations, the agency will continue to positively influence road-user behaviour.

Policing effort is primarily targeted towards prevention and response to category A offences which include: driving under the influence of alcohol/drugs; careless/dangerous/reckless driving; non-speed camera speeding offences; no authority to drive/unlicensed vehicle; mobile phone use; and non-wearing of seatbelts/restraints/helmets. The agency strives to dedicate 90 per cent of on-road traffic enforcement effort in the detection of these offences, as they are known to be major contributors to fatal and serious crashes.

The capability and capacity of traffic enforcement has been enhanced through an increase in regional and metropolitan mobile speed camera hours together with fixed camera sites on the freeway and red light camera expansion. The advancement in breath and drug testing programs has enabled a supplementary increase in the testing of drivers for impairment from alcohol and illicit drugs.

Overall, WA Police continues to have a strong focus on enforcing road traffic rules. The model acknowledges the integration of enforcement with road-user behaviour campaigns, standardised enforcement responses and increasing intelligence-led and evidence-based road policing strategies.

CASE STUDY

ILLCIT DRUGS

The supply and distribution of illicit drugs, especially methamphetamine, continue to have a significant impact on the community. Western Australia has one of the highest rates of methamphetamine use in the country. The flow on effects of methamphetamine use is significant and requires cross government cooperation to reduce both the demand and the associated harm.

WA Police continues to progress the 2017-2021 Methamphetamine Action Plan focusing on preventing methamphetamine from entering the State by targeting key passage hubs, seizing methamphetamine and arresting those responsible for its supply and distribution.

Police effort has resulted in **significant seizures of methamphetamine** and related crime derived profits, with a number of **offenders charged**.

The 2017-2021 Methamphetamine Action Plan outlines three distinct pathways:

- Establish the Meth Taskforce to reduce the supply and distribution of methamphetamine into Western Australia, prosecute and remove dealers from the community and seize their cash
- Endorse support with Commonwealth agencies who are detecting, investigating and reducing methamphetamine imported into Western Australia
- Commit to solidify partnerships with government, non-government and not-for-profit organisations to raise awareness in educating that methamphetamine use is socially unacceptable.



WA Police continues to conduct investigations with the Australian Federal Police, Australian Criminal Intelligence Commission and the WA Joint Organised Crime Taskforce. This has resulted in significant seizures of methamphetamine and related crime derived profits, with a number of offenders charged.

Additionally, the agency continues to target suburban drug dealers. This has yielded considerable seizures of methamphetamine and resulted in numerous subsequent prosecutions. A number of clandestine drug laboratories with the potential to produce small amounts of methamphetamine were also located and deconstructed throughout the year.



REPORT ON OPERATIONS

VULNERABLE COMMUNITIES

Within the remit of tackling crime and keeping the community safe, WA Police is committed to protecting those at greatest risk of harm. The agency has developed a number of initiatives that enable a more tailored level of service to identified vulnerable communities in an effort to reduce harm, improve resilience and reduce re-victimisation, in areas such as family violence, child abuse and mental health.

Multi-agency Investigation and Support Team

The Multi-agency Investigation and Support Team (MIST) pilot trialled a community based, collaborative working model to support children, young people and their families who have experienced child sexual abuse. The partners include WA Police, Child Protection and Family Support (CPFS) and Parkerville Children and Youth Care Inc.

The pilot operated out of the George Jones Child Advocacy Centre in Armadale and was a one-stop-shop for victims and their families from within the Cannington and Armadale district catchment areas.

The team comprised an investigation team, child protection workers, specialist child interviewers, medical services, psychological therapeutic services and child and family advocates.

The evaluation of this pilot was conducted by the Australian Centre for Child Protection, a national research centre based at the University of South Australia, and was presented to the Executive Oversight Group on 12 June 2017. The broad scope of the evaluation was to examine the multi-disciplinary responses to child abuse with a view to informing service delivery approaches in Western Australia.

Mental Health Co-response Trial

The Mental Health Co-response trial commenced in January 2016. This trial was undertaken with WA Police, Mental Health Commission and Department of Health and tests the effectiveness of a police and health collaborative response to mental health related calls for assistance, and intervention within the policing environment.

Mental health clinicians have been embedded within the WA Police operational framework at the Police Operations Centre, the South East Metropolitan and North West Metropolitan Districts and the Perth Watch-House. Trial deployment hours run from Monday to Saturday, 1400 to 2200 hours.

Twenty police officers are assigned to the Mental Health Co-response Teams. These teams are deployed in the South East Metropolitan and North West Metropolitan Districts to deliver the mobile response component of the trial.

Edith Cowan University has developed an evaluation plan, and staff from the Police Operations Centre, Perth Watch-House, Mental Health Co-response Teams, Response and Local Policing Teams from both the trial and control districts will participate. The evaluation is expected to be undertaken in August 2017.

Body Scanner Perth Watch House

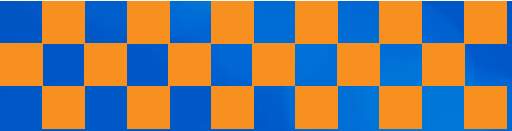
In March 2017, a body-scanning machine was fully commissioned at the Perth Watch House with corresponding privacy controls implemented. The machine enables a dual level of security screening capability with the basic view screen.

All Perth Watch House officers are trained in operating the body scanning machine and four officers are trained instructors. Procedures are in place to ensure consistency of application and officer safety when moving detainees through the body scanner.

This has reduced the amount of time needed to conduct a full body scan and increased the safety of both staff and detainees.

CASE STUDY

FAMILY VIOLENCE



Family violence continues to be an issue affecting many members of our community. WA Police responds to incidents reported by victims, their families or third parties who become aware of family violence occurring. Reports to police are steadily increasing and WA Police is continuously seeking to improve the way it delivers its services as part of a holistic government and community response.

In early 2016, the WA Police Crime Investigation Standards and Family Violence Division was created to manage strategic initiatives aimed at improving the WA Police response to family violence matters and enhance relationships with partner agencies, both Government and non-Government.

This team has a target cohort of intimate partner family **violence perpetrators who offend against multiple partners** across multiple districts.



At a state and national level, WA Police continues to drive a number of key initiatives:

- The National Domestic Violence Order Scheme (NDVOS) is a national recognition scheme to allow police to enforce restraining orders obtained anywhere in Australia. This legislation is scheduled for enactment in November 2017 and work has been continuing to ensure WA Police has the necessary information technology to manage this national information sharing and enforcement arrangement.
- The National Outcome Standards for Perpetrator Intervention is part of the National Plan to Reduce Violence Against Women and their Children. These standards measure and guide the consistent actions of government agencies and community partners in relation to perpetrators.

- Preparing WA Police for the *Restraining Orders and Related Amendments Act 2016* (enacted on 1 July 2017) which introduces a new Family Violence Restraining Order, increases penalties for some offences and improves the powers of the court to issue protective and behavioural management orders.
- An update of the police recruit training package to cover legislative reforms and increased focus on the inter-agency responses to family violence matters and recording processes. In-service training specific to policy has been developed to meet legislative and community expectations. A number of policy changes have been made in response to the new government's election commitment Stopping Family and Domestic Violence.
- A pilot project to manage the increased volume of family violence incidents triaged by the Family and Domestic Violence Response Teams (a co-located model involving WA Police, Child Protection and Family Support and a non-government support service) was undertaken in the South East Metropolitan District. Introduction of a Special Case Team made up of detective investigators. This team has a target cohort of intimate partner family violence perpetrators who offend against multiple partners across multiple districts.



REPORT ON OPERATIONS

RESPONSIVE POLICING

WA Police continues to adapt its services and infrastructure to deliver responsive, contemporary and innovative policing services for the community. Areas of priority include enhancing connectivity through radio network upgrades; leveraging information and technology to expand crime reporting; and continuing to review and improve metropolitan policing services.

Crime Recording and Reporting Project

During the year, WA Police commenced a review of crime recording and reporting practices to enhance crime statistical reporting. Following on from the review, the agency commissioned the Australian Bureau of Statistics to provide an independent examination of the way the agency records, compiles, analyses and reports crime statistics.

Subsequently, the Crime Recording and Reporting Project was established to align recording and reporting practices with national standards as well as implement robust quality assurance practices and an ongoing governance model. The project consists of two stages and will deliver the following outcomes:

Recording and Compliance

- Improved quality assurance practices for Frontline Police Officers
- Standardised crime recording training aligned to National Recording Standards
- System enhancements to improve the accuracy of offence recording.

Reported Crime Statistics

- Expansion of reported crime statistics and explanatory material published on the WA Police website
- Implementation of quarterly statistical releases to enable provision of better quality crime data.

The project will improve the quality of WA Police statistical data and ensure recording and reporting practices align with the national standards.

Communications Infrastructure Program

WA Police continues to enhance communication capability through the ongoing implementation of major projects under the Communications Infrastructure Program. Since 2000, the program has delivered various voice

and digital radio infrastructure projects for the agency, with the Community Safety Network-Regional Radio Network project currently in the final phase of implementation.

The scope for the Community Safety Network-Regional Radio Network involves upgrading the WA Police and Department of Corrective Services regional voice radio infrastructure and equipment from analogue to digital. The project extends the digital networks covering the metropolitan and southern region, and the digital upgrade achieves both renewal of the infrastructure and terminal equipment, and ensures compliance with national radio licencing standards.

The replacement infrastructure will extend metropolitan standard police radio communications to the Pilbara, Mid-West, Goldfields, Great Southern and South-West Districts.

Once completed, the Radio Network will provide many benefits for the agency as well as the broader community; including greater reliability and response capacity; improved transparency; and increased safety and security for police officers and the broader community.

REPORT ON OPERATIONS

Enhanced Service Delivery

In March 2017, WA Police enhanced operational efficiency and service delivery through the following initiatives:

- Providing additional 24/7 front counter services in the metropolitan area, specifically at the Ellenbrook, Armadale, and Cockburn Police Stations
- Extending the opening hours of operation for front counter services to 7pm at the Canning Vale, Forrestfield, and Belmont Police Stations
- Allocating additional resources to respond to demand in the South Metropolitan District and to reduce response times for police stations located in outlying areas
- Strengthening metropolitan operations through implementing team-based investigations and placing a greater emphasis on local policing, response and investigative roles
- Consolidating and streamlining work practices, including radio traffic volume and a review of the State Control Centre, to enhance coordination and communication throughout the metropolitan region.



REPORT ON OPERATIONS

COMMUNITY PARTNERSHIPS

Western Australia is one of the most culturally diverse states in Australia, which presents unique challenges to WA Police. Actively partnering with community groups assists in engendering participation in law enforcement initiatives and improves community resilience.

Additionally, WA Police increasingly recognises that tackling the causal factors of crime is an effective strategy in reducing demand on police resources and improving community safety. This requires the expertise and services provided through partnership with other government and non-government agencies.

Common Goal

WA Police continues its support for the Common Goal Soccer Academy to provide culturally and linguistically diverse youth an opportunity for a better quality of life and a greater sense of belonging through their involvement in sport.

The initiative is a collaborative effort between the Edmund Rice Centre WA, Department of Sport and Recreation, Football West, City of Stirling and the Mirrabooka Mosque, and since May 2016 the number of participants has steadily increased. Other results include:

- An increase in positive feelings towards police among participants
- Participants reported making more friends by being part of the program
- Participants feel more accepted since joining the program
- Most participants gave the program a five-star rating
- Participants would recommend it to their friends.

Due to the success of the academy in Mirrabooka it was expanded into Cannington during the year with the City of Canning, the Canning Mosque, the Perth Turkish Youth Association and Queens Park Primary School contributing towards the initiative.

Local Government Community Safety Network Conference

A recurring theme in demand reduction initiatives by police is engagement with other agencies. This year WA Police participated in a Local Government Community Safety Network Conference.

WA Police met with local government representatives to share information and discuss issues, initiatives and

opportunities. The conference examined how local government and non-government organisations may assist to drive change on behalf of state government agencies, given their direct experience with the people impacted.

Conferences such as this reinforce partnerships to address shared societal issues, provides valuable networking opportunities and increases the collective resolve to expand the range of local community engagement strategies employed by Western Australian local governments.

Youth Crime Intervention

The Youth Crime Intervention Officer (YCIO) role was developed to provide a greater focus on young prolific offenders with the aim of reducing reoffending. The implementation of the YCIO initiative has resulted in a reduction in offending by youth during the period of engagement.

An example of an initiative that was implemented by YCIOs in Geraldton to deter at-risk youth from offending behaviour was to involve them in building demolition cars to race at the local speedway.

A number of local business owners and community members became involved, offering their skills, enlarging the networking opportunities and creating another level of engagement, for the young people involved.

The initiative has given participants an interest in cars and the program has opened up options for participants to explore opportunities in the automotive industry.

WORKFORCE

In order to respond to the constantly changing and complex crime environment, WA Police is committed to ensuring that it has an adaptive, trained and responsive workforce. This is achieved through various strategies, including those which aim to attract and retain a diverse workforce and to encourage participation and representation through its entire workforce structure.

Gender Equality Strategy

To support the vision of the WA Police Workforce Plan 2014-2017, the agency has commenced work on the development of a Gender Equality Strategy. The aim of this strategy is to create an inclusive workplace culture and deliver and support gender equality.

The following priority areas were identified and endorsed to underpin the strategy:

- Leadership and accountability: visible leadership that advances gender equality
- A gender inclusive employer: gender inclusive in everything we do
- A safe, respectful, inclusive culture: a culture of inclusion where everyone can thrive.

Aboriginal Cadet Program

The Aboriginal Cadet Program was established in June 2016 due to a number of barriers to employment for Aboriginal applicants to WA Police being identified. A targeted advertising campaign was run at the commencement of the program resulting in a total of 25 Aboriginal cadets being recruited.

A mentorship program was established to assist the cadets, as well as a specifically designed course with North Metropolitan TAFE to increase literacy and learning skills, assist in personal development in preparation to undertake the police recruit selection process and further training.

After completing an initial two weeks of training, the cadets were deployed to police stations across the Perth metropolitan area. During their two year deployment they will be given opportunities to gain experience in a wide range of policing activities and environments, as well as undertaking other personal development activities designed to better prepare them for police recruit training.

The program is expected to increase the number and success of Aboriginal applicants for police officer positions within the agency. Additionally, it will build momentum towards achieving greater representation of Aboriginal people in the WA Police workforce; to better reflect the communities the agency works with as well as promoting a more diverse workforce mix.

CASE STUDY

100 YEARS OF WOMEN IN POLICING



This year marks 100 years since the employment of the first two women police in Western Australia. To celebrate this milestone and the evolution of the role of women in policing, WA Police hosted several events and coordinated initiatives to acknowledge the significant contribution women have made to the agency. These include:

- Numerous events held in districts and portfolios, including seminars, conferences, guest speakers and training opportunities for women
- Several professional development opportunities including leadership programs and lunchtime speakers
- A specifically developed and designed police exhibition to be shown at the 2017 Perth Royal Show
- A cohort of senior women attended districts across metropolitan and regional WA to provide open access sessions and opportunities for all women to discuss current policing matters

- A luncheon for over 60 retired police women to formally recognise their contribution to the history of women in policing
- A morning tea coinciding with International Women's Day, attended by 50 current employees of various ranks, levels and length of service, together with some former female officers.

Additionally, a significant amount of work is being undertaken by WA Police to compile historical information from both retired and serving police officers and staff. This information is being communicated both internally and externally through online, social media, and traditional communication channels.

WA Police is honoured to be celebrating such a milestone. It has given the agency an opportunity to reflect on the changing role of women in policing to one of greater inclusivity and fairness.



1917 - **Appointment** of the first **two female police officers.**



SIGNIFICANT MILESTONES

1917

The appointment of the first two police women in August and September, employed to care for the social and moral welfare of women and girls

1941

Two police women volunteer to be trained in traffic control points to assist children getting to school. They are posted to the then Police Traffic Branch as a trial and issued with uniforms

1947

Female officer promoted to the rank of Sergeant

1967

Female officer promoted to the rank of Inspector

1970

Female awarded the Queen's Police Medal in WA

1971

The first two female detectives commence in the then Criminal Investigation Bureau
Female officer promoted to the rank of Superintendent

1976

Women police officers are amalgamated into general policing and specialised branches of WA Police. The first recruit school with female graduates

1977

Two female cadets commence

1980

Female police officer elected to the Executive Council of the WA Police Union

1985

The first four women to successfully pass the selection course for the now Tactical Response Group

1989

Female officer promoted to the rank of Chief Superintendent, the first female police officer in Australia to ever attain this rank

1991

Female officer receives an Australian Police Medal and is awarded the Australian Medal for Distinguished Service in the Queen's Birthday Honours List

1998

First female police officer appointed as a bomb technician in Australia

2002

Female officer to serve with the then titled 79 Division/ Major Incident Group

2003

Female officer wins the recruit of the year award

2004

Female officer promoted to the rank of Assistant Commissioner

2008

The proportion of women holding commissioned rank reaches 8 per cent

2009

Executive Committee for Women established

2010

Women in Leadership Strategy released

2017

WA Police celebrates 100 years of Women in Policing

SUMMARY OF RESULTS AGAINST FINANCIAL TARGETS

Requirement under Treasurer's Instruction 808 s4

ACTUAL RESULTS VERSUS BUDGET TARGETS			
	2016-17 Target	2016-17 Actual	Variation
	\$'000	\$'000	\$'000
Total cost of services	1,394,832	1,395,605	773
The variance represents a 0.1% increase on the total cost of service target			
Net cost of services ^(a)	1,343,030	1,345,930	2,900
The variance represents a 0.2% increase on the net cost of service target			
Total equity	1,377,009	1,318,179	(58,830)
The variance is due to a decrease in contributed equity and reduction in reserves due to the current year devaluation of land and buildings (\$14.6 million) and the transfer to accumulated surplus of the revalued amounts of assets disposed during the year (\$19.9 million).			
Net increase/(decrease) in cash held	(9,740)	(3,186)	6,554
The decrease in cash held is mainly attributable to the purchase of non-current physical assets.			
Approved full-time equivalent (FTE) staff level ^(b)	2016-17 Target	2016-17 Actual	Variation
	8,459	8,539	80

Notes:

(a) State Grants income is reflected as Income from State Government and is therefore not included in net cost of services. The net cost of services target of \$1,343,030,000 equals the 2016-17 budget of \$1,315,814,000 adjusted to exclude State Grants income of \$27,216,000.

(b) FTE staff level for 2016-17 Target/Actual includes Traffic Wardens. These figures are based on the projected and actual average of the quarterly reports made under the Human Resource Minimum Obligatory Information Requirements report to Government.

SUMMARY OF RESULTS AGAINST PERFORMANCE TARGETS

Requirement under Treasurer's Instruction 808 s4

Key Effectiveness Indicators ^(a)	2016-17 Target ^(b)	2016-17 Actual	Variation ^(c)
Outcome: Contribute to community safety and security			
Rate of offences against the person (excluding domestic violence incidents) per 100,000 people	810	845.7	35.7
Rate of offences against property per 100,000 people	6,200	6,555.0	355.0
Percentage of sworn police officer hours available for frontline policing duties	75%	74.2%	(0.8%)
Percentage of priority 1 & 2 incidents in the metropolitan area responded to within 12 minutes	80%	81.6%	1.6%
Percentage of priority 3 incidents in the metropolitan area responded to within 60 minutes	80%	82.6%	2.6%
Percentage of family and domestic-related incidents where an offender was processed for an offence against the person within 7 days	75%	78.7%	3.7%
Percentage of offences against the person investigations finalised within 60 days	85%	87.6%	2.6%
Percentage of offences against property investigations finalised within 30 days	90%	90.1%	0.1%
Percentage of traffic law enforcement contacts made by police officers that target 'Category A' offences ^(d)	90%	98.3%	8.3%
Percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police	82%	80.8%	(1.2%)
Percentage of the community who 'agreed' or 'strongly agreed' that they have confidence in police	85%	82.3%	(2.7%)

SUMMARY OF RESULTS AGAINST PERFORMANCE TARGETS

Requirement under Treasurer's Instruction 808 s4

Key Efficiency Indicators ^(a)	2016-17 Target ^(b)	2016-17 Actual	Variation ^(c)
Service 1: Metropolitan policing services			
Average cost of metropolitan policing services per person in the Perth metropolitan area	\$267	\$268	\$1
Service 2: Regional and remote policing services			
Average cost of regional and remote policing services per person in regional WA	\$718	\$700	(\$18)
Service 3: Specialist policing services			
Average cost of specialist policing services per person in WA	\$169	\$175	\$6

Notes:

(a) The tables are a summary of the 2016-17 WA Police Key Performance Indicators. For more detailed information see the Key Performance Indicators section of this report.

(b) Targets as specified in the 2016-17 Budget Statements.

(c) Variations shown in brackets represent a decrease in the actual figure compared with the target. Depending on the Key Performance Indicator, a decrease in the actual figure does not necessarily mean that the target has not been achieved. A variation between percentages should be interpreted as a percentage point change.

(d) 'Category A' offences include: driving under the influence of alcohol/drugs, careless/dangerous/reckless driving, non-speed camera speeding offences, no authority to drive/unlicensed vehicle, use of mobile phones whilst driving, and non-wearing of seatbelts/restraints/helmets.



SUMMARY OF VARIATION AGAINST PERFORMANCE TARGETS

OUTCOME 1: CONTRIBUTE TO COMMUNITY SAFETY AND SECURITY

Key Effectiveness Indicators

The following Key Effectiveness Indicator targets were not met:

- The rate of offences against the person (excluding domestic violence incidents) per 100,000 people. The 2016-17 rate was 4.4 per cent higher than the target of 810. The main contributing factors to the variance were increases in non-domestic assault and threatening behaviour offences.
- The rate of offences against property per 100,000 people. The 2016-17 rate was 5.7 per cent higher than the target of 6,200. The rate has decreased compared with 2015-16 as a result of an intensive enforcement strategy and other initiatives.
- The percentage of sworn police officer hours available for frontline policing duties. The percentage has increased since 2012-13. The Frontline 2020 Program has resulted in the redeployment of police officers to the frontline.
- Percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police. Of those who were 'dissatisfied' or 'very dissatisfied' with the service received during their most recent contact with police, the main reason given was that the police 'didn't do enough/ took no action'.
- Percentage of the community who 'agreed' or 'strongly agreed' that they have confidence in police. When considering this, the agency accepts that the community's level of confidence in police typically reflects communication between the police and the public, police effectiveness and service delivery, professionalism, honesty, and treating people fairly and equally.

Key Efficiency Indicators

The nature of policing is highly reactive and with demand for services changing each year. The average cost per person of providing policing services can vary significantly. Policing activities include keeping the peace, enforcing the law, preventing and detecting crime, apprehending offenders and emergency management. The average cost per person can be affected by such factors as employee pay rate movements and other cost increases, changes in work practices or streamlining of processes.

The targets for the average cost of metropolitan policing services per person in the Perth metropolitan area and the average cost of specialist policing services per person in WA were not met.

SIGNIFICANT ISSUES IMPACTING THE AGENCY

CRIME ENVIRONMENT

The crime environment is complex and ever-changing. In order to respond to that challenge, WA Police continues to identify and focus on priority areas. These priorities include the disruption of the supply of methamphetamine and other drugs entering the state, reducing the distribution in the community, maintaining a counter terrorism preparedness in alignment with the national agenda and focusing traffic enforcement effort on driver behaviour that contributes to fatal and serious crashes, particularly in regional Western Australia.

To reduce the significant impact methamphetamine is having in the community, the 2017-21 Meth Action Plan sets WA Police upon three distinct paths:

- Establishes the Meth Taskforce to reduce the meth supply into the state, prosecute and remove meth dealers from our community and seize crime derived assets
- Confirms support to the Commonwealth agencies who are detecting, investigating and reducing meth imported into Western Australia
- Commences the agency's commitment to partner with government and private enterprises To Make Meth Socially Unacceptable.

In undertaking these initiatives WA Police aims to disrupt the supply of meth by targeting offenders who import, transport or sell meth in the state. The agency will specifically target importation and transportation routes,



follow crime derived assets and value add to intelligence sourced from the community and Commonwealth partners.

Since March 2016 WA Police has conducted Operation Metaphor to increase traffic enforcement on regional roads. The operation targeted regional arterial and secondary roads, within 250km of Perth for enforcement of road traffic offences.

Additionally, the capability and capacity of traffic enforcement is being enhanced through an increase in regional and metropolitan mobile speed camera hours, together with fixed camera sites on the freeway and red light camera expansion. Greater concentration on recidivist offenders by way of taskforce principles, covert cameras and mixed road policing enforcement activities are also continuing.

WA Police continues to strengthen arrangements to prevent, detect, and disrupt terrorist attacks. In partnership with other government agencies and the private sector, WA Police is committed to maintaining community safety and confidence at places such as stadiums, major events and other areas which are easily accessible by large numbers of people on a predictable basis through robust, responsible and professional planning and deployment of police officers. This priority is aligned to maintaining counter terrorism preparedness for the State.

VULNERABLE GROUPS

Offenders often target the more vulnerable groups within a community. The challenge for WA Police is to develop a clearer focus on victims and those at risk of further harm in order to identify and better support vulnerable communities in an effort to make them more resilient, and reduce re-victimisation.

This creates an understanding of deeper social issues and implementation mechanisms to remove the barriers to reporting, so as to reduce further harm and re-victimisation in areas such as family violence, child abuse and mental health.

A number of government initiatives have raised community awareness and led to increased reporting of family violence incidents to police. WA Police has created the Crime Investigation Standards and Family Violence Division to provide strategic and operational guidance on service delivery. The agency will continue to engage and share information with stakeholders to achieve sustainable and positive intervention.

The agency is committed towards a multi-agency response to the investigation of child sexual abuse. This response established the Multi-Agency Investigation and Support Team (MIST) at the George Jones Child Advocacy Centre in Armadale and consists of WA Police, the Department of Communities, Parkerville Children and Youth Care (Parkerville), a consultant clinical psychologist and administrative staff.

Safeguarding people with mental health issues is a priority for WA Police. Diverting early and minor offenders from the criminal justice system is at the core of the approach to this issue.

The Mental Health Co-Response (MHCR) Trial delivers a collaborative partnership between WA Police, WA Mental Health Commission, WA Department of Health and Edith Cowan University. The MHCR operational framework provides opportunity for early intervention and diversion away from the criminal justice system and moves people across to appropriate health system pathways.

ASSETS AND INFRASTRUCTURE

A significant challenge for WA Police is ensuring that its extensive assets and infrastructure keep pace with the delivery of an agile, efficient and innovative policing service. Areas of priority include; improving connectivity through radio network upgrades; the modernisation and replacement of aging facilities and assets; the refresh of technology and systems for continuity of services and to enable improved cyber security; and expanding court security and custodial services across regional Western Australia.

The WA Police digital radio network provides mission critical secure voice radio communications for police officers and correctional services officers and is also used by some personnel in other jurisdictions. The first stage of the network was commissioned in 2006 and is now in need of refresh. The state-wide digital radio network will be completed by the end of 2019.

The agency has undertaken surveys of all premises throughout the State to determine the condition, capacity and functionality of each asset. The outcomes provide a reliable evidence base to plan, prioritise and maintain buildings in a fit-for-purpose state.

Based on the asset survey, and in collaboration with the Department of Finance's Building Management and Works, WA Police determined that its accommodation portfolio is comprised of assets that are operating beyond their designed specification. Capital investment planning going forward will need to incorporate advances in modern policing and for the reinvigoration of condition, capacity and capability within both owned and leased buildings.

WA Police information and communication technology (ICT) infrastructure operates twenty-four hours a day, seven days a week. Continual refresh of the infrastructure ensures sustained delivery of services, with minimal disruption caused by service outages and equipment breakages.

A significant and increasing portion of WA Police's ICT infrastructure is in extended use, approaching or beyond manufacturer end of support. This heightens the risk of increased service outages (frequency and outage time), equipment breakages and system intrusion and results in increasing ICT operating costs.

As part of ongoing service delivery improvements, the agency commenced the Custodial Care and Justice Transformation Program in February 2016. The purpose of the program is to deliver four key outcomes:

- Reduce the number of people coming into police custody
- Reduce detainee time in police custody
- Optimise the quality and safety of custodial care and compassion of all whilst in the police custody environment
- Develop a sustainable custodial care environment.

Phase 1 concluded in May 2016 and led to the development the Custodial Safety and Care Strategy 2017-2022 which aims to establish a consistent approach to custodial episodes throughout all WA Police facilities. It is intended for this plan to provide the necessary overarching guidance required to manage detainees effectively through safe and efficient custodial services which recognise our responsibilities such as addressing security, safety and the health and wellbeing needs of persons held in custody.

PARTNERSHIPS

There are deeper social issues within the community that contribute towards people being offenders and victims. Combating the fundamental factors that contribute towards crime requires a multi-layered response. WA Police is committed to the ongoing development of partnerships in order to identify and address these issues, including engaging with the community and developing inter-agency and other partnerships at all levels, such as the local and national domestic violence forums and working with multicultural communities. Local Policing Teams (LPTs) continue to work in districts to target high-risk juveniles, support elders and engage local services, such as schools.

Communities have an important part to play in crime reduction initiatives. Effective community engagement is central to any locally-based approach to reducing crime. It ensures the right problems are addressed and that the police and their partner agencies are held to account for their actions.

LPTs identify opportunities to reduce demand for policing services by tackling community issues linked to criminal activity, targeting repeat offenders and identifying and supporting vulnerable and repeat victims.

WORKFORCE

In order to respond within a constantly changing and complex crime environment, WA Police's challenge is to ensure that it has an adaptive, trained and responsive workforce. This is achieved by focusing on the management, planning, attraction, retention, diversity and structure of its workforce.

In the preceding decade, consecutive additional numbers programs were aimed at increasing police officer numbers to accommodate significant state-wide population growth and increasing crime complexity. Targeted attraction and retention strategies and programs were required during this period to deliver sustained growth in police officer numbers in a period of, at times, higher than usual attrition.

In recent times, a stabilised employment market has resulted in lower police officer attrition and is generating larger application rates. As a result, attraction and retention strategies are now able to be more focussed on diverse groups, such as culturally and linguistically diverse groups and Aboriginal people.

Crime-related demand drivers are becoming increasingly complex as is the need for preparedness in a heightened threat environment. Workforce planning strategies are required to ensure that human resource allocation is managed flexibly in response to changes in demand.

WA Police has capability building needs in order to enable officers to productively perform their operational requirements in the changing and complex crime and national security threat environment. A number of measures are underway to meet this challenge and will include the development of a Learning and Development Strategy to inform enhancements to existing programs, identify new programs and promote the professionalisation of policing.



DISCLOSURES
AND LEGAL
COMPLIANCE

INDEPENDENT AUDITOR'S OPINION



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

POLICE SERVICE

Report on the Financial Statements

Opinion

I have audited the financial statements of the Police Service which comprise the Statement of Financial Position as at 30 June 2017, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Schedule of Income and Expenses by Service, Schedule of Assets and Liabilities by Service, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information, including Administered transactions and balances.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Police Service in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Commissioner of Police for the Financial Statements

The Commissioner of Police is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Commissioner of Police determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Commissioner of Police is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Police Service.

INDEPENDENT AUDITOR'S OPINION

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner of Police.
- Conclude on the appropriateness of the Commissioner of Police's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commissioner of Police regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

INDEPENDENT AUDITOR'S OPINION

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Police Service. The controls exercised by the Police Service are those policies and procedures established by the Commissioner of Police to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Police Service are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2017.

The Commissioner of Police's Responsibilities

The Commissioner of Police is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

INDEPENDENT AUDITOR'S OPINION

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Police Service for the year ended 30 June 2017. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Police Service are relevant and appropriate to assist users to assess the Police Service's performance and fairly represent indicated performance for the year ended 30 June 2017.

The Commissioner of Police's Responsibility for the Key Performance Indicators

The Commissioner of Police is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Commissioner of Police determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Commissioner of Police is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

INDEPENDENT AUDITOR'S OPINION

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Police Service for the year ended 30 June 2017 included on the Police Service's website. The Police Service's management is responsible for the integrity of the Police Service's website. This audit does not provide assurance on the integrity of the Police Service's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



COLIN MURPHY
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
11 August 2017



FINANCIAL STATEMENTS



CERTIFICATION OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

The accompanying financial statements of the Police Service have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2017 and the financial position as at 30 June 2017.

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

KARL J O'CALLAGHAN APM
COMMISSIONER OF POLICE

ELLI GOUGOULIS
ACTING CHIEF FINANCE OFFICER

9 AUGUST 2017

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
COST OF SERVICES			
Expenses			
Employee expenses	6	1,041,500	999,766
Supplies and services	7	222,384	216,034
Depreciation & amortisation expense	8	56,163	53,157
Accommodation expenses	9	57,341	55,916
Grant payments	10	13,030	5,420
Loss on disposal of non-current assets	16 (b)	112	220
Other expenses	11	5,075	8,068
Total cost of services		1,395,605	1,338,581
Income			
Revenue			
User charges and fees	12	33,502	36,535
Commonwealth grants	13	2,080	1,897
Contributions, sponsorships and donations	14	12,045	11,769
Other revenue	15	1,987	341
Total Revenue		49,614	50,542
Gains			
Gain on disposal of non-current assets	16 (a)	61	57
Total Gains		61	57
Total Income other than Income from State Government		49,675	50,599
NET COST OF SERVICES		1,345,930	1,287,982

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
Income from State Government			
Service appropriation	17	1,308,291	1,225,780
State grants	18	31,469	22,006
Services received free-of-charge	19	2,553	6,512
Royalties for Regions Fund	20	12,182	10,275
Total Income from State Government		1,354,495	1,264,573
SURPLUS/(DEFICIT) FOR THE PERIOD		8,565	(23,409)
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	34 (b)	(14,564)	(11,770)
Total other comprehensive income		(14,564)	(11,770)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(5,999)	(35,179)

Refer to the 'Schedule of Income and Expenses by Service'.

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	Note	2017 \$'000	2016 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	21	36,865	48,222
Restricted cash and cash equivalents	22 (a)	9,677	5,709
Receivables	23	8,122	7,195
Amounts receivable for services	24	6,530	7,856
Non-current assets classified as held for sale	25	-	1,917
Inventories	26	477	749
Other current assets	27	8,903	8,579
Total Current Assets		70,574	80,227
Non-Current Assets			
Restricted cash and cash equivalents	22 (b)	4,203	-
Amounts receivable for services	24	464,304	406,722
Property, plant and equipment	28	951,138	955,010
Intangible assets	29	69,014	72,501
Total Non-Current Assets		1,488,659	1,434,233
TOTAL ASSETS		1,559,233	1,514,460

STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	Note	2017 \$'000	2016 \$'000
LIABILITIES			
Current Liabilities			
Provisions	31	159,174	154,157
Payables	32	22,794	17,000
Other current liabilities	33	402	-
Total Current Liabilities		182,370	171,157
Non-Current Liabilities			
Provisions	31	58,684	61,581
Total Non-Current Liabilities		58,684	61,581
TOTAL LIABILITIES		241,054	232,738
NET ASSETS			
EQUITY			
Contributed equity	34	708,954	666,498
Reserves		336,588	371,049
Accumulated surplus		272,637	244,175
TOTAL EQUITY		1,318,179	1,281,722

Refer to the 'Schedule of Assets and Liabilities by Service'.

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

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2017

	Note	Contributed equity \$'000	Reserves \$'000	Accumulated surplus/ (deficit) \$'000	Total equity \$'000
Balance at 1 July 2015	34	624,729	399,556	250,847	1,275,132
Total comprehensive income for the period		-	(11,770)	(23,409)	(35,179)
Transfer to accumulated surplus/(deficit) of assets disposed		-	(16,737)	16,737	-
Transactions with owners in their capacity as owners:					
Capital appropriations		44,632	-	-	44,632
Other contributions by owners		13,998	-	-	13,998
Distributions to owners		(16,861)	-	-	(16,861)
Total		41,769	-	-	41,769
Balance at 30 June 2016		666,498	371,049	244,175	1,281,722
Balance at 1 July 2016		666,498	371,049	244,175	1,281,722
Total comprehensive income for the period		-	(14,564)	8,565	(5,999)
Transfer to accumulated surplus/(deficit) of assets disposed		-	(19,897)	19,897	-
Transactions with owners in their capacity as owners:					
Capital appropriations		53,531	-	-	53,531
Other contributions by owners		10,657	-	-	10,657
Distributions to owners		(21,732)	-	-	(21,732)
Total		42,456	-	-	42,456
Balance at 30 June 2017		708,954	336,588	272,637	1,318,179

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		1,244,179	1,166,555
Capital appropriations		53,531	44,632
Holding account drawdowns		7,856	15,137
Grants from State Government		31,390	22,007
Royalties for Regions Fund		22,836	11,428
Non-retained revenue distribution to owners		(160)	-
		1,359,632	1,259,759
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee payments		(1,035,057)	(1,009,895)
Supplies and services		(222,214)	(200,710)
Accommodation payments		(56,747)	(60,586)
Grant payments		(10,173)	(5,654)
GST payments on purchases		(38,589)	(36,538)
Other payments		(3,123)	(6,027)
		(1,365,903)	(1,319,410)

STATEMENT OF CASH FLOWS

For the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES (cont.)			
Receipts			
User charges and fees		32,082	31,812
Commonwealth grants		2,080	1,963
Contributions, sponsorships and donations		10,620	10,019
GST receipts on sales		6,383	4,530
GST receipts from taxation authority		32,126	32,573
Other receipts		3,444	2,119
		86,735	83,016
Net cash provided by/(used in) operating activities	35 (b)	(1,279,168)	(1,236,394)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(85,381)	(91,080)
Receipts			
Proceeds from sale of non-current physical assets		1,731	553
Net cash provided by/(used in) investing activities		(83,650)	(90,527)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(3,186)	(67,162)
Cash and cash equivalents at the beginning of period		53,931	121,093
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	35 (a)	50,745	53,931

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

SUMMARY OF CONSOLIDATED ACCOUNT APPROPRIATIONS AND INCOME ESTIMATES

For the year ended 30 June 2017

	2017 Estimate \$'000	2017 Actual \$'000	2017 Variation \$'000	2017 Actual \$'000	2016 Actual \$'000	Variation \$'000
DELIVERY OF SERVICES						
Item 12 Net amount appropriated to deliver services	1,293,586	1,303,303	9,717	1,303,303	1,221,276	82,027
Section 25 transfer from Department of Finance	-	366	366	366	-	366
Amounts Authorised by Other Statutes <i>Salaries and Allowances Act 1975</i>	4,622	4,622	-	4,622	4,504	118
Total appropriations provided to deliver services	1,298,208	1,308,291	10,083	1,308,291	1,225,780	82,511
CAPITAL						
Item 126 Capital Appropriation	44,001	53,531	9,530	53,531	44,632	8,899
GRAND TOTAL	1,342,209	1,361,822	19,613	1,361,822	1,270,412	91,410
Details of Expenses by Service						
Metropolitan Policing Services	553,910	553,095	(815)	553,095	531,820	21,275
Regional and Remote Policing Services	396,216	385,593	(10,623)	385,593	380,485	5,108
Specialist Policing Services	444,706	456,917	12,211	456,917	426,276	30,641
Total Cost of Services	1,394,832	1,395,605	773	1,395,605	1,338,581	57,024
Less Total income	(79,018)	(49,675)	29,343	(49,675)	(50,599)	924
Net Cost of Services	1,315,814	1,345,930	30,116	1,345,930	1,287,982	57,948
Adjustments	(17,606)	(37,639)	(20,033)	(37,639)	(62,202)	24,563
Total appropriations provided to deliver services	1,298,208	1,308,291	10,083	1,308,291	1,225,780	82,511
Capital Expenditure						
Purchase of non-current physical assets	76,331	84,843	8,512	84,843	91,131	(6,288)
Adjustments for other funding sources	(32,330)	(31,312)	1,018	(31,312)	(46,499)	15,187
Capital appropriations	44,001	53,531	9,530	53,531	44,632	8,899
DETAILS OF INCOME ESTIMATES						
Income disclosed as Administered Incomes	1,010	1,668	658	1,668	2,253	(585)
Total Income Estimates	1,010	1,668	658	1,668	2,253	(585)

Note 45 'Explanatory Statement' provides details of any significant variations between estimates and actual results for 2017 and between actual results for 2016 and 2017.

SCHEDULE OF INCOME AND EXPENSES BY SERVICE

For the year ended 30 June 2017

	Metropolitan Policing Services		Regional and Remote Policing Services		Specialist Policing Services		TOTAL	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
COST OF SERVICES								
Expenses								
Employee expenses	430,698	413,070	300,263	297,994	310,539	288,702	1,041,500	999,766
Supplies and services	77,917	76,316	50,089	48,127	94,378	91,591	222,384	216,034
Depreciation & amortisation expense	18,440	16,903	17,654	15,699	20,069	20,555	56,163	53,157
Accommodation expenses	21,327	20,166	14,772	16,017	21,242	19,733	57,341	55,916
Grant payments	3,119	2,501	1,546	1,247	8,365	1,672	13,030	5,420
Loss on disposal of non-current assets	4	27	2	5	106	188	112	220
Other expenses	1,590	2,837	1,267	1,396	2,218	3,835	5,075	8,068
Total cost of services	553,095	531,820	385,593	380,485	456,917	426,276	1,395,605	1,338,581
Income								
Revenue								
User charges and fees	10,044	11,433	5,299	6,311	18,159	18,791	33,502	36,535
Commonwealth grants	-	-	-	-	2,080	1,897	2,080	1,897
Contributions, sponsorships and donations	1,413	1,220	9,287	8,752	1,345	1,797	12,045	11,769
Other revenue	927	42	563	32	497	267	1,987	341
Total Revenue	12,384	12,695	15,149	15,095	22,081	22,752	49,614	50,542
Gains								
Gain on disposal of non-current assets	12	10	8	5	41	42	61	57
Total Gains	12	10	8	5	41	42	61	57
Total Income other than Income from State Government	12,396	12,705	15,157	15,100	22,122	22,794	49,675	50,599

SCHEDULE OF INCOME AND EXPENSES BY SERVICE

For the year ended 30 June 2017

	Metropolitan Policing Services		Regional and Remote Policing Services		Specialist Policing Services		TOTAL	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
NET COST OF SERVICES	540,699	519,115	370,436	365,385	434,795	403,482	1,345,930	1,287,982
Income from State Government								
Service appropriation	538,160	502,633	368,698	353,784	401,433	369,363	1,308,291	1,225,780
State grants	-	(1)	-	1	31,469	22,006	31,469	22,006
Services received free-of-charge	1,030	2,771	465	1,361	1,058	2,380	2,553	6,512
Royalties for Regions Fund	-	-	12,182	10,275	-	-	12,182	10,275
Total Income from State Government	539,190	505,403	381,345	365,421	433,960	393,749	1,354,495	1,264,573
SURPLUS/(DEFICIT) FOR THE PERIOD	(1,509)	(13,712)	10,909	36	(835)	(9,733)	8,565	(23,409)

SCHEDULE OF ASSETS AND LIABILITIES BY SERVICE

As at 30 June 2017

	Metropolitan Policing Services		Regional and Remote Policing Services		Specialist Policing Services		Not reliably attributable to services		TOTAL	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
ASSETS										
Current assets	-	-	-	-	-	-	70,574	80,227	70,574	80,227
Non-current assets	336,684	326,731	321,882	303,458	365,789	397,323	464,304	406,721	1,488,659	1,434,233
Total Assets	336,684	326,731	321,882	303,458	365,789	397,323	534,878	486,948	1,559,233	1,514,460
LIABILITIES										
Current liabilities	67,398	63,693	46,987	45,949	48,595	44,516	19,390	16,999	182,370	171,157
Non-current liabilities	24,268	25,443	16,919	18,355	17,498	17,783	(1)	-	58,684	61,581
Total Liabilities	91,666	89,136	63,906	64,304	66,093	62,299	19,389	16,999	241,054	232,738
NET ASSETS	245,018	237,595	257,976	239,154	299,696	335,024	515,489	469,949	1,318,179	1,281,722

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

1. AUSTRALIAN ACCOUNTING STANDARDS

General

The Police Service's financial statements for the year ended 30 June 2017 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The Police Service has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Police Service cannot early adopt an Australian Accounting Standard unless specifically permitted by Treasurer's Instruction (TI) 1101 'Application of Australian Accounting Standards and Other Pronouncements'. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Police Service for the annual reporting period ended 30 June 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General statement

The Police Service is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The *Financial Management Act 2006* and the Treasurer's Instructions impose legislative provisions that govern the preparation of financial statements and take precedence over the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land and buildings which have been measured at fair value.

The accounting policies applied in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Police Service's accounting policies resulting in the most significant effect on the amounts recognised in the financial statements.

Note 4 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

(c) Reporting entity

The reporting entity comprises the Police Service.

Mission

The Police Service mission is “to enhance the quality of life and wellbeing of all people in Western Australia by contributing to making our State a safe and secure place”.

The Police Service is predominately funded by Parliamentary appropriations supplemented by fees charged on a cost-recovery basis including police clearance certificates, firearms licensing, security services, private prosecution reports, freedom of information reports, conviction records and crash information.

Services

The Police Service provides the following services:

Service 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.

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.

Service 3: Specialist policing services

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

The Police Service administers assets, liabilities, income and expenses on behalf of Government which are not controlled by, nor integral to the function of, the Police Service. These administered balances and transactions are not recognised in the principal financial statements of the Police Service but schedules are prepared using the same basis as the financial statements and are presented in Note 46 ‘Schedule of administered items’.

(d) Contributed equity

AASB Interpretation 1038 ‘Contributions by Owners Made to Wholly-Owned Public Sector Entities’ requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial

statements. Capital appropriations have been designated as contributions by owners by TI 955 ‘Contributions by Owners made to Wholly Owned Public Sector Entities’ and have been credited directly to Contributed Equity.

Transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. See Note 34 ‘Equity’.

(e) Income

Revenue Recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Provision of services

Revenue is recognised upon the delivery of the service to the customer or by reference to the stage of completion of the transaction.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Service appropriations

Service Appropriations are recognised as revenues at fair value in the period in which the Police Service gains control of the appropriated funds. The Police Service gains control of appropriated funds at the time those funds are deposited into the Police Service's bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury. See Note 17 'Service appropriation' for further detail.

Net appropriation determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Police Service. In accordance with the most recent determination, as quantified in the 2016-17 Budget Statements, the Police Service retained \$49.675 million in 2016-17 (\$50.599 million in 2015-16) from the following:

- Proceeds from fees and charges
- Recoups of services provided
- Commonwealth specific-purpose grants
- State Government grants
- Sponsorships and donations
- Proceeds from the sale of motor vehicles
- One-off gains with a value less than \$15,000 from the sale of property other than real property.

Grants, other non-reciprocal contributions and donations

Revenue is recognised at fair value when the Police Service obtains control over the assets comprising the contributions which is usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Royalties for Regions funds are recognised as revenue at fair value in the period in which the Police Service obtains control over the funds. The Police Service gains control of funds at the time the funds are deposited into the Police Service's bank account.

Gains

Realised and unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Property, plant and equipment

Capitalisation/Expensing of assets

Land vested within the Police Service is capitalised irrespective of value.

All other items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising these assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed directly to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal consideration, cost is their fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of land and buildings and historical cost for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation on buildings and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land). When buildings are revalued, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Independent valuations of land and buildings are provided on an annual basis by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where evidence does not provide a clear distinction between market type assets and existing use assets.

Derecognition

Upon disposal or derecognition of an item of land and building, any revaluation surplus relating to that asset is transferred to Accumulated surplus.

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in Note 28 'Property, plant and equipment'.

Depreciation

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

Land is not depreciated. Depreciation is provided for on either a straight-line basis net of residual values as is the case for vehicle, aircraft and vessels or on a straight-line basis for all other property, plant and equipment. Depreciation rates are reviewed annually and the useful lives for each class of depreciable asset are:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Class of Assets	Years
Buildings	
Buildings	50
Transportables	20
Computing and Communication Equipment	
Computing Software and Hardware	4 to 7
Radio Network and Equipment	5 to 7
Radio Site Infrastructure and Equipment	4 to 40
Communication Equipment	7
Plant, Equipment and Vehicles	
Office Equipment	7
Furniture and Fittings	10
Aircraft	20
Vessels	10 to 15
Dogs and Horses	8 to 20
Motor Vehicles and Cycles	5
All Other Vehicles	7
Audio-Visual Equipment	7
Photographic and Traffic Equipment	8
Firearms and Scientific Equipment	10
Other Plant and Equipment	10
Leasehold Improvements	3 to 10

Works of Art controlled by the Police Service are classified as property, plant and equipment. They are anticipated to have indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of them.

(g) Intangible assets

Capitalisation/expensing of assets

Acquisitions of intangible assets (being software licences) costing \$5,000 or more and other internally developed intangible assets costing \$100,000 or more are capitalised. The costs of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are expensed directly to the Statement of Comprehensive Income.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the straight-line basis using rates which are reviewed annually. All intangible assets controlled by the Police Service have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

- Licences - 4 years
- Software and related system developments - 8 years.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

System developments

For system developments, research costs are expensed as incurred. Development costs incurred on an individual project are carried forward when their future economic benefits can reasonably be regarded as assured and that the total project costs are likely to exceed \$100,000. Other development expenditures are expensed as incurred.

Computer software

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

In some cases, base software is purchased and then re-configured to the needs of the Police Service. These are treated in accordance with system development policies.

(h) Impairment of assets

Property, plant and equipment, and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As the Police Service is a not-for-profit entity, unless a specialised asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of an asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available

for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(i) Non-current assets (or disposal groups) classified as held for sale

Non-current assets (or disposal groups) held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are presented separately from other assets in the Statement of Financial Position. These assets are not depreciated or amortised while they are classified as held for sale.

All land holdings are Crown land vested in the Police Service by the Government. The Department of Lands (DoL) is the only agency with the power to sell Crown land. The Police Service transfers Crown land and their attached buildings to the DoL when the land become available for sale.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

(j) Leases

The Police Service holds a number of operating leases for buildings and motor vehicles. Lease payments are expensed on a straight-line basis over the lease term as this represents the pattern of benefits derived from the lease properties.

(k) Financial instruments

In addition to cash, the Police Service has two categories of financial instrument:

- Receivables; and
- Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

Financial Assets

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amount receivable for services
- Derivative Financial Instruments

Financial Liabilities

- Payables
- Accrued Expenses
- Derivative Financial Instruments

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivable and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

Derivative Financial Instruments

The Police Service has entered into a number of forward foreign exchange contracts that do not qualify for hedge accounting. Derivative financial instruments are initially recognised at fair value and are subsequently remeasured to their fair value at each reporting date. Changes in the fair value of derivative financial instruments are included in the Statement of Comprehensive Income to the extent that hedge accounting is not applied. Fair value is based on the quoted spot rates at the reporting date.

(l) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents (and restricted cash and cash equivalents) include cash on hand and cash deposits that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

Restricted cash assets are those cash assets, the uses of which are restricted, wholly or partly, by regulations or externally imposed requirements.

(m) Amounts receivable for services (Holding account)

The Police Service receives appropriation funding on an accrual basis that recognises the full annual cash and non-cash cost of services. The appropriations are paid partly in cash and partly as an asset (Holding account receivable) that is accessible on the emergence of the cash funding requirement to cover items such as leave entitlements and asset replacement. See also Note 17 'Service appropriation' and Note 24 'Amounts receivable for services'.

(n) Receivables

Receivables are recognised at original invoice amount less an allowance for uncollectable amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written off against the allowance account. The allowance for uncollectable amounts (doubtful debts) is raised when there is objective evidence that the Police Service will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See also Note 2(k) 'Financial instruments' and Note 23 'Receivables'.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

(o) Inventories

Inventories include those items held for distribution and are measured at the lower of cost and net realisable value. The values have been confirmed through an annual stocktake.

(p) Payables

Payables, including accruals not yet billed, are recognised when the Police Service becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See Note 37 'Financial instruments'.

(q) Accrued salaries

The accrued salaries suspense account (refer Note 22 'Restricted cash and cash equivalents') consists of amounts paid annually into a suspense account over a period of ten financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur in that year instead of the normal 26. No interest is received on this account.

Accrued salaries (refer Note 32 'Payables') represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year-end. The Police Service considers the carrying amount of accrued salaries to be equivalent to the net fair

value. For 2017, the accrued salaries calculation is based on one working day, as the last pay day was 29 June.

(r) Provisions

Provisions are liabilities of uncertain timing and amount. The Police Service only recognises provisions where there is a present legal or constructive obligation as a result of a past event and when the outflow of economic benefits is probable and can be measured reliably. Provisions are reviewed at the end of each reporting period. Refer Note 31 'Provisions'.

Provisions - Employee benefits

All annual and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using remuneration rates expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee

departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Police Service does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

The provision for annual leave loading represents the present amount payable for annual leave loading accrued up to April 2011 for Public Service and Wages employees. This entitlement is measured in accordance with annual leave above. In April 2011, the Public Service and Government Officers General Agreement was amended so that annual leave loading shall be paid to Public Service employees on the first pay period in December in the calendar year in which the leave accrues.

For Police Officers, Police Auxiliary Officers and Public Service employees, the annual leave loading is reported as an accrued expense as payment is made annually irrespective of whether leave is taken.

Long service leave

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore recognised and measured at the present value of amounts expected to be

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

paid when the liabilities are settled using remuneration rates expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as the Police Service does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Police Service has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

38-hour leave liability

The provision for 38-hour leave liability represents a commitment by Cabinet in 1986 to honour an agreement to accrue additional hours worked between 1 January and 30 September 1986. This was after the Government of the

day granted a 38-hour week to Police Officers, back-dated to 1 January 1986.

The hours accrued are generally payable on retirement, resignation or termination. This liability is measured on the same basis as long service leave.

Special paid leave

The provision for special paid leave represents the negotiated leave entitlement to police officers who previously accrued long service leave on a ten-year basis prior to the accrual period changing to seven years. This liability is measured on the same basis as annual leave.

Time off in lieu

This liability represents accumulated days off (time off in lieu) expected to be paid out within two months of the reporting date and is measured on the same basis as annual leave.

Sick leave

No provision is made for non-vesting sick leave as the sick leave taken each reporting period is less than the entitlement accruing, and this is expected to continue in future reporting periods.

Deferred leave

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund

an additional twelve months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a current provision as employees can leave the scheme at their discretion at any time.

Purchased leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional ten weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the nominal amounts expected to be paid when the liabilities are settled. This liability is measured on the same basis as annual leave.

Post-separation medical benefits

The provision for post-separation medical benefits relates to the cost of providing medical benefits to injured Police Officers after they cease work with the Police Service. Medical benefits expected to be settled within 12 months after the reporting date are recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Medical benefits expected to be settled more than 12 months after reporting date are measured at the present value of amounts expected to be paid when the liabilities are settled.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

An actuarial assessment of the amounts expected to be settled was performed at 30 June 2015.

In-service medical benefits

The provision for in-service medical benefits relates to the cost of providing medical benefits to Police Officers. WA Police pays reasonable expenses for work related and non-work related medical expenses, less the amounts of any benefits paid. Medical benefits expected to be settled within 12 months after the reporting date are recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Medical benefits expected to be settled more than 12 months after reporting date are measured at the present value of amounts expected to be paid when the liabilities are settled.

An actuarial assessment of the amounts expected to be settled was performed at 30 June 2015.

Superannuation

The Government Employees Superannuation Board (GESB) and other fund providers administer the public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees varies according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

Employees commencing employment prior to 16 April 2007 who are not members of either the Pension or the GSS Scheme became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Police Service makes contributions to GESB or other fund providers on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the Police Service's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

The GSS is a defined benefit scheme for the purposes of employee and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Police Service to GESB extinguishes the Police Service's obligations to the related superannuation liability.

The Police Service has no liabilities under the Pension Scheme or the GSS Scheme. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the Police Service to the GESB.

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped by the Treasurer for the employer's share.

See also Note 2(s) 'Superannuation expense'.

Provisions Other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are not included as part of the Police Service's 'Employee benefits expense' and the related liability is included in Employment on-costs provision. The associated expense is included under Note 6 'Employee expenses'.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

(s) Superannuation expense

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBS, or other superannuation funds. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

(t) Assets and services received free-of-charge or for nominal cost

Assets and services received free-of-charge or for nominal value which can be reliably measured are recognised as income at fair value. Where the resource received represents a service that the Police Service would otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from another State Government agency are separately disclosed under 'Income from State Government' in the Statement of Comprehensive Income.

(u) Assets and services provided free-of-charge or for nominal cost

The Police Service provides a range of services free-of-charge to other government agencies. Information on resources provided free-of-charge has not been reported at balance date.

(v) Monies held in trust

The Police Service receives money in a trustee capacity in the form of Found Money, Stolen Monies, Seized Monies and Deceased Estate Monies. As the Police Service only performs a custodial role in respect of these monies, and because the monies cannot be used for achievement of the Police Service objectives, they are not brought to account in the financial statements, but are reported within the notes to the financial statements (refer Note 47 'Special purpose accounts').

(w) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with receivables or payables in the Statement of Financial Position.

The GST component of a receipt or payment is recognised on a gross basis in the Statement of Cash Flows.

(x) Comparative figures

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

3. JUDGEMENTS MADE BY MANAGEMENT IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Police Service evaluates these judgements regularly.

Operating lease commitments

The Police Service has entered into a number of leases for buildings for branch office accommodation. Some of these leases relate to buildings of a temporary nature and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, these leases have been classified as operating leases.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key estimates and assumptions made concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year. These include:

- Estimating the useful life and residual values of key assets;
- Estimating depreciated replacement cost;
- Estimating future salary rates, discount rates, employee retention rates and expected future payments for long service leave;
- Estimating future medical benefit payments to ceased police officers; and
- Estimating future medical benefit payments to serving police officers.

5. DISCLOSURE OF CHANGES IN ACCOUNTING POLICY AND ESTIMATES

Initial application of an Australian Accounting Standard

The Police Service has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2016.

AASB 1057	Application of Australian Accounting Standards This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. There is no financial impact.
AASB 2014-3	Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & 11]. The Police Service does not routinely establish or acquire interests in Joint Operations in pursuit of its objectives. Therefore, there is no financial impact on the application of this Standard.
AASB 2014-4	Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138] The adoption of this Standard has no financial impact for the Police Service as depreciation and amortization is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

AASB 2014-9	<p>Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements [AASB 1, 127 & 128]</p> <p>This Standard amends AASB 127, and consequently amends AASB 1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. As the Police Service has no joint ventures and associates, the application of the Standard has no financial impact.</p>	AASB 2015-6	<p>Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]</p> <p>This amendment extends the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. There is no financial impact.</p>
AASB 2015-1	<p>Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-14 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]</p> <p>These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012-14 Cycle in September 2014, and editorial corrections. The Police Service has determined that the application of the Standard has no financial impact.</p>	AASB 2015-10	<p>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 & 128</p> <p>This Standard defers the mandatory effective date (application date) of amendments to AASB 10 & 128 that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. There is no financial impact.</p>
AASB 2015-2	<p>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]</p> <p>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure the entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.</p>		

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

Future impact of Australian Accounting Standards not yet operative

The Police Service cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Police Service has not applied early any following Australian Accounting Standards that have been issued that may impact on the Police Service. Where applicable, these Australian Accounting Standards will be applied from their application date.

The Police Service has determined that there is no or minimal financial impact of the following Standards:

Title	Operative for reporting periods beginning on/after
AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]	1 January 2018
AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017
AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities	1 January 2017
AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	1 January 2019
AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014-16 Cycle	1 January 2017

The Police Service has not yet determined the application or the potential impact of the following Standards:

Title	Operative for reporting periods beginning on/after
AASB 9 Financial Instruments	1 January 2018
AASB 15 Revenue from Contracts with Customers	1 January 2019
AASB 16 Leases	1 January 2019
AASB 1058 Income of Not-for-Profit Entities	1 January 2019
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and Interpretation 2, 5, 10, 12, 19 & 127]	1 January 2018
AASB 2014-1 Amendments to Australian Accounting Standards	1 January 2018
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2018
AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	1 January 2018
AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]	1 January 2018
AASB 2015-8 Amendments to Australian Accounting Standards – Effective date of AASB 15	1 January 2019
AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15	1 January 2018
AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities	1 January 2017

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
6. EMPLOYEE EXPENSES		
Employee benefits expense		
Salaries and wages	771,577	729,395
Annual leave (a)	82,892	80,295
Long service leave (a)	20,548	24,438
Other leave (a)	2,419	2,385
Superannuation - defined contribution plans (b)	89,226	86,581
Employee housing	39,997	43,131
Relocation and relieving expenses	7,927	8,303
Fringe benefits tax	5,766	5,002
Uniforms and protective clothing	5,576	4,762
Medical expenses (c)	7,893	7,524
Other employee benefits expense	2,623	2,344
	1,036,444	994,160
Other employee expenses		
Training expenses	2,863	3,172
Workers' compensation including on-costs	2,240	2,462
Other employee expenses	(47)	(28)
	5,056	5,606
	1,041,500	999,766

(a) Includes a superannuation contribution component.

(b) Defined contribution plans include West State, Gold State and GESB Super Scheme (contributions paid).

(c) Medical expenses includes post-separation medical benefits.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
7. SUPPLIES AND SERVICES		
Repairs and maintenance	20,130	17,399
Rental, leases and hire	17,215	14,181
Insurances and licences	17,820	16,164
Travel expenses	6,886	7,020
Communication expenses	8,235	8,331
Services and contracts	118,339	123,894
Equipment acquisitions	15,611	11,656
Fuels and oils	7,516	7,370
Consumables	9,544	9,109
Other supplies and services	1,088	910
	222,384	216,034
8. DEPRECIATION AND AMORTISATION EXPENSE		
<i>Depreciation</i>		
Buildings	17,716	17,427
Plant, equipment and vehicles	10,155	9,748
Computing and communication equipment	11,780	9,964
Leasehold improvements	5,212	6,517
	44,863	43,656
<i>Amortisation</i>		
Software and software developments	11,300	9,501
	56,163	53,157

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
9. ACCOMMODATION EXPENSES		
Lease rentals	23,602	20,863
Repairs and maintenance	17,889	18,508
Energy, water and rates	11,893	12,094
Cleaning	3,957	4,451
	57,341	55,916
10. GRANT PAYMENTS		
State crime prevention grants	2,285	1,962
PCYC grants	7,778	3,367
CCTV grants	2,527	-
Other grants	440	91
	13,030	5,420
11. OTHER EXPENSES		
Doubtful debts	1,304	4,720
Refund of State grants received	619	535
Other assets written off (a)	2,078	1,509
Other expenses from ordinary activities	1,074	1,304
	5,075	8,068

(a) Other assets written off include surplus assets and those write-offs in accordance with the *Financial Management Act 2006* located within Note 41.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
12. USER CHARGES AND FEES		
Regulated fees		
Firearms	7,632	6,693
Security and related activities	2,742	2,920
Pawnbrokers and second-hand dealers	116	137
Clearance certificates	5,787	7,226
Crash information	80	63
Other regulated fees	511	743
	<hr/>	<hr/>
	16,868	17,782
Recoups of services provided	1,293	1,349
Towage and storage recoups	13,151	13,619
Other recoups	2,190	3,785
	<hr/>	<hr/>
	33,502	36,535
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
13. COMMONWEALTH GRANTS		
National Anti-Gang Squad	1,946	1,897
Australia New Zealand Counter-Terrorism Committee	134	-
	2,080	1,897
14. CONTRIBUTIONS, SPONSORSHIPS AND DONATIONS		
Contributions		
Employee rental contributions	7,557	7,185
Executive vehicle contributions	286	241
Special series plate contributions	1,223	1,322
Other contributions	2,588	2,290
	11,654	11,038
Sponsorships and Donations		
Sponsorships	17	5
Non-cash donations	374	726
	391	731
	12,045	11,769

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
15. OTHER REVENUE		
Other revenues from ordinary activities	1,987	341
	1,987	341
16. NET GAIN / (LOSS) ON DISPOSAL OF NON-CURRENT ASSETS		
(a) Net gain on Disposal of non-current assets		
<i>Property, plant and equipment</i>		
Computing and Communication Equipment	12	-
Plant, Equipment and Vehicles	49	57
Net gain	61	57
(b) Net (loss) on Disposal of non-current assets		
<i>Property, plant and equipment</i>		
Plant, Equipment and Vehicles	(112)	(220)
Net (loss)	(112)	(220)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
(c) Net gain/(loss) on Disposal of non-current assets		
Carrying amount of non-currents assets disposed		
Property, plant and equipment	1,782	716
	<hr/>	<hr/>
	1,782	716
	<hr/>	<hr/>
Proceeds from Disposal		
Property, plant and equipment	1,736	560
Less Disposal Costs		
Property, plant and equipment	5	7
	<hr/>	<hr/>
Net Proceeds	1,731	553
	<hr/>	<hr/>
Net gain/(loss)	(51)	(163)

17. SERVICE APPROPRIATION

Appropriations received during the year:

Service appropriation

Salaries and Allowances Act 1975

1,303,669	1,221,276
4,622	4,504

1,308,291	1,225,780
------------------	------------------

Service appropriations fund the net cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the budgeted depreciation expense for the year and any agreed increase in leave liability during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
18. STATE GRANTS		
Road Trauma Trust Account (a)	29,413	19,381
Department of the Attorney General (b)	2,056	2,479
Drug and Alcohol Office (c)(d)	-	146
	31,469	22,006

- (a) Funds received from the Office of Road Safety - Road Trauma Trust Account are allocated to the Police Service for road safety initiatives in Western Australia. At 30 June 2017, \$138,119 of funds allocated remains unspent. Under the Memorandum of Understanding, all funds unspent at 30 June 2017 are required to be repaid to the Office of Road Safety. Consequently, \$138,119 included in the revenue figure above is also recognised as an expense in Note 11 'Other expenses'.
- (b) Funds collected under the Criminal Property Confiscation Account are allocated to the Police Service to combat organised crime in Western Australia. At 30 June 2017, \$1,344,927 of funds allocated remains unspent.
- (c) Funds received from the Drug and Alcohol Office are allocated to the Police Service for drug and alcohol projects that support the development and implementation of National Drug Strategy initiatives at a State and local level. At 30 June 2017, \$404,290 of funds allocated remains unspent.
- (d) Funds received from the Drug and Alcohol Office are allocated to the Police Service for the purchase and operation of a drug detection dog in the Goldfields Police District. At 30 June 2017, \$33,618 of funds allocated remains unspent.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
19. SERVICES RECEIVED FREE-OF-CHARGE		
Services received free-of-charge is determined by the following estimates provided by agencies:		
<ul style="list-style-type: none">• Legal services provided by the State Solicitor's Office• Procurement services, building and maintenance project management services and lease management services provided by the Department of Finance• Title searches and valuation services provided by the Western Australian Land Information• Collection of firearm licences, information requests and other services provided by the Department of Transport• Office administration expenses for the Police Education Liaison Officer provided by the Department of Education	1,548 384 533 88 -	1,325 4,246 747 189 5
	2,553	6,512

Where assets or services have been received free-of-charge or for nominal cost, the Police Service recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably measured and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable. Where the contribution of assets or services are in the nature of contributions by owners, the Police Service makes an adjustment directly to equity.

20. ROYALTIES FOR REGIONS FUND

Regional Infrastructure and Headworks Account	7,440	6,319
Regional Community Services Account	4,742	3,956
	12,182	10,275

This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
21. CASH AND CASH EQUIVALENTS		
Operating Account		
Amounts appropriated and any revenues subject to net appropriation determinations are deposited into this account, from which all payments are made.	35,557	46,746
Advances		
Advances include permanent and temporary advances allocated to areas within the Police Service.	1,308	1,476
	36,865	48,222
22. RESTRICTED CASH AND CASH EQUIVALENTS		
Restricted cash assets are those cash assets, the uses of which are restricted, wholly or partly, by regulations or an externally imposed requirement.		
• Current assets (a)	9,677	5,709
• Non-current assets (b)	4,203	-
	13,880	5,709
(a) CURRENT ASSETS		
Multi-Function Policing Facilities - Grants Capital Works		
Grant monies from the Department of Indigenous Affairs to fund the establishment of Multi-Function Policing Facilities and associated infrastructure at remote Indigenous communities.	-	480
Police Recruit Traineeship Fund		
To hold recruit incentive payments received under the auspices of the Commonwealth Government's New Apprenticeship and Traineeship Incentives program.	525	680
National Drug Strategy		
To hold grant monies received from the Drug and Alcohol Office for the funding of law-enforcement programs relating to alcohol and drug use.	404	521

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
22. RESTRICTED CASH AND CASH EQUIVALENTS (cont.)		
International Academy of Law Enforcement and Safety To hold monies received in relation to activities of the International Academy of Law Enforcement and Safety for the research and development of training programs, curriculum development and professional development opportunities.	-	25
Royalties for Regions Fund To hold monies committed for projects and programs in WA regional areas.	5,137	985
Australia New Zealand Counter-Terrorism Committee To hold monies received by the Police Service from the Commonwealth for the funding of drill style counter-terrorism exercises.	48	-
Road Trauma Trust Account To hold monies received from the Road Trauma Trust Account to facilitate the implementation of road safety programs and initiatives.	60	535
Organised Crime Investigation Fund To hold monies received from the Confiscation Proceeds Account for the purpose of combating organised crime in Western Australia.	1,345	1,003
Drug and Alcohol Office To monies received from the Drug and Alcohol Office for the purchase and operation of a drug detection dog in the Goldfields Police District.	34	53
National Anti-Gangs Squad To hold grant monies received from the Commonwealth as part of a co-ordinated approach to detect, deter and disrupt gang-related crime.	519	656

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
22. RESTRICTED CASH AND CASH EQUIVALENTS (cont.)		
Substance Abuse Grant To hold grant monies received from the Commonwealth to facilitate strategic initiatives and support for substance abuse activities in Indigenous communities.	220	280
Leavers WA To hold monies received in relation to the activities of Leavers WA – South West.	307	472
Parental Leave To hold monies received from the Commonwealth for the payment of paid parental leave to eligible employees.	18	19
Special Plate Funds To hold monies received from the Department of Transport being a 50% share of the net revenue raised from the sale of special series registration plates for community policing initiatives relating to juvenile offenders.	1,060	-
	9,677	5,709
(b) NON-CURRENT ASSETS		
Accrued Salaries Account Amount held in the suspense account is only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.	4,203	-
	4,203	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
23. RECEIVABLES		
Receivables	10,687	15,447
Allowance for impairment of receivables	(9,122)	(13,975)
GST-receivables	6,158	5,143
Accrued income	399	580
	8,122	7,195

Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of period	13,975	9,989
Doubtful debts expense recognised in the Statement of Comprehensive Income	1,304	4,720
Amounts written off during the period	(6,157)	(734)
	9,122	13,975

The Police Service does not hold any collateral as security or other credit enhancements as security for receivables.

24. AMOUNTS RECEIVABLE FOR SERVICES

Current asset	6,530	7,856
Non-current asset	464,304	406,722
	470,834	414,578

This asset represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability. See Note 2(m) 'Amounts receivable for services'.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
25. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE		
Land	-	1,917
	-	1,917
This is reconciled as follows:		
Opening Balance	1,917	1,917
Less assets sold	(1,917)	-
Closing Balance	-	1,917
See also Note 2(i) 'Non-current assets (or disposal groups) classified as held for sale' and Note 16 'Net Gain/Loss on Disposal of Non-Current Assets'.		
Information on fair value measurement is provided in Note 30.		
26. INVENTORIES		
Inventories held for distribution	477	749
	477	749
27. OTHER CURRENT ASSETS		
Prepayments	8,903	8,579
	8,903	8,579

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
28. PROPERTY, PLANT AND EQUIPMENT		
(a) PROPERTY, PLANT AND EQUIPMENT COMPRISE THE FOLLOWING ASSET CLASSES:		
Land		
At fair value (i)	218,303	235,992
	218,303	235,992
Buildings		
At fair value (i)	565,679	559,265
Accumulated depreciation	(19,392)	(18,281)
	546,287	540,984
Works in Progress		
Buildings under construction	26,363	31,881
Other	16,912	13,386
	43,275	45,267
Plant, Equipment and Vehicles		
At cost	127,645	122,741
Accumulated depreciation	(67,244)	(59,771)
	60,401	62,970

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
28. PROPERTY, PLANT AND EQUIPMENT (cont.)		
Computing and Communication Equipment		
At cost	141,000	119,721
Accumulated depreciation	(67,770)	(59,178)
	73,230	60,543
Artwork		
At cost	548	548
	548	548
Leasehold Improvements		
At cost	36,398	31,395
Accumulated amortisation	(27,304)	(22,689)
	9,094	8,706
	951,138	955,010

- (i) Land and buildings were revalued as at 1 July 2016 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2017 and recognised at 1 July 2016. In undertaking the revaluation, fair value was determined by reference to market values for land: \$73,488,450 (2016: \$78,429,300) and buildings: \$33,533,500 (2016: \$32,955,700). For the remaining balance, fair value of land and buildings was determined on the basis of depreciated replacement cost and fair value of land was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land). See Note 2(f) 'Property, plant and equipment'.

Information on fair value measurement is provided in Note 30.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

			2017 \$'000	2016 \$'000				
28. PROPERTY, PLANT AND EQUIPMENT (cont.)								
(b) RECONCILIATIONS OF THE CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT AT THE BEGINNING AND END OF THE REPORTING PERIOD ARE SET OUT BELOW:								
2016-17	Land \$'000	Buildings \$'000	Works in progress \$'000	Plant, equipment & vehicles \$'000	Computing and communication equipment \$'000	Artwork \$'000	Leasehold improvements \$'000	Total \$'000
Carrying amount at start of period	235,992	540,984	45,267	62,970	60,543	548	8,706	955,010
Additions	5	-	60,772	5,683	4,501	-	-	70,961
Retirements	(12,603)	(8,447)	(350)	(1,250)	(226)	-	(359)	(23,235)
Transfers between classes	5,116	35,823	(62,414)	3,153	20,192	-	5,959	7,829
Transfer to/from assets held for sale	-	-	-	-	-	-	-	-
Revaluation	(10,207)	(4,357)	-	-	-	-	-	(14,564)
Depreciation	-	(17,716)	-	(10,155)	(11,780)	-	(5,212)	(44,863)
Carrying amount at end of period	218,303	546,287	43,275	60,401	73,230	548	9,094	951,138
2015-16	Land \$'000	Buildings \$'000	Works in progress \$'000	Plant, equipment & vehicles \$'000	Computing and communication equipment \$'000	Artwork \$'000	Leasehold improvements \$'000	Total \$'000
Carrying amount at start of period	256,447	537,088	31,802	56,989	46,753	548	12,990	942,617
Additions	539	4,989	53,504	6,720	5,311	-	1,314	72,377
Retirements	(10,135)	(7,332)	(263)	(1,036)	(82)	-	(238)	(19,086)
Transfers between classes	-	24,577	(39,776)	10,045	18,525	-	1,157	14,528
Transfer to/from assets held for sale	-	-	-	-	-	-	-	-
Revaluation	(10,859)	(911)	-	-	-	-	-	(11,770)
Depreciation	-	(17,427)	-	(9,748)	(9,964)	-	(6,517)	(43,656)
Carrying amount at end of period	235,992	540,984	45,267	62,970	60,543	548	8,706	955,010

There were no indications of impairment to property, plant and equipment at 30 June 2017.

All surplus assets at 30 June 2017 have either been classified as held for sale or written-off.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

29. INTANGIBLE ASSETS

(a) INTANGIBLE ASSETS COMPRISE THE FOLLOWING ASSET CLASSES:

	2017 \$'000	2016 \$'000
Computing software		
At cost	223,884	188,392
Accumulated amortisation	(159,039)	(147,787)
	64,845	40,605
Software Development in Progress		
	4,169	31,896
	69,014	72,501

(b) RECONCILIATIONS OF THE CARRYING AMOUNT OF INTANGIBLES AT THE BEGINNING AND END OF THE REPORTING PERIOD ARE SET OUT BELOW:

2016-17	Computing software \$'000	Software development in progress \$'000	Total \$'000
Carrying amount at start of period	40,605	31,896	72,501
Additions	387	15,535	15,922
Retirements	(280)	-	(280)
Transfers between classes	35,433	(43,262)	(7,829)
Amortisation	(11,300)	-	(11,300)
Carrying amount at end of period	64,845	4,169	69,014

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

(b) Reconciliations (cont.)

2015-16	Computing software \$'000	Software development \$'000	Total \$'000
Carrying amount at start of period	39,443	30,607	70,050
Additions	681	25,799	26,480
Retirements	-	-	-
Transfers between classes	9,982	(24,510)	(14,528)
Amortisation	(9,501)	-	(9,501)
Carrying amount at end of period	40,605	31,896	72,501

There were no indications of impairment to intangible assets at 30 June 2017.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

30. FAIR VALUE MEASUREMENTS

Assets measured at fair value:

2017

Non-current assets classified as held for sale (Note 25)
Land (Note 28)
Buildings (Note 28)

	Level 1	Level 2	Level 3	Fair Value At end of period
	\$'000	\$'000	\$'000	\$'000
	-	-	-	-
	-	64,594	153,709	218,303
	-	25,304	520,983	546,287
	-	89,898	674,692	764,590

2016

Non-current assets classified as held for sale (Note 25)
Land (Note 28)
Buildings (Note 28)

	-	1,917	-	1,917
	-	74,882	161,110	235,992
	-	32,563	508,421	540,984
	-	109,362	669,531	778,893

There were no transfers between Levels 1, 2 or 3 during the period.

Valuation techniques to derive Level 2 fair values

Level 2 fair values of non-current assets held for sale, land and buildings (office accommodation) are derived using the market approach. Market evidence of sales prices of comparable land and buildings (office accommodation) in close proximity is used to determine price per square metre.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

30. FAIR VALUE MEASUREMENTS (cont.)

Fair value measurements using significant unobservable inputs (Level 3)

	Land	Buildings
	\$'000	\$'000
2017		
Fair value at start of period	161,110	508,421
Additions	3	
Revaluation increments/decrements recognised in Other Comprehensive Income	(9,157)	(7,276)
Transfers to/from Level 2	-	-
Transfers between asset classes	5,116	35,362
Disposals	(3,363)	(254)
Depreciation expense	-	(15,270)
Fair value at end of period	153,709	520,983
2016		
Fair value at start of period	177,231	486,331
Additions	540	4,989
Revaluation increments/decrements recognised in Other Comprehensive Income	(6,526)	(519)
Transfers to/from Level 2	-	17,500
Transfers between asset classes	-	22,638
Disposals	(10,135)	(7,332)
Depreciation expense	-	(15,186)
Fair value at end of period	161,110	508,421

30. FAIR VALUE MEASUREMENTS (cont.)

Valuation processes

There were no changes in valuation techniques during the period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as Treasurer's Instructions require valuations of land and buildings to be categorised within Level 3 where the valuations utilise significant Level 3 inputs on a recurring basis.

Land (Level 3 fair values)

Fair value for restricted use land is based on market value using market evidence of sales of comparable land that is unrestricted less restoration costs to return the site to a vacant and marketable condition (low restricted use land). The estimate of restoration cost as provided by the Western Australian Land Information Authority (Valuation Services) represents a significant Level 3 input, with higher restoration costs correlating with lower estimated fair values of land.

Buildings (Level 3 fair values)

Fair value for existing use specialised building assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, ie: depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence of the asset. Current replacement cost is determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Valuation using depreciated replacement cost utilises the significant Level 3 input, consumed economic benefit/obsolescence of asset which is determined by the Western Australian Land Information Authority (Valuation Services). The fair value measurement is sensitive to the estimate of consumption/obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings.

Significant Level 3 inputs used by the Police Service are derived and evaluated as follows:

Historical cost per square metre floor area (m²)

The costs of constructing specialised buildings with similar utility are extracted from financial records of the Police Service, then indexed by movements in CPI.

Consumed economic benefit/obsolescence of asset

These are estimated by the Western Australian Land Information Authority (Valuation Services).

Selection of land with restricted utility

Fair value for restricted use land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by the Western Australian Land Information Authority (Valuation Services).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

30. FAIR VALUE MEASUREMENTS (cont.)

Information about significant unobservable inputs (Level 3) in fair value measurements

Description and fair value as at 30 June 2017 (\$'000)	Valuation technique(s)	Unobservable inputs
Land (\$153,709)	Market approach	Selection of land with similar approximate utility.
Buildings (\$520,983)	Depreciated	Consumed economic benefit/obsolescence of asset.
	Replacement Cost	Historical cost of building per square metre floor area.

Description and fair value as at 30 June 2016 (\$'000)	Valuation technique(s)	Unobservable inputs
Land (\$161,110)	Market approach	Selection of land with similar approximate utility.
Buildings (\$508,421)	Depreciated	Consumed economic benefit/obsolescence of asset.
	Replacement Cost	Historical cost of building per square metre floor area.

Reconciliations of the opening and closing balances are provided in Notes 28.

Basis of Valuation

In the absence of market based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service and the Police Service's enabling legislation.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
31. PROVISIONS		
PROVISIONS COMPRISE THE FOLLOWING ITEMS:		
(i) Current liabilities		
(a) Employee benefits provision	159,052	153,999
(b) Other provisions	122	158
	159,174	154,157
(ii) Non-current liabilities		
(a) Employee benefits provision	58,641	61,527
(b) Other provisions	43	54
	58,684	61,581
	217,858	215,738

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
31. PROVISIONS (cont.)		
(a) EMPLOYEE BENEFITS PROVISIONS HAVE BEEN RECOGNISED IN THE FINANCIAL STATEMENTS AS FOLLOWS:		
<ul style="list-style-type: none">• Current liabilities (i)• Non-current liabilities (ii)	159,052 58,641	153,999 61,527
	217,693	215,526
(i) CURRENT LIABILITIES		
<ul style="list-style-type: none">• Annual leave *• Long service leave **• 38-hour leave• Special paid leave• Time off in lieu/banked leave• Purchased leave• Deferred salary scheme ***• Post-separation medical benefits• In-service medical benefits	46,857 102,652 368 233 782 3,023 2,312 1,384 1,441	47,258 98,100 344 138 672 2,695 1,967 1,384 1,441
	159,052	153,999
(ii) NON-CURRENT LIABILITIES		
<ul style="list-style-type: none">• Long service leave **• 38-hour leave• Post-separation medical benefits	52,044 1,076 5,521	54,732 1,274 5,521
	58,641	61,527

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
31. PROVISIONS (cont.)		
* Annual leave liabilities including leave loading have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:		
• Within 12 months of the end of the reporting period	41,787	42,135
• More than 12 months after the end of the reporting period	5,070	5,123
	46,857	47,258
** Long service leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:		
• Within 12 months of the end of the reporting period	22,527	21,335
• More than 12 months after the end of the reporting period	132,169	131,497
	154,696	152,832
*** Deferred salary scheme liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:		
• Within 12 months of the end of the reporting period	679	637
• More than 12 months after the end of the reporting period	1,633	1,330
	2,312	1,967

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
31. PROVISIONS (cont.)		
(b) OTHER PROVISIONS HAVE BEEN RECOGNISED IN THE FINANCIAL STATEMENTS AS FOLLOWS:		
(i) Current liabilities		
• Non-Employee Benefits On-Costs	122	158
	122	158
(ii) Non-current liabilities		
• Non-Employee Benefits On-Costs	43	54
	43	54
<p>The settlement of leave liabilities and medical benefits gives rise to the payment of employment on-costs including workers' compensation and claims management expenses. The provision is the present value of expected future payments.</p>		
<p>Movement in Other provisions</p>		
Carrying amount at start of period	212	240
Additional/(reversals of) provision recognised	195	225
Payments/other sacrifices of economic benefits	(242)	(253)
	165	212

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
32. PAYABLES		
Payables	11,298	9,791
Sundry Accruals		
• Accrued salaries *	3,462	-
• Accrued superannuation *	343	-
• Staff leave loading expense	6,267	5,988
• Fringe benefit tax liability	1,424	1,221
	22,794	17,000
* Accrued salaries and superannuation have been calculated for one working day being 30 June 2017.		
33. OTHER CURRENT LIABILITIES		
Income in Advance	402	-
	402	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
34. EQUITY		
Equity represents the residual interest in the net assets of the Police Service. The Government holds the equity interest in the Police Service on behalf of the community. The Asset Revaluation Surplus represents that portion of equity resulting from the revaluation of non-current assets.		
Contributed equity (a)	708,954	666,498
Asset revaluation surplus (b)	336,588	371,049
Accumulated surplus	272,637	244,175
TOTAL EQUITY	1,318,179	1,281,722
(a) CONTRIBUTED EQUITY		
Balance at start of period	666,498	624,729
Contributions by Owners		
Capital appropriations (i)	53,531	44,632
Royalties for Regions Fund - Regional Infrastructure and Headworks Account	10,654	1,153
Transfer of net assets from other agencies (ii)		
• Land and buildings assumed from the Department of the Attorney General	-	4,812
• Transfer from the Shire of Yalgoo	3	-
• Transfer from the Department of Finance	-	7,493
• Transfer from the Department of Education	-	540
Total contributions by owners	64,188	58,630

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
34. EQUITY (cont.)		
Distributions to owners		
Transfer of net assets to other agencies (iii)		
• Land and buildings transferred to the Department of Lands	(21,572)	(16,861)
Net assets transferred to Government (iii)		
• Proceeds for disposal of assets paid to the Consolidated Account	(160)	-
Total distributions to owners	(21,732)	(16,861)
Balance at end of period	708,954	666,498

- (i) Under TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' Capital appropriations have been designated as contributions by owners in accordance with AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.
- (ii) Under TI 955, non-discretionary (non-reciprocal) transfers of net assets between State government agencies have been designated as contributions by owners in accordance with AASB Interpretation 1038, where the transferee agency accounts for a non-discretionary (non-reciprocal) transfer of net assets as a contribution by owners and the transferor agency accounts for the transfer as a distribution to owners.
- (iii) TI 955 requires non-reciprocal transfers of net assets to Government to be accounted for as distribution to owners.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
34. EQUITY (cont.)		
(b) ASSET REVALUATION SURPLUS		
Balance at start of period	371,049	399,556
Net revaluation increments/(decrements):		
Land	(10,207)	(10,859)
Buildings	(4,357)	(911)
	(14,564)	(11,770)
Transfer to accumulated surplus/(deficit) on sale of previously revalued assets	(19,897)	(16,737)
	336,588	371,049
(c) ACCUMULATED SURPLUS/(DEFICIT)		
Balance at start of period	244,175	250,847
Result for the period	8,565	(23,409)
Transfer of revalued amounts of assets sold	19,897	16,737
	272,637	244,175

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
35. NOTES TO THE STATEMENT OF CASH FLOWS		
(a) RECONCILIATION OF CASH		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and cash equivalents (see Note 21)	36,865	48,222
Restricted cash and cash equivalents (see Note 22)	13,880	5,709
	50,745	53,931
(b) RECONCILIATION OF NET COST OF SERVICES TO NET CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES		
Net cost of services	(1,345,930)	(1,287,982)
Non-cash items:		
Depreciation, amortisation and impairment expense	56,163	53,157
Services received free-of-charge	2,553	6,512
Donated assets and equipment	(374)	(726)
Doubtful and bad debts expense	1,304	4,720
Net loss/(gain) on sale of non-current assets	51	163
Adjustment for other non-cash items	(273)	(3,600)
(Increase)/decrease in assets:		
Receivables (iii)	88	308
Prepayments	(324)	9,517
Inventories	272	(20)
Increase/(decrease) in liabilities:		
Payables (iii)	1,507	947
Sundry accruals	4,287	(25,828)
Provisions	2,120	5,957
Income in advance	402	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
35. NOTES TO THE STATEMENT OF CASH FLOWS (cont.)		
Net GST receipts/(payments) (i)	(79)	565
Change in GST (receivables)/payables (ii)	(935)	(84)
	66,762	51,588
Net cash provided by/(used in) operating activities	(1,279,168)	(1,236,394)

(i) This is the net GST paid/received, i.e. cash transactions.

(ii) This reverses out the GST in receivables and payables.

(iii) The Australian Taxation Office (ATO) receivables/payables in respect of GST and the receivables/payables in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(c) NON-CASH FINANCING AND INVESTING ACTIVITIES

During the financial year, the Police Service received donated assets from external parties totalling \$357,263 in 2016-17 compared to \$715,281 in 2015-16. In addition, there was \$3,406 of assets transferred from the Shire of Yalgoo in 2016-17 compared to \$7,493,179 from the Department of Finance, \$540,183 from the Department of Education and \$4,812,005 from the Department of the Attorney General in 2015-16.

During the year, there was \$21,572,336 of assets transferred to Department for Lands in 2016-17 compared to \$16,861,287 in 2015-16. In addition, there were no assets transferred to other government agencies in 2016-17 and 2015-16.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
36. COMMITMENTS		
(a) CAPITAL EXPENDITURE COMMITMENTS		
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements are payable as follows:		
Within one year	31,498	28,483
Later than one year and not later than five years	91,428	3,708
Later than five years	20,149	-
	143,075	32,191
(b) LEASE COMMITMENTS		
Operating lease commitments contracted for at the reporting date but not recognised in the financial statements are payable as follows:		
Within one year	34,337	23,682
Later than one year and not later than five years	51,978	34,090
Later than five years	30,621	17,194
	116,936	74,966
Representing:		
Non-cancellable operating leases	116,936	74,966
	116,936	74,966

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
36. COMMITMENTS (cont.)		
(c) OTHER EXPENDITURE COMMITMENTS		
Other expenditure commitments at the reporting date arising through the placement of purchase orders or non-cancellable agreements and are payable as follows:		
Within one year	61,446	59,625
Later than one year and not later than five years	103,928	83,755
Later than five years	6,960	-
	172,334	143,380
(d) LEASE REVENUE COMMITMENTS		
Future minimum rentals under non-cancellable operating leases are receivable as follows:		
Within one year	72	-
Later than one year and not later than five years	49	-
	121	-

The above commitments are all inclusive of GST.

37. FINANCIAL INSTRUMENTS

(a) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments held by the Police Service are cash and cash equivalents, restricted cash and cash equivalents, receivables, payables and derivative financial instruments. All of the Police Service's cash is held in the public bank account (non-interest bearing). The Police Service has limited exposure to financial risks. The Police Service's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of third parties defaulting on their contractual obligations resulting in financial loss to the Police Service.

The maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment, as shown in the table at Note 37(c) and Note 23 'Receivables'.

Credit risk associated with the Police Service's financial assets is minimal because the main receivable is the amounts receivable for services (Holding Account). For receivables other than from Government, the Police Service recovers costs associated with providing services and has policies in place to ensure that receivable balances are monitored on an ongoing basis to mitigate exposure to bad debt. Overall, there are no significant concentrations of credit risk.

Allowance for impairment of receivables is determined by reviewing each debt at reporting date and assessing its collectability.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

2017
\$'000

2016
\$'000

37. FINANCIAL INSTRUMENTS (cont.)

Liquidity risk

Liquidity risk arises when the Police Service is unable to meet its financial obligations as they fall due. The Police Service is exposed to liquidity risk through its trading in the normal course of business.

The Police Service has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

The Police Service is not exposed to interest rate risk because cash and cash equivalents and restricted cash are non-interest bearing and have no borrowings.

(b) CATEGORIES OF FINANCIAL INSTRUMENTS

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the reporting date are as follows:

Financial Assets

Cash and cash equivalents	36,865	48,222
Restricted cash and cash equivalents	13,880	5,709
Receivables (i)	472,798	416,630

Financial Liabilities

Financial liabilities measured at amortised cost	22,794	17,000
--	--------	--------

(i) The amount of receivables excludes GST recoverable from ATO.

(c) FINANCIAL INSTRUMENT DISCLOSURES

Interest Rate Sensitivity Analysis

The Police Service is not subject to interest rate risk because cash and cash equivalents and restricted cash and cash equivalents are non-interest bearing and have no borrowings.

Fair Values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

(c) FINANCIAL INSTRUMENT DISCLOSURES (cont.)

Credit Risk

The following table details the Police Service's maximum exposure to credit risk and the ageing analysis of financial assets. The Police Service's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets shown below. The table discloses the ageing of financial assets that are past due but not impaired. The table is based on information provided to senior management of the Police Service. The contractual maturity amounts in the table are representative of the undiscounted amounts at reporting date.

The Police Service does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Police Service does not hold any financial assets that required their terms re-negotiated that would have otherwise resulted in them being past due or impaired.

Ageing Analysis of Financial Assets

	Carrying Amount	Not past due and not impaired	Past due but not impaired			
			Less than 3 months	3 to 6 months	6 months to 1 year	More than 1 year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2016-17						
Cash and cash equivalents	36,865	36,865	-	-	-	-
Restricted cash and cash equivalents	13,880	13,880	-	-	-	-
Receivables	1,964	853	41	652	332	86
Amounts receivable for services	470,834	470,834	-	-	-	-
	523,543	522,432	41	652	332	86
2015-16						
Cash and cash equivalents	48,222	48,222	-	-	-	-
Restricted cash and cash equivalents	5,709	5,709	-	-	-	-
Receivables	2,052	1,056	310	286	281	119
Amounts receivable for services	414,578	414,578	-	-	-	-
	470,561	469,565	310	286	281	119

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

37. FINANCIAL INSTRUMENTS (cont.)

Liquidity Risk and Interest Rate Exposure

The following table discloses the Police Service's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities.

Interest Rate Risk Exposure and Maturity Analysis of Financial Assets and Financial Liabilities

	Weighted average effective interest rate %	Interest Rate Exposure			Maturity Dates			
		Carrying Amount \$'000	Non-interest bearing \$'000	Nominal amount \$'000	Less than 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000
2016-17								
Financial Assets								
Cash and cash equivalents	-	36,865	36,865	36,865	36,865	-	-	-
Restricted cash and cash equivalents	-	13,880	13,880	13,880	13,880	-	-	-
Receivables	-	1,964	1,964	1,964	1,964	-	-	-
Amounts receivable for services	-	470,834	470,834	470,834	-	6,530	28,800	435,504
		523,543	523,543	523,543	52,709	6,530	28,800	435,504
Financial Liabilities								
Payables	-	11,298	11,298	11,298	11,298	-	-	-
Other accrued expenses	-	11,496	11,496	11,496	11,496	-	-	-
		22,794	22,794	22,794	22,794	-	-	-
Net Financial Assets (Liabilities)		500,749	500,749	500,749	29,915	6,530	28,800	435,504

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

37. FINANCIAL INSTRUMENTS (cont.)

Interest Rate Risk Exposure and Maturity Analysis of Financial Assets and Financial Liabilities

	Weighted average effective interest rate %	Interest Rate Exposure			Maturity Dates			
		Carrying Amount \$'000	Non-interest bearing \$'000	Nominal amount \$'000	Less than 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000
2015-16								
Financial Assets								
Cash and cash equivalents	-	48,222	48,222	48,222	48,222	-	-	-
Restricted cash and cash equivalents	-	5,709	5,709	5,709	5,709	-	-	-
Receivables	-	2,052	2,052	2,052	2,052	-	-	-
Amounts receivable for services	-	414,578	414,578	414,578	393	7,463	28,130	378,592
		470,561	470,561	470,561	56,376	7,463	28,130	378,592
Financial Liabilities								
Payables	-	9,791	9,791	9,791	9,791	-	-	-
Other accrued expenses	-	7,209	7,209	7,209	7,209	-	-	-
		17,000	17,000	17,000	17,000	-	-	-
Net Financial Assets (Liabilities)		453,561	453,561	453,561	39,376	7,463	28,130	378,592

The amount of receivables excludes GST recoverable from the ATO (statutory receivable)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
38. CONTINGENT LIABILITIES		
UNSETTLED LEGAL CLAIMS		
The value reported represents the maximum obligation potentially payable for the claims on hand	2,445	360
39. REMUNERATION OF AUDITOR		
Remuneration payable to the Auditor General for the financial year is as follows:		
Auditing the accounts, controls, financial statements and key performance indicators	188	186
Auditing Royalties for Regions	9	8
	197	194

40. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The Police Service has determined that key management personnel include Cabinet Ministers and senior officers of the Police Service. However, the Police Service is not obligated to reimburse for the compensation of Ministers and therefore no disclosure is required. The disclosures in relation to Ministers' compensation may be found in the Annual Report on State Finances.

Senior officer's of the Police Service comprise the Corporate Board including the Commissioner of Police, Deputy Commissioner Operations, Deputy Commissioner Specialist Services and the Executive Director.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000	
40. COMPENSATION OF KEY MANAGEMENT PERSONNEL (cont.)			
Total compensation of senior officer's of the Police Service for the reporting period is presented in the following bands:			
	\$	2017	2016
	90,000 - 100,000	1	1
	330,001 - 340,000	1	-
	340,001 - 350,000	-	1
	370,001 - 380,000	1	2
	380,001 - 390,000	1	-
	450,001 - 460,000	1	-
	480,001 - 490,000	-	1
	<hr/>	<hr/>	<hr/>
		5	5
Short-term employee benefits		1,242	1,271
Post-employment benefits		209	219
Other long-term benefits		194	188
		<hr/>	<hr/>
Total compensation of senior officers		1,645	1,678
		<hr/>	<hr/>

(i) No senior officers are members of the Pension Scheme.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
41. SUPPLEMENTARY FINANCIAL INFORMATION		
(a) WRITE-OFFS		
Write-offs approved in accordance with section 48 of the <i>Financial Management Act 2006</i> related to:		
Bad debts *	6,802	802
Assets written off from the asset register *	1,827	64
Other public property **	39	67
	8,668	933

* Bad debts and asset register write-offs have been reflected within the Statement of Comprehensive Income.

** Other public property written off includes items of equipment not capitalised within the asset register. The value reported above is the estimated written down replacement cost. This amount is not reflected within the Statement of Comprehensive Income.

Public and other property, revenue and debts due to the State were written-off in accordance with section 48 of the *Financial Management Act 2006* under the authority of:

(i) Bad Debts

The Accountable Authority	6,802	802
	6,802	802

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
(a) WRITE-OFFS (cont.)		
(ii) Assets		
The Accountable Authority	27	64
Executive Council	1,800	-
	1,827	64
(iii) Other Public Property		
The Accountable Authority	39	67
	39	67
(b) GIFTS OF PUBLIC PROPERTY		
Gifts of public property provided by the Police Service	428	345

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
42. AFFILIATED BODIES		
An affiliated body is one which receives more than half its funding and resources from the Police Service but is not subject to operational control by the Police Service.		
CONSTABLE CARE CHILD SAFETY FOUNDATION INC.	1,086	1,035
CRIMESTOPPERS WA	202	298
THE WESTERN AUSTRALIA POLICE HISTORICAL SOCIETY INC.	29	48
	1,317	1,381

43. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

The Police Service is not aware of any events occurring after the reporting date that have a significant financial effect on the financial statements.

44. RELATED PARTY TRANSACTIONS

The Police Service is a wholly-owned public sector entity that is controlled by the State of Western Australia.

Related parties of the Police Service include:

- all Ministers and close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and statutory authorities, including their related bodies, that are included in the whole of government consolidated statements;
- associates and joint ventures of an entity that are included in the whole of government consolidated financial statements; and
- the Government Employees Superannuation Board (GESB).

44. RELATED PARTY TRANSACTIONS (cont.)

Significant transactions with Government-related entities

Significant transactions include:

- Service appropriation (Note 17)
- Capital appropriation (Note 34)
- Road Safety Commission - Road Trauma Trust Account (Note 18)
- Royalties for Regions Funds (Notes 20 & 34)
- Department of the Attorney General - Criminal Property Confiscation Account (Note 18)
- Department of Transport - Special Series Plate Funds (Note 14)
- Services received free of charge from the Department of the Attorney General - State Solicitors Office, Department of Finance, Landgate and the Department of Transport (Note 19)
- Superannuation payments to GESB (Note 6)
- Regional employee housing payments to the Department of Housing (Note 6)
- Insurance premium payments to Riskcover (Notes 6 & 7)
- Vehicle lease payments to Department of Finance (Note 7)
- Building lease payments to the Department of Finance (Note 9)
- Chemical analysis payments to the Chemistry Centre (Note 7)
- Forensic biology testing payments to the Department of Health (Note 7)
- Electricity payments to Western Power, Synergy and Horizon Power (Note 9)
- Water payments to the Water Corporation (Note 9)

Outside of general citizen transactions, the Police Service had no other related party transaction with key management personnel or their close family members or their controlled or jointly controlled entities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

45. EXPLANATORY STATEMENT

Major variances between estimates (original budget) and actual results for 2017, and between actual results for 2016 and 2017 are shown below. Major variances for the Statement of Comprehensive Income and Statement of Cashflows are considered to be those greater than 5% and \$25 million. Major variances for the Statement of Financial Position are considered to be those greater than 5% and \$25 million.

	Variance Notes	Original Budget 2017 \$'000	Actual 2017 \$'000	Actual 2016 \$'000	Variance between budget and 2017 actual \$'000	Variance between 2017 and 2016 actual results \$'000
STATEMENT OF COMPREHENSIVE INCOME						
Expenses						
Employee expenses		1,041,424	1,041,500	999,766	76	41,734
Supplies and services		204,556	222,384	216,034	17,828	6,350
Depreciation & amortisation expense		64,112	56,163	53,157	(7,949)	3,006
Accommodation expenses		68,456	57,341	55,916	(11,115)	1,425
Grant payments		9,399	13,030	5,420	3,631	7,610
Loss on disposal of non-current assets		-	112	220	112	(108)
Other expenses		6,885	5,075	8,068	(1,810)	(2,993)
Total cost of services		1,394,832	1,395,605	1,338,581	773	57,024

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

45. EXPLANATORY STATEMENT (cont.)

	Variance Notes	Original Budget 2017 \$'000	Actual 2017 \$'000	Actual 2016 \$'000	Variance between budget and 2017 actual \$'000	Variance between 2017 and 2016 actual results \$'000
Income						
Revenue						
User charges and fees		36,800	33,502	36,535	(3,298)	(3,033)
Commonwealth grants		2,182	2,080	1,897	(102)	183
Contributions, sponsorships and donations		12,056	12,045	11,769	(11)	276
Other revenue		764	1,987	341	1,223	1,646
Total Revenue		51,802	49,614	50,542	(2,188)	(928)
Gains						
Gain on disposal of non-current assets		-	61	57	61	4
Total Gains		-	61	57	61	4
Total Income other than Income from State Government		51,802	49,675	50,599	(2,127)	(924)
NET COST OF SERVICES		1,343,030	1,345,930	1,287,982	2,900	57,948

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

45. EXPLANATORY STATEMENT (cont.)

	Variance Notes	Original Budget 2017 \$'000	Actual 2017 \$'000	Actual 2016 \$'000	Variance between budget and 2017 actual \$'000	Variance between 2017 and 2016 actual results \$'000
Income from State Government						
Service appropriation	A	1,298,208	1,308,291	1,225,780	10,083	82,511
State grants		27,216	31,469	22,006	4,253	9,463
Services received free-of-charge		4,264	2,553	6,512	(1,711)	(3,959)
Royalties for Regions Fund		15,028	12,182	10,275	(2,846)	1,907
Total Income from State Government		1,344,716	1,354,495	1,264,573	9,779	89,922
SURPLUS/(DEFICIT) FOR THE PERIOD		1,686	8,565	(23,409)	6,879	31,974
OTHER COMPREHENSIVE INCOME						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus		-	(14,564)	(11,770)	(14,564)	(2,794)
Total other comprehensive income		-	(14,564)	(11,770)	(14,564)	(2,794)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,686	(5,999)	(35,179)	(7,685)	29,180

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

45. EXPLANATORY STATEMENT (cont.)

	Variance Notes	Original Budget 2017 \$'000	Actual 2017 \$'000	Actual 2016 \$'000	Variance between budget and 2017 actual \$'000	Variance between 2017 and 2016 actual results \$'000
STATEMENT OF FINANCIAL POSITION						
ASSETS						
Current Assets						
Cash and cash equivalents		38,840	36,865	48,222	(1,975)	(11,357)
Restricted cash and cash equivalents		11,668	9,677	5,709	(1,991)	3,968
Receivables		7,985	8,122	7,195	137	927
Amounts receivable for services		6,530	6,530	7,856	-	(1,326)
Non-current assets classified as held for sale		-	-	1,917	-	(1,917)
Inventories		729	477	749	(252)	(272)
Other current assets		18,096	8,903	8,579	(9,193)	324
Total Current Assets		83,848	70,574	80,227	(13,274)	(9,653)
Non-Current Assets						
Restricted cash and cash equivalents		-	4,203	-	4,203	4,203
Amounts receivable for services	B	464,304	464,304	406,722	-	57,582
Property, plant and equipment		990,497	951,138	955,010	(39,359)	(3,872)
Intangible assets		61,144	69,014	72,501	7,870	(3,487)
Total Non-Current Assets		1,515,945	1,488,659	1,434,233	(27,286)	54,426
TOTAL ASSETS		1,599,793	1,559,233	1,514,460	(40,560)	44,773

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

45. EXPLANATORY STATEMENT (cont.)

	Variance Notes	Original Budget 2017 \$'000	Actual 2017 \$'000	Actual 2016 \$'000	Variance between budget and 2017 actual \$'000	Variance between 2017 and 2016 actual results \$'000
LIABILITIES						
Current Liabilities						
Provisions		152,437	159,174	154,157	6,737	5,017
Payables		19,103	22,794	17,000	3,691	5,794
Other current liabilities		-	402	-	402	402
Total Current Liabilities		171,540	182,370	171,157	10,830	11,213
Non-Current Liabilities						
Provisions		51,244	58,684	61,581	7,440	(2,897)
Total Non-Current Liabilities		51,244	58,684	61,581	7,440	(2,897)
TOTAL LIABILITIES		222,784	241,054	232,738	18,270	8,316
NET ASSETS						
EQUITY						
Contributed equity		731,035	708,954	666,498	(22,081)	42,456
Reserves	1, C	399,556	336,588	371,049	(62,968)	(34,461)
Accumulated surplus		246,418	272,637	244,175	26,219	28,462
TOTAL EQUITY		1,377,009	1,318,179	1,281,722	(58,830)	36,457

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

45. EXPLANATORY STATEMENT (cont.)

	Variance Notes	Original Budget 2017 \$'000	Actual 2017 \$'000	Actual 2016 \$'000	Variance between budget and 2017 actual \$'000	Variance between 2017 and 2016 actual results \$'000
STATEMENT OF CASH FLOWS						
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation	D	1,234,096	1,244,179	1,166,555	10,083	77,624
Capital appropriations		44,001	53,531	44,632	9,530	8,899
Holding account drawdowns		7,856	7,856	15,137	-	(7,281)
Grants from State Government		27,216	31,390	22,007	4,174	9,383
Royalties for Regions Fund		23,873	22,836	11,428	(1,037)	11,408
Non retained revenue distribution to owners		-	(160)	-	(160)	(160)
Net cash provided by State Government		1,337,042	1,359,632	1,259,759	22,590	99,873
Utilised as follows:						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee payments		(1,037,221)	(1,035,057)	(1,009,895)	2,164	(25,162)
Supplies and services		(198,139)	(222,214)	(200,710)	(24,075)	(21,504)
Accommodation payments		(66,768)	(56,747)	(60,586)	10,021	3,839
Grant payments		(9,399)	(10,173)	(5,654)	(774)	(4,519)
GST payments on purchases		(29,911)	(38,589)	(36,538)	(8,678)	(2,051)
Other payments		(7,114)	(3,123)	(6,027)	3,991	2,904
		(1,348,552)	(1,365,903)	(1,319,410)	(17,351)	(46,493)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

45. EXPLANATORY STATEMENT (cont.)

	Variance Notes	Original Budget 2017 \$'000	Actual 2017 \$'000	Actual 2016 \$'000	Variance between budget and 2017 actual \$'000	Variance between 2017 and 2016 actual results \$'000
Receipts						
User charges and fees		33,092	32,082	31,812	(1,010)	270
Commonwealth grants		2,182	2,080	1,963	(102)	117
Contributions, sponsorships and donations		9,633	10,620	10,019	987	601
GST receipts on sales		2,388	6,383	4,530	3,995	1,853
GST receipts from taxation authority		27,523	32,126	32,573	4,603	(447)
Other receipts		3,283	3,444	2,119	161	1,325
		78,101	86,735	83,016	8,634	3,719
Net cash provided by/(used in) operating activities		(1,270,451)	(1,279,168)	(1,236,394)	(8,717)	(42,774)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current physical assets		(76,331)	(85,381)	(91,080)	(9,050)	5,699
Receipts						
Proceeds from sale of non-current physical assets		-	1,731	553	1,731	1,178
Net cash provided by/(used in) investing activities		(76,331)	(83,650)	(90,527)	(7,319)	6,877
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(9,740)	(3,186)	(67,162)	6,554	63,976
Cash and cash equivalents at the beginning of period		60,248	53,931	121,093	(6,317)	(67,162)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD		50,508	50,745	53,931	237	(3,186)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

45. EXPLANATORY STATEMENT (cont.)

	Variance Notes	Original Budget 2017 \$'000	Actual 2017 \$'000	Actual 2016 \$'000	Variance between budget and 2017 actual \$'000	Variance between 2017 and 2016 actual results \$'000
ADMINISTERED TRANSACTIONS						
INCOME						
Sale of lost, stolen and forfeited property	2, E	450	885	1,712	435	(827)
Fines and infringements	3, F	560	783	541	223	242
TOTAL INCOME		1,010	1,668	2,253	658	(585)
EXPENSES						
Transfer payments	4, G	760	1,500	2,022	740	(522)
Commission expenses	5, H	250	168	231	(82)	(63)
TOTAL EXPENSES		1,010	1,668	2,253	658	(585)

Explanation of Major Variances

Variance between budget and 2017 actual

- The variance of \$62.97 million is due to the cumulative devaluation of land and buildings (\$26.37 million) and the transfer to accumulated surplus of the revalued amounts of assets disposed (\$36.6 million) that occurred in 2015-16 and 2016-17.
- The revenue from sale of lost, stolen and forfeited property has been more than budget due to more items having been sold than originally expected. However, the original budget has since been increased by \$0.150 million during the 2016-17 mid year review to address this situation.
- This is the second year since the introduction of the minor infringement penalties and the number of infringements issued was greater than expected. The budget has since been increased by \$0.250 million during the 2017-18 budget process.
- The increase in transfer payments is proportional to the number of items being sent to auction as determined by the courts.
- The commission expense relates to auctioneer costs associated with the sale of lost, stolen and forfeited property. This expense is proportional to the income received from the sale of lost, stolen and forfeited property.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

45. EXPLANATORY STATEMENT (cont.)

Variance between 2017 and 2016 actual results

- A The increase of \$82.5 million is mainly reflective of additional employee program, general salary and cost escalation.
- B The increase of \$57.6 million is due to the depreciation adjustment during 2016-17 for buildings, IT and communication infrastructure and other assets.
- C The decrease in reserves is due to the current year devaluation of land and buildings (\$14.6 million) and the transfer to accumulated surplus of the revalued amounts of assets disposed during the year (\$19.9 million).
- D The increase of \$77.6 million is mainly a result of additional employee program, general salary and cost escalation.
- E The decrease in revenue from sale of lost, stolen and forfeited property is due to a decrease in items being sent to auction as determined by the courts.
- F The variance partially because the minor infringement penalties were introduced in August 2015, so they were not collected for a full year during 2015-16.
- G The increase in transfer payments is proportional to the number of items being sent to auction as determined by the courts.
- H The commission expense relates to auctioneer costs associated with the sale of lost, stolen and forfeited property. This expense is proportional to the income received from the sale of lost, stolen and forfeited property.

DETAILS OF AUTHORISATION TO EXPEND IN ADVANCE OF APPROPRIATION

Supplementary funding request totalling \$2,307,000 for WA Police attendance at the Roe 8 protests was approved during the financial year.

	2017 \$'000	2016 \$'000
46. SCHEDULE OF ADMINISTERED ITEMS		
ADMINISTERED EXPENSES AND INCOME		
EXPENSES		
Transfer payments	1,500	2,022
Commission expenses	168	231
Total administered expenses	1,668	2,253
INCOME		
Sale of lost, stolen and forfeited property	885	1,712
Fines and infringements	783	541
Total administered income	1,668	2,253

There were no administered assets or liabilities for the period.

Administered income and expenses are not reported by service because they cannot be reliably attributed to the services provided by the Police Service.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

2017
\$'000

2016
\$'000

47. SPECIAL PURPOSE ACCOUNTS

Special purpose accounts includes receipts of monies, for which the Police Service only performs a custodial role. As the monies collected cannot be used for the achievement of the agency's objectives, they are not brought to account in the Statement of Financial Position. These include:

(a) FOUND MONEY TRUST

Opening Balance 1 July 2016	338	487
Receipts	191	209
Payments	197	358
Closing Balance at 30 June 2017	332	338

Purpose

To hold monies which have been found and surrendered to the Police Service, and for which the lawful owner has not been ascertained within seven days of receipt of the monies by the receiving officer.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
47. SPECIAL PURPOSE ACCOUNTS (cont.)		
(b) STOLEN MONIES TRUST		
Opening Balance 1 July 2016	878	1,269
Receipts	581	103
Payments	804	494
Closing Balance at 30 June 2017	655	878

Purpose

To hold monies seized by the Police Service believed to be stolen monies pending prosecution. Monies seized by police officers and believed to be stolen are held pending identification of the rightful owner. In the event that the funds remain unclaimed, they are dealt with in accordance with the application of the *Unclaimed Money Act 1990*.

(c) SEIZED MONIES TRUST

Opening Balance 1 July 2016	27,322	23,953
Receipts	13,268	14,130
Payments	11,182	10,761
Closing Balance at 30 June 2017	29,408	27,322

Purpose

To hold monies seized by officers of the Police Service in the exercise of relevant statutory powers.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

	2017 \$'000	2016 \$'000
47. SPECIAL PURPOSE ACCOUNTS (cont.)		
(d) DECEASED ESTATE MONIES		
Opening Balance 1 July 2016	73	37
Receipts	85	110
Payments	129	74
Closing Balance at 30 June 2017	29	73

Purpose

To hold monies found on deceased persons by officers of the Police Service in the exercise of relevant statutory powers.



KEY
PERFORMANCE
INDICATORS



CERTIFICATION OF KEY PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2017

I hereby certify that the Key Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the Police Service's performance, and fairly represent the performance of the Police Service for the financial year ended 30 June 2017.

KARL J O'CALLAGHAN APM
COMMISSIONER OF POLICE

9 AUGUST 2017

KEY PERFORMANCE INDICATORS

INTRODUCTION

Key Performance Indicators (KPIs) enable performance to be measured, monitored, evaluated, reported and improved. They play a key role in managing performance at all levels in the WA Police – strategic and operational.

Under the provisions of the *Financial Management Act 2006*, agencies are required to disclose in their annual report key effectiveness and efficiency indicators.

Effectiveness indicators provide information that assists with assessment of the extent to which government desired outcomes have been achieved through the resourcing and delivery of services to the community.

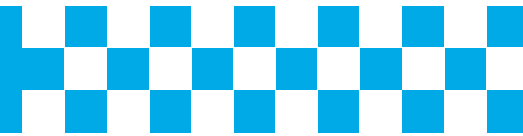
Efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

KPIs form part of Western Australia's performance management framework, referred to as Outcome Based Management (OBM). Treasurer's Instruction 904 prescribes the mandatory requirements of OBM for government agencies.

The WA Police OBM framework has one outcome 'Contribute to community safety and security' and three services that are aligned to the organisational structure. The KPIs reflect alignment with national police performance indicators published in the Report on Government Services, and the balanced scorecard concept that considers performance based on community; internal process; organisational readiness and financial perspectives.



OUTCOME BASED MANAGEMENT FRAMEWORK



Government Goal

Results Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians

Outcome (What we sought to achieve)

Outcome: Contribute to community safety and security

Key Effectiveness Indicators

Community Demand

KPI 1: Rate of offences against the person (excluding domestic violence incidents) per 100,000 people

KPI 2: Rate of offences against property per 100,000 people

Organisational Readiness

KPI 3: Percentage of sworn police officer hours available for frontline policing duties

Internal Process

KPI 4: Percentage of priority 1 & 2 incidents in the metropolitan area responded to within 12 minutes

KPI 5: Percentage of priority 3 incidents in the metropolitan area responded to within 60 minutes

KPI 6: Percentage of family and domestic-related incidents where an offender was processed for an offence against the person within 7 days

KPI 7: Percentage of offences against the person investigations finalised within 60 days

KPI 8: Percentage of offences against property investigations finalised within 30 days

KPI 9: Percentage of traffic law enforcement contacts made by police officers that target 'Category A' offences ^(a)

Customer Satisfaction and Confidence

KPI 10: Percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police

KPI 11: Percentage of the community who 'agreed' or 'strongly agreed' that they have confidence in police

The services we provided

Service 1: Metropolitan policing services

Service 2: Regional and remote policing services

Service 3: Specialist policing services

Key Efficiency Indicators (financial perspective)

Average cost of metropolitan policing services per person in the Perth metropolitan area

Average cost of regional and remote policing services per person in regional WA

Average cost of specialist policing services per person in WA

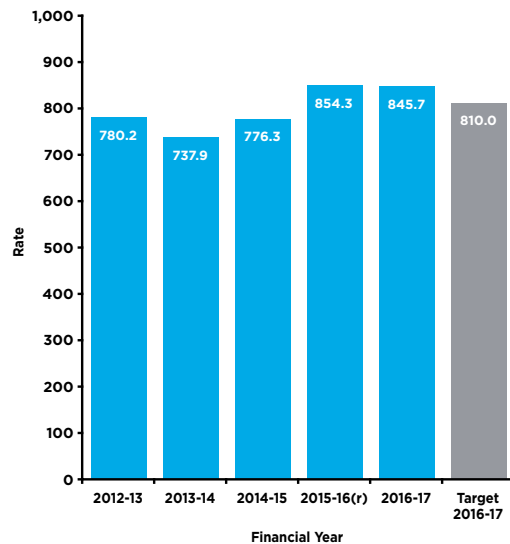
(a) 'Category A' offences include: driving under the influence of alcohol/drugs, careless/dangerous/reckless driving, non-speed camera speeding offences, no authority to drive/unlicensed vehicle, use of mobile phones whilst driving, and non-wearing of seatbelts/restraints/helmets.

EFFECTIVENESS INDICATORS

OUTCOME: CONTRIBUTE TO COMMUNITY SAFETY AND SECURITY

COMMUNITY DEMAND

KPI 1: Rate of offences against the person (excluding domestic violence incidents) per 100,000 people, 2012-13 to 2016-17 ^{(a)(b)(c)(d)}



Explanatory Notes:

- (a) This indicator is based on selected verified offences reported to, or becoming known to police and resulting in the submission of an incident report in the Frontline Incident Management System (IMS). A verified offence is an offence that has been determined to not be falsely or mistakenly reported. Excluded are offences against public order, such as disorderly conduct and offences against the *Firearms Act 1973*, *Liquor Licensing Act 1988* and a number of other offences against the statute laws of this State and the Commonwealth.
- (b) The number of reported offences is not within the direct control of the police.
- (c) The number of verified offences for a period (e.g. financial year) comprises all verified offences recorded during that period and may include verified offences committed during earlier periods.
- (d) 'Offences against the person' include: homicide, assault, sexual assault, threatening behaviour, deprivation of liberty, and robbery. Offences against the person that are domestic violence-related are excluded.
- (r) Revised figure from that shown in the previous Annual Report due to updated data sources.

Sources:

WA Police, Frontline Incident Management System.
 Australian Bureau of Statistics, Australian Demographic Statistics, December Quarter 2016 (Cat. No. 3101)

WHY is this a key indicator of WA Police performance?

In collaboration with other agencies, WA Police contributes to addressing the causal effects of crime and disorder, and disrupting criminal behaviour. WA Police continues to monitor and work proactively to reduce the levels of crime thereby contributing to community safety and security. WA Police can influence crime rates by targeting causal factors (crime prevention) and by successfully investigating offences and apprehending offenders. Family and domestic violence is subject to different drivers and reporting trends than other offences against the person and is therefore excluded from this indicator. A low or decreasing rate of offences is desirable.

HOW is this indicator derived?

The rate of offences against the person (excluding domestic violence incidents) per 100,000 people is calculated by multiplying the number of offences by 100,000 and dividing this figure by the WA Estimated Resident Population as at 31 December (mid-point of the financial year).

The use of a rate of offences per 100,000 people is an internationally/nationally recognised standard for comparing the prevalence of crime over time and between different geographical areas.

WHAT does this indicator show?

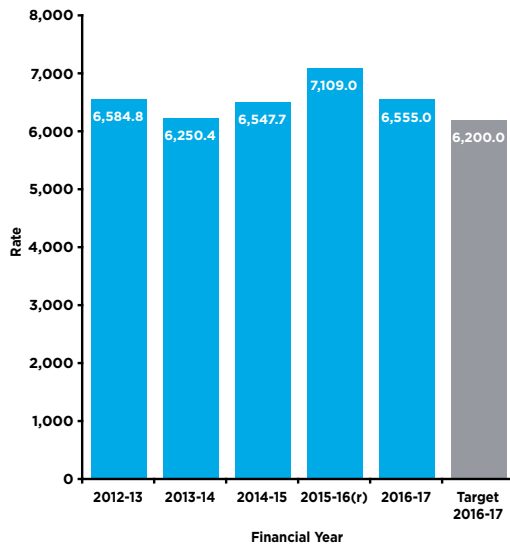
The WA Police did not meet the 2016-17 target of 810.

The rate of offences against the person (excluding domestic violence incidents) per 100,000 people decreased by 1.0 per cent to 845.7 in 2016-17 compared with 854.3 in 2015-16.

The 2016-17 rate was 4.4 per cent higher than the target of 810. The main contributing factors to the variance were an increase in non-domestic assault and threatening behaviour offences.

COMMUNITY DEMAND

KPI 2: Rate of offences against property per 100,000 people, 2012-13 to 2016-17 ^{(a)(b)(c)(d)}



WHY is this a key indicator of WA Police performance?

In collaboration with other agencies, WA Police contributes to addressing the causal effects of crime and disorder, and disrupting criminal behaviour. WA Police continues to monitor and work proactively to reduce the levels of crime thereby contributing to community safety and security. WA Police can influence crime rates by targeting causal factors (crime prevention) and by successfully investigating offences and apprehending offenders. A low or decreasing rate of offences is desirable.

HOW is this indicator derived?

The rate of offences per 100,000 people is calculated by multiplying the number of offences against property by 100,000 and dividing this figure by the WA Estimated Resident Population as at 31 December (mid-point of the financial year).

The use of a rate of offences per 100,000 people is an internationally/nationally recognised standard for comparing the prevalence of crime over time and between different geographical areas.

WHAT does this indicator show?

The WA Police did not meet the 2016-17 target of 6,200.

The rate of offences against property per 100,000 people decreased by 7.8 per cent to 6,555.0 in 2016-17 compared with 7,109.0 in 2015-16.

The 2016-17 rate was 5.7 per cent higher than the target of 6,200.

In response to the increase in crime in 2015-16, WA Police initiated an intensive enforcement strategy. Policing effort was redirected in the metropolitan area and resources were deployed to locations where reported crime had increased and targeted recidivist offenders, with a particular emphasis on tackling burglary, stolen motor vehicles and theft.

To further enhance the police effort to target property crime, the Tougher for Crooks campaign was launched in January 2016 to give practical advice to the community about what they can do to reduce the incidence of burglary and theft.

Notes:

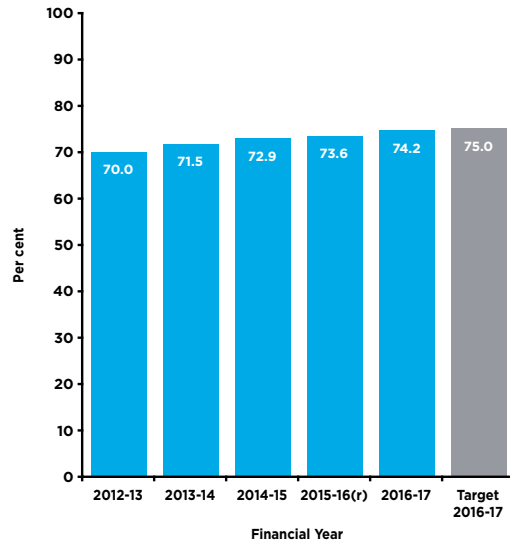
- (a) This indicator is based on selected verified offences reported to, or becoming known to police and resulting in the submission of an incident report in the Frontline Incident Management System (IMS). A verified offence is an offence that has been determined to not be falsely or mistakenly reported. Excluded are offences against public order, such as disorderly conduct and offences against the *Firearms Act 1973*, *Liquor Licensing Act 1988* and a number of other offences against the statute laws of this State and the Commonwealth.
- (b) The number of reported offences is not within the direct control of the police.
- (c) The number of verified offences for a period (e.g. financial year) comprises all verified offences recorded during that period and may include verified offences committed during earlier periods.
- (d) 'Offences against property' include: burglary, motor vehicle theft, theft, arson, and property damage.
- (r) Revised figure from that shown in the previous Annual Report due to updated data sources.

Sources:

WA Police, Frontline Incident Management System.
Australian Bureau of Statistics, Australian Demographic Statistics, December Quarter 2016 (Cat. No. 3101).

ORGANISATIONAL READINESS

KPI 3: Percentage of sworn police officer hours available for frontline policing duties, 2012-13 to 2016-17 ^{(a)(b)(c)}



WHY is this a key indicator of WA Police performance?

Approximately 75 per cent of WA Police expenditure relates to employee expenses. It therefore follows that the extent to which the agency is able to maximise utilisation of

Notes:

(a) Sworn police officers include Aboriginal Police Liaison Officers.

(b) This indicator excludes: Police Auxiliary Officers, sworn police officers of the rank of Superintendent and above, sworn police officers who are permanently or temporarily non-operational, and sworn police officers working in non-operational/non-frontline areas i.e. Professional Standards, Asset Management, Business Strategy and Finance, Business Information Services, Judicial Services (including district prosecuting), Intelligence (including District Intelligence Units and Traffic Intelligence), Workforce (including district training officers), Media and Corporate Communications, and Executive Services.

(c) This indicator does not currently take into account the impact of training on the hours available for frontline policing duties.

(r) Revised figure from that shown in the previous Annual Report due to updated data sources

Source:

WA Police Resource Management Information System (RMIS), payroll data.

available frontline police officer resources, in particular, will contribute significantly to achieving its outcome.

HOW is this indicator derived?

The number of sworn police officer hours available for frontline policing duties is based on the hours of police officers attached to organisational units that have been deemed to be 'frontline'. For the purpose of this indicator, an organisational unit is classified as 'frontline' if it satisfies the following criteria:

(a) The unit is comprised of operational police officers who:

- Are physically able (i.e. not temporarily or permanently injured)
- Are required to be critical skills trained
- Are actively visible as a police officer
- May exercise police powers
- Are expected to exercise such powers on a daily basis if required.

(b) The unit is delivering a police or police-related service including:

- Keeping the peace
- Preventing crime
- Detecting crime
- Enforcing the law

- Apprehending offenders
- Emergency management.

(c) The police or police-related service is delivered directly to members of the public predominantly face to face or by telephone.

Sworn police officers include Aboriginal Police Liaison Officers, but exclude Police Auxiliary Officers and the ranks of Superintendent and above. Frontline availability also excludes permanently or temporarily non-operational police officers.

The indicator is calculated by expressing the number of sworn police officer hours available for frontline policing duties (including overtime) as a percentage of the number of baseline hours worked (total police officer hours less annual leave and long service leave).

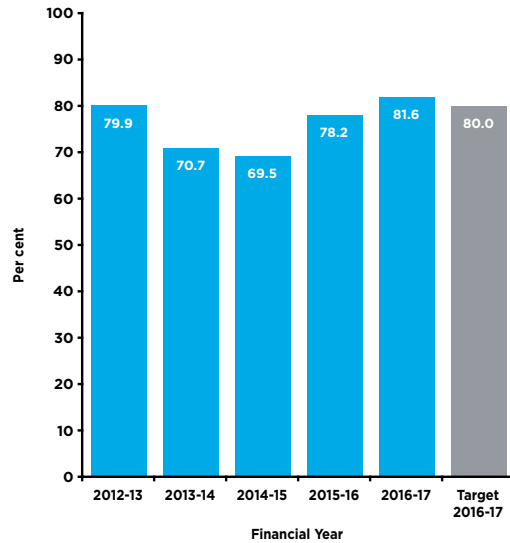
WHAT does this indicator show?

The WA Police did not meet the 2016-17 target of 75 per cent.

The percentage of sworn police officer hours available for frontline policing duties increased to 74.2 per cent in 2016-17. The Frontline 2020 program has resulted in the redeployment of police officers to the frontline and has identified potential opportunities to release more police officers from non-frontline functions.

INTERNAL PROCESS

KPI 4: Percentage of priority 1 & 2 incidents in the metropolitan area responded to within 12 minutes, 2012-13 to 2016-17 ^{(a)(b)(c)}



WHY is this a key indicator of WA Police performance?

The WA community expects that the police will respond promptly to calls for police assistance. However, the main considerations in responding to all incidents are the safety of the community and police officers, and the quality of the response. Response times are therefore considered to be only one aspect of police performance when responding to incidents. Response times are affected by many factors including the number of available police, existing tasking demands and priorities, road and weather conditions.

On receiving the call, WA Police allocates a response priority to the incident according to its level of seriousness. Priority 1 incidents pose an imminent threat to life and require urgent attendance. Priority 2 incidents involve situations that require immediate attendance such as a serious offence/incident in progress.

The ability of WA Police to respond in a timely and appropriate manner to such incidents directly and indirectly contributes to community safety and security. WA Police recognises that not all incidents can be responded to within the specified timeframe, but aims to respond to 80 per cent of priority 1 & 2 incidents within 12 minutes in the Perth metropolitan area.

HOW is this indicator derived?

The indicator is calculated by expressing the number of priority 1 & 2 incidents that are responded to within 12 minutes as a percentage of the total number of priority 1 & 2 incidents in the Perth metropolitan area.

WHAT does this indicator show?

The WA Police achieved the 2016-17 target of 80 per cent.

The percentage of priority 1 & 2 incidents in the metropolitan area responded to within 12 minutes increased by 3.4 percentage points in 2016-17 to 81.6 per cent compared with 78.2 per cent in 2015-16.

KPI 4 (cont.):

Notes:

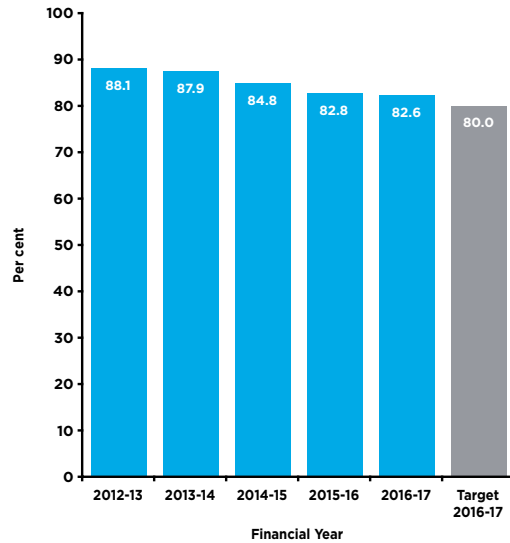
- (a) EXCEPTIONS. To provide an accurate indication of response times, the following incident types have been excluded from calculations as they do not contribute to measuring service delivery and/or have the potential to skew results:
- Scheduled Events – are incidents created for attendance at a later time or date, e.g. Royal Flying Doctor Service escorts;
 - Field Initiated Incidents – are deemed 'arrived' at the time of initiating the Computer Aided Dispatch system (CAD) incident, e.g. pursuits or any incident created directly by a unit from their Tasking and Dispatch Information System (TADIS) device;
 - Change of Incident Response Priority – where incidents are subject to a priority upgrade, e.g. priority 3 to priority 2, the applicable response target time becomes that of the new priority group, however the target response time for that priority may already have expired;
 - Incidents with no recorded 'At Scene' time – which may occur due to a number of circumstances; and
 - Incidents where there is no police attendance – matter dealt with other than by police attending the location.
- (b) The response time has been formulated from the time the incident was entered in the CAD system to arrival of the first resource at the scene. The response times of other resources that may also attend the same incident are excluded.
- (c) Population growth and the development of new housing estates in the metropolitan area have a significant impact on existing policing districts. Several of the metropolitan districts have police sub-districts that are situated on the periphery of the metropolitan area. Whilst patrolling of these outlying sub-districts is contained within a district's service delivery model, it is not necessarily true that an operational unit will be in the area when a priority 1 or 2 task arises. It is reasonable to assume that responding to priority 1 or 2 incidents in these marginal metropolitan areas may experience delays beyond the target response time.

Source:

WA Police, Computer Aided Dispatch system.

INTERNAL PROCESS

KPI 5: Percentage of priority 3 incidents in the metropolitan area responded to within 60 minutes, 2012-13 to 2016-17 ^{(a)(b)(c)}



Notes:

- (a) EXCEPTIONS. To provide an accurate indication of response times, the following incident types have been excluded from calculations as they do not contribute to measuring service delivery and/or have the potential to skew results:
- Scheduled Events – are incidents created for attendance at a later time or date, e.g. Royal Flying Doctor Service escorts;
 - Field Initiated Incidents – are deemed ‘arrived’ at the time of initiating the Computer Aided Dispatch system (CAD) incident, e.g. pursuits or any incident created directly by a unit from their Tasking and Dispatch Information System (TADIS) device;
 - Change of Incident Response Priority – where incidents are subject to a priority upgrade, e.g. priority 4 to priority 3, the applicable response target time becomes that of the new priority group, however the target response time for that priority may already have expired;
 - Incidents with no recorded ‘At Scene’ time – which may occur due to a number of circumstances; and
 - Incidents where there is no police attendance – matter dealt with other than by police attending the location.
- (b) The response time has been formulated from the time the incident was entered in the CAD system to arrival of the first resource at the scene. The response times of other resources that may also attend the same incident are excluded.
- (c) Population growth and the development of new housing estates in the metropolitan area have a significant impact on existing policing districts. Several of the metropolitan districts have police sub-districts that are situated on the periphery of the metropolitan area. Whilst patrolling of these outlying sub-districts is contained within a district’s service delivery model, it is not necessarily true that an operational unit will be in the area when a priority 3 task arises. It is reasonable to assume that responding to priority 3 incidents in these marginal metropolitan areas may experience delays beyond the target response time.

Source:

WA Police, Computer Aided Dispatch system

WHY is this a key indicator of WA Police performance?

The WA community expects that the police will respond promptly to calls for police assistance. However, the main considerations in responding to all incidents are the safety of the community and police officers, and the quality of the response. Response times are therefore considered to be only one aspect of police performance when responding to incidents. Response times are affected by many factors including the number of available police, existing tasking demands and priorities, road and weather conditions.

On receiving the call, WA Police allocates a response priority to the incident according to its level of seriousness. Priority 3 incidents include an offence in progress/ suspect at scene or the preservation of evidence and require routine attendance.

The ability of WA Police to respond in a timely and appropriate manner to such incidents directly and indirectly contributes to community safety and security. WA Police recognises that not all incidents can be responded to within the specified timeframe but aims to respond to 80 per cent of

priority 3 incidents within 60 minutes in the Perth metropolitan area.

HOW is this indicator derived?

The indicator is calculated by expressing the number of priority 3 incidents that are responded to within 60 minutes as a percentage of the total number of priority 3 incidents in the Perth metropolitan area.

WHAT does this indicator show?

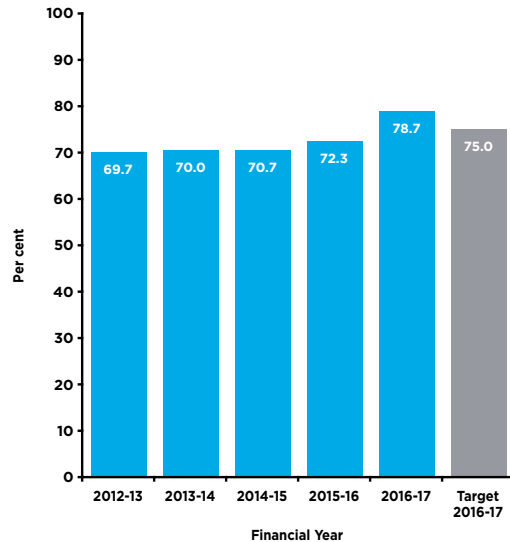
The WA Police achieved the 2016-17 target of 80 per cent.

Since 2012-13, there has been a decrease in the percentage of priority 3 incidents in the Perth metropolitan area responded to within 60 minutes. However, this percentage has remained above the target of 80 per cent.

This decrease was due to a 28.9 per cent (54,828) increase in the total number of priority 3 incidents to 244,699 in 2015-16 compared with 189,871 in 2012-13. The number of incidents has subsequently decreased to 228,437 in 2016-17.

INTERNAL PROCESS

KPI 6: Percentage of family and domestic-related incidents where an offender was processed for an offence against the person within 7 days, 2012-13 to 2016-17 ^{(a)(b)}



Notes:

- (a) Notwithstanding the definition of 'A family and domestic relationship' in section 4 of the *Restraining Orders Act 1997*, WA Police defines a family and domestic relationship as:
- Intimate partner means two persons who are or have been in a relationship with each other which has some degree of stability and continuity. It must reasonably be supposed to have, or have had a sexual aspect to the relationship. The partners do not have to be living together on a full time continuing basis and need not ever have done so.
 - Immediate family member means two persons who are related whether directly, in-laws or step family including parent; grandparent; one of the persons involved is a child who ordinarily resides, resided or regularly stays with the other person; and guardian of an involved child.
- (b) An 'act of family and domestic violence' is defined in section 6 of the *Restraining Orders Act 1997* and means one of the following acts that a person commits against another person with whom he or she is in a family and domestic relationship:
- assaulting or causing personal injury to the person
 - kidnapping or depriving the person of his or her liberty
 - damaging the person's property, including the injury or death of an animal that is the person's property
 - behaving in an ongoing manner that is intimidating, offensive or emotionally abusive towards the person
 - pursuing the person or a third person or causing the person or a third person to be pursued with intent to intimidate the person; or in a manner that could reasonably be expected to intimidate, and that does in fact intimidate, the person
 - threatening to commit any act described above against the person.
- 'Offences against the person' include: homicide, assault, sexual assault, threatening behaviour, deprivation of liberty and robbery.

Source:

WA Police, Frontline Incident Management System.

WHY is this a key indicator of WA Police performance?

WA Police recognises that incidents involving family and domestic violence are serious crimes. Acts of family and domestic violence are a complex and challenging issue affecting the safety and security of our community. Such acts can take many forms and can often be endured by victims and their children over long periods of time before they seek help.

WA Police takes positive action to protect the victims and their children from further harm when acts of family and domestic violence occur. Through a collaborative approach with partner agencies, victims receive support and assistance and are able to make safe and informed choices. Police Orders and Violence Restraint Orders are used as additional safeguards and not as an alternative to the laying of appropriate charges.

Generally, police process offenders for family and domestic violence-related offences within a short period of time as the offenders are often present and their identity is known. It is important that in the interests of protecting victims and community safety to process offenders promptly.

HOW is this indicator derived?

This indicator relates to family and domestic-related incidents recorded in the WA Police Frontline Incident Management System where an offender has been processed (e.g. arrested, charged) for an offence against the person. Offences against the person include: homicide, assault, sexual assault, threatening behaviour, deprivation of liberty and robbery.

The indicator is calculated by expressing the number of family and domestic-related incidents where an offender was processed for one or more offences against the person within 7 days as a percentage of the total number of family and domestic-related incidents where an offender was processed for one or more offences against the person during the reporting period.

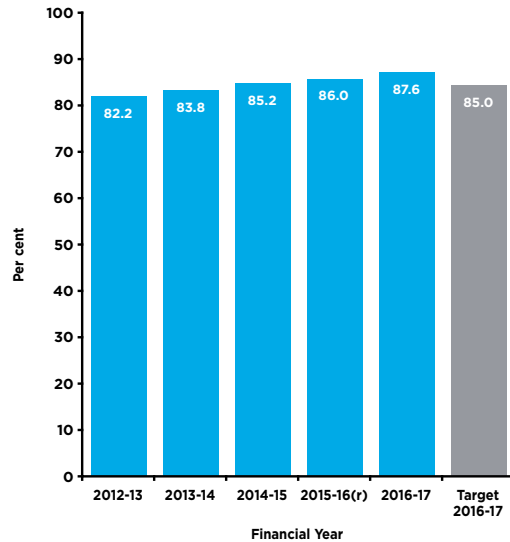
WHAT does this indicator show?

The WA Police achieved the 2016-17 target of 75 per cent.

The percentage of family and domestic-related incidents where an offender was processed for an offence against the person within 7 days increased to 78.7 per cent in 2016-17.

INTERNAL PROCESS

KPI 7: Percentage of offences against the person investigations finalised within 60 days, 2012-13 to 2016-17 ^{(a)(b)(c)}



WHY is this a key indicator of WA Police performance?

Applying an appropriate response, practice or procedure early affects the effectiveness of the investigation and the likelihood that it will be resolved (e.g. offender processed) within a relatively short period of time.

The percentage of offences against the person investigated that are finalised within 60 days is a key indicator of investigative effectiveness as it reflects better processing, file management, investigation standards and attention to getting the investigation done. Investigations of offences against the person are more complex than offences against property and therefore can take longer to finalise, hence the period of 60 days compared with 30 days for offences against property. One of the purposes of police is to apprehend offenders and this is usually the result of a successful investigation. Apprehending offenders may stop further offences being committed and act as a deterrent to future criminal behaviour. As a consequence, this contributes to community safety and security.

HOW is this indicator derived?

The 'percentage of offences against the person finalised' comprises all investigation outcomes i.e. offender processed, withdrawn, statute barred, civil/other, insufficient evidence and uncleared.

The number of verified offences against the person investigations finalised within 60 days of being reported is expressed as a percentage of the total number of verified offences against the person where investigations have been finalised during the reporting period and may include verified offences committed during earlier periods.

WHAT does this indicator show?

The WA Police achieved the 2016-17 target of 85 per cent.

The percentage of offences against the person investigations finalised within 60 days has increased since 2012-13.

Notes:

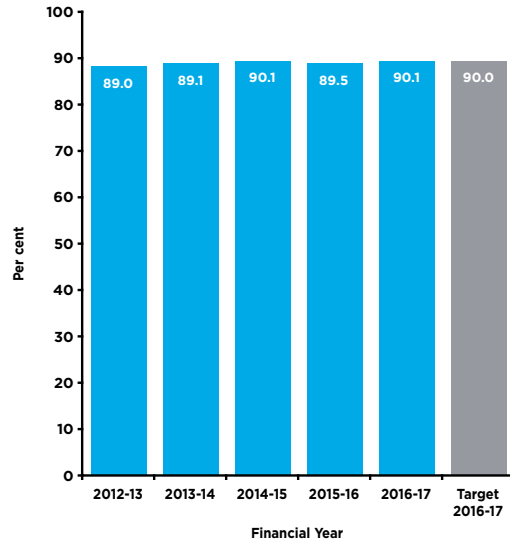
- (a) This indicator is based on selected verified offences reported to, or becoming known to police and resulting in the submission of an incident report in the Frontline Incident Management System (IMS). A verified offence is an offence that has been determined to not be falsely or mistakenly reported. Excluded are offences against public order, such as disorderly conduct and offences against the *Firearms Act 1973*, *Liquor Licensing Act 1988* and a number of other offences against the statute laws of this State and the Commonwealth.
- (b) The number of reported offences is not within the direct control of the police.
- (c) 'Offences against the person' include: homicide, assault, sexual assault, threatening behaviour, deprivation of liberty and robbery.
- (r) Revised figure from that shown in the previous Annual Report due to updated data sources.

Source:

WA Police, Frontline Incident Management System.

INTERNAL PROCESS

KPI 8: Percentage of offences against property investigations finalised within 30 days, 2012-13 to 2016-17 ^{(a)(b)(c)}



WHY is this a key indicator of WA Police performance?

Applying an appropriate response, practice or procedure early affects the effectiveness of the investigation and the likelihood that it will be resolved (e.g. offender processed) within a relatively short period of time.

The percentage of offences against property investigated that are finalised within 30 days is a key indicator of investigative effectiveness as it reflects better processing, file management, investigation standards and attention to getting the investigation done. Investigations of offences against property are generally less complex than offences against the person and therefore take less time to finalise, hence the period of 30 days compared with 60 days for offences against the person. One of the purposes of police is to apprehend offenders and this is usually the result of a successful investigation. Apprehending offenders may stop further offences being committed and act as a deterrent to future criminal behaviour. As a consequence, this contributes to community safety and security.

HOW is this indicator derived?

The 'percentage of offences against property finalised' comprises all investigation outcomes i.e. offender processed, withdrawn, statute barred, civil/other, insufficient evidence and uncleared.

The number of verified offences against property investigations finalised within 30 days of being reported is expressed as a percentage of the total number of verified offences against property where investigations have been finalised during the reporting period and may include verified offences committed during earlier periods.

WHAT does this indicator show?

The WA Police achieved the 2016-17 target of 90 per cent.

The percentage of offences against property investigations finalised within 30 days increased to 90.1 per cent in 2016-17 compared with 89.5 per cent in 2015-16.

Notes:

(a) This indicator is based on selected verified offences reported to, or becoming known to police and resulting in the submission of an incident report in the Frontline Incident Management System (IMS). A verified offence is an offence that has been determined to not be falsely or mistakenly reported. Excluded are offences against public order, such as disorderly conduct and offences against the *Firearms Act 1973*, *Liquor Licensing Act 1988* and a number of other offences against the statute laws of this State and the Commonwealth.

(b) The number of reported offences is not within the direct control of the police.

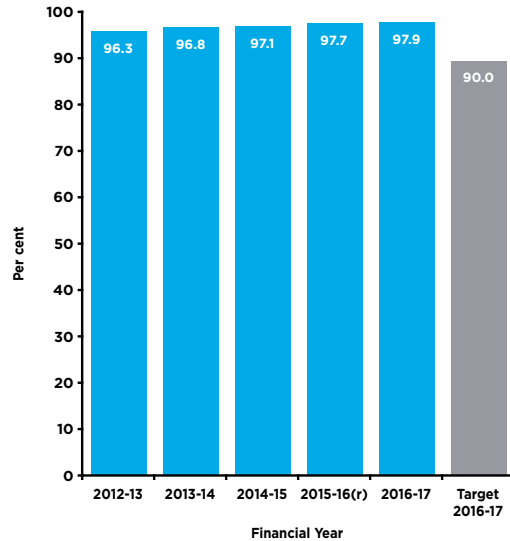
(c) 'Offences against property' include: burglary, motor vehicle theft, theft, arson and property damage.

Source:

WA Police, Frontline Incident Management System.

INTERNAL PROCESS

KPI 9: Percentage of traffic law enforcement contacts made by police officers that target 'Category A' offences, 2012-13 to 2016-17



Notes:

(r) Revised figure from that shown in the previous Annual Report due to updated data sources.

Sources:

- (a) WA Police, BriefCase system.
- (b) WA Police, Image and Infringement Processing System (IIPS).
- (c) WA Police, Traffic and Crash Executive Information System (TEACEIS).

WHY is this a key indicator of WA Police performance?

The predominance of road safety/traffic law enforcement effort conducted by police officers is directed to those issues that are deemed as behaviours most likely to cause crashes such as alcohol/drugs, dangerous/reckless driving, speeding, unauthorised driving, and use of mobile phones whilst driving, or contribute to the severity of injury i.e. not wearing seatbelts/restraints/ helmets.

By maintaining a high proportion of enforcement effort on addressing these 'Category A' offences as opposed to other traffic offences, the police are being effective in conducting traffic law enforcement in order to contribute to the outcome of community safety.

HOW is this indicator derived?

'Category A' offences include: driving under the influence of alcohol/drugs, careless/dangerous/reckless driving, non-speed camera speeding offences, no authority to drive, use of mobile phones whilst driving, and non-wearing of seatbelts/restraints/helmets.

For the purpose of this indicator, a traffic contact includes conducting a preliminary breath/drug test, charging a road user for a traffic offence(s) or issuing a traffic infringement. As a preliminary breath/drug test is a traffic contact, any drink/drug driving charge or infringement that may result from the breath test is not counted.

The number of traffic law enforcement contacts made by police officers that target 'Category A' offences is expressed as a percentage of the total number traffic law enforcement contacts (excluding drink/drug driving charges/infringements) during the reporting period.

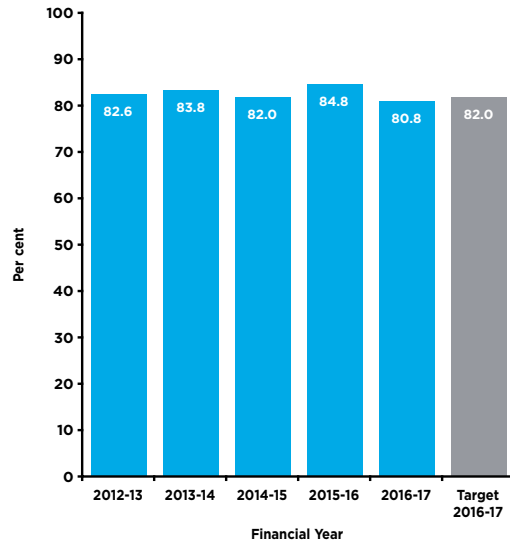
WHAT does this indicator show?

The WA Police achieved the 2016-17 target of 90 per cent.

The percentage of traffic law enforcement contacts made by police officers that target 'Category A' offences has increased since 2012-13.

COMMUNITY SATISFACTION AND CONFIDENCE

KPI 10: Percentage of the community who were 'satisfied' or 'very satisfied' with the service received during their most recent contact with police, 2012-13 to 2016-17 ^{(a)(b)}



WHY is this a key indicator of WA Police performance?

Customer satisfaction is a widely accepted measure of organisational performance. Indicators based on community perception provide useful information about service delivery and acknowledge the importance of community engagement. The WA community is the customer of the services provided by the WA Police. The extent to which those members of the community who have had contact with the police during the last 12 months are satisfied with the service received during their most recent contact with the police is based on personal experience. As a consequence, the police through their attitude, behaviour and actions can directly influence the level of satisfaction members of the community perceive resulting from this interaction with police. The extent to which the community is satisfied with the service received during their most recent contact with police provides an indication of how well these services meet customer needs and expectations; and therefore the effectiveness of the police in contributing to community safety and security.

HOW is this indicator derived?

The data for this indicator is sourced from the National Survey of Community Satisfaction with Policing. The data is weighted to a quarter of the population of people aged 18 or over for Perth and the rest of WA each quarter. In this way, the combined weighted estimates for four consecutive quarters are approximately equal to the total population. The data is also weighted by police district by age and by sex.

The indicator is based on those people who did have contact with police in the last 12 months and their response to the question: How satisfied were you with the service you received during your most recent contact with police? The response categories are: 'very satisfied', 'satisfied', 'neither satisfied nor dissatisfied', 'dissatisfied', and 'very dissatisfied'.

The percentage of the WA Community who responded 'satisfied' or 'very satisfied' are combined to show the overall level of satisfaction with the service received during their contact with police.

WHAT does this indicator show?

The WA Police did not meet the 2016-17 target of 82 per cent.

The percentage of the WA community who were satisfied with the services received during their most recent contact with police in 2016-17 decreased to 80.8 per cent compared with 84.8 per cent in 2015-16.

Of those who were 'dissatisfied' or 'very dissatisfied' with the service received during their most recent contact with police, the main reason given was that the police 'didn't do enough/ took no action'.

In 2016-17, 61.2 per cent of the WA community had contact with police in the last 12 months. The most common reasons for the most recent contact with police were a random breath/drug test and to report a crime or other incident.

Notes:

(a) This indicator is derived from the National Survey of Community Satisfaction with Policing that commenced in July 2001. The survey is conducted by telephone using the service provider's Computer Assisted Telephone Interviewing facilities. Interviewing is conducted each month. Eligible respondents are required to be aged 18 years or over. Respondents are chosen from each contacted household by the next birthday method. People who work for the police, or who live in a household with someone who works for the police, are excluded from the survey. A random sample of telephone numbers is generated for each police district within WA using the Random Digit Dialling (RDD) method. The random sampling method used allows both listed and unlisted numbers in all active telephone exchanges to be included in the sample. The overall sample is stratified by police district to ensure a sufficient sample is collected for each police district each quarter. Each police district has a monthly quota of interviews to ensure interviewing is spread evenly across the full year. In 2016-17, 27,901 people aged 18 years and over were surveyed nationally of which 2,800 were surveyed in WA. The response rate for WA (defined as interviews as a proportion of interviews and refusals) was 62.5 per cent.

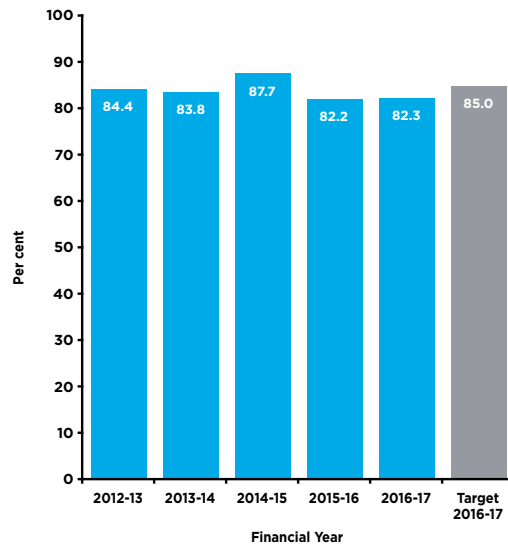
(b) With all sample surveys there are errors that occur by chance because the data were obtained from a sample, rather than the entire population. The relative standard error (RSE) is a measure of the error (relative to the size of the estimate) likely to have occurred due to sampling. Generally, only estimates with an RSE of 25 per cent or less are considered reliable for most purposes. Estimates with an RSE of between 25 per cent and 50 per cent should be used with caution while estimates with an RSE greater than 50 per cent should not be used. The RSE associated with the estimate for 2016-17 was less than 3.5 per cent.

Source:

National Survey of Community Satisfaction with Policing (unpublished data).

COMMUNITY SATISFACTION AND CONFIDENCE

KPI 11: Percentage of the community who 'agreed' or 'strongly agreed' that they have confidence in police, 2012-13 to 2016-17 ^{(a)(b)}



WHY is this a key indicator of WA Police performance?

In 2013, the Commissioner of Police stated that:

“In my introductory narrative for the Frontline First initiative some years ago, I commented that public confidence in police relies upon community members feeling police are making a positive difference in their everyday lives. I made that comment because I believe that no matter what other performance measures are put in place, or how many complex issues we resolve, community confidence is the ultimate measure of our success.”

The community's level of confidence in police reflects communication between the police and the public, police effectiveness and service delivery, professionalism, honesty, and treating people fairly and equally. By maintaining a high level of community confidence in police, the police are empowered to contribute to community safety and security.

HOW is this indicator derived?

The data for this indicator is sourced from the National Survey of Community Satisfaction with Policing. The data is weighted to a quarter of the population of people aged 18 or over for Perth and the rest of WA each quarter.

In this way, the combined weighted estimates for four consecutive quarters are approximately equal to the total population. The data is also weighted by police district by age and by sex.

The indicator is based on those people who responded to the question: To what extent do you agree or disagree with the following statement about police in WA: I do have confidence in the police? The response categories are: 'strongly agree', 'agree', 'neither agree nor disagree', 'disagree', and 'strongly disagree'.

The percentage of the WA Community who responded 'agree' or 'strongly agree' are combined to show the overall level of agreement with the statement: I do have confidence in the police.

WHAT does this indicator show?

The WA Police did not meet the 2016-17 target of 85 per cent.

In 2016-17, 82.3 per cent of the WA community 'agreed' or 'strongly agreed' that they have confidence in police.

Notes:

- (a) This indicator is derived from the National Survey of Community Satisfaction with Policing that commenced in July 2001. The survey is conducted by telephone using the service provider's Computer Assisted Telephone Interviewing facilities. Interviewing is conducted each month. Eligible respondents are required to be aged 18 years or over. Respondents are chosen from each contacted household by the next birthday method. People who work for the police, or who live in a household with someone who works for the police, are excluded from the survey. A random sample of telephone numbers is generated for each police district within WA using the Random Digit Dialling (RDD) method. The random sampling method used allows both listed and unlisted numbers in all active telephone exchanges to be included in the sample. The overall sample is stratified by police district to ensure a sufficient sample is collected for each police district each quarter. Each police district has a monthly quota of interviews to ensure interviewing is spread evenly across the full year. In 2016-17, 27,901 people aged 18 years and over were surveyed nationally of which 2,800 were surveyed in WA. The response rate for WA (defined as interviews as a proportion of interviews and refusals) was 62.5 per cent.
- (b) With all sample surveys there are errors that occur by chance because the data were obtained from a sample, rather than the entire population. The relative standard error (RSE) is a measure of the error (relative to the size of the estimate) likely to have occurred due to sampling. Generally, only estimates with an RSE of 25 per cent or less are considered reliable for most purposes. Estimates with an RSE of between 25 per cent and 50 per cent should be used with caution while estimates with an RSE greater than 50 per cent should not be used. The RSE associated with the estimate for 2016-17 was less than 2.5 per cent.

Source:

National Survey of Community Satisfaction with Policing (unpublished data).

EFFICIENCY INDICATORS

Key efficiency indicators provide information about the relationship between the service delivered and the resources used to produce the service. The efficiency with which the WA Police delivers each of its three services is measured in terms of the average cost of the service per person.

It is important to note that the nature of policing is highly reactive and with demand for services changing each year, the average cost per person of providing policing services can vary significantly. Policing activities include keeping the peace, enforcing the law, preventing and detecting crime, apprehending offenders and emergency management.

The average cost per person can be affected by such factors as employee pay rate movements and other cost increases, changes in work practices or streamlining of processes.

If real expenditure is kept constant, an increase in population will result in a lower cost per person which represents an improvement in efficiency i.e. the police are expending the same amount of resources to service a larger population, potentially more crime and other incidents. The level of efficiency can be maintained if real expenditure does not exceed the rate of population growth. Expenditure that exceeds the rate of population growth indicates inefficiency.

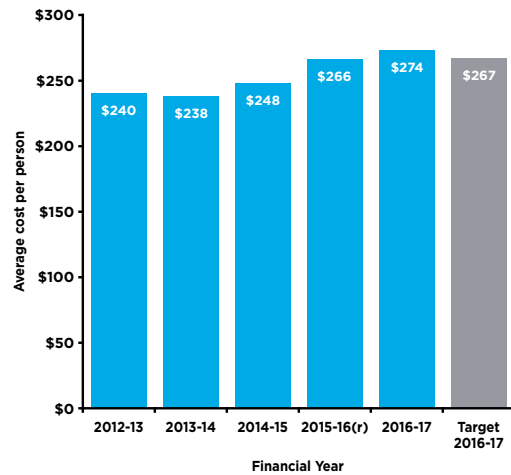
The key efficiency indicators for each service are presented in the following charts and show comparative performance over the period 2012-13 to 2016-17 and the target for 2016-17.

OUTCOME: CONTRIBUTE TO COMMUNITY SAFETY AND SECURITY

Service 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.

Average cost of metropolitan policing services per person in the Perth metropolitan area, 2012-13 to 2016-17



Note:

(r) Revised figure from that shown in the previous Annual Report due to updated data sources.

Sources:

Total cost of Service from Schedule of Income and Expenses by Services for the years ending 30 June 2016 and 30 June 2017, respectively. ERP for Total Greater Perth, Australian Bureau of Statistics, Regional Population Growth, Australia, 2016 (Cat. No. 3218.0).

WHY is this a key indicator of WA Police performance?

The Metropolitan Region is one of two policing regions in WA. In 2016-17, the total cost of providing metropolitan policing services was \$553.1 million. This represented 39.6 per cent of the total cost of services. These policing services are provided to the community of the Perth metropolitan area. By showing the relationship between the cost of services and the population receiving these services, the cost efficiency of delivering these services can be measured.

HOW is this indicator derived?

The total cost of metropolitan policing services is based on the Metropolitan Police Region (including 'specialist services' within districts such as detectives, crime intelligence, forensics, traffic and prosecuting and the following areas within Judicial Services: Prosecuting Services Division and Custodial Services that directly relate to metropolitan policing), plus the apportionment of Corporate Services and Support Overhead.

The total cost of metropolitan policing services is divided by the Estimated Resident Population (ERP) of the Metropolitan Police Region as at the beginning of the financial year, i.e. the ERP as at 30 June 2016 is used for the 2016-17 financial year.

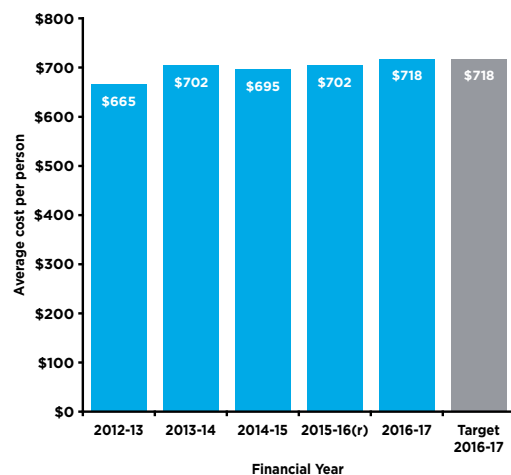
WHAT does this indicator show?

The average cost of metropolitan policing services per person in the Perth metropolitan area for 2016-17 was \$274.

Service 2: Regional and remote policing services

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

Average cost of regional and remote policing services per person in regional WA, 2012-13 to 2016-17



Note:

(r) Revised figure from that shown in the previous Annual Report due to updated data sources.

Source:

Total cost of Service from Schedule of Income and Expenses by Services for the years ending 30 June 2016 and 30 June 2017, respectively. ERP for Total Rest of WA, Australian Bureau of Statistics, Regional Population Growth, Australia, 2016 (Cat. No. 3218.0).

WHY is this a key indicator of WA Police performance?

The Regional WA Region is one of two policing regions in WA. In 2016-17, the total cost of providing regional and remote policing services was \$385.6 million. This represented 27.6 per cent of the total cost of services. These policing services are provided to the community of regional WA. By showing the relationship between the cost of services and the population receiving these services, the cost efficiency of delivering these services can be measured.

HOW is this indicator derived?

The total cost of regional and remote policing services is based on the Regional WA Police Region (including 'specialist services' within districts such as detectives, crime intelligence, forensics, traffic and prosecuting), plus the apportionment of Corporate Services and Support Overhead.

The total cost of regional and remote policing services is divided by the Estimated Resident Population (ERP) of the Regional WA Police Region as at the beginning of the financial year, i.e. the ERP as at 30 June 2016 is used for the 2016-17 financial year.

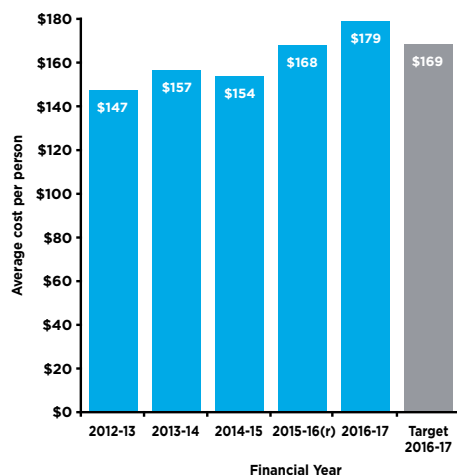
WHAT does this indicator show?

The average cost of regional and remote policing services per person in regional WA for 2016-17 was \$718.

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, and counter terrorism and emergency response.

Average cost of specialist policing services per person in WA, 2012-13 to 2016-17



WHY is this a key indicator of WA Police performance?

Specialist policing services provide support to the police regions. In 2016-17, the total cost of providing specialist policing services was \$456.9 million. This represented 32.7 per cent of the total cost of services. These policing services are provided to the community of WA.

Note:

(r) Revised figure from that shown in the previous Annual Report due to updated data sources.

Sources:

Total cost of Service from Schedule of Income and Expenses by Services for the years ending 30 June 2016 and 30 June 2017, respectively. ERP for WA, Australian Bureau of Statistics, Regional Population Growth, Australia, 2016 (Cat. No. 3218.0).

By showing the relationship between the cost of services and the population receiving these services, the cost efficiency of delivering these services can be measured.

HOW is this indicator derived?

The total cost of specialist policing services is based on the specialist portfolios (i.e. State Crime, Intelligence, and Specialist and Support Services), plus the apportionment of Corporate Services and Support Overhead.

The total cost of specialist policing services is divided by the Estimated Resident Population (ERP) of WA (as these services are provided across the state) as at the beginning of the financial year, i.e. the ERP as at 30 June 2016 is used for the 2016-17 financial year.

WHAT does this indicator show?

The average cost of specialist policing services per person in WA for 2016-17 was \$179.

AMENDMENTS TO THE 2017-18 PERFORMANCE FRAMEWORK

During 2016-17, the WA Police reviewed its Outcome Based Management (OBM) framework. Amendments were made to the following KPIs:

- KPI 1: Rate of offences against the person (excluding domestic violence incidents) per 100,000 people.
- KPI 2: Rate of offences against property per 100,000 people.

KPI 1 was amended to read:

Rate of offences against the person (excluding family violence-related offences) per 100,000 people.

This amendment involved changing the words: 'excluding domestic violence incidents' to 'excluding family violence-related offences'. The term 'family violence' has replaced 'domestic violence' in common and legislative usage. The reference to offences rather than incidents more accurately reflects the existing calculation of this KPI. This change does not affect the calculation of this KPI.

KPI 2 was amended to read:

Rate of offences against property (excluding family violence-related offences) per 100,000 people.

This amendment involved changing the wording of this KPI to exclude family violence-related offences. This was done to make this KPI consistent with the KPI 1 and to reflect the fact that a proportion of property offences are family violence-related and therefore should be excluded for the same reason. This amendment does affect the calculation of this KPI resulting in a reduction in the rate of offences per 100,000 persons.

The amended KPIs were approved by the Minister for Police; Road Safety, and the Department of Treasury.

In addition, the Government Goal of Results Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians was changed to Strong Communities: Safe communities and supported families.

These changes to the WA Police OBM framework took effect from 1 July 2017.



OTHER
FINANCIAL
DISCLOSURES

OTHER FINANCIAL DISCLOSURES

MINISTERIAL DIRECTIVES

Requirement under *Treasurer's Instruction 903, s12*

No Ministerial Directives were received during the 2016-17 financial year.

ACT OF GRACE PAYMENTS

Requirement under *Treasurer's Instruction 319(5)*

Two Act of Grace Payments were made during the 2016-17 financial year totalling \$3,709.50.

PRICING POLICIES ON SERVICES

Requirement under *Treasurer's Instruction 903, s13 (i)*

WA Police charge for goods and services rendered on a full or partial cost-recovery basis. These fees and charges were determined in accordance with the 'Costing and Pricing of Government Services - Guidelines for use by agencies in the Western Australian Public Sector' published by the Department of Treasury and the annual instructions to agencies for the preparation of the budget.

The list of fees and charges that applied from 1 July 2016 for services provided during 2016-17 was published in the Government Gazette on 14 June 2016 for Police Fees, Security and Related Activities, Pawnbrokers and Second-hand Dealers, and Firearms Fees.

INTEREST IN OR BENEFITS FROM CONTRACTS

Requirement under the *Treasurer's Instruction 903 s14 (iii (a) (b)(c))(iv)*

WA Police operates a system that requires senior officers to declare confidentiality and interest in respect to any existing or proposed contracts. There are no known cases of conflicts of interest in 2016-17.



OTHER FINANCIAL DISCLOSURES

MAJOR CAPITAL WORKS

Requirement under *Treasurer's Instruction 903, s13 (ii (a), (b))*

Major Capital Works - where project Estimated Total Cost exceeds \$10.0M

CAPITAL WORKS						
Project	Proposed Year of Completion	Revised ETC May 2016 '000	Revised ETC June 2017 '000	Variations '000	Variation %	Reason for Variation
COMPLETED WORKS						
Police Facilities						
• Computer Aided Dispatch System Replacement	2016-17	20,700	20,700	-		
• Western Suburbs Police Station	-	21,808	-	(21,808)		Project discontinued
WORKS IN PROGRESS						
Fleet and Equipment Purchases - New and Replacement						
• Fleet and Equipment Replacement Program 2015-2018	2017-18	32,321	32,321	-		
• Expansion of the Enhanced Automated Traffic Enforcement Network	2019-20	14,510	14,386	(124)	-1%	Return to the Road Trauma Trust Account (RTTA)
Information Technology (IT) Infrastructure						
• ICT - Core Business Systems Development 2011-2015	2017-18	59,165	59,165	-		
• ICT Infrastructure Replacement and Continuity 2013-2015	2017-18	54,013	54,013	-		
• Community Safety Network - Regional Radio Network Replacement Program	2018-19	71,099	71,654	555	1%	ETC increased to include communications site at Greenough Prison
Police Facilities						
• Cockburn Central Police Complex	2017-18	18,561	18,561	-		
• Boost to Police Resources - Ballajura Police Station	2017-18	10,989	8,689	(2,300)	-21%	Under budget. Savings returned to Consolidated Funds

OTHER FINANCIAL DISCLOSURES

CAPITAL WORKS

Project	Proposed Year of Completion	Revised ETC May 2016 '000	Revised ETC June 2017 '000	Variations '000	Variation %	Reason for Variation
• Custodial Facilities Upgrade Program 2015-18	2017-18	11,600	11,600	-		
• Police Station Upgrade Program 2015-2018	2017-18	11,460	11,460	-		
• Boost to Police Resources - Accommodation Infrastructure	2018-19	56,011	56,011	-		
• Police Facilities Major Refurbishment and Upgrade Program 2015-2019	2018-19	16,780	16,780	-		

NEW WORKS

Police Facilities

• Fleet and Equipment Replacement Program 2018-2021	2020-21	36,900	36,900	-		Commences 2018-19
• Custodial Facilities Upgrade Program 2018-21	2020-21	13,200	13,200	-		Commences 2018-19
• Police Station Upgrade program 2018-21	2020-21	13,200	13,200	-		Commences 2018-19
• Armadale Courthouse and Police Complex	2021-22	-	78,813	78,813		Approved 2016-17 Budget process. Commences 2018-19 - Treasury administered

Information Technology (IT) Infrastructure

• ICT Optimisation Program	2020-21	-	40,000	40,000		Approved 2016-17 Budget process. Commences 2017-18
• Police Radio Network: Federal Legislated Radio Frequency Change	2019-20	-	13,105	13,105		Approved 2016-17 Budget process. Commences 2017-18

Road Trauma Trust Account

• Speed Camera Replacement Program	2018-19	8,375	18,015	9,640	115%	Additional funding for next 2 years
------------------------------------	---------	-------	--------	-------	------	-------------------------------------

OTHER FINANCIAL DISCLOSURES

STAFF PROFILE

Requirement under *Treasurer's Instruction 903, s13 (iii) (a), (b)*

Profile of Police Officers by Gender (Headcount) ^(a)

As at 30 June	2013	2014	2015	2015	2017
Senior Police ^(b)					
Male	11	9	8	10	9
Female	2	2	2	2	2
TOTALS	13	11	10	12	11
Police Officers					
Male	4,686	4,658	4,770	4,939	4,970
Female	1,251	1,264	1,321	1,403	1,460
TOTALS	5,937	5,922	6,091	6,342	6,430
Police Auxiliary Officers					
Males	80	147	167	156	198
Females	65	98	117	113	146
TOTALS	145	245	284	269	334
Aboriginal Police Liaison Officers					
Male	10	9	8	7	6
Female	4	2	2	2	2
TOTALS	14	11	10	9	8
Total Males	4,787	4,823	4,953	5,112	5,183
Total Females	1,322	1,366	1,442	1,520	1,610
TOTALS	6,109	6,189	6,395	6,632	6,793

Notes above:

- (a) Statistics based on full-time equivalent (FTE) staff.
- (b) Senior Police comprises the Commissioner, Deputy Commissioner and the Assistant Commissioners.

Notes on the next page:

- (a) Statistics based on full-time equivalent (FTE) staff.
- (b) The number of Children's Crossing Guard positions to operate Type A children's crossings in Western Australia as at 30 June.

OTHER FINANCIAL DISCLOSURES

STAFF PROFILE

Requirement under *Treasurer's Instruction 903, s13 (iii) (a), (b)*

Profile Of Police Staff By Gender And Classification (Headcount) ^{(a) (b)}

Level	As at 30 June 2015			As at 30 June 2016			As at 30 June 2017		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Group 2	1	0	1	1	0	1	0	0	0
Class 1	3	0	3	2	0	2	1	0	1
Level 9	0	0	0	0	3	3	2	5	7
Specified Calling 8	1	0	1	1	0	1	1	0	1
Specified Calling 5	1	0	1	1	0	1	1	0	1
Level 8	18	11	29	21	10	31	26	16	42
Solicitor 4	3	0	3	5	0	5	5	0	5
Specified Calling 4	2	0	2	2	0	2	2	1	3
Level 7	52	25	77	51	30	81	58	41	99
Specified Calling 3	0	7	7	0	6	6	0	7	7
Solicitor 3	0	0	0	1	0	1	2	0	2
Level 6/7	0	1	1	0	1	1	0	1	1
Level 6	78	59	137	74	65	139	83	69	152
Specified Calling 2	1	1	2	1	2	3	1	1	2
Level 5	81	101	182	89	108	197	99	136	235
Level 4	93	118	211	90	125	215	97	126	223
Level 3 (includes Band Officers)	90	141	231	97	148	245	105	177	282
Level 2	217	540	757	212	540	752	210	601	811
Level 1	33	142	175	36	141	177	41	138	179
School Based Trainee	0	0	0	0	0	0	0	2	2
Chaplain	2	0	2	2	0	2	1	0	1
Individual Workplace Agreements	0	0	0	6	0	6	9	0	9
Wages	27	80	107	33	79	112	28	87	115
TOTALS	703	1,226	1,929	725	1,258	1,983	772	1408	2180
Children's Crossing Guards employed by the WA Police ^(b)			547			571			625

The 2014-2017 WA Police Workforce Plan supports the objectives of the Frontline 2020 Reform Program, which aims to maximise operational efficiencies, reduce demand and focus on local policing needs. The Workforce Plan recognises opportunities through workforce initiatives through three main themes which are Workforce Reform; Attraction and Diversity; and Engagement, Development and Leadership.

OTHER FINANCIAL DISCLOSURES

WORKFORCE PLANNING

Requirement under *Treasurer's Instruction 903, s13 (iii (a), (b))*

The 2014-2017 WA Police Workforce Plan aims to maximise operational efficiencies, reduce demand and focus on local policing needs. The Workforce Plan recognises opportunities through workforce initiatives through three main themes which are Workforce Reform; Attraction and Diversity; and Engagement, Development and Leadership.

Workforce initiatives undertaken in 2016-17 include:

- Development and implementation of a Graduate Development Program
- Design, governance and implementation of the WA Police Intern Program through the Public Sector Commission and coordination with various WA universities
- Presentation of a model for Future Workforce Mix, identifying opportunities for flexibility within workforce capacity
- The review and evaluation of the Police Cadet Program and the incorporation of the Diversity Employment Program through cadetships
- Continuation of the Workforce Optimisation Program of Works
- Implementation of structural changes based on Frontline 2020 reform initiatives
- Successful implementation and conclusion of the 2009-2017 Growth in Police Officer and Police Auxiliary Officer FTE Program
- Continual review and update of workforce management policies, processes and practices.

WORKERS' COMPENSATION CLAIMS (POLICE STAFF) 2015-16 TO 2016-17

Requirement under *Treasurer's Instruction 903, s13 (iii (c))*

	2015-16	2016-17
Number of Claims	60	62

UNAUTHORISED USE OF CREDIT CARDS

Requirement under *Treasurer's Instruction 321 and 903*

	1 July 2016 to 30 June 2017
The number of reported instances of using the WA Police purchasing card for personal use expenditure	191
The aggregate amount of personal use expenditure	\$7,151.32
The aggregate amount of identified personal use expenditure settled within 5 working days	\$6,271.58
The aggregate amount of identified personal use expenditure settled after 5 working days	\$879.74
The aggregate amount of personal use expenditure outstanding at 30 June 2017	\$0.00
The number of referrals for disciplinary action instigated by the notifiable authority	0

GOVERNANCE DISCLOSURES

INTEREST IN OR BENEFITS FROM CONTRACTS

Requirement under the *Treasurer's Instruction 903 s14 (iii (a)(b)(c)(iv))*

WA Police operates a system that requires senior officers to declare confidentiality and interest in respect to any existing or proposed contracts. There are no known cases of conflicts of interest in 2016-17.

BOARD AND COMMITTEE REMUNERATION

Requirement under Premier's Circular 2010/02

No remunerations were paid during 2016-17

MINISTERIAL DIRECTIVES

Requirement under *Treasurer's Instruction 903, s12*

No ministerial directives were received during 2016-17

ADVERTISING, MARKET RESEARCH, POLLING AND DIRECT MAIL

Requirement under the *Electoral Act 1907, s175ZE*

Organisation	Purpose	Amount
Advertising, Marketing and Creative Media Provider		
Adcorp Australia	Human Resources - Recruitment	\$13,496.64
	Vehicle Impoundment / Disposals	\$127,013.30
The Brand Agency	Recruitment Campaigns (Recruits, Auxiliaries, Cadets)	\$95,941.12
	Tougher for Crooks campaign	\$41,149.03
Media Services Suppliers		
Adcorp Australia	Community Forums	\$5,393.86
	Regional Police Auxiliary Officers (PAOs) only	\$814.30
The Brand Agency	Recruitment Campaigns (Recruits)	\$178,624.09
	Tougher for Crooks Campaign	\$106,220.75
	Road Safety social media	\$4,000.00
OMD	Recruitment Campaigns (Recruits)	\$743,640.59
	Tougher for Crooks Campaign	\$451,027.88
Websites		
The Brand Agency	Recruitment Campaigns (Recruits, Auxiliaries, Cadets) - Step Forward	\$4,339.13
Total		\$1,771,660.69

Recruitment campaigns include:

- Step Forward (Recruits only)
- Protective Service Officers campaign
- Aboriginal Cadet Program
- Regional WA PAO role

OTHER LEGAL REQUIREMENTS

OTHER LEGAL REQUIREMENTS

COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

Requirement under *Public Sector Management Act 1994 s31(1)*

In the administration of the Western Australia Police I have complied with the Public Sector Standards in Human Resource Management, the Western Australia Public Sector Code of Ethics and Code of Conduct for the WA Police.

I have put in place procedures designed to ensure such compliance and conducted appropriate internal assessments to satisfy myself that the above statement is correct.

Information about the Standards is contained in the WA Police intranet site and provided during staff induction. Awareness of the standards is maintained through articles in the weekly electronic newsletter and police holdings.

The Public Sector Commissioner did not undertake any investigations in accordance with the *Public Sector Management Act 1994* or any compliance audits.

The number of applications made for breach of standards reviews and the corresponding outcomes for the reporting period are detailed in the following table.

BREACH OF STANDARD APPLICATIONS 2016-2017

Number lodged	2
Number of breaches found	0
Number still under review	0

COMPLAINTS REGARDING COMPLIANCE WITH THE CODE OF ETHICS AND AGENCY CODE OF CONDUCT 2016-2017

Number lodged	70
Number of breaches found	14
Number still under review	22



Karl J O'Callaghan APM

Commissioner of Police

9 AUGUST 2017

DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES

Requirement under the *Disability Services Act 1993*, s29

In the final year of the current Disability Access and Inclusion Plan (DAIP), WA Police have continued to progress strategies that align with the *Disability Services Act 1993* and the Disability Services Regulations 2004.

While strategies continue to progress to ensure WA Police enhances service delivery for people with disabilities based on the principles and objectives outlined in the Act, work has also begun in the planning and development phase of the new DAIP 2017-2021 to maintain best practise standards.

WA Police achievements against the DAIP for the year are as follows.

Outcome 1: People with disability have the same opportunities as other people to access the services of, and any events organised by, a public authority

WA Police continually aims to improve upon custodial care practices to ensure detainees are treated fairly, humanely and are afforded their legal rights. The wellbeing of all detainees, especially those most vulnerable always remains a key consideration. Work is progressing on the Custodial Safety and Care Project 2017-2021, and a review is currently being undertaken of the current custodial model and processes across the state with an aim to:

- Provide alternative options and support custodial care service delivery
- Develop a sustainable custody functional model
- Positively influence attitudes and behaviours of police personnel whilst providing dedicated custodial safety and care services.

Outcome 2: People with disability have the same opportunities as other people to access the buildings and other facilities of a public authority

WA Police has embedded legislative obligations within business processes which has ensured consistent success of DAIP strategies. Cockburn Central, Mundijong and Ballajura Police Stations were completed in 2016. These stations were built in compliance with the Building Act (WA), the National Construction Code (NCC) and Australian Standards for Access and Mobility - AS 1428 1-5. Where applicable, these buildings comply with the access and mobility provisions in AS 2890.6-2009 with respect to off-street parking. These Buildings complied with the Department of Finance Certification Process for Capital Works Projects to ensure compliance (including accessibility).

Outcome 3: People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it

Work is currently being undertaken to ensure the intranet website accessibility is compliant with the minimum standard of WCAG 2.0 Level A. A discovery phase project was undertaken in late 2016 to develop business requirements, budget and project plan for an upgrade to the agency intranet portal.

Outcome 4: People with disability receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority

The Perth Watch House is the main and largest custody facility operated by WA Police. The standard operating procedures for Perth Watch House provide the current best practice within a custodial setting. Nursing staff are attached to the Perth Watch House to deliver medical assessment and assistance for detainees 24 hours a day, seven days a week. All modern lock up facilities have wheelchair access, and as part of an ongoing review within the Custodial Safety and Care Project 2017-2021, wheelchairs have been made available in all 24 hour lock-up facilities for use by detainees.

Outcome 5: People with disability have the same opportunities as other people to make complaints to a public authority

The WA Police website upgrade to improve accessibility for people with disability provided increased accessibility to complaints mechanisms on the internet. Moving into the planning phase of the new DAIP, substantive equality tools will be utilised to identify risks and exposure to discrimination when considering the needs of people with disability in accessing complaints mechanisms. This would be a positive enhancement to strengthen DAIP strategies and to improve service delivery standards for people with disabilities.

Outcome 6: People with disability have the same opportunities as other people to participate in any public consultation by a public authority

To assist with the process of implementing the new DAIP, WA Police has commenced a project reviewing and implementing the use of advisory groups to gain insight and feedback from the community through consultation. There are plans underway to streamline procedures for engaging with ethnic and social minority groups for the purposes of consultation when a policy or project impacts one or more of the grounds within the Equal Opportunity Act 1984 to determine appropriate responses and develop mitigating strategies. This project is currently being used to enable facilitation of consultation with disability groups to ensure the effective development and implementation of DAIP 2017-2021, and to support the agency's commitment to diversity through the Policy Framework for Substantive Equality.

Outcome 7: People with disability have the same opportunities as other people to obtain and maintain employment with a public authority

It was identified 1.9 per cent of all WA Police employees identified themselves as having a disability or impairment. Information on equal opportunity employments at the recruitment stage is voluntarily obtained from applicants.

PAWNBROKERS AND SECOND-HAND DEALERS

Requirement under Auditor General Act 2006, the *Financial Management Act 2006 s92*, and in accordance with the *Pawnbrokers and Second-hand Dealers Act 1994*

The number, nature and outcomes of investigations and inquiries made under the Pawnbrokers and Second-hand Dealers Act 1994 were:

- 146 audits were conducted on licensed Pawnbrokers and Second-hand Dealers during 2016-2017.
- There was one matter that required State Administrative Tribunal (SAT) determination (application for revocation of licence)
- These audits identified a total of 67 breaches of licence requirements from 48 licensed premises.
- The identified 67 breaches, were dealt with as follows:
 - One summons
 - 13 infringements
 - 53 verbal cautions.

- A licensed dealer was charged with 23 counts of possessing stolen or unlawfully obtained property and 35 offences under the *Pawnbrokers and Second-hand Dealers Act 1994*. This led to the above request for revocation of licence through the SAT. Further enquiries are being conducted into this dealer and it is anticipated that additional charges will be laid.

The emerging trends, patterns and charges relating to Pawnbroker and Second-hand dealer licensing are as follows:

- The current number of licensed Pawnbrokers and Second-hand Dealers in WA is 106
- There has been an increase in applications for second-hand dealer licences where the licensee is specialising in the purchase of jewellery items and melted gold.

The compliance audit test plan for the 2017-18 financial year is 140 audits on licensed Pawnbrokers and Second-hand Dealers.

RECORDKEEPING PLANS

Requirement under *State Records Act 2000 s61*, and State Records Commission Standards, Standard 2, Principle 6

Evaluation of recordkeeping systems

WA Police is currently reviewing its recordkeeping program to ensure compliance with State Records Commission principles and standards governing recordkeeping by agencies. An updated recordkeeping plan reflecting the recordkeeping program within WA Police will be submitted to the State Records Commission by 31 December 2017.

The agency is reviewing the efficiency and effectiveness of existing recordkeeping systems, practices, processes and supporting policy and procedures, to ensure it is positioned to support business functions and activities now and into the future.

An evaluation of 2016 EDRMS initiatives has been conducted with rationalised strategies initiated including:

- Reassessment of EDRMS blueprint / roadmap
- Establishment of a dedicated team to support EDRMS engagement and improvement
- Assessment of digital transformation opportunities and impact of related business change
- Development of a business case to detail a program of work for EDRMS.

Recordkeeping training program

WA Police is developing a revised recordkeeping training strategy to support records management activities. The revised strategy will consolidate records management policy and procedures with learning tools including training lesson plans, information sheets, guidelines and help cards.

The formal recordkeeping training program will incorporate recordkeeping awareness and best practice standards, agency core recordkeeping processes and EDRMS functionality and workflow activities.

Evaluation of the recordkeeping training program

WA Police is evaluating the current agency recordkeeping training program, with findings used to inform a revised training strategy to deliver comprehensive knowledge of systems, practices and processes and an improved delivery method approach for training.

Recordkeeping induction program

The WA Police induction program provides reference to the records management policy describing employee roles and responsibilities in compliance with the agency recordkeeping plan. The records management component of the induction program is being developed to provide a base line level of recordkeeping knowledge that will promote consistency and efficiency in practices across the agency.



GOVERNMENT POLICY REQUIREMENTS

OCCUPATIONAL SAFETY AND HEALTH

Requirement under Public Sector Commissioner's Circular 2012-05: Code of Practice: Occupational, Safety and Health in the Western Australian Public Sector

A statement of the agency's commitment to OSH and injury management with an emphasis on executive commitment

WA Police is dedicated to Occupational Safety and Health (OSH) commitments. The OSH Policy statement is: to enhance the quality of life and well-being of our workforce and contractors, through minimising the risk of injury and illness and the promotion of health initiatives.

WA Police integrates safety and health into all business activities. Resources are allocated to the measurement of and continuous improvement in safety and health performance. All employees are encouraged to comply with their legal and agency safety, health and injury management requirements through the provision of information and training. There is continual engagement of the strategic, tactical and operational levels of the organisation. Additionally, internal and external stakeholders' input is sought to improve our safety and health performance.

There is a demonstrated commitment to OSH through ongoing participation in OSH Committees. The agency has undertaken a restructure of the committees to enhance and reflect strategic and tactical level decision making. The strategic level; (Workforce Committee) is chaired by the Executive Director with participation from the Assistant Commissioners and Senior Executives. The OSH Advisory Committee (OAC) is chaired

by the Assistant Director, Health and Safety Division and provides the platform for OSH matters to be discussed by Commanders, District OSH Coordinators, elected Safety and Health Representatives and unions. The Executive Manager of the Safety Branch is a standing member on this committee. The OAC has a direct line of communication and overlap of members with the Workforce Committee.

Executive commitment to safety and health is further demonstrated through district/division/directorate safety meetings, annual policy reviews, introduction of new policies, championing of new safety initiatives and ongoing funding and budgetary support. The implementation of new training programs and the acquisition of new or improved equipment/resources has enhanced the agency's safety culture and confirmed a commitment to employee safety by providing a safer working environment.

A description of the formal mechanism for consultation with employees on safety and health matters

The OAC meet quarterly and membership includes safety representatives, union representation and senior management from operational and non-operational areas. The committee's role is to monitor and review the organisation's OSH Safety Management System (SMS) including a conduit to the district/division/directorate safety meetings that in turn represent the employees at a local level.

Identified hazards and work related incidents/injuries are reported in the OSH incident reporting system. This system records the type and nature of the incident and through the

automated e-mail system, notifies the safety representative, manager and the WA Police Safety Branch to the existence of an incident.

The flexibility of the system allows the recording of the safety representative's investigation and the manager's control measures, resolution and permits monitoring and review of the incident. Throughout the process, the employee is kept informed of the status of their report through the automated email process and through personal interaction.

The reporting system is supported by the WA Police OSH Issue Resolution Framework and supporting policies. The OSH Issue Resolution Framework is a pictorial diagram articulating the processes and the pathway by which all incidents are managed. The framework supports those incidents which can be readily resolved by the business area manager or escalated for resolution. Where corporate strategies, procedures and/or financial considerations are required, the incident can be forwarded to the OAC which can in turn be redirected to the Workforce Committee for action.

A statement of compliance with injury management requirements of the *Workers' Compensation and Injury Management Act 1981* including the development of return to work plans

WA Police Health and Safety Division Vocational Rehabilitation Unit is an in-house workplace rehabilitation provider committed to delivering a quality service as governed by workers' compensation legislation. Accountability is measured by the expediency of dealing with referred claims (early interventions), on-line reporting on the

WorkCover site, and aims to return injured workers to work with the same employer, along with other criteria.

WA Police supports and promotes the psychological and spiritual health, safety and wellbeing of all employees through the provision of professional advice, services and programs. WA Police Vocational Rehabilitation Unit provides consultation and case management for work related injuries and illnesses according to the principles set out under the Act and its Workers' Compensation Code of Practice (Injury Management) 2005 (the Code). The Unit plays a critical role in assisting line managers by helping facilitate the return of ill and injured officers back into the workplace. It coordinates the management of all return to work programs which includes liaison with the ill/injured employee, management and the treating medical practitioners.

A statement confirming that an assessment of the OSH management system has been completed (within the past five years or sooner depending on the risk profile of the agency) using a recognised assessment tool and reporting the percentage of agreed actions completed.

WA Police has engaged an external auditor for a three-year period (2016 - 2018) to undertake a holistic organisational audit. The WA Police SMS was re-certified against AS4801 and ISO 18000 in September 2016. In May 2017, the auditor visited regional WA and is attending metropolitan locations in July and August 2017. It is anticipated this phase of the audit will be completed by September 2017, with the final year of audits to commence May 2018.



GOVERNMENT POLICY REQUIREMENTS

REPORT AGAINST PERFORMANCE TARGETS

Requirement under Public Sector Commissioner's Circular 2012-05: Code of Practice

	Target	2014-15	2016-17	Performance against target for 2016-17	Comments
Number of Fatalities	0	0	0	Achieved	
Lost time injury/disease incidence rate	10% reduction on previous 3 years	3.55	4.17	Not Achieved	This data is correct as at 1 July 2017. It does not reflect all LTI incidence rate for the 2016-2017 period. Delays are due to the reporting of injuries and then confirmation of incidents as an LTI's and the day's sick leave accrued against the incidents.
Lost time injury/disease severity rate	10% reduction on previous 3 years	5.79	2.82	Achieved	This data is correct as at 1 July 2017. It does not reflect all LTI severity rates for the 2016-2017 period. Delays are due to the reporting of injuries and then confirmation of incidents as an LTI's and the day's sick leave accrued against the incidents.
Percentage of injured workers returned to work:					
(i) within 13 weeks	Greater than or equal to 80%	98%	98.38%	Achieved	
(ii) within 26 weeks		98%	98.21%	Achieved	
Percentage of managers and supervisors trained in occupational safety, health and injury management responsibilities.	80% or greater in the last 3 years	74%	80.27%	Achieved	Statistics include all employees who hold the rank of sergeant and above, or level 6 and above irrespective if their position is that of a supervisor or OIC/manager. It also includes employees who (at any rank/level) hold a position of supervisor/team leader at the time of compiling this report.

GOVERNMENT BUILDING TRAINING POLICY

Requirement under Premier's Circular 2015/02

All building and construction contracts are completed through Building Management and Works / Department of Finance, therefore WA Police has no measures recorded.

SUBSTANTIVE EQUALITY

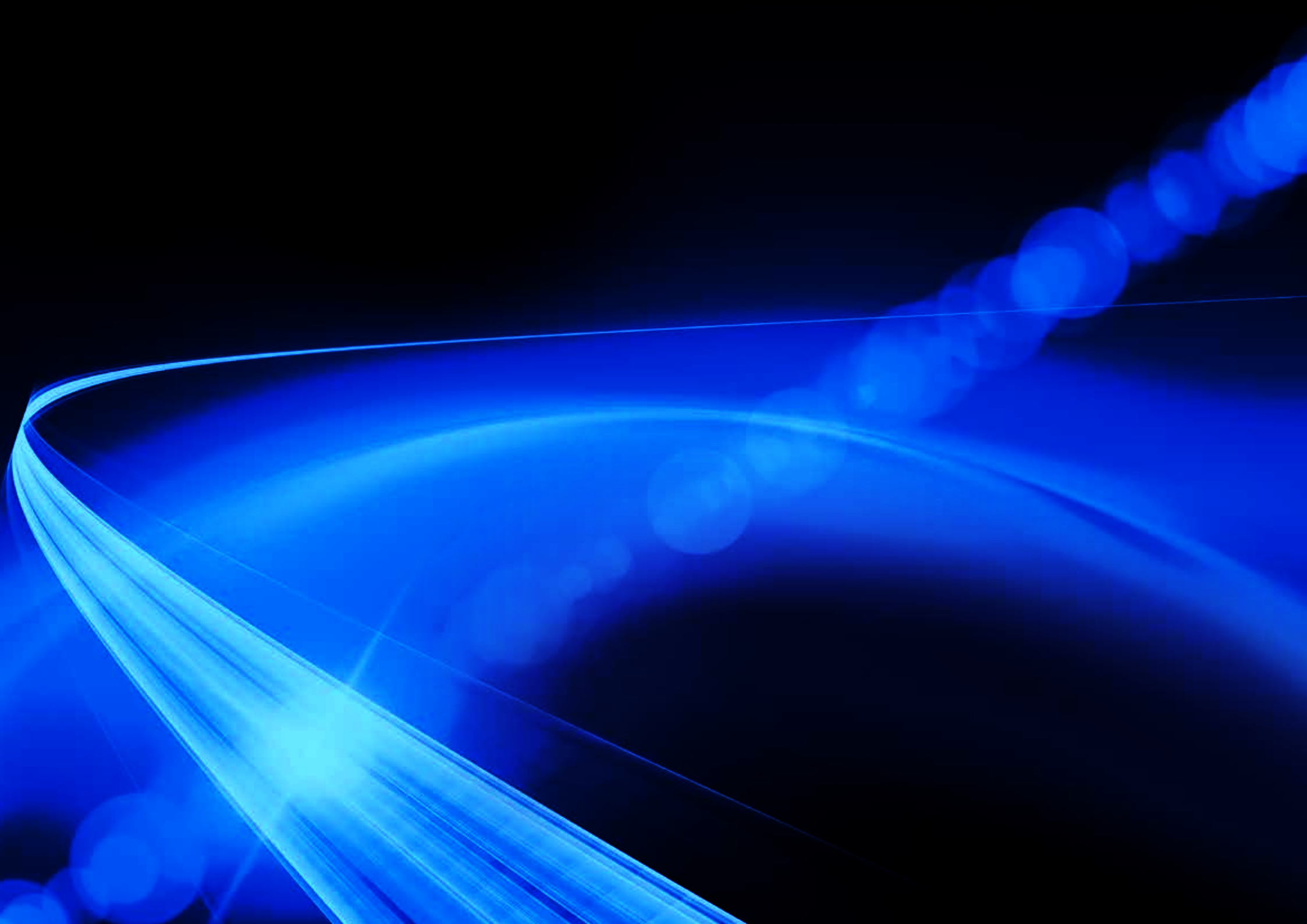
Requirement under Public Sector Commissioner's Circular 2009-23: Implementation of the Policy Framework for Substantive Equality

During the year, WA Police continued to demonstrate a commitment to the State Government's Policy Framework for Substantive Equality. There remains an

opportunity for WA Police to further embrace the implementation of the Framework through governance structures, and to further incorporate assessment tools into project management frameworks. Additionally, internal monitoring and reporting mechanisms need to be established to identify areas of risk in the provision of service delivery to the most vulnerable within the community.

A policy is in place to guide employees to adhere to the objectives within the Framework. Additionally, there are guidelines and tools available to monitor and assess all new policies, procedures and projects, individually and holistically, such as the Equity Impact Assessments and Needs Impact Assessment.

These tools offer practical guidance to ensure all policy, project or program development work is considered within the framework of Substantive Equality and the grounds in the *Equal Opportunity Act 1993*. This has resulted in a continued engagement with the process to ensure new initiatives are inclusive and enables input into projects and for consideration of the impacts on social minority groups.





100 CELEBRATING
WOMEN IN
WA POLICE
YEARS 1917-2017

VISIT US

WWW.POLICE.WA.GOV.AU