



Department of **Planning,
Lands and Heritage**

ANNUAL REPORT 2017-18

DEPARTMENT of PLANNING, LANDS and HERITAGE

The department is responsible for planning and managing land and heritage for all Western Australians – now and into the future



ABOUT THIS REPORT

This report covers the operations of the Department of Planning, Lands and Heritage (the department) and includes Development Assessment Panels.

This report presents the audited financial statements and performance indicators for the year ended 30 June 2018.

STATEMENT OF COMPLIANCE

To the
Hon Rita Saffioti BBus MLA
Minister for Transport, Planning and Lands

Hon David A Templeman Dip Tchg BEd MLA Minister
for Local Government; Heritage; Culture and The Arts

Hon Ben Wyatt LLB MSc MLA
Treasurer, Minister for Finance; Energy; Aboriginal
Affairs

In accordance with section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the Annual Report for the Department of Planning, Lands and Heritage for the financial year ended 30 June 2018.

This report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.



Gail McGowan
DIRECTOR GENERAL



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The Department of Planning, Lands and Heritage acknowledges the traditional owners and custodians of this land. We pay our respect to Elders past and present, their descendants who are with us today, and those who will follow in their footsteps.

Disclaimer

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This document is available in alternative formats on application to the Department of Planning, Lands and Heritage Communications Branch.

OVERVIEW



ABOUT THE DEPARTMENT

The Department of Planning, Lands and Heritage (the department) brings together land use planning, Crown land administration functions, all aspects of heritage including Aboriginal heritage services and administration of the Aboriginal Lands Trust estate.

Formed on 1 July 2017, the department supports three State Government Ministers and five statutorily established boards and committees in planning and managing land and heritage for all Western Australians.

We provide land use planning services that underpin vibrant, connected and sustainable communities and balance economic, social and environmental considerations. We acknowledge the past through Aboriginal heritage and lands management and cultural and historic heritage services and are responsible for managing the Crown land estate.

Our work includes:

- advice and assistance on land use planning, including for local government authorities
- development and review of State planning policies
- implementation of statutory approvals for subdivision, strata title and development applications
- delivery of key planning projects and initiatives and coordination of planning infrastructure
- assessment of local planning schemes and amendments, and review of region planning schemes
- administrative support for Development Assessment Panels (DAPs)
- forecasting and modelling land use and population for Western Australia
- management of reserved land under region schemes.

We provide land use management services that administer Western Australia's Crown land estate under the *Land Administration Act (LAA)*, and Aboriginal lands held by the Aboriginal Lands Trust under the *Aboriginal Affairs Planning Authority Act 1972*. The Crown land estate comprises approximately 92 per cent of the State and includes all land (other than freehold) and all coastal and other waters.

The department undertakes a number of other key functions including:

- delivering surplus government land and buildings to the property market
- assembling land for residential, industrial, infrastructure corridor, conservation and community needs
- administering pastoral leases and providing support to the Pastoral Lands Board
- providing appropriate resolution of native title in granting secure land tenure
- managing land acquired for infrastructure corridors, including the Dampier to Bunbury Natural Gas Pipeline (DBNGP) corridor
- direct responsibility for all unallocated Crown land and unmanaged reserves
- investigating, identifying, reporting and managing contamination on Crown land.



The Aboriginal Lands Trust (ALT) estate currently represents approximately 10 per cent of the total State land mass, comprising different types of tenure including reserves, leases and freehold properties. The estate consists of some 24 million hectares and has approximately 12,000 people living on it.

The department supports the ALT by managing day-to-day requirements of the ALT estate, facilitating the transfer of land to Aboriginal control, and providing advice to the ALT, Aboriginal people, government departments and other stakeholders about the care, control and management of ALT land.

As a community, we share the responsibility for identifying and protecting what is important, and passing these places on to future generations so they will understand what came before them. Our Heritage Services combines the former State Heritage Office and the Aboriginal heritage functions of the previous Department of Aboriginal Affairs. Heritage Services is responsible for the identification, protection, conservation, development and promotion of heritage sites, whether historic heritage or Aboriginal heritage.

Services include:

- advising State Government and its agencies on heritage related issues
- facilitating the identification and assessment of places of cultural heritage significance
- evaluating and guiding sympathetic development of State Registered places (historic heritage) to minimise impact and celebrate the stories of the place
- revitalising vacant and under-utilised State or local government owned heritage properties through the Heritage Revolving Fund

- working with Aboriginal stakeholders to promote culture and protect and manage places and objects of heritage significance
- assisting local governments with advice and assistance to manage local heritage places
- repatriating Aboriginal human remains and cultural objects
- promoting best-practice conservation and enhancing the community's understanding and appreciation of heritage places
- conserving, interpreting and presenting the World Heritage listed Fremantle Prison as a landmark compatible-use property.
- investing in heritage conservation and preservation through the Heritage Grants program and the Preserving our Aboriginal Sites Grants programs.



THE YEAR AT A GLANCE

- Introduction of a new **Heritage Bill to the Parliament** in November 2017, its passage through the Legislative Assembly and introduction to the Legislative Council in June 2018.
- 41 workshops throughout the State to consult stakeholders about **reforms to the Aboriginal Heritage Act 1972** as part of a comprehensive stakeholder engagement program about reforming an outdated Act and process.
- Supporting the independent **review of the State's planning system** which seeks to develop a contemporary system that meets the needs of a rapidly changing state and is easier to navigate for our stakeholders.
- Assessment of almost **360 heritage places** under the *Aboriginal Heritage Act 1972*.
- **Exhumation of 70 sets of remains from the historic Fitzroy Crossing Pioneer Cemetery** on the banks of the Fitzroy River prior to the onset of the wet season. This work was carried out in close cooperation with the local Aboriginal Traditional owners.
- Development of a divestment program to give effect to a **Government commitment to divest the Aboriginal Lands Trust** estate.
- **Talking with pastoralists from across the State** through a series of workshops to better understand how the Pastoral Lands Board can support the ongoing sustainability of the pastoral industry and support economic and social development in the regions.
- **Settlement of \$23.5 million in Crown land sales** against a forecast outturn of \$19 million, including the Old Perth Girls School site at Bronte Street in East Perth and Lot 600 at Claremont Oval.
- Release of **Perth and Peel @ 3.5 million**, the WAPC's suite of strategic land use planning and infrastructure frameworks to guide the growth and development of Perth to accommodate a population of some 3.5 million people by the middle of the century.

- Supporting the Swan Valley Planning Review as an important step to **protecting the States' first viticultural area** and one of the State's key tourism precincts.
- The World Heritage listed **Fremantle Prison** being acknowledged as Australia's best Cultural Tourism attraction at the 2017 Australian Tourism Awards, and **Whiteman Park** being named the Gold Medal winner as Western Australia's Major Tourist Attraction in the WATC Tourism Awards for the second year in a row.
- Implementation of the **Shenton Park Hospital Redevelopment** Improvement Scheme to guide the exciting redevelopment of the site.
- **Progressing planning for Middleton Beach** in Albany in collaboration with the City of Albany, Landcorp and the Great Southern Regional Development Commission, through draft design guidelines, a foreshore management plan and an expression of interest for a hotel developer.
- Working as part of the **Metronet** team to drive land use optimisation over 5,000 hectares of land within the walkable catchment of the proposed new rail stations and develop well planned and designed precincts.
- Perth's net **infill rate reaching 41%** - the highest rate since monitoring began in 2011.



A MESSAGE FROM THE DIRECTOR GENERAL

Gail McGowan
Director General
Department of Planning, Lands and Heritage

July 1, 2018 marks the first anniversary of the Department of Planning, Lands and Heritage. This is a major milestone for the department and much has been achieved in the past 12 months.

Following the 2017 Machinery of Government changes, the department combined the former departments of Planning and Lands, the Office of State Heritage and the land and heritage functions of the former Department of Aboriginal Affairs. The department serves three Ministers' offices and five significant boards and committees, with around 800 staff and a range of complementary functions and responsibilities.

Along with the Ministers for Planning and Lands, Heritage, and Aboriginal Affairs, we support the Western Australian Planning Commission (WAPC) and its subsidiary committees, the Pastoral Lands Board, Heritage Council, Aboriginal Lands Trust and the Aboriginal Cultural and Materials Committee. In April 2018, we were also joined by the Office of the Government Architect.

The past year has been especially busy as we formed a brand new agency, established new processes and systems, learned to work with new colleagues and friends and sought to be much more externally focussed on our work.

The breadth and scope of our work ranges from responsibility for managing much loved State assets such as Fremantle Prison and Whiteman Park to overseeing the vast Aboriginal Lands Trust and Crown land estates that cover well over 90 per cent of the State's land mass and shaping the future of the cities, regions and towns across the State.

On any given day our staff work with Ministers, boards, local governments, Aboriginal communities, industry stakeholders and the broader community on land use planning matters, investigating alleged breaches of legislation, developing policy or legislation, supporting our pastoral industry, assessing applications for changes of land use, advising on heritage protection or resolving native title in granting secure land tenure and much more. At one level we advise on and organise complex land transactions underpinning major projects such as Metronet and develop land use frameworks to support future generations, while on the other hand, we work with small organisations, individuals or local governments to help our communities grow and prosper.

We are integrally involved in planning for METRONET, with particular emphasis on the precinct planning and value capture dimensions and the more general objective of pursuing opportunities for strategic land asset sales to support government priorities.

The tabling of the Heritage Bill 2017 through the Legislative Assembly was a major achievement. Other significant work undertaken in 2017-18 includes consultation activities for the review of *Aboriginal Heritage Act 1972* and Swan Valley planning review; the heritage assessment of the historic Guildford town site; the digitisation of the Aboriginal land entry permits; and implementation of the Kariyarra native title agreement.

I am indebted to the collaborative support I receive from Dr Robert Isaacs, Anne Arnold, David Caddy, Vanessa Kickett and Tim Shackleton as the current chairs of our boards and committees and pay special tribute to Eric Lumsden, the immediate past Chairman of the Western Australian Planning Commission for his selfless service to land use planning in this State for over 50 years.

Our staff have worked amazingly hard this year during a period of challenge and change and I thank them for their commitment as part of an extremely passionate, hard-working public sector in this great State.

Since its creation on 1 July 2017, the Department of Planning, Lands and Heritage has achieved much. Looking ahead to 2018-19 and beyond, the dedicated professionals who make up the department will continue to respect our past, create opportunities today and plan for a future for the benefit of all Western Australians.

SIGNIFICANT ISSUES IMPACTING OPERATIONS



METRONET

METRONET is the State Government's flagship initiative for integrated land use and infrastructure in the Perth metropolitan area. As well as delivering a world-class public transport system, METRONET will facilitate the interconnection of urban centres and encourage appropriate density development around train station precincts.

METRONET will drive land use change on more than 5,000 hectares of land within walking distance of the new stations. METRONET station precincts will be planned to create connected community centres that are universally accessible and provide a range of housing, jobs and services to our growing population.

The planning team brings together specialists from Government's land-use planning, land development and housing delivery agencies to deliver the station precinct masterplans and a value capture mechanism.

Perth and Peel@3.5million

The WAPC's Perth and Peel@3.5million strategic land use planning and infrastructure frameworks were released by the State Government in March 2018.

The four sub-regional frameworks – for the Central, North-West, North-East and South Metropolitan Peel regions – aim to accommodate 3.5 million people by 2050 by creating vibrant communities within a compact and connected city; making best use of existing and proposed infrastructure; and protecting important environmental assets.

They will also encourage greater housing diversity and choice to meet changing community needs, limit unsustainable urban sprawl and support METRONET initiatives to connect suburbs, reduce road congestion and develop communities close to train station precincts.

About 800,000 new homes are needed for the increased population. Almost half – 380,000 at a minimum – will be provided through increased infill development, predominantly in existing suburbs and around key public transport locations. The draft frameworks will be reviewed after three years.

The draft Strategic Assessment of the Perth and Peel Regions (SAPPR) which helped to inform the development of the Perth and Peel@3.5million is currently undergoing a critical review.

Modernising Western Australia's planning system

In November 2017, the Minister for Planning announced an independent review of the WA planning system to ensure a contemporary system that meets the needs of a rapidly changing State.

The key objectives include:

- making strategic planning the cornerstone of all planning decisions
- opening up the planning system so that it is understandable to all
- clarifying local and State planning roles and functions of the WAPC and department
- responding to community concerns about accountability and transparency of Development Assessment Panels
- formally recognising the need for community participation
- creating more certainty for industry and cutting red tape
- refining developer contribution schemes.

Five key reform areas – making the planning system strategically-led, legible, transparent, efficient and delivering smart growth – have been identified to make the system more efficient, open and understandable for everyone.

Land supply

The department prepares the Urban Development Program for the WAPC, for tracking and modelling land supply as outlined in the *Planning and Development Act 2005*. The program aims to monitor and coordinate land supply and the timely delivery of residential, industrial and commercial land.

During the year, the ninth edition of the Urban Growth Monitor was released. The edition (using data as at 31 December 2016) indicated there was a gain of 60 hectares of land zoned for urban development across the three region schemes.

Divestment of Aboriginal Lands Trust Estate

The opportunity to better utilise land has been identified as a significant factor in improving the lives of Aboriginal people in Western Australian. This is particularly important on lands held by the ALT. These lands include 80 per cent of Western Australia's remote Aboriginal communities and cover almost 10 per cent of the State.

Aboriginal people who live or have interests on Crown land are affected by the lack of appropriate tenure. It affects housing options, access to services and in their ability to use land and manage the land to deliver improved social, economic and environmental outcomes.

The department is committed to facilitating the divestment of land within the estate, increasing Aboriginal control and management and working with Aboriginal people who live on or have interests in it to improve the tenure to enable them to better their lives.

Pastoral lands

In October 2017, the Auditor General released a report entitled *Management of Pastoral Lands in Western Australia*, which highlighted a number of systemic weaknesses in the current system of pastoral land administration. In particular, the report found that the ecological sustainability of the pastoral estate is not adequately protected by the State's current system of land monitoring and administration, and recommended improvements to rangelands monitoring and tenure reform to facilitate improved economic and ecological outcomes on land under pastoral lease.

The department, in close consultation with the Pastoral Lands Board and the Department of Primary Industries and Regional Development is progressing the Auditor General's recommendations as part of the pastoral lands reform project. Changes under consideration include:

- an integrated rangelands monitoring and compliance system, combining remote sensing and on-ground inspections, to facilitate improved sustainable ecological management of the pastoral estate; and
- legislative, regulatory and compliance options to deliver expanded economic opportunities to increase the certainty of tenure for existing pastoralists

Increasing demand for agricultural land in the north

There has been renewed Government and private sector interest in developing agricultural industries across the State's north. Satisfying this emerging demand will require the State to make suitable Crown land available in a timely way. In turn, this relies on developers' abilities to lodge appropriate and complete requests for tenure and other approvals.

The department has developed a range of materials setting out the pathways for irrigated agriculture projects and the grant of new pastoral leases to guide proponents through the complex approvals processes efficiently and effectively.

Diversifying land use

The Pastoral Lands Board has experienced greater demand for permits enabling non-pastoral economic activity on current pastoral lands (termed diversification permits).

During 2017-18, 26 diversification permit applications were received. The majority of these related to irrigated fodder crops and pastoral-based tourism.

Bushfire mitigation

Mitigating the risk of bushfire on Crown land is a continuing issue for the department. To address this, the Mitigation Activity Fund (MAF), consolidating seed funding from the Royalties for Regions program and a range of other Commonwealth and State monies was created. The MAF supports a whole-of-government approach to bushfire risk through a partnership with the Department of Fire and Emergency Services and funds mitigation activities on priority areas of Unallocated Crown land (UCL) and Unmanaged Reserves (UMR). This has enabled the significant expansion of fire (and other hazard) mitigation activities within the Perth metropolitan area and regional townsites in 2017-18.

Reforming legislation, policy and practice

Heritage Bill 2017

The Heritage Bill 2017 is the culmination of a review of the *Heritage of Western Australia Act 1990*, and will provide modern, updated legislation to preserve places that tell the story of our State's history and development.

The Heritage Bill has been developed through three rounds of stakeholder and community consultation. Feedback from this has helped inform new heritage legislation that is open, transparent, simple to operate and easy to understand, and able to reflect best practice in the recognition and protection of heritage places.

Review of the *Aboriginal Heritage Act 1972*

It is widely acknowledged that the *Aboriginal Heritage Act 1972* (AHA) is outdated and needs to be modernised in a way that is respectful of Aboriginal people and heritage. With this in mind, the State Government is taking a fresh approach to managing and protecting Aboriginal heritage. This project will determine the priority reforms to address systemic problems and anomalies with the AHA and the development of a discussion paper.

The introduction of a contemporary *Aboriginal Heritage Act 1972* will promote understanding and celebration of Aboriginal cultural heritage, provide transparent and easy to understand processes, and high standards of protection while enabling land use.

Office of the Government Architect

Under the Machinery of Government reforms, the Office of the Government Architect (OGA) was transferred to the department from 1 April 2018. The Government Architect provides leadership and independent advice to State Government to improve the design of public buildings and spaces. The department and the OGA continue to work collaboratively on a number of projects including Design WA.



OPERATIONAL STRUCTURE



OUR VISION

To respect our past
To create opportunities today
To plan our future

OUR PURPOSE

Planning and managing land and heritage for all Western Australians.

OUR VALUES

The department's fundamental values of integrity, respect, collaboration, professionalism, and innovation guide all of its activities.

OUR MINISTERS



Hon Rita Saffioti MLA,
Minister for Transport; Planning; Lands



Hon David Templeman MLA,
Minister for Local Government;
Heritage; Culture and The Arts.



Hon Ben Wyatt MLA,
Treasurer; Minister for Finance;
Energy; Aboriginal Affairs

ENABLING LEGISLATION

Heritage of Western Australia 1990

Public Sector Management Act 1994

Planning and Development Act 2005

Administered legislation

Act	Portfolio
<i>Aboriginal Affairs Planning Authority Act 1972</i>	Minister for Aboriginal Affairs
<i>Aboriginal Communities Act 1979</i>	Minister for Aboriginal Affairs
<i>Aboriginal Heritage (Marandoo) Act 1992</i>	Minister for Aboriginal Affairs
<i>Aboriginal Heritage Act 1972</i>	Minister for Aboriginal Affairs
<i>Anglican Church of Australia Diocesan Trustees and Lands Act 1918</i>	Minister for Lands
<i>Anglican Church of Australia Lands Vesting Act 1892</i>	Minister for Lands
<i>Anglican Church of Australia School Lands Act 1896</i>	Minister for Lands
<i>Browse (Land) Agreement Act 2012</i>	Minister for Lands
<i>Cambridge Endowment Lands Act 1920</i>	Minister for Lands
<i>Canning Lands Revestment Act 1954</i>	Minister for Lands
<i>Chevron-Hilton Hotel Agreement Act 1960</i>	Minister for Lands
<i>City of Perth (Lathlain Park Reserves) Act 1950</i>	Minister for Lands
<i>City of Perth (Leederville Park Lands) Act 1950</i>	Minister for Lands
<i>East Carey Park Land Vesting Act 1957</i>	Minister for Lands
<i>Fremantle City Council Lands Act 1929</i>	Minister for Lands
<i>Fremantle Endowment Lands Act 1929</i>	Minister for Lands
<i>Fremantle Reserves Surrender Act 1912</i>	Minister for Lands
<i>Geraldton Agricultural and Horticultural Society's Land Act 1914</i>	Minister for Lands
<i>Geraldton Sailors and Soldiers' Memorial Institute Lands Vesting Act 1933</i>	Minister for Lands
<i>Jennacubbine Sports Council (Incorporated) Act 1965</i>	Minister for Lands
<i>Land Administration (South West Native Title Settlement) Act 2016</i>	Minister for Lands
<i>Land Administration Act 1997</i>	Minister for Lands
<i>Land Administration Amendment Act 2000</i>	Minister for Lands
<i>Parks and Reserves Act 1895</i>	Minister for Lands
<i>Perth Town Hall Act 1950</i>	Minister for Lands
<i>Perth Town Hall Agreement Act 1953</i>	Minister for Lands
<i>Reserves Acts (various)</i>	Minister for Lands
<i>Roman Catholic New Norcia Church Property Act 1929</i>	Minister for Lands
<i>Town of Claremont (Exchange of Land) Act 1964</i>	Minister for Lands
<i>War Service Land Settlement Scheme Act 1954</i>	Minister for Lands
<i>Forrest Place and City Station Development Act 1985</i>	Minister for Planning
<i>Hope Valley-Wattleup Redevelopment Act 2000</i>	Minister for Planning
<i>Machinery of Government (Planning and Infrastructure) Amendment Act 2002</i>	Minister for Planning
<i>Metropolitan Region Improvement Tax Act 1959</i>	Minister for Planning
<i>Metropolitan Region Scheme (Fremantle) Act 1994</i>	Minister for Planning
<i>Perry Lakes Redevelopment Act 2005</i>	Minister for Planning
<i>Planning and Development (Consequential and Transitional Provisions) Act 2005</i>	Minister for Planning
<i>Planning and Development Act 2005</i>	Minister for Planning
<i>Port Kennedy Development Act 2017</i>	Minister for Planning
<i>Road Closure Acts (various)</i>	Minister for Planning
<i>Swan Valley Planning Act 1995</i>	Minister for Planning
<i>Heritage of Western Australia Act 1990</i>	Minister for Heritage

Organisational Structure

Gail McGowan
DIRECTOR GENERAL

OFFICE OF THE DIRECTOR GENERAL	BUSINESS AND CORPORATE SERVICES	HERITAGE SERVICES	LAND USE MANAGEMENT
<ul style="list-style-type: none"> • Executive Management • Ministerial Services • Strategic Planning Projects 	<p>Vaughan Davies Acting/Assistant Director General</p> <ul style="list-style-type: none"> • Business Information Services • Compliance • Governance • People, Capability and Innovation • Financial Services • Property • Development Assessment Panels 	<p>Graeme Gammie Acting/Assistant Director General</p> <ul style="list-style-type: none"> • Heritage Assessment and Registration • Heritage Development • Aboriginal Heritage Operations • South West Settlement Aboriginal Heritage • Regional Services • Heritage Practice • Heritage Works • Fremantle Prison 	<p>Matt Darcey Acting/Assistant Director General</p> <ul style="list-style-type: none"> • Remote - Pastoral and Aboriginal Lands • Agreement Implementation • Land Services • Assessment and Delivery • Case Management North • Case Management South • Case Management Metropolitan and Land Divestment
	<p>LAND USE PLANNING</p> <p>David Saunders Acting/Assistant Director General</p> <ul style="list-style-type: none"> • Strategic Planning for the State's future. • Planning Assessment and Decisions • Remote Settlements • Planning Administration • Advice and Assistance 	<p>STRATEGY AND ENGAGEMENT</p> <p>David MacLennan Acting/Assistant Director General</p> <ul style="list-style-type: none"> • Project Management Office • Policy • Urban Design and Development • Data Analytics • Infrastructure • Legal • Communications • Office of the Government Architect 	<p>STRATEGIC PLANNING PROJECTS</p> <p>Sue Burrows Acting/Assistant Director General</p> <ul style="list-style-type: none"> • Perth and Peel@3.5million sub-regional planning frameworks • METRONET • Westport

OUR PERFORMANCE



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[Within the Department](#) | [Governance](#) | [Financials and Performance Indicators](#)

Outcome Based Management Structure

The department is responsible for planning and managing land and heritage for all Western Australians – now and into the future. In this way the department contributes to the Government’s goals outlined below.

The Key Performance Indicators associated with each of the following desired outcomes and services are summarised on the following pages.

The summary of the department’s financial performance against targets and Key Performance Indicators associated with each of the following desired outcomes and services are summarised on the following pages.

Government Goal	Desired Outcomes	Services
Better Places A quality environment with liveable and affordable communities and vibrant regions	An effective and efficient planning system that supports the development of well-planned communities in Western Australia	1. Integrated land and infrastructure policy development
	The State’s land asset is managed responsibly	2. Land accessibility planning and policy development
	Security of Land Tenure	3. Land asset management
Sustainable Finances Responsible financial management and better service delivery	Optimise the value of the State’s land assets	4. Crown Land Administration
		5. Native Title administration
Better Places A quality environment with liveable and affordable communities and vibrant regions	Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations	6. Preparation for Sale of State-owned Land Assets
	Cultural heritage management for community education and appreciation	7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia
	Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community	8. Community Engagement in Cultural Heritage
	Better utilisation of the Aboriginal Lands Trust Estate to achieve shared social and economic outcomes	9. Heritage Management
		10. Land Management

Agency performance compared to targets

Financial Targets	Estimate \$'000	Actual \$'000	Variation \$'000
Total cost of services	201,529	177,132	24,397
Net cost of services	143,483	120,134	23,349
Total equity	205,266	226,741	(21,475)
Net increase/(decrease) in cash held	(17,156)	(2,337)	(14,819)
Approved salary expense level	88,461	83,508	4,953
Approved full time equivalent (FTE)	865	817	48
Working cash targets			
Agreed working cash limit (at Budget)	9,343	8,795	548
Agreed working cash limit (at Actuals)	9,343	8,506	837

Summary of key performance indicators against targets

Key Effectiveness Indicators ^(a)	2017/18 Target ^(b)	2017/18 Actual	Variation ^(c)
Desired Outcome: An effective and efficient planning system that supports the development of well-planned communities in Western Australia			
The % of Subdivision Applications determined within the statutory timeframe	80%	83%	3%
The % of Deposited and Strata Plans (excluding Built Strata Plans) endorsed within the statutory timeframe	99%	99%	-
The % of Development Applications determined within the statutory timeframe	70%	75%	5%
The % of finalised appeals (excluding DAPS) that are not upheld on review by the State Administrative Tribunal	95%	98.6%	3.6%
The % of Local Planning Scheme (LPS) amendments processed by the Department under delegated authority and submitted to the Minister within the statutory timeframe:			
- Basic (42 days)	60%	80%	20%
- Standard (60 days)	60%	60%	-
The % of DAP applications that are determined within the statutory timeframe	70%	76.5%	6.5%
Desired Outcome: The State's land asset is managed responsibly			
Percentage of unmanaged Crown land in the State of Western Australia	38%	37.8%	(0.2%)
Percentage of rent reviews implemented by the recent review date	80%	78.5%	(1.5%)

Key Effectiveness Indicators ^(a)	2017/18 Target ^(b)	2017/18 Actual	Variation ^(c)
Desired Outcome: Security of Land Tenure			
Percentage of all accepted enquiries progressed to completion or resolution	60%	36%	(24%)
Number of challenges to provision of tenure	0	0	0
Percentage of new Crown land applications assessed for Native Title	100%	100%	-
Desired Outcome: Optimise the value of the State's land assets			
Percentage of Crown land sales target achieved	100%	57%	(43%)
Desired Outcome: Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations			
The Minister for Heritage's satisfaction with the services provided by the Department	85%	92%	7%
The Heritage Council of Western Australia's satisfaction with the services provided by the Department	85%	93.8%	8.8%
Desired Outcome: Cultural heritage management for community education and appreciation			
Visitors to Fremantle Prison's satisfaction with the services provided by the Department	85%	94.6%	9.6%
Desired Outcome: Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community			
Percentage of direct stakeholders satisfied with the services related to the management of Aboriginal heritage	80%	79%	1%
Desired Outcome: Better utilisation of the Aboriginal Lands Trust Estate to achieve shared social and economic outcomes			
Percentage of direct stakeholders satisfied with the services related to the management of the Aboriginal Lands Trust Estate	80%	64%	16%

^(a) The tables above provide a summary of the department's Key Performance Indicators for 2017/18.

For more detailed information, including explanations for significant variances, refer to the Key Performance Indicators section of this report at pages 148 – 182.

^(b) The targets specified above are as per the 2017/18 Budget Statements.

^(c) Variations shown in brackets represent a decrease in the actual result compared to the target.

Depending on the KPI, a decrease in the actual result does not necessarily mean that the target has not been achieved.

Key Efficiency Indicators ^(a)	2017/18 Target ^(b)	2017/18 Actual	Variation ^(c)
Service 1: Integrated land and infrastructure policy development			
Average cost per policy hour for integrated land policy development	\$159.59	\$133.35	(\$26.24)
Service 2: Land accessibility planning and policy development			
Average cost per statutory application processed	\$8,683	\$6,259	(\$2,424)
Service 3: Land asset management			
Percentage of pastoral leases monitored	90%	98%	8%
Average cost per square kilometre to manage Crown land	\$2.40	\$3.01	\$0.61
Service 4: Crown Land Administration			
Operational Cost per Crown Land Action	\$7,069	\$9,180	\$2,111
Average number of days to progress an inquiry from assessment to acceptance	12 working days	31 working days	19 working days
Service 5: Native Title administration			
Average operational cost per Native Title action taken	\$88,938	\$101,361	\$12,423
Service 6: Preparation for Sale of State-owned Land Assets			
Percentage of divestment fund spent to unlock Crown land assets	100%	100%	0%
Service 7: Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia			
Average Cost per Place of Maintaining the Heritage Register	\$60	\$29.07	(\$30.93)
Average Cost of Development Referrals	\$900	\$851.39	(\$48.61)
Average Cost of Administering Grants (per Grant Dollar)	\$0.10	\$0.12	\$0.02
Service 8: Community Engagement in Cultural Heritage			
Average Cost per Visitor to the Fremantle Prison	\$40	\$31.04	(\$8.96)
Service 9: Heritage Management			
Average Processing Time per Statutory Approval	70 days	93 days	23 days
Average Time to Update Register	12 days	12 days	-
Average Time to Complete Initial Assessment	3 days	5 days	2 days
Service 10: Land Management			
Average Processing Time per land transaction	3 days	3.5 days	0.5 days

^(a) The tables above provide a summary of the department's Key Performance Indicators for 2017/18. For more detailed information, including explanations for significant variances, refer to the Key Performance Indicators section of this report at pages 148 – 182.

^(b) The targets specified above are as per the 2017/18 Budget Statements.

^(c) Variations shown in brackets represent a decrease in the actual result compared to the target. Depending on the KPI, a decrease in the actual result does not necessarily mean that the target has not been achieved.



REPORT ON OPERATIONS: RESPECT THE PAST



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REGISTER, PRESERVE AND PROTECT HERITAGE PLACES AND ABORIGINAL SITES AND OBJECTS

The places and sites that represent Western Australia's history and cultural heritage are identified and chronicled to link our past to our present

Heritage is important in understanding the story of Western Australia – its history, identity and its people.

Register of Places and Objects

The department is responsible for maintaining the Register of Places and Objects, which is established under section 28 of the *Aboriginal Heritage Act 1972*. The Register is intended to, so far as is practicable, list all Protected Areas, all Aboriginal cultural material, and all other places and objects to which the *Aboriginal Heritage Act 1972* applies.

Section 15 of the *Aboriginal Heritage Act 1972* provides that any person who has knowledge of any thing or place to which the Act applies or might reasonably be suspected to apply, has an obligation to report it to the Registrar of Aboriginal Sites. The Aboriginal Cultural Material Committee determines if an Aboriginal place meets the criteria under section 5 of the *Aboriginal Heritage Act 1972* and should be entered in the Register of Places and Objects. When making these determinations the Aboriginal Cultural Material Committee considers submission information and other information obtained by the department through its procedural fairness process.

This year, the Aboriginal Cultural Material Committee assessed 359 heritage places in relation to section 5 of the *Aboriginal Heritage Act 1972*. The Aboriginal Cultural Material Committee continues to work towards reducing the number of heritage places lodged in the Register of Places and Objects pending assessment by the Aboriginal Cultural Material Committee.

Following a decision of the WA Supreme Court in April 2015 the department, on behalf of the Aboriginal Cultural Material Committee, commenced the reassessment of 35 Aboriginal heritage places impacted by the decision. These had previously been assessed as places to which section 5 of the *Aboriginal Heritage Act 1972* did not apply based on guidance documents found by the Supreme Court to contain passages that were not consistent with the construction of section 5 of the *Aboriginal Heritage Act 1972*.

As at 30 June 2018, 30 of the 35 Aboriginal heritage places have been reassessed, three are being progressed by the Department, and two are on hold at the request of Aboriginal corporations.

State Register of Heritage Places

The department supports the Heritage Council of Western Australia (Heritage Council) in maintaining the State Register of Heritage Places, a statutory list of places established under section 46 of the *Heritage of Western Australia Act 1990* that represent the story of Western Australia's history and development. Entry in the State Register of Heritage Places recognises the value and importance of a place and helps promote its preservation into the future.

When the Heritage Council receives a nomination or referral of a potential heritage place, the department prepares a preliminary review for the Heritage Council's Register Committee's consideration. If the Register Committee determines that a place warrants a full assessment, the department undertakes the assessment work, including owner and stakeholder engagement.

In 2017-18, 49 preliminary reviews were completed, of which seven places were determined to warrant full assessment. There are currently 71 places that have been fully assessed that are at the stakeholder engagement phase of the process. Also this year, eight places have been added to the State Register of Heritage Places on an interim basis, and five places were progressed to permanent registration. The total number of places on the State Register of Heritage Places at the end of the financial year was 1,368.

The department also supports the Heritage Council in achieving its strategic objectives. A Priority Project was the development of a thematic history of Western Australia to identify and explain the primary factors, processes and events that have shaped the State, outline its historical development and illustrate the factors defining its distinctive character over time. This also aligns with the priority objective of making the register a comprehensive list of places recognised for their cultural heritage significance in the Heritage Council's Strategic Plan 2018-2022.

The work to develop a thematic framework to assist the Heritage Council to determine whether places warrant inclusion in the State Register of Heritage Places was completed in 2017-18. Once endorsed by the Heritage Council, the department will material to inform, and for use by, the public.

In June 2018, the Minister for Heritage announced that the Guildford Historic Town will be assessed for inclusion in the State Register of Heritage Places. The Department is preparing the assessment documentation, which will be sent to owners and other stakeholders in 2018-19 to seek their views on the proposal. The Heritage Council will consider all stakeholder views and make a recommendation to the Minister for Heritage, who will decide whether Guildford Historic Town should be included in the State Register.



CONSERVE OUR NATURAL, BUILT AND CULTURAL HERITAGE

Western Australia's heritage places and sites are conserved through sound conservation practice, risk management and harmonious development

As a community, we share the responsibility for identifying and protecting what is important, and passing these places on to future generations so they will understand what came before them.

Aboriginal Heritage Act 1972

The department is responsible for administering the *Aboriginal Heritage Act 1972*, the State's principal legislation enabling the preservation of Aboriginal cultural heritage places and objects.

The department works with Aboriginal groups and other stakeholders to promote greater protection and knowledge of Aboriginal heritage. The department continues to support the development and enforcement of heritage management frameworks and agreements for the South West Native Title Settlement. The department also provides ongoing assistance to Murujuga Aboriginal Corporation and the Department of Biodiversity, Conservation and Attractions in the heritage management of Murujuga, also known as the Burrup Peninsula.

Review of the Aboriginal Heritage Act 1972

The Minister for Aboriginal Affairs announced a review of the *Aboriginal Heritage Act 1972* in March 2018. The review will be delivered in four stages, including three consultation phases. The first consultation phase commenced with the release of a consultation paper on 9 March 2018, with submissions closing on 1 June 2018.

As part of the first consultation phase, the Department held 41 workshops throughout the State over four weeks to consult stakeholders with an interest in Aboriginal heritage. The workshops were not the only opportunity to engage in the review process. Feedback could also be provided in writing or through an online survey. More than 130 submissions were received. The department also met with over 550 stakeholders throughout the four week consultation period.

Feedback received during the first consultation paper will inform the development of a discussion paper that will be released for public comment in 2018-19.

Repatriations

The department, through its regional heritage staff, administers a program for the management and repatriation of Aboriginal ancestral remains and objects, including those held in State and other collections. The department works with local Aboriginal groups, the Western Australian Museum and other agencies to repatriate and manage Ancestral remains in accordance with the relevant State and Commonwealth legislations.

Since 2013, the department has facilitated the return of approximately 108 sets of ancestral remains that were previously held by the Western Australian Museum or other institutions. During 2017-18 eight completed projects have resulted in the repatriation and reburial of 11 sets of ancestral remains. The program provides an excellent example of how the department works with the Aboriginal community in managing important heritage matters.

Pioneer Cemetery Project

In April 2017 the department was alerted to Aboriginal human remains being exposed in the Fitzroy Crossing Pioneer Cemetery, an Aboriginal site listed on the Register of Aboriginal Places and Objects, beside the Fitzroy River. The department responded by immediately meeting with the Aboriginal community of Fitzroy Crossing and developing a project to identify and relocate to a safe location, the remains of all person still interred at the cemetery.

The project involved a three stage approach commencing with identifying the location of remains still buried at the cemetery; the exhumation and processing of remains from the identified burial locations; and finally, reinterring the exhumed remains at a designated section of the Fitzroy Crossing cemetery which is located away from the river.

On ground works commenced in September 2017 to ensure that all the remains were identified and exhumed prior to the onset of the 2017-18 wet season.

RPS, the organisation engaged to deliver the project, had to rely on earthmoving methods and the use of Ground Penetrating Radar to identify the location of graves. These methods identified 94 anomalies that were possible burial locations that were then investigated.

Of the 94 anomalies, 70 were found to be graves and these were excavated by archaeologists to exhume the remains. The exhumed remains were carefully relocated to a site located in Fitzroy Crossing where they were assessed and characteristics documented prior to being prepared for reinterment and placed in coffins that had been constructed by workers at the Fitzroy Crossing Men's Shed.

Using the historical information that was available for Pioneer Cemetery it has been possible to identify 15 of the 70 exhumed remains. These will be reinterred as per the wishes of family members, which may include repatriating some of the 15 sets of remains to communities outside of Fitzroy Crossing. The reinterment ceremony is scheduled to take place in August 2018.

Heritage of Western Australia Act 1990

The department supports the functions of the Heritage Council and carries out day-to-day activities associated with the administration of the *Heritage of Western Australia Act 1990* that provides for, and encourages, the conservation of places that have significance to the cultural heritage of the State. Activities include encouraging public interest in, and understanding of WA's cultural heritage, and providing education and training on heritage matters.

The department supports the Heritage Council in delivering the annual Western Australian Heritage Awards, which showcase excellence in revitalising heritage places, setting standards for interpretation, conservation and adaptive reuse.

The department also helps to facilitate the delivery of training and education in heritage conservation practice, promote engagement and awareness of heritage places, and encourage heritage tourism through the Heritage Council's Sponsorship Program. The department further supports the Heritage Council in achieving its strategic objective of clear decision making and promoting best practice in cultural heritage management through the provision of heritage policies and practice notes.

A key focus for education in 2017-18 has been working with professionals and industry bodies to explore how heritage skills can better be maintained and developed as part of a continuing professional development (CPD) program. Following initial discussions, the department has implemented simple steps to share information about existing and relevant training opportunities, and will continue to work with partners on potential direction and options for CPD and accreditation.

Heritage Bill 2017

In 2011, the State Government commenced a review of the *Heritage of Western Australia Act 1990*. The Heritage Bill 2017 is the culmination of a review, and will provide modern, updated legislation to preserve places that tell the story of our State's history and development.

The Heritage Bill 2017 was developed through three rounds of stakeholder and community consultation. Feedback from the public consultation helped inform new heritage legislation that is open, transparent, simple to operate and easy to understand, and able to reflect best practice in the recognition and protection of heritage places.

The Heritage Bill 2017 was introduced into the Parliament in November 2017. The Heritage Bill 2017 passed the Legislative Assembly and was introduced into the Legislative Council in June 2018.



PROVIDE ACCESS TO ABORIGINAL SITE INFORMATION

Improving accessibility to Aboriginal site information preserves Aboriginal heritage for current and future generations and encourages greater engagement and respect for Aboriginal culture

Aboriginal heritage is one of the State's greatest assets, and providing access to accurate heritage information enhances relationships with traditional owners and improves decision making.

Aboriginal site information is used by government, industry and heritage professionals who need the information for land-use planning, regulation and conservation management. It is also used by Aboriginal communities to help them manage, conserve and protect local sites and heritage, and for natural resource management, cultural heritage assessments, archaeological surveys, development proposals, and history projects.

Regional operations

The department works with Aboriginal communities, Aboriginal and non-Aboriginal organisations, other federal, state and local government agencies to achieve heritage outcomes across the state. They also act as a link between Aboriginal people and the department to enable the views of the Aboriginal community to be heard.

A key role for 2017-18 has been on ground co-ordination of the state-wide community consultations for the first phase of the review of the *Aboriginal Heritage Act 1972*. In addition, regional staff played a major role in co-ordinating repatriations of ancestral remains, managing ancestral remains exposed by natural or human agency, promoting the Preserving our Aboriginal Sites grants program, managing on ground heritage projects and conducting site audits to assess their current condition and to ensure information on the Register of Sites and Objects is as accurate as possible.



REPORT ON OPERATIONS: CREATE OPPORTUNITIES TODAY



UTILISE THE ABORIGINAL LANDS TRUST ESTATE

The Aboriginal Lands Trust estate provides significant economic and investment opportunities for Aboriginal people

The department manages the day-to-day operations of the Aboriginal Lands Trust (ALT) estate on behalf of the Aboriginal Lands Trust. The department facilitates the transfer of land to Aboriginal control, and provides advice to the ALT, Aboriginal people, government departments and other stakeholders about the care, control and management of ALT land.

A key focus is to improve the utilisation of the estate to enable native title holders and Aboriginal inhabitants to achieve better social, economic and cultural outcomes.

Modernisation of the Aboriginal Lands Trust Estate

Increased Aboriginal control and or management of ALT land enables Aboriginal people to better utilise the estate to achieve economic, social and cultural objectives.

In 2017-18 the ALT approved 27 leases and eight sub-leases under the *Aboriginal Affairs Planning Authority Act 1972* (AAPA Act) enabling improved service delivery and better utilisation of land. Examples include the provision of a lease for the Moongooing Sobering-up Shelter has ensured

stability to an ongoing program, whilst separately a new lease will enable the construction of an airport terminal in Kalumburu. The subleasing of the ALT managed Lake Gregory pastoral lease provides for greater investment and future divestment potential.

The department has worked with other agencies to develop a policy framework for the Divestment of the ALT Estate. The department has developed a divestment program including the prioritisation of 33 locations. The ALT divested on reserve to Kariyarra Land Aboriginal Corporation in 2017-18.

In 2017-18, the department undertook inspections and audits of 12 ALT reserves and freehold properties investigating a range of issues including safety, contamination and compliance. This work facilitates divestment, the reduction of risk and helps drive the implementation of government policy.

ADMINISTER STATE LANDS

The value of State land assets and heritage places is optimised through secure land tenure and streamlined approval and title processes

Crown land is defined in the *Land Administration Act 1997* as all land, except alienated (freehold) land and includes:

- all land within the limits of the State
- all marine and other waters within the State
- all coastal waters (seaward to three nautical miles) including the seabed and islands.

Approximately 92 per cent of the State's land mass is Crown estate, while the remaining eight per cent is freehold land. The major categories of tenure within the State are conservation estate, unallocated Crown land, reserved land, pastoral leases and other leases.

Pastoral land reform

In October 2017, the State Government announced a renewed focus on pastoral lands reform. Pastoral lands reform is jointly led by the Minister for Planning and Minister for Regional Development; Agriculture and Food, and aims to facilitate improvements in the ecological sustainable management of pastoral land, and to provide more opportunities for economic growth so that the full economic and social potential of the pastoral estate can be realised for the people of Western Australia.

The drivers for pastoral lands reform include advice provided by the Pastoral Lands Board to both Ministers in the paper *Priorities for Strengthening the Economic Viability and Ecological Management of the Pastoral Estate*. Another key driver for pastoral lands reform

are findings contained in the Office of the Auditor General's October 2017 report entitled *Management of Pastoral Lands in Western Australia*, which found that the ecological sustainability of the pastoral estate is not adequately protected by the State's current system of land monitoring and administration, and that an integrated land management system is required to address ecological, social, economic and governance issues.

In response to these drivers, pastoral lands reform consisting of legislative, regulatory and compliance measures designed to protect the ecological sustainability of the pastoral estate and increase security of tenure for pastoral lessees are proposed. Pastoral lands reform will work through a number of key proposals developed in collaboration with the stakeholders. Reform measures will be investigated by Government and their potential implementation will be assessed for risk and opportunity. The initial focus of pastoral lands reform will include:

- tenure reform for pastoralists to expand economic opportunities on pastoral land, including a statutory right of renewal for compliant pastoral leases and a right to transfer diversification permits to an incoming lessee
- improved environmental monitoring and minor legislative amendments to assist in the improved ecological management of pastoral land.

In parallel with pastoral lands reform, the development of a strategic vision for the pastoral estate to guide future contribution of pastoralism to the sustainable growth of regional communities will be pursued. Support for Aboriginal participation will continue as a priority to boost economic and social potential and the long-term sustainable management of the pastoral estate.

Review of Crown land lease administration and management

The administration of Crown land leases is a significant component of managing the Crown estate and opportunities exist to improve the management of leases internally, as well as apply a customer-focussed approach to lease administration.

During the year the department commenced the internal review of the administration and management of Crown land leases, including staff and stakeholder interviews.

Administration of the sale of State-owned land

The department has committed to the divestment of surplus Crown land, in order to achieve budgeted land sale targets and activation of underutilised land.

Divestment of land for appropriate uses contributes to the achievement of Government's strategic planning and project specific objectives, including Perth and Peel @3.5million, METRONET and land availability for aged care development.

Further, performance against land sale targets has direct budgetary impacts and is a significant and material measure of the success of the Strategic Goal.

In the 2017-18 financial year, \$23.5 million in Crown land sales were settled, against the forecast outturn of \$19 million. Treasury was advised early in the financial year that the start of year target of \$39 million would not be achieved, due to uncontrollable delays associated with disposal of land to the Department of Communities – Bentley 360.

Significant disposals contributing to in-year achievement include Lot 775 Bronte Street East Perth, and Lot 600 Claremont Oval. Both assets were disposed above pre-sale valuation and will contribute positively to development of their precincts.

Mitigation and remediation of "high" level risks on Crown land

The department aims to provide expert project management services for whole-of-government contamination issues, including the coordination of Wittenoom Asbestos Management Area and the Northampton Lead Tailings Project.

Funded initiatives such as the Northampton Lead Tailings Project are progressing well. 743 lots (98 per cent of the town) within the townsite have been investigated for the presence of lead tailings. Remedial works are required on 137 of these, which are expected to be completed in October 2018.



PROVIDE LAND SUPPLY FOR POPULATION AND ECONOMIC GROWTH

Strategic planning policy and the planning system enables property and commercial development to meet State objectives

The department coordinates and promotes the development of serviced land in a sustainable and timely manner for the guidance of State infrastructure agencies, public utilities, local governments and the private sector.

Perth and Peel@3.5million, the WAPC's suite of strategic land use planning and infrastructure frameworks, was released in March 2018. The frameworks, for the Central, North West, North East and South Metropolitan sub-regions aim to accommodate 3.5 million people across Perth and Peel by 2050.

The frameworks provide a whole-of-government response to accommodating an additional 1.5 million people. They define the urban form for the next 30 years, as a consolidated and connected city, through greater density and infill development. The frameworks also offer an unprecedented level of certainty on the amount of land available for residential, commercial and industrial development, its staging and sequencing and its associated infrastructure provision.

The plans align with METRONET Stage 1 to create vibrant new communities, connect suburbs and reduce road congestion.

In addition, the Urban Development Program tracks land demand and supply as well as proposed development and infrastructure in Western Australia's major urban centres to promote a more effective use of land and better staging of development.

State Lot Activity

The State Lot Activity, published quarterly, provides information on the current subdivision activity across the State. It reports on subdivision applications submitted, pending, conditional approvals, developers' stock of approvals and final approvals for all land uses.

Regional Land Supply Assessments

Regional Land Supply Assessment reports provide an assessment of the stocks of land available for residential, industrial and commercial purposes, and identify key land use planning and infrastructure provision required to meet demand across selected regional centres.

The Denmark Regional Land Supply Assessment report provides information on the major economic factors within the Shire of Denmark that influence employment and population growth; the demand for land and housing; zoned land supply for residential, industrial and commercial uses; development constraints; recent and future land development activity; and existing and required physical infrastructure. The report will inform the review of the Shire's Local Planning Strategy and Scheme scheduled for 2018-19.

Kariyarra and State Indigenous Land Use Agreement

The Kariyarra and State Indigenous Land Use Agreement delivers significant monetary and non-monetary (land) benefits to the Kariyarra People, while addressing native title over specific areas within their claim, enabling the existing and future expansion of the Port Hedland port and development of residential, commercial and industrial land in South Hedland.

The department paid to the Kariyarra people over \$2.8 million in lot payments and implementation funding and finalised the transfer of two lots in freehold and the conferral of a management order over a culturally-significant site at Tjalka Warra Reserve 24055.

South West Settlement Noongar Land Base Strategy

The implementation of the South West Settlement Noongar Land Base Strategy includes the delivery of the State's commitment to transfer up to 320,000 hectares of Crown land to the Noongar Boodja Trust (NBT).

The department's South West Settlement team continues to identify land for potential transfer to the NBT as defined in the Noongar Land Base Strategy of the Indigenous Land Use Agreement (ILUA). The department has met its Years 0, 1 and 2 land identification targets, and is approximately 30,000 hectares short of meeting the State's Year 3 target.

Geraldton Alternative Settlement Agreement (GASA)

The department is supporting the State's negotiations towards an alternative settlement of native title in the Geraldton area, in particular the land and heritage components of a proposed settlement package.

The department has been working collaboratively with the Department of the Premier and Cabinet (DPC) on the land component to bring together a settlement package. This involves the identification, assessment and selection of land parcels to create a land base for the native title claimants.

Progress to date on the land component includes:

- a land assessment, identification and selection process to ensure due diligence and information sharing between the State, management bodies, responsible agencies, service providers and the traditional owner negotiation team (TONT)
- a land assessment process for around 800 land parcels nominated by the TONT members for possible inclusion in the settlement package including referrals to other agencies and service providers to support a tenure selection process
- identification and assessment of approximately a further 2,800 potential land parcels of unallocated Crown land and unmanaged reserves for possible inclusion.

Bullsbrook Freight and Industrial Masterplan

The department and the Department of Transport are progressing the preparation of a strategic master plan for the proposed Bullsbrook intermodal freight terminal and surrounding industrial land. The master plan will support a future Metropolitan Region Scheme amendment to reserve the proposed site and protect it from encroachment by incompatible development.



MANAGE CULTURAL HERITAGE, ASSETS AND RESOURCES

Disused and neglected publicly owned heritage places are revitalised and prepared for sustainable new use and development.

Fremantle Prison and Whiteman Park are conserved, appropriately managed and their full potential for compatible use and tourism is realised

As the only built Western Australian World Heritage property, Fremantle Prison operates as a heritage precinct that balances its cultural heritage significance with complementary activities that generate revenue for the conservation of the site. To promote visitor engagement with the site and generate income to contribute to its maintenance and operation, it offers a range of interpretive tours, exhibitions, retail opportunities, a café, unique venue spaces and events.

Whiteman Park is a unique recreation and conservation reserve that covers nearly 4,000 hectares of natural bush land in Perth's north and is managed by the department on behalf of the WAPC. Various transport heritage groups operate within the Park and provide a range of educational programs, community events and activities.

Ascot Kilns and Golden Gateway

The State Heritage listed Ascot Kilns site was previously part of the Bristle Kilns industrial site for the manufacture of pottery and clay building products. Eight beehive kilns and five chimney stacks remain on the site and range in structural condition from good to very poor.

The project established a vision for the site to allow for restoration of the heritage structures and to explore options for redevelopment, including providing guidance on the interpretation and integration of heritage structures with future development. The Ascot Kilns project was undertaken to progress planning and technical studies to get the WAPC-owned Ascot Kilns site to a 'planning ready' state for future delivery by the private sector.



Fremantle Prison

Fremantle Prison continues to be recognised through awards programs as a hallmark cultural tourism destination. In November 2018, the Prison will be inducted into the WA Tourism Awards Hall of Fame for winning gold in the Cultural Tourism category for the last three years.

Fremantle Prison hosted a number of events that raised its profile and educated the public on significant elements of Western Australian history, including a commemoration of the 150th anniversary of the arrival of the Hougoumont, the last convict ship to arrive in Australia, as part of the 'Fenians, Fremantle and Freedom Festival', and tours focusing on the museum collection, prison art and Aboriginal incarceration, as part of both the 2018 Australian and Fremantle Heritage Festivals.

To coincide with the Hougoumont celebration, Fremantle Prison opened a new exhibition called Transportation which explores the history of convict transportation to Australia. This exhibition features internationally significant convict related objects from the Fremantle Prison and Western Australian Museum collections.

Fremantle Prison completed significant repairs to the convict built Perimeter Walls including the complete restoration of the Hampton Street Wall. Conservation of the Perimeter is essential to the long-term retention of World Heritage status for the Prison.

Fremantle Prison completed the most significant refresh of its Guided Tours program in twenty six years, developing three new tour experiences to allow visitor to experience more of the Prison's buildings, spaces and history than ever before.

Awards and achievements for Fremantle Prison

- Awarded silver for Major Tourist Attractions and gold for Cultural Tourism at the Perth Airport Western Australian Tourism Awards
- Awarded gold for Cultural Tourism at the 2017 Qantas Australian Tourism Awards
- Janine Della Bosca was also announced as the top Tour Guide in the State, winning the FACET Golden Guide Award
- Awarded the Fremantle Business Award for Tourism Excellence
- Fremantle Prison is the highest ranked attraction in Fremantle on TripAdvisor, and in May was named as one of the best landmark attractions in Australia as part of the 2018 TripAdvisor Traveller's Choice Awards. This is the sixth consecutive year the Prison has been recognised in the Top 10 list, for the consistent achievement of receiving high ratings from travellers, submitted over the last 12 months.
- Inducted into the TripAdvisor Certificate of Excellence Hall of Fame.



Whiteman Park

Whiteman Park is fast becoming one of Perth's premier tourist attractions winning the Gold Medal for Major Tourist Attraction in the WATC Tourism Awards two consecutive years (2016 and 2017). In 2018 Whiteman Park hope to go one better and if successful in winning a third consecutive time, will become a Tourism Hall of Fame inductee, cementing its place within the tourism industry.

Over the past 10 years (2008-2018) visitation numbers have increased dramatically, from approximately 680,000 in 2008 to 1.2 million in the 2017-18 financial year. As a result, there has been a major emphasis on providing the highest standard facilities and customer service.

The park has continued to improve its business process and products including an online booking system, and Aboriginal Education Programs, offered to school children to meet learning outcomes of the learning curriculum.

The park, in partnership with the Motor Museum of WA, secured Daniel Ricciardo's 2014 Red Bull F1 racer creating interest from around the world. In addition to this wonderful tourist attraction, Daniel Ricciardo officially opened the new Motor Museum extension in September 2017 attracting media attention from around the country.

This year the Park also successfully completed approximately \$1.2 million dollars in capital works projects. (link to WAPC annual report for more information.)

Awards and achievements for Whiteman Park

- Awarded a gold medal Major Tourist Attraction at the Perth Airport Tourism Awards 2016 and 2017.
- Bronze Medal Tourist Attraction at the Perth Airport Tourism Awards 2014.
- Finalists at the Qantas Australian Tourism Awards in 2016 and 2017



Heritage Works

Heritage Works, now in its fourth year of operation, was established to revitalise vacant and underutilised State or local government owned heritage properties through conservation and adaptive reuse, and transitioning them to new ownership.

Services provided by Heritage Works include feasibility analysis; conservation planning and works; financial support (where required); project management; and support with marketing and sales.

The program completed its first two projects: the Warders' Cottages in Fremantle, and the former Coogee Hotel and Post Office, and commenced others during 2017-18. Feasibility analysis was carried out on four other heritage places:

- Maylands Brickworks (on behalf of the City of Bayswater)
- Western Australian Bank Kalgoorlie (on behalf of Housing Authority)
- Fremantle Technical College (on behalf of the Land Use Management division of the Department of Planning Lands and Heritage)
- East Fremantle Post Office (on behalf of Main Roads WA).

Conservation works for the Fremantle Technical College Annexe will commence on site in October 2018, with works to the Western Australian Bank, Kalgoorlie to follow.

The Maylands Brickworks feasibility analysis was a large undertaking due to the scale and complexity of the site, including two former industrial structures which have been vacant and fenced off since 1983. The project included a community engagement component, conducted in February and March 2018.

Swan Valley Planning Review

The Swan Valley Planning Review is an important step to ensure a coordinated planning approach for the Swan Valley. The Swan Valley is Western Australia's first viticultural area and one of the State's premier tourism precincts.

The State is committed to preserving Swan Valley's historical and cultural heritage for future generations.

The Swan Valley Planning Review was coordinated by the Hon John Kobelke as an independent reviewer and appointee of the Minister for Planning, and supported by the department

The review was informed by more than 50 one-on-one community stakeholder meetings and a survey of all Swan Valley landowners and residents. More than 600 completed surveys were submitted providing comments on planning, water allocation, retaining rural land uses, subdivision, rights to farm, support for primary producers and the appropriate level and type of tourism.

The department will support and implement the Government's response to the report in 2018-19.

MANAGE GRANT PROGRAMS

Planning, land and heritage grants are distributed to maximise community benefit

The department provides or administers grant programs to community sector organisations to plan and implement projects and initiatives that support planning, lands and heritage outcomes in Western Australia. Grants include:

- Area assistance grant schemes
- Coastal Management Plan assistance program
- Coastwest grants
- Heritage Grants program
- Preserving our Aboriginal Sites grants

Preserving our Aboriginal Sites grant program

The department administers the Preserving Our Aboriginal Sites grants program, one of the few means available for the Government to provide funding for projects that promote and protect Aboriginal heritage sites throughout the State. Previously funded projects include graffiti removal from rock art sites, installation of fences to protect restricted sites and interpretation projects to promote awareness of Aboriginal heritage.

The Program offers Aboriginal not-for-profit organisations the opportunity to apply for grants for the purpose of preserving and promoting registered Aboriginal sites. It is administered by department through periodic funding rounds, in which applications are assessed against the following criteria:

- Sustainable long-term heritage benefits.
- Innovation, public benefit and increased awareness of Aboriginal heritage.
- Opportunities and benefits for Aboriginal people and organisations.

Since the program's inception, over \$1,000,000 has been made available for the preservation and promotion of Aboriginal sites.

For the 2017-18 round of the program 20 applications were received seeking over \$550,000 of funding. Of which, ten projects totalling \$254,555.43 were successful.

Heritage grants

The department supports the Heritage Council in delivering the Heritage Grants Program that assists owners of State Registered heritage places by offering grants of up to \$100,000 on a dollar-for-dollar basis for essential conservation works and the preparation of conservation management plans or strategies. Since the program began in 1996-97, over 750 heritage projects have been awarded grants totalling more than \$19.5 million.

This year, \$1,244,359 was acquitted for grant-funded projects, with 26 projects completed during the period. Of the completed projects, 25 were from previous years' grant rounds and one was from the 2017-18 funding round. For the 2017-18 funding round, 23 applications were successful, with \$1.222 million in grant funding. These projects are expected to deliver a combined conservation investment of more than \$3.090 million.

The Department continues to provide funding of \$120,000 per annum to the City of Karratha (formerly Shire of Roebourne) for the maintenance of the historic Cossack town site under an agreement entered with the State Government in 1996.

Coastal Zone Management

This program supports integrated planning and management for sustainable development outcomes and community stewardship of the Western Australian coast, and implementation of the State Coastal Planning Policy SPP2.6.

The interagency Coastal Management Advisory Group oversees a work program which included publishing the WA Coastal Zone Strategy; completing an assessment of coastal erosion hotspots; and ongoing development and refinement of policy guidelines and tools for coastal managers undertaking coastal hazard risk management and adaptation planning.

The WAPC sponsored the first combined State Natural Resource Management and Coastal Conference in August 2017, including the WA Coastal Awards for Excellence, recognising the achievements of individuals, community groups, schools, local government and State Government agencies in protecting and managing WA's coast.

Coastwest

Coastwest grants totalling \$338,169 were provided to 21 projects to coastal managers to partner with community groups to participate in coastal planning and on-ground management activities. In this same period 16 previously funded Coastwest Projects were completed.

Coastal Management Plan Assistance Program

In 2017-18 Coastal Management Plan Assistance Program grants worth \$215,000 were awarded to three local governments for the preparation of coastal hazard risk management and adaptation plans. Five previously funded projects were completed.





REPORT ON OPERATIONS: PLAN OUR FUTURE



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LAND USE PLANNING TO GUIDE URBAN SETTLEMENT AND ECONOMIC DEVELOPMENT

Improving the built and natural environment creates connected communities and prosperous places. Greater housing diversity and affordability response to the changing needs of our community

Land use planning teams work across Government and the community for the benefit of Western Australia. The department works with the State's 138 local governments, as well as State agencies, the development industry, landowners and community members.

The department supports the Western Australian Planning Commission (WAPC) in planning and developing the regions of Western Australia.

Perth and Peel@3.5million

Following the release of the WAPC's *Perth and Peel@3.5million* sub-regional land use planning and infrastructure frameworks, a work plan was devised in April 2018 to progress implementation in collaboration with State Government agencies and local government.

The frameworks determine where new homes and jobs will be located, how to make best use of existing and proposed infrastructure and how best to avoid important environmental assets and basic raw materials sites. They also encourage greater housing diversity and choice – some 800,000 new homes will be required for house an additional 1.5million people by 2050 - to meet the needs of a changing demographic.

Planning for employment

During 2017-18 the following planning initiatives were progressed to facilitate industrial land development, particularly in regional areas:

- Improvement schemes – Oakajee, Ashburton North, Anketell, Maitland.
- Publication of a Position Statement on Workforce Accommodation to guide local government decision making when planning for this type of accommodation.
- Planning for industrial land – zoning, structure planning and subdivision proposals were progressed to allocate land for industrial development, including Northam, Narrogin, Waterloo (Bunbury) and the first stage of the Muchea Industrial Park.
- The department continues to protect land required for agriculture and horticulture to support local and export economies.

Planning for tourism

Many local governments in WA are seeking to diversify their economy through tourism. The department facilitates development of tourist facilities and expansion of existing tourism developments.

This included work in:

- the Gascoyne Region including the Monkey Mia Structure Plan.
- the Shire of Carnarvon including the Ningaloo Reef Resort land north of Seabird was zoned for tourism purposes, to facilitate development of a resort and caravan park
- the Guilderton-Kalbarri sub-regional strategy sought to secure Indian Ocean Drive for tourism uses.

Planning for the environment

With Commonwealth listing of banksia woodlands, Wheatbelt eucalypt woodlands and proposed listing of Tuart woodlands, the department is working closely with proponents and local governments to achieve a sensible balance of environmental protection, while still providing for growth.

The department is noticing changes to the State's energy markets, with increased development and lease activity and proposals for 'off the grid' development in regional areas during 2017-18, in locations such as Kondinin, Gingin and Merredin.

There has been an increase in subdivision applications for conservation purposes, with landowners entering into covenant arrangements with environmental agencies to secure biodiversity assets in perpetuity. WAPC policy allows for these sites to be progressively zoned

for conservation purposes meaning the extent of private conservation land will become more visible in coming years.

The Leschenault Regional Park Establishment Plan was finalised in July 2017. This provides for acquisition of significant natural habitat including the Leschenault Peninsula, the White Mangrove colony in the Leschenault Inlet and the foreshores of the Leschenault Estuary, Collie, Brunswick and Preston Rivers. The plan provides for the creation of the regional park. Together with the Preston River to Ocean Regional Park it will create a continuous 3,000 hectare protected green network stretching from the Leschenault Estuary to Dalyellup.

Regional planning projects

During the year, the department prepared a number of sub-regional strategies on behalf of the WAPC to co-ordinate planning issues across local governments, and guide future land use and development in the regions.

The Gascoyne Coast sub-regional planning strategy considers a range of population growth scenarios and analyses the capacities of settlements to accommodate growth. It identifies strategic directions to guide local planning processes; and provide guidance for the preparation of and amendments to local planning strategies and schemes.

The draft Leeuwin Naturaliste sub-regional planning strategy seeks to support the values that make this area important to residents and visitors alike. The strategy balances the competing demands for urban growth and landscape and environmental conservation and also provides for a review of State Planning Policy 6.1 – Leeuwin-Naturaliste Ridge.

The draft Guilderton to Kalbarri sub-regional planning strategy sets out a nodal development pattern along the coast which aims to expand townsites and provide for increased tourism. The environmental values of the coast are identified, and the Indian Ocean Drive is to be retained as a tourism route.

Urban settlement projects

The department supports the WAPC in land use planning to guide major residential and industrial developments in urban centres throughout Western Australia by preparing district level structure plans and assisting with a range of planning projects:

- implementation of the Shenton Park Hospital Redevelopment Improvement Scheme, including the consideration of subdivisions and the establishment of a design review process for future development applications
- preparation of a district structure plan for the East Wanneroo area to provide guidance on future land use, employment, density targets, protection of environmental assets and the coordination of major infrastructure
- redevelopment of Middleton Beach, through the Middleton Beach Activity Centre Working Group in collaboration with the City of Albany, LandCorp and the Great Southern Regional Development Commission, through draft design guidelines, a Foreshore Management Plan and an Expression of Interest for a hotel developer

- planning for the Wanju and Waterloo urban development areas to provide sufficient residential and employment lands to allow for the sub-region to grow to over 150,000 residents by 2050; the Wanju District Structure Plan promotes higher densities and looking at development and construction methods that will reduce use of fill and promote opportunities for lightweight construction methods.

Region Schemes

The department administers three region schemes - the Metropolitan Region Scheme Greater Bunbury Region Scheme and Peel Region Scheme. These schemes seek to define the future use of land, dividing it into broad zones and reservations. It requires local government town planning schemes to provide detailed plans for their part of the region. These schemes must be consistent with region schemes. During the year, ongoing update and review of the schemes occurred to progress land. Major amendments progressed in 2017/18 are detailed in the WAPC Annual Report 2017/18.

Aboriginal Communities

Layout plans are prepared under the WAPC's *State Planning Policy 3.2 Aboriginal Settlements*. During 2017-18 the WAPC endorsed one new layout plan and endorsed 40 layout plan amendments. The department undertook a range of activities on behalf of the WAPC to implement State Planning Policy 3.2, including the following:

- Drinking Water Source Protection Plans were completed for remote settlements in the Shire of Derby-West Kimberley (Jarlmadangah and Ngalingkadji)
- flood assessments were completed for remote settlements in the Shires of Derby-West Kimberley and Wyndham-East Kimberley (Imintji, Kupungarri, Ngallagunda and Dodnun)
- new aerial photos were commissioned for approximately 40 remote settlements.

Additionally, the department has worked collaboratively with the Department of Communities to implement the Regional Services Reform Program by preparing cemetery plans, initiating road naming in remote settlements and coordinating Crown land redescrptions.

Development Assessment Panels

The department continues to provide coordination and secretariat services to Development Assessment Panels (DAPs). Established in 2011, DAPs have received over 1300 applications. The development investment linked to these applications to date is in excess of \$33 billion.

Planning decision-making

The department supports the WAPC to perform its decision-making functions under the *Planning and Development Act 2005* via delegated authority. This involves the assessment and determination of a range of planning proposals including region schemes, local schemes and strategies, scheme amendments, structure plans, subdivision and development. Some highlights include:

- Local planning schemes were published in the Government Gazette for the local governments of Mosman Park, Vincent, Esperance, Ravensthorpe, Bunbury, Katanning, and Wongan-Ballidu.
- Local Planning Strategies were endorsed for the local governments of: Nedlands, Joondalup Esperance, Upper Gascoyne, Bunbury and Toodyay
- Scheme conversions and reports of review - three schemes were updated via omnibus amendments to be consistent with the new format of the Planning and Development (Local Planning Schemes) Regulations 2015, and the Department considered five reports of review on scheme operation.
- Major urban structure plans and activity centre plans determined for East Margaret River, Witchcliffe and Dalyellup South, Bunbury Centrepoint and Eaton Fair.

Design WA

Design WA is a State Government initiative to ensure good design is at the centre of all development in Western Australia. The Design WA program seeks to create a modern planning framework that enables the creation of cities, towns and neighbourhoods where people want to live, work and socialise, now and into the future.

Over the past 12 months the Design WA team has undertaken extensive consultation, design testing and peer review with the objective of ensuring improved outcomes on the ground as well as providing for flexibility and innovation within the planning, design and development sectors.

Bentley Curtin Structure Plan

The Bentley-Curtin Specialised Activity Centre Plan has been prepared to be a strategic framework to guide further detailed planning and development of sub-precincts within the Bentley-Curtin Specialised Activity Centre.

The Specialised Activity Centre is the location for a number of regionally significant economic and institutional activities which support the diversification of the Western Australian economy. The Specialised Activity Centre Plan supports the WAPC's strategic intent and planning framework for metropolitan Perth and specialised activity centres, including accommodating growth via a connected city pattern, increasing housing density, land for commercial development and employment in proximity to housing.

The Specialised Activity Centre Plan was publicly advertised and considered by the WAPC in 2017. The WAPC resolved to approve the Plan with recommendations, including that it be referred to the Minister for Transport; Planning; Lands for approval for public release. The Plan is currently progressing through this approval process.

Review of SPP 4.2 Activity Centres for Perth and Peel

SPP 4.2 aims to plan, design and deliver activity centres that are vibrant, liveable, connected, collaborative and diverse that attract people and businesses to live, work, play and invest in them. The policy provides the objectives and policy measures for activity centres within the Perth and Peel regions, including guidance on the design, planning and development of these centres via the Model Centre Framework.

Over the past 12 months the department has conducted further consultation with key stakeholders, research and review to determine options for addressing implementation issues arising since the gazettal of SPP 4.2.



SUSTAINABLE USE OF LAND AND HERITAGE

Contemporary policies and practices on land, planning and heritage deliver a planning system that supports long-term State growth

The integration of the planning, lands and heritage portfolios enables more efficient, coordinated and comprehensive planning and decision making for growth and development of the State.

The department operates in a complex regulatory and policy environment, that effects protection and preservation of Aboriginal and historical heritage, managing land and planning for social, environmental and economic outcomes in the future.

Strata title reform implementation

Major reform of strata titles legislation will be introduced into Parliament in 2018. This will bring about new forms of land tenure and other major reforms and initiatives which need to be addressed in the planning system.

Key deliverables:

- formulate and implement new and amended planning policies aligned to changes in legislative framework as necessary
- formulate and implement new and amended statutory framework aligned to changes in legislative framework as necessary
- undertake changes to WAPC and DPLH business processes and information systems to support and implement new application types arising from changes in legislative framework

- engage with external stakeholders to facilitate formulation and implementation of relevant changes in the planning system
- coordinate implementation actions with Landgate and other relevant agencies.

Development impacting Aboriginal heritage places and sites

Where development may impact registered Aboriginal sites or lodged Aboriginal places, land users must submit a notice under section 18 of the *Aboriginal Heritage Act 1972*. Applications under section 16 must be submitted where someone is planning to excavate an Aboriginal site and examine or remove anything on or under the site.

The Aboriginal Cultural Material Committee considered 111 Notices under section 18 of the *Aboriginal Heritage Act 1972* to impact upon Aboriginal heritage places. The Aboriginal Cultural Material Committee also considered 10 applications under section 16 of the *Aboriginal Heritage Act 1972* to undertake research on heritage sites and places.

The department is committed to improving decision making transparency and accountability through meeting targets relating to process time for Section 18 applications, assessing the backlog of priority heritage places and complying with procedural fairness policy for applications and heritage place assessments.

Development of State registered heritage places

If a development or change to a place listed on the State Register of Heritage Places is proposed, it is referred to the Heritage Council for advice, usually by local governments and other decision-making authorities. The department assists the Heritage Council with the assessment of development proposals and provides administrative support to the Council.

Heritage places can be changed to meet contemporary needs and new uses. Sensitive development or adaptive reuse is often the best way to ensure a place is used and valued into the future. Reusing heritage places also amounts to a substantial environmental and financial saving in embodied energy. It avoids the creation of waste and the need for replacement building materials.

The department, through a delegation from the Heritage Council, deals with the majority of development referrals. A total of 963 development referrals was determined during the year, with 93 per cent being dealt with by the department under its delegation from the Heritage Council. Development referrals have essentially remained at the same volume as last year due to the continuing level of activity in adapting heritage buildings for modern use, and included major heritage projects such as the New Museum Perth.

Ninety-two per cent of development referrals were processed within 30 days. Those taking more than 30 days were more complex proposals requiring consideration by the Heritage Council or its Development Committee.

Heritage in planning

The majority of statutory decisions relating to heritage places are made as part of the development assessment process. It is therefore important that this process is clearly articulated and understood by those involved, whether working for the applicant or the decision-maker.

The department has continued its work with local governments to support the establishment of heritage lists and to promote a better understanding of heritage issues in planning. This included briefings to elected members, local government planners, staff in government agencies, and planners in private practice.

Machinery of Government reforms have provided opportunity for integrating heritage matters into strategic planning at the early stages of development, and encouraging consideration of Aboriginal Heritage within the planning framework.



Supporting local governments

A role of the department is to assist the Heritage Council deliver its objectives:

- Educate, activate and empower local governments in their responsibilities for heritage management and conservation.
- Strengthen the urban planning framework as it applies to heritage protection and ensure that the relevant provisions are understood and utilised.
- Facilitate and inform productive heritage conversations with State agencies, local government and the wider community.

Local governments are integral to the management of heritage for the wider community. They contribute to the community's understanding and conservation of local heritage through the identification of heritage places in municipal inventories, adoption of policies and strategies under local planning schemes, and celebration of heritage through trails and walks, tourism opportunities, open days and other community activities.

Policy Review and Amendment Program

State planning policies are required to be reviewed by the WAPC according to procedures established under the *Planning and Development Act 2005*. The department is carrying out a program of policy review to create a contemporary, streamlined and simplified suite of policies.

State Planning Policy 1 (SPP 1) brings together existing State and regional policies, strategies, plans and guidelines within a central State Planning Framework. It sets the context for decision-making on land use and development in Western Australia.

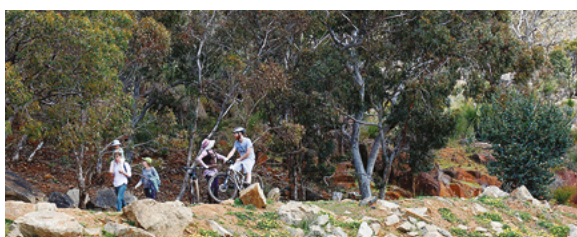
SPP 1 provides a comprehensive list of all WAPC policies and outlines how they relate to each other to guide integrated decision-making across all levels of planning. It does not introduce new policies. SPP 1 was first gazetted in 1998. The current version (Variation 3) was gazetted in November 2017.

The following draft policies were released for public comment in 2017-18:

- SPP 4.1 State Industrial Buffer
- SPP 5.4 Road and Rail Noise

The following policies are currently under review or development:

- SPP Water Resources (amalgamation of SPP 2.1 Peel-Harvey Coastal Plain Catchment, SPP 2.9 Water Resources and SPP 2.10 Swan-Canning River System)
- SPP Drinking Water Protection (potential amalgamation of SPP 2.2 Gnangara Groundwater Protection, SPP 2.3 Jandakot Groundwater Protection and SPP 2.7 Public Drinking Water Source Policy)



- SPP 2.4 Basic Raw Materials
- SPP 2.8 Bushland Policy for the Perth Metropolitan Region
- SPP 3.2 Aboriginal Settlements (and Guidelines)
- SPP 3.5 Historic Heritage Conservation
- SPP 4.1 State Industrial Buffer
- SPP 4.2 Activity Centres for Perth and Peel
- SPP 6.1 Leeuwin-Naturaliste Ridge
- SPP 7 Design of the Built Environment
- SPP 7.3 (Vol 2) Apartment Design
- Government Sewerage Policy

Development Control/Operational Policies and Position Statements

A review of all Development Control Policies (DCP) and Planning Bulletins is being undertaken. Updates were advertised for public comment in 2017-18:

- DCP1.1 Subdivision of Land – General Principles
- DCP1.2 Development Control – General Principles
- DCP1.7 General Road Planning
- DCP2.5 Special Residential Zones
- DCP 5.1 Regional Roads (Vehicular Access)
- DCP 2.2 Residential Subdivision

A total of 17 operational policies and Planning Bulletins/Position Statements are under review/development. In addition, a number of guidelines and manuals are being updated and reviewed to reflect changes to the above policies. (These activities are detailed in the WAPC annual report – hyperlink to be included).

Urban tree canopy project

The Urban Tree Canopy Project (UTCP) has several elements including the development of cutting edge tree canopy data with the CSIRO, addressing policy related issues, developing a guide for Urban Tree Canopy Planning and working with key stakeholders such as local government and universities on tree canopy planning.

A time series of comprehensive canopy data has been made available to local government, depicting tree canopy density at a lot, street and parkland scale and forms the basis of a management and evaluation mechanism. A draft guideline has been developed on Better Urban Canopy Planning to help local government develop urban forest strategies and utilise the canopy data. UTCP work is ongoing through a partnership agreement with WALGA.



COORDINATED PROVISION OF LAND AND INFRASTRUCTURE

Sufficient urban, commercial and industrial land supply facilitates commerce, investment, innovation, employment and community enrichment

The Western Australian planning system comprises a framework of planning policy and statutory documents to guide decision-making and ensure appropriate development outcomes.

The State Planning Strategy guides the coordinated provision of regional and urban infrastructure across the State, to improve the efficiency of infrastructure investment, and to facilitate the consideration of project approvals, delivery of service and urban land supply.

To plan for the State's future, the department develops planning policy, regional frameworks, sub-regional strategies, district structure plans to enable land supply and effective decision making.

The newly-released *Perth and Peel@3.5million* sub-regional land use planning and infrastructure frameworks also provide clear whole-of-government guidance on the timing and alignment of land use and infrastructure provision across the Perth and Peel regions.

METRONET

The frameworks align with the delivery of METRONET Stage 1, and new and existing station precincts will be a major focus in the development of vibrant new communities.

Stage 1 will drive land use optimisation across over 5,000 hectares of land within the walkable catchment of the proposed new rail stations. METRONET station precincts will be planned and designed in accordance with best practice transit oriented development principles, maximising land use integration, transit and active transport outcomes. They will be contemporary urban centres that are highly accessible and provide a range of housing, jobs and services to a growing metropolitan population.

The department is represented on the METRONET Taskforce and the Station Precincts Steering Committee and is identified as one of the "lead agencies" responsible for planning and delivery of METRONET station precincts.

Each of the lead agencies play key roles in working with local governments, the private sector and local communities to plan and deliver successful METRONET station precincts.



The department assists the WAPC in a range of actions to ensure that local planning frameworks support delivery of METRONET outcomes. This includes the application of Improvement Plans and Improvement Schemes on a case-by-case basis, reviewing land assets close to METRONET stations to identify opportunities for higher and better use and station precinct planning.

The department also manages the Urban Development Program that coordinates the development of serviced land in a sustainable and timely manner for the guidance of State infrastructure agencies, public utilities, local governments and the private sector.

Westport

The *Westport: Port and Environs Strategy* aims to provide guidance to the State Government on the planning, development and growth of the Port of Fremantle at the Inner and Outer Harbours, required rail and road networks, and the potential for the Port of Bunbury to contribute to the handling of anticipated growth in the State's trade task over the next 50 years. The department is represented on the Westport Taskforce Steering Committee, which will oversee the project.

As a key agency in the Westport Project Office, the department provides land use planning input as part of a nationally-accepted approach to developing major infrastructure. Key components include: understanding existing facilities and associated infrastructure; constraints that may impede future development; future requirements of the trade task; and economic, environmental and social opportunities.

Crown land availability for aged care

The provision of land for aged care development is an election commitment of the State Government, in response to a known shortage of aged care places, and provides an opportunity for underutilised State land to directly serve a Government priority.

The cross-agency Aged Care Availability Working Group commenced development of a fast-track process for identifying and repurposing land and property deemed suitable for the development of aged-care facilities.

The Aged Care Availability Working Group's initial focus is to ascertain the type of land assets which should be targeted for potential release for aged care development. Identification of suitable State-owned land is being informed by demographic research regarding expected demand for aged-care places, as well as engagement with industry advocates and providers.

The department consulted with aged care providers regarding land requirements, and will use responses to inform scoping for a pro-active land identification strategy.

Once an informed understanding is obtained regarding sites suitable for aged-care facilities, pro-active identification of specific sites will commence. The Working Group is also identifying measures to expedite release of such sites, as well as mechanisms to ensure the private sector delivers required outcomes.

netVIEW (Infrastructure Coordination Framework program)

The Infrastructure Coordination Framework (ICF) has been prepared to assist the Infrastructure Coordinating Committee (ICC) facilitate greater whole-of-government alignment of strategic land use and infrastructure. It incorporates netVIEW, a dynamic spatial and reporting tool which provides agencies with a platform to share and align infrastructure planning with land use and demand forecasts over the short, medium and long term.

The ICF program has provided infrastructure coordination services to high-priority State projects, including the Inner City College, Westport and METRONET. The netVIEW spatial viewer has been refreshed with updated information and incremental enhancements including a new security protocol, improved reporting functionality, and changes to improve functionality.

The department is undertaking an ongoing engagement program which has resulted in a comprehensive spatial catalogue of infrastructure network plans, with an aim of continuous infrastructure data improvements.

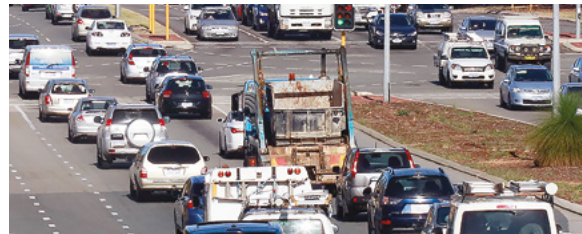
Infrastructure coordination services will continue to ensure alignment of land use and infrastructure planning and provision to achieve the Government's strategic objectives. The scope of netVIEW will be broadened to include regional centres and new infrastructure types. Opportunities to include capacity information into netVIEW will also be investigated.

Transport route planning

Transport Route Planning undertakes studies to assess the adequacy of planned transport corridors and prepares and reviews road alignment and reservation plans for regional roads.

On behalf of the WAPC, the department undertook planning for key transport routes including Forrest Road, Wungong Road, Eleventh Road, Soldiers Road and Bishop Road, which are contained within the City of Armadale and Shire of Serpentine-Jarrahdale.

Studies completed in 2017-18 include the reservation protected via a Planning Control Area for Dampier Drive, and the Rowley and Anketell / Thomas Roads study. Other road studies progressed in 2017-18 included Old Yanchep Road, Two Rocks Road, Breakwater Drive, Stakehill Road and Ranford Road.



ACCESS TO INFORMATION AND DATA TO FACILITATE SUSTAINABLE DEVELOPMENT

High quality data, research and modelling supports good planning and responds to changing demographics, technological advances and the challenge of climate change

The department collects, manages and analyses complex data to enable forecasting, modelling and planning that balances the diverse interests of economic growth, environmental protection, and social benefit in urban planning.

inHerit

An understanding of heritage significance is an essential starting point for any decision on the heritage of a place or area. The online inHerit database was established to provide a central resource to collect and display key data related to the state's heritage places. Since its establishment, substantial resources have been invested in populating place records to reflect heritage inventories collected primarily by local governments and on behalf of the .

Reliability and data integrity are critical features of any public database, particularly where information relates to statutory functions. Efforts are therefore continuing to ensure that local governments directly maintain their own heritage data within inHerit and make regular updates. Participation of local governments as custodians of their own data has, however, been difficult to achieve.

To discover more about the barriers for local governments, and to identify potential for developing inHerit for users, a survey was carried out using the Department's 'Citizen Space'. The survey was distributed to all local governments and to individual officers with whom Heritage Services have had direct engagement on heritage matters. The survey asked about basic understanding of heritage data and prior knowledge of inHerit, and sought input on potential improvements.

Survey responses will be used to inform future communication with local governments and identify priority messages, maintaining the objective of engaging the majority of local governments as custodians of their own heritage data.



Heritage Research and information

The department maintains an ongoing watch for opportunities to support and provide new research, case studies and other information that may improve the understanding of heritage conservation or the processes that deliver it. Such information is provided via the website, e-News bulletin, brochures or other mechanisms.

One area of research that remains as a work in progress is a project run in partnership with the Real Estate Institute of WA to review data exploring the link, if any, between property listing status and resale price. Similar studies carried out both in WA and elsewhere have found either a neutral or positive impact of a heritage listing on price, contrary to a commonly-repeated assertion that heritage listing reduces property value.

Current and WA sourced information will assist in encouraging a better understanding of the issue and provide material to inform discussion.

Land Use and Employment Survey

The Land Use and Employment Survey acts as a census of all commercial and industrial areas and places designated for public purpose use in the Perth metropolitan and Peel regions and selected regional centres. The survey collects key information relating to land use and employment, including the type of activities businesses conduct, how much floorspace the activity occupies and how many people work in each activity. The data collected will help to:

- inform the preparation of population forecasts and transport studies
- inform coordination and planning of land development and infrastructure and services
- provide an essential baseline of shared information to guide investment.

The Land Use and Employment Survey 2015/17 for Perth metropolitan and Peel regions has been finalised and aggregated figures for each local government area were published on the WAPC's website. The survey is now collecting data in the Greater Bunbury Region.

Urban Growth Monitor

The Urban Development Program monitors and assesses trends in land supply and other urban phenomena for the WAPC to inform strategic planning and to enable the efficient delivery of serviced land and infrastructure across Western Australia's urban centres. It serves as an evaluation tool to measure delivery of the key aims of the *Perth and Peel@3.5million* frameworks.

The ninth edition of the Urban Growth Monitor reports on residential infill development in the Metropolitan and Peel region scheme areas from 2011 to 2016. The net infill rate for Perth and Peel was 41 per cent in 2016, the highest since infill monitoring began in 2011. The report also identified a substantial stock of undeveloped land to support urban growth into the long term.



BOARDS AND COMMITTEES



ABORIGINAL CULTURAL MATERIAL COMMITTEE (ACMC)

The Aboriginal Cultural Material Committee (ACMC) is established under the *Aboriginal Heritage Act 1972* (AHA):

- to evaluate on behalf of the community the importance of places and objects alleged to be associated with Aboriginal persons
- where appropriate, to record and preserve the traditional Aboriginal lore related to such places and objects
- to recommend to the Minister for Aboriginal Affairs (Minister) places and objects which, in the opinion of the Committee, are, or have been, of special significance to persons of Aboriginal descent and should be preserved, acquired and managed by the Minister
- to advise the Minister on any question referred to the Committee, and generally on any matter related to the objects and purposes of this Act
- to perform the functions allocated to the Committee by this Act
- and to advise the Minister when requested to do so as to the apportionment and application of moneys available for the administration of this Act.

Details of members and remuneration for the 2017-18 year

Member	Position	Type of remuneration	Period of membership for 2017/18	Gross remuneration 2017/18
Vanessa Kickett	Chair	N/A	12 months	-
Quinton Tucker	Member	Sitting fees (per meeting attended)	12 months	\$2,304.00
Lindsay Dean	Acting Chair	Sitting fees (annual)	2 months	\$4,134.00
Lindsay Dean	Member	Sitting fees (per meeting attended)	12 months	\$5,142.00
Merle Carter	Acting Chair	Sitting fees (annual)	1 month	\$2,067.00
Merle Carter	Member	Sitting fees (per meeting attended)	12 months	\$2,424.00
Patrick Churnside	Member	Sitting fees (per meeting attended)	12 months	\$2,601.00
Bruce Smith	Member	Sitting fees (per meeting attended)	12 months	\$5,850.00
			Total	\$28,338.00

BOARD OF VALUERS

The Board of Valuers provide valuations of properties reserved in planning schemes where the owner of the land wishes to sell the property on the open market at a reduced price and claim compensation for injurious affection from the responsible authority (the WAPC or local government authority) for the diminution in value.

Although administrative support is provided by the department, the Board is independent.

Details of members and remuneration for the 2017-18 year

Member	Position	Type of remuneration	Period of membership for 2017/18	Gross remuneration 2017/18
Mr Patrick Lilburne	Chairperson	Per meeting	8 months	\$460.00
Mr Matthew Garmony	Member	Per meeting	12 months	\$320.00
Mr Blake Smith	Member	Per meeting	12 months	\$320.00
Mr Dennis Volk	Member	Per meeting	12 months	\$320.00

OTHER COMMITTEES

Details of members and remuneration for all Western Australian Planning Commission committees, the Heritage Council and the Aboriginal Lands Trust for the 2017/18 financial year can be found at:

- Western Australian Planning Commission Annual Report
www.planning.wa.gov.au/dop_pub_pdf/WAPC_annual_report2017-18.pdf
- Heritage Council of Western Australia Annual Report
www.stateheritage.wa.gov.au/docs/archive-publications/hcwa-annual-report-2018.pdf
- Aboriginal Affairs Planning Authority Annual Report
www.daa.wa.gov.au/globalassets/pdf-files/daa-publications/2017-18-annual-report-daa.pdf

DEVELOPMENT ASSESSMENT PANELS

Development Assessment Panels (DAPs) were established in 2011 as part of reforms to streamline and improve the planning approvals process.

The role of DAPs is to determine development applications within a certain type and value threshold through consistent, accountable, and professional decision-making.

There are six DAPs in the Perth metropolitan area and three regional DAPs covering the northern, central and southern areas of Western Australia.

The department maintains a DAP Secretariat to ensure professional administrative support to each DAP, publish agendas and minutes, and maintain an accurate database of meetings and member participation.

DAPs have improved the planning system by providing more transparency, consistency and reliability in decision-making on high value development applications. All DAP meetings are open to the media and general public.

For the 2017-18 financial year, 328 DAP applications were received, including 201 new Form 1 applications, 93 Form 2 (minor amendment or cancellation) applications and 34 State Administrative Tribunal Appeals.

The breakdown per DAP area has been provided as follows –

No. applications received by DAP	Form 1	Form 2	SAT	Total
Perth LDAP	9	4	1	14
Metro Central JDAP	48	31	8	87
Metro East JDAP	38	10	6	54
Metro North-West JDAP	37	16	8	61
Metro South-West JDAP	27	8	6	41
Metro West JDAP	23	18	4	45
Kimberley / Pilbara / Gascoyne JDAP	3	0	0	3
Mid-West / Wheatbelt JDAP	6	4	1	11
Southern JDAP	10	2	0	12
Total	201	93	34	328

The cost of development per DAP area for new (Form 1) applications is provided as follows –

New application cost of development	Mandatory	Optional	\$ million
Perth LDAP	4	5	392
Metro Central JDAP	19	29	661
Metro East JDAP	12	26	363
Metro North-West JDAP	10	27	315
Metro South-West JDAP	12	15	772
Metro West JDAP	13	10	284
Kimberley / Pilbara / Gascoyne JDAP	3	0	105
Mid-West / Wheatbelt JDAP	5	1	383
Southern JDAP	6	4	106
Total	84	117	3,381

Details of members and remuneration for the 2017-18

DAP Specialist Members

Member Name	Total	Member Name	Total
Megan Anne Adair	\$14,600.00	Kanella Anne Hope	\$1,025.00
Christopher Phillip Antill	\$16,525.00	Karen Suzanne Hyde	\$30,200.00
John Anthony Arias	\$8,350.00	Charles Ross Shopland Johnson	\$41,850.00
Ian Thomas Birch	\$21,050.00	Jacqueline Jurmann	\$2,925.00
Vernon Selby Butterly	\$2,900.00	Eugene Koltasz	\$16,000.00
Sheryl Margaret Chaffer	\$24,425.00	Paul Basil Kotsoglo	\$13,200.00
Brian Curtis	\$9,000.00	Peter Hugh Lee	\$2,650.00
Luigi D'Alessandro	\$7,425.00	Brett Anthony James Lovett	\$1,350.00
Paul John Drechsler	\$3,700.00	Andrew James Mack	\$3,150.00
John Rolyston Ellis	\$4,975.00	Andrew Stuart Macliver	\$400.00
Rene Anton Yohan Haeren	\$8,100.00	Peter Donald McNab	\$10,050.00
Michael John Hardy	\$15,875.00	Robert Charles Nicholson	\$1,475.00
Jason David Hick	\$5,475.00	John Ken Syme	\$11,550.00
Clayton Morris Higham	\$28,600.00	Freerk Zuideveld	\$7,800.00

DAP Specialist Members may sit on more than one panel and fees can include payment for State Administrative Tribunal Mediations, Hearings and Reconsiderations. All DAP Specialist Members were paid per meeting for a period of 12 months.

DAP Local Government Members

Member Name	Total	Member Name	Total
Jim Adamos	\$3,075.00	Tracy Destree	\$400.00
Kevin John Allen	\$950.00	Russell Driver	\$6,475.00
Claire Nancy Anderson	\$2,300.00	Blake D'Souza	\$500.00
Rebecca Aubrey	\$950.00	Sophie Alexandra Dwyer	\$1,250.00
Kevin Bryce Bailey	\$4,350.00	Catherine Ehrhardt	\$3,775.00
Timothy John Barling	\$2,225.00	Christopher Stephen Elliott	\$300.00
Dean Robert Bavich	\$425.00	Keith Patrick Ellis	\$425.00
Paul James Beech	\$925.00	Enzo Evangelista	\$400.00
Terrence John Best	\$425.00	Ian John Everett	\$400.00
Gordon Clive Bleechmore	\$425.00	Jane Ellen Ferro	\$400.00
David Bruce Bolt	\$525.00	Stephen Hugh Fox	\$1,275.00
David John Bolt	\$825.00	Mark Geary	\$1,275.00
David Boothman	\$4,750.00	David George Gossage	\$400.00
Rodney William Bradley	\$300.00	Margaret Hall	\$1,475.00
David Kent Brown	\$400.00	Robert Hall	\$400.00
Gary Brown	\$825.00	Deborah Ann Hamblin	\$925.00
Julie Brown	\$4,775.00	Christine Loui Hamilton-Prime	\$2,975.00
Matthew Christopher Buckels	\$525.00	Sandra Viola Hawkins	\$425.00
Toni Burbidge	\$400.00	John Keith Hayes	\$1,275.00
Mark George Joseph Burns	\$825.00	Maria Haynes	\$850.00
Colin Anthony Cala	\$5,075.00	Brian Walter Hearne	\$425.00
Craig Phillip Carbone	\$425.00	Rodney Keith Henderson	\$5,775.00
Bradley Ross Cardilini	\$400.00	Grant Douglas Henley	\$425.00
Moya Carne	\$100.00	Richard Maxwell Hipkins	\$100.00
Merle Carter,	\$1,359.00	Bronwyn Louise Ife	\$400.00
Paul Thomas Carter	\$425.00	Giovanni Italiano,	\$6,125.00
Anthony Casella	\$425.00	Tania Gae Jackson	\$950.00
Gregory Cavanagh	\$100.00	Jesse Gibson Jacobs	\$2,625.00
Christopher Shaun Connaughton	\$1,250.00	Zenda Johnson	\$525.00
Murray Francis Cook	\$425.00	Nigel Ashley Jones	\$400.00
Patricia Cook	\$400.00	Sara Khabbaz-Saberi	\$1,250.00
Wendy Gaye Cooper	\$400.00	Caroline Knight	\$1,375.00
Michael Christopher Cornish	\$3,475.00	David Anthony Lavell	\$850.00
Glenn Michael Cridland	\$5,300.00	Darren George Lee	\$950.00
Anthony Michael Cuccaro	\$825.00	Dimitrios Limnios	\$525.00
Grant William Cucel	\$400.00	Daniel Loden	\$2,925.00
Srecko Frank Cvitan	\$6,900.00	Corinne Marie Macrae	\$425.00

Member Name	Total
Philip Marks	\$3,700.00
Andrew James Maurice	\$525.00
John Sydney McCallum	\$400.00
Betty Maxine McCleary	\$425.00
David Troy McDonnell	\$2,100.00
Tracie Diane McDougall	\$825.00
Kaye Maree McGlew	\$825.00
Neil James McIlwaine	\$100.00
Renee Joy McLennan	\$1,150.00
David Robert McMullen	\$400.00
Christopher John Mews	\$400.00
Ian Houghton Miffing	\$625.00
Sheila Mills	\$850.00
Ronald Mitchell	\$4,350.00
Derek Henry Nash	\$1,250.00
Pauline O'Connor	\$425.00
Brooke Louise O'Donnell	\$400.00
Brian Oliver	\$425.00
Paul Domenic Omodei	\$425.00
Rachel Gwen Pemberton	\$2,325.00
Patricia Margaret Phelan	\$500.00
Yasotha Ponnuthurai	\$925.00
Steven Anthony Portelli	\$1,700.00
Vicki Leanne Potter	\$3,600.00
Stephanie Jane Powell	\$ 425.00
Gerard Anthony Pule	\$525.00
Sally Jane Pyvis	\$400.00
Tracey Ann Rathbone	\$400.00
Maria Elizabeth Re,	\$825.00
Carol Ann Reeve-Fowkes	\$2,225.00
Fiona Katrina Reid	\$500.00
Michelle Jayne Rich	\$950.00
Dahlia Jane Christ Richardson	\$400.00
Riebeling, Fredrick	\$425.00
Robins, Nicole Kathleen	\$4,675.00

Member Name	Total
Casey Rose	\$1,350.00
Roberto Rossi	\$2,850.00
Murray John Rowe	\$1,375.00
Bianca Sandri	\$1,250.00
Lisa-Michelle Scaffidi	\$950.00
Peter Francis Scharf	\$825.00
Cameron John Schuster	\$950.00
Nigel Warren Shaw	\$100.00
Denese Eileen Smythe	\$625.00
Dominic Paul Snellgrove	\$850.00
Michael Todd Southwell	\$400.00
Joy Margaret Stewart	\$625.00
Jon Robert Strachan	\$3,075.00
Andrew Charles Sullivan	\$950.00
Michelle Louise Sutherland	\$400.00
Philippa Ann Taylor	\$3,400.00
Chamonix Terblanche	\$1,675.00
Paul Geoffrey Terry	\$400.00
Andres Walter Timmermanis	\$1,675.00
Joshua Aaron Topelberg	\$3,050.00
Darryl Raymond Trease	\$2,785.00
Kevin Richard Trent	\$625.00
Shane Gerald Van Styn	\$100.00
John David Wetherall	\$400.00
Rodney Mervyn Willox	\$850.00
Jai Wilson	\$825.00
Stephen Karl Wolff	\$400.00
Dennis Cleve Wood	\$850.00
Matthew Woodall	\$2,100.00
Keith Yong	\$400.00
Lorraine Young	\$400.00
Cosimo Zannino	\$100.00
Henry Anthony Zelones	\$1,700.00

PASTORAL LANDS BOARD

The Pastoral Lands Board (PLB) of Western Australia is a statutory authority that is established under section 94 of the LAA. It has joint responsibility with the Minister for Lands for administering Western Australia's pastoral leases in accordance with Part 7 of the LAA.

The PLB has responsibilities prescribed under the LAA to ensure that pastoral leases are managed on an ecologically sustainable basis and to develop policies to prevent degradation of the rangelands.

Pastoral Lands Board

Number of meetings held in 2017-18	Six (6) meetings have been held from 1 July 2017 to 30 June 2018
Number of applications / submissions considered in 2017-18	51 applications/submissions were considered in 2017-18

Details of members and remuneration for the 2017-18 year

Member	Position	Type of remuneration	Period of membership (during 2017-18 financial year only)	Gross actual remuneration (excluding travel expenses)
Tim Shackleton	Chairperson	Annual Salary	12 months	\$31,750
Jamie (Jack) Burton	Pastoral Interest member	Sitting fees	12 months	3,360
Ashley Dowden	Pastoral Interest member	Sitting fees	12 months	3,360
Tim Meecham	Pastoral Interest member	Sitting fees	12 months	3,360
Greg Stubbs	Aboriginal Interest member	Sitting fees	12 months	3,360
Gaye Mackenzie	Conservation Interest member	Sitting fees	12 months	2,240
Ralph Addis	Chief Executive Officer (or appointee of the department principally assisting in the administration of the Biosecurity and Agriculture Management Act 2007)	Ex Officio	12 months	N/A
Gail McGowan	Chief Executive Officer (or appointee) of the Department of Planning, Lands and Heritage	Ex Officio	12 months	N/A

SWAN VALLEY PLANNING COMMITTEE

The Swan Valley Planning Committee is established under the *Swan Valley Planning Act 1995* and provides advice to planning decision-makers, public authorities and utility service providers on land use and development matters concerning land in the Swan Valley.

Details of members and remuneration for the 2017-18 year

Member	Position	Type of remuneration	Period of membership for 2017/18	Gross remuneration 2017/18
Mr Charlie Zannino	Chairman and Councillor, City of Swan	Per meeting	1 month	\$-
Mr John Griffiths	Representative of Swan Valley and Regional Winemakers Association	Per meeting	12 months	\$1,200.00
Cr Rod Henderson	Nominee of the President, City of Swan	Per meeting	12 months	\$1,350.00
Mr Brian Hunt	Representative of the Midland and Districts Chamber of Commerce and Industries	Per meeting	12 months	\$1,200.00
Mr Jim Lovreta	Representative of the Grape Growers Association of Western Australia Inc.	Per meeting	12 months	\$1,200.00
Ms Elizabeth Taylor	Nominee of the WAPC Chairman	Per meeting	12 months	\$1,350.00
Mr Keith Vuleta	Resident of the Swan Valley	Per meeting	12 months	\$1,770.00
Cr Darryl Trease	Councillor, City of Swan	Per meeting	4 months	\$880.00
Mr Alain Gaudet	Representative of the Swan Valley Tourism Council Inc. - de-registered	Per meeting	5 months	\$600.00



WITHIN THE DEPARTMENT



INTEGRATION

The Department of Planning, Lands and Heritage began operating on 1 July 2017, consolidating the State and Aboriginal heritage functions with the land use planning and management functions for the State.

Key achievements during the year included:

- organisation structure established and staff relocated to integrate teams and expertise
- Corporate Values were established through a participative process with staff
- a Statement of Strategic Intent was released, providing clarity to staff and stakeholders on our strategic goals and priorities.
- Finance and Human Resources systems were integrated
- recruitment and selection processes redesigned.

A major focus was on:

- integrating policies and procedures
- adapting our corporate governance and streamlining business processes
- developing a strategic asset management plan to manage the significant land, property and other assets managed by the department on behalf of the State with a combined value of approximately \$4 billion.

GRADUATE PROGRAM

The 2018 Graduate Program successfully introduced 7 graduates into the department on 18 month contracts with the potential for permanency. Graduates were recruited into a combination of specified calling and general positions. Using a sponsorship model with rotational experiences across the different divisions provides the graduates with a program that is designed individually to suit their skills, experience and development.

The WA public sector is moving towards a more collaborative, innovative and agile working environment and the program is intended to develop well rounded public sector professionals as well as highly skilled professionals in their chosen field.

The 'home/sponsor' area gains long term benefit from participation in the rotational elements of the Graduate Program as they are developing a new team member and future leader that has gained broad experience and exposure before assuming their permanent role.

The Graduate Officers are required to participate in a rigorous performance development program with a set of learning outcomes that are monitored and assessed by direct supervisors in each rotation and overall performance overseen by their sponsor and the Organisational Development team. The desired learning outcomes give equal consideration to technical skills development as to public sector capability and leadership development with the latter being achieved through a dedicated Learning and Development program.

ORGANISATIONAL DEVELOPMENT

During the year the creation of an Organisational Development team has strengthened the focus on identifying opportunities to improve organisational effectiveness within the context of a new organisational structure and culture. The team has delivered a number of initiatives in support of integration and change management, as well as improvements to the systems and processes for development of staff.

- Implementation of an online learning system: integrating the development records of staff across the four previous departments into one archive and ongoing set of records; providing access to online learning modules, providing dashboard reporting.
- Implementation of MyPlan - the department's performance development process. MyPlan incorporates the best practice elements from each of the previous departments and is a result of internal collaboration, research into best practice in both private and public sectors and feedback from staff. It encourages ongoing communication and coaching from line managers which is vital for both individual and organisational success. The bi-annual MyPlan conversations provide a consistent platform for effective, productive and future focused performance discussions that are a fundamental part of how we work.

- Delivery of internal training and development modules on 'Leading through change' and 'Building resilience' to support staff through the integration period.
- Design and implementation of internal 'pulse' surveys to monitor the impact of MOG on staff engagement. Two surveys have been conducted and analysed over the year, providing the DG and Executive team with clear themes and feedback from staff.
- OD consultants have been active members of the Integration Change Team providing input and support to working groups on change management processes and techniques as projects have been rolled out.

EMPLOYEE ASSISTANCE PROGRAM

During the year, Access Wellbeing Services were engaged to provide voluntary and confidential counselling services to employees, teams and managers across the department.



GOVERNANCE, DISCLOSURES AND COMPLIANCE



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[Report on Operations: Respect the Past / Create Opportunities Today / Plan for the Future](#) | [Boards and Committees](#) |
[Within the Department](#) | [Governance](#) | [Financials and Performance Indicators](#)

MINISTERIAL DIRECTIVES

No Ministerial directives were received during the financial year.

DISCLOSURE OF CONTRACTS BY SENIOR OFFICERS

In accordance with the Treasurer's instruction 903(14(iii)), senior officers of the department are required to disclose particulars, other than normal contracts of employment of service, of any interest in any existing or proposed contract which a senior officer, or a firm of which a senior officer is a member, or an entity in which a senior officer has a substantial financial interest, has made with the agency or any subsidiary body, related body or affiliated body of the agency.

For 2017-18, other than normal contracts of employment of service, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interests, had any interests in existing or proposed contracts with the department and senior officers.

FINANCIAL DISCLOSURES

Pricing policies

The Department charges for goods and services rendered on a full or partial cost recovery basis. These fees and charges were determined in accordance with Costing and Pricing Government Services: Guidelines for Use by Agencies in the Western Australian Public Sector published by the Department of Treasury.

The current fees and charges as per below were published in the Government Gazette and introduced on 1 July 2017.

- As listed in Schedule 1 of the Land Administration Regulation 1998 – 27 June 2017
- Development Assessment Panels – 30 June 2017
- Details for both the above are available on the Department's website.

Major capital projects

Details of major capital projects as at 30 June 2018 in accordance with Treasurer's Instruction 903(13)(ii)(a) and (b) are listed below.

Major Capital Projects

	Expected year of completion	Estimated cost to complete \$'000	Estimated total cost of project as reported in 2017-18 \$'000
Accommodation refurbishment	2024/25	2,448	7,083
Asset Replacement ICT Infrastructure	2024/25	7,635	23,786
ICT Infrastructure	2024/25	15,296	36,668
Digitisation of State Land Records	2018/19	365	2,515
Workflow Management System	2018/19	1,675	3,458

Expenditure on advertising, market research, polling and direct mail

In accordance with section 175ZE of the *Electoral Act 1907*, the department incurred the following expenditure for advertising, market research, polling, direct mail and media advertising.

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Expenditure	Name	Amount
Advertising agencies		NIL
Market Research		NIL
Polling organisations		NIL
Direct mail organisations		NIL
Media advertising	Adcorp Australia Ltd	\$44,037
	Optimum Media Decision	\$314,831
	Total	\$358,867

Unauthorised use of credit cards

Officers of the Department hold corporate credit cards where their functions warrant use of this facility. During the 2017-18 year, the Department held 219 credit cards. Each cardholder is regularly reminded of their obligations under the Department's Purchasing Card Policy. There were six instances where cardholders used their corporate credit card for payments of items not for office use. Each instance was investigated by the Chief Finance Officer who noted prompt advice and settlement of the personal use amount, and that the nature of the expenditure was characteristic of an honest mistake.

Details of unauthorised credit card use	2017-18
Number of instances the purchasing card has been used for personal purpose	6
Aggregate amount of personal use expenditure for the reporting period	\$253.32
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	\$64.50
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	\$188.82
Aggregate amount of personal use expenditure outstanding at balance date	NIL
Number of referrals for disciplinary action instigated by the Department	NIL

DISABILITY ACCESS AND INCLUSION PLANNING

The Department is committed to ensuring equal access to our facilities, services and information for all members of the community. During 2017/18, the Department worked collaboratively with the WAPC and Heritage Council to develop a new [Disability Access and Inclusion Plan](#) (DAIP) for 2018-2023. The new DAIP outlines a variety of strategies to assist in achieving better outcomes for people with disability, as defined in the *Disability Services Act 1993*.

A key component of developing the new DAIP was the consultation that was undertaken with stakeholders to guide further improvements to access and inclusion. This included consultation with Departmental officers, broadcast emails and newswatches on the Department's intranet.

Members of the community were similarly invited to comment on this DAIP through various methods such as:

- an advertisement placed in *The West Australian newspaper*
- directly providing disability groups with the Department's draft DAIP and inviting comment
- promotion on the Department's website.

DAIP Outcome 1

People with disability have the same opportunities as other people to access the services of, and any events organised by, the Department.

Action:

- The Department, the Western Australian Planning Commission (WAPC) and the Heritage Council developed a new Disability Access and Inclusion Plan. Internal and external consultation has taken place.
- Whiteman Park continued to participate in the Companion Card program, where free entry is available for carers when the card is shown at a number of Whiteman Park attractions.
- Western Australian Light Railway Preservation Association, as well as some trams within the Park, continued to provide wheelchair accessibility to its vintage train rides.
- The Bus Preservation Society continued to ensure that the Whiteman Explorer Bus Tours are accessible to people with disability.
- Fremantle Prison removed the minimum numbers requirements for groups with disabilities, while still customising the tour route to make it accessible for the individual group.
- Fremantle Prison launched a new 'Behind Bars' Prison day tour that is 100% accessible.
- Fremantle Prison partnered with a student from Murdoch University who did a podcast for Vision Australia Radio (VAR) for blind people called 'The Tourist' it aired in August 2017 (Vision Australia Radio broadcasts in Perth on 990AM).

DAIP Outcome 2

People with disability have the same opportunities as other people to access the building and facilities of the Department.

Action:

- Work is being undertaken at the new Lord Street entry at Whiteman Park to ensure all access paths, ramps and signage meet the relevant disability access standards, and is expected to be completed by the end of 2018.
- As part of Main Roads' NorthLink WA initiative, Whiteman Park has commenced the construction of a dual use path from Beechboro Road into Whiteman Park which will connect with existing path networks. This will allow visitors to access the park via Beechboro Road and have access to all connecting path ways. The work is due to be completed by August 2018.
- Fremantle Prison purchased two loan wheelchairs for those who may not be able to walk the entire tour.

DAIP Outcome 3

People with disability receive the same level of information from the Department in a format that will enable them to access information as readily as other people.

Action:

The WAPC continued to offer the agendas and minutes of the WAPC's Statutory Planning Committee in alternative formats on request.

DAIP Outcome 4

People with disability receive the same level and quality of service from employees of a public authority as other people receive.

Action:

The Department continued to ensure that information regarding the attraction, recruitment and retention of people with a disability is delivered as part of the corporate induction.

DAIP Outcome 5

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

Action:

Following the establishment of the Department under the Machinery of Government, the Department developed a review schedule of all corporate policies. The Language Services Policy and Procedure and the Complaints Handling Policy and Procedure are scheduled for review by September 2018 to ensure the provision of accessible, professional and responsive service to meet the needs of customers with disability.

DAIP Outcome 6

People with disability have the same opportunities as other people to participate in any public consultation by the relevant public authority.

Action:

The WAPC committees and the Development Assess Panels continued to cater for any special requirements of meeting/presentation attendees with disability.

DAIP Outcome 7

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

Action:

- Employment advertisements and all supporting documentation are available in alternative formats upon request. The Department regularly reviews its recruitment and selection processes in order to encourage a diverse pool of applicants to apply and to ensure that the process is accessible to all. The Department has recently implemented new recruitment practices which assesses applicants based on their fit with the Values of the Department and less focused on addressing technical selection criteria. This process will further encourage a more diverse range of applicants to apply and is more accessible to all.
- The Department regularly reviews all existing recruitment policies, procedures, templates, language, and formats to ensure that they are equitable and inclusive of people with a disability as required.
- The Department is currently reviewing its recruitment and selection practices as a part of its Redefining Recruitment Review which will look at all facets of recruitment and selection which includes achieving better diversity outcomes.
- The Department ensures that staff and new employees with disability are provided with appropriate support and tools to undertake their employment responsibilities as specified in their position description.
- The Department ensures that staff with disability are provided with appropriate development opportunities to meet longer-term plans for career development as part of the MyPlan performance review process which applies to all staff within the Department

FREEDOM OF INFORMATION

The Department of Planning, Lands and Heritage manages the records for the department, the Western Australian Planning Commission, and Heritage Council of Western Australia. They are considered one organisation for matters under the *Freedom of Information Act 1992* (the FOI Act). The department is responsible for processing FOI applications with the Assistant Director General, Business and Corporate Support, as the designated decision-maker.

During 2017/18, the Department received 162 FOI applications and completed 147 FOI applications. Of these, 8 applications were subject to internal review, 3 were subject to external review and 3 application were transferred in full to another agency.

INTERNAL AUDIT

In accordance with the requirements of the *Financial Management Act 2006*, the department's internal audit function provides an independent and objective assurance and consulting service to add value to the department by improving operational and business practices. The department has also contracted 2020 Global to assist in the delivery of internal audit services. Key reviews undertaken in 2017/18 included:

- Records Management
- Procurement Compliance Audit as per the State Supply Commission (SSC) Partial Exemption's terms and conditions
- Data Migration and Review of Key Finance System Controls

Recommendations from internal audit reviews are managed and monitored through the department's audit recommendation status reporting process. Progress reporting on the implementation of audit recommendations occurs on a quarterly basis to the Audit and Risk Management Committee.

EXTERNAL AUDIT

In addition to the Office of the Auditor General's annual financial attest audits, during 2017/18 the department was included in the OAG Audit on the Management of Crown Land Site Contamination.

AUDIT AND RISK MANAGEMENT COMMITTEE

The department's Audit and Risk Management Committee was established to enable the Director General to discharge her responsibilities under section 53 of the *Financial Management Act 2006*. The aim of the committee is to improve the credibility and objectivity of the department's accountability processes and governance practices. The six member committee is chaired by an independent external Chairperson, and a representative from the Office of the Auditor General (OAG) is invited to attend as an observer.

COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

The department has focussed on integrating policies and procedures to meet compliance requirements of public sector standards, public sector code of ethics and public sector standards in human resource management. The department is developing a Code of Conduct that specifies appropriate professional standards of employee behaviour, with direct relevance to our unique role and responsibilities. In lieu of an integrated code of conduct, staff have deferred to their prior agency codes of conduct and report high awareness of standards and codes.

The department informs new employees of standards and requirements on commencement, as part of the induction process which includes Accountable and Ethical Decision Making training (AEDM); publishing documents on our intranet; and through regular updates and forums from the Director General, and other staff communiques.

The People, Capability and Innovation branch provides advice to managers and employees on public sector human resource standards, particularly supporting recruitment and selection processes. All applicant correspondence includes details on accessing public sector standards, and all recruitment and appointment processes are independently reviewed to ensure compliance.

The department progressed a "Redefining Recruitment" program to improve recruitment and selection practice by reducing red tape and unnecessary delays, while ensuring standards, ethical codes and good practice is applied.

The Redefining Recruitment committee reports to and gains Corp Executive approval on high level strategic changes including the review and effective usage of delegations to empower staff

to appropriately apply the delegated authority they have been given. Findings and revisions throughout the review are shared across the organisation and externally with other agencies and committees. The review aims to reduce red tape and gain better recruitment outcomes in a clear transparent and compliant manner.

There were no breaches of standards lodged in the past year.

RECORDKEEPING PLANS

DPLH is committed to implementing best practice for its recordkeeping processes and systems.

During 2017-18, the department was focused on the integration of Aboriginal Affairs, Lands, Planning and State Heritage Office records and selection of a single solution to ensure the efficiency and effectiveness of the department's recordkeeping systems and practices. As per Section 19 of the *State Records Act 2000*, the department has an approved Recordkeeping Plan that is valid until 2023.

In preparation for the integration into Objective, the department's electronic document and records management system (eDRMS), a health check of the legacy systems took place in September 2017 focussed on selecting a best-of-breed solution. This check involved an independent technical and functional review of the systems. Overall, the results indicated the configuration of the applications were generally good and that the preferred product would be Objective eDRMS; which is already widely implemented and used was recommended as the preferred solution. All legacy records will be migrated into Objective during 2018.

During 2017/18, an online recordkeeping awareness and eDRMS training was developed and made available to staff. Participation and compliance will be monitored and reported through the year.

The mandatory training modules will provide staff with a reminder of their roles and responsibilities, compliance updates and an opportunity to advance their knowledge and use of the system. A refresher training course is to be completed by staff every two years following.

In addition to this training, specialist staff are available to provide recordkeeping advice and eDRMS training on a one-on-one, ad hoc or project basis. The training material is continually refined to ensure it meets the needs of the audience and it is often tailored for different business units. During 2017-2018, 72 hours of hands on training was provided to staff during the migration project. The Client Services branch monitors eDRMS activity and provides ongoing, customised support to each organisational division. Recordkeeping policies, procedures and Objective user guides are also available to all staff.

The department provides all new staff with comprehensive onboarding, which includes recordkeeping and eDRMS. This induction program includes:

- compliance and relevant legislation
- recordkeeping roles and responsibilities, processes and practices
- use and application of Objective.

SUBSTANTIVE EQUALITY

The department embraces the principles of Substantive Equality, the public sector's program for the prevention of systemic indirect forms of discrimination in service delivery to Indigenous and Culturally and Linguistically Diverse (CaLD) groups.

During 2017-18 the department:

- introduced 'Our Values', which reference ways of ensuring all community members can participate in our services

- conducted workshops in Derby, Tom Price, Looma, Jigalong, Broome, Esperance, Adryaloon, Albany, Newman, Northam, Warburton, Moora, Narrogin, Port Hedland, Warmun, Balgo, Bidyadanga, Roebourne, Karratha, Kununurra, Carnarvon, Geraldton, Meekatharra, Bunbury, Busselton, Cannington, Kalgoorlie, Leonora, Fitzroy Crossing, Perth, Halls Creek, to engage Aboriginal stakeholders in the review of the *Aboriginal Heritage Act 1972*
- commenced the development of an Aboriginal employment strategy focussed on improving career opportunities for Aboriginal people in the department.

The department is committed to delivering services in a culturally appropriate manner and enabling better social, economic and cultural outcomes.

OCCUPATIONAL SAFETY, HEALTH AND INJURY MANAGEMENT

The department is committed to a workplace environment that is free of work-related injuries and disease and to achieving a standard of excellence in occupational health and safety management.

In accordance with the Public Sector Commissioner's Circular 2012-05: Code of Practice: Occupational Safety and Health in the Western Australian Public Sector (the Circular), the department complies with the requirements of the *Occupational Safety and Health Act 1984*, the *Workers' Compensation and Injury Management Act 1981*, *Workers' Compensation and Injury Management Amendment Act 2018* (implemented on 1 July 2018) 1 and the Circular.

Our commitment to our employees

The department is strongly committed to its corporate legislative responsibility to promote health and safety in the workplace. It strives to promote and maintain a values driven workplace that encourages employees to bring their passion for life to work and to nurture an environment where all employees can thrive.

The department is developing an *Occupational Health and Safety (OHS) Strategy* to provide a structured approach to OSH for both proactive and reactive safety and health activities undertaken by the department's OSH Team in partnership with the People, Capability and Innovation branch and wider business units.

All employees can access OSH information through the intranet site and training sessions are available for both employees and managers.

The department's Corporate Executive is strongly committed to OSH management in the workplace. This is demonstrated by its endorsement of department's OSH Policy Statement and the establishment of the Safety, Health and Wellness Committee. This committee supports the effective management of OSH by identifying and implementing initiatives and making recommendations on policy and strategy to the Corporate Executive.

Consultation mechanisms

The department consults with its employees on OSH matters through elected Safety and Health Representatives and the Safety, Health and Wellness Committee.

In 2017-18, the committee revised the Terms of Reference, discussed and resolved issues raised by employees, reviewed accident and incident forms to ensure that hazards were addressed to eliminate or reduce future issues, discussed injury trends and identified preventative measures that promote a safe working environment.

At 30 June 2018, the department had four open workers' compensation claims, with all employees back at work. The department has a dedicated OSH and Wellness Consultant who manages these claims and supports the management of non-work related injury management issues.

In the event of a workplace injury, the department has an established injury management process to assist employees to return to work as soon as medically appropriate. The procedure ensures that injury management intervention occurs promptly and effectively, to allow the employee to remain at work or return to work at the earliest appropriate time. The injury management procedure complies with the requirements of the *Workers' Compensation and Injury Management Act 1981*, *Workers' Compensation and Injury Management Amendment Act 2018* (implemented on 1 July 2018) and the Code of Practice (Injury Management) 2005.

Managers are trained in the importance of good injury management and return-to-work procedures to promote a supportive, productive and positive workplace. During 2017-18, workplace wellness initiatives included:

- Flu Vaccination Program – flu vaccinations were offered to all employees in the Metro area, Whiteman Park and Fremantle Prison, with regional employees able to claim a rebate
- EAP Information sessions for both employees and managers promoting the service available to employees and their immediate family members
- Mental Health Check In, employees were given the opportunity to participate in Australia's Biggest Mental Health Program from October to December 2018.

OSH Management System

All reported hazards and incidents are recorded on the OSH management system and a risk assessment conducted to identify, assess and control the risk. Discussions are held with the manager of affected area and reviewed at the Safety, Health and Wellness Committee with details published on the department's intranet and presented to Corporate Executive.

OSH training

In 2017-18 the following OSH-related training programs and initiatives were delivered:

- online OSH Awareness training for staff and managers to raise awareness of everyone's responsibilities and equip managers with the skills to manage OSH, injury management and wellness of their team
- first aid training for employees
- Health and Safety representative training
- ergonomic training for OSH and Wellness Consultant to deliver in-house ergonomic assessment
- remote first aid training for staff travelling and residing in regional locations
- fire warden training

Our OSH and IM performance in 217-18

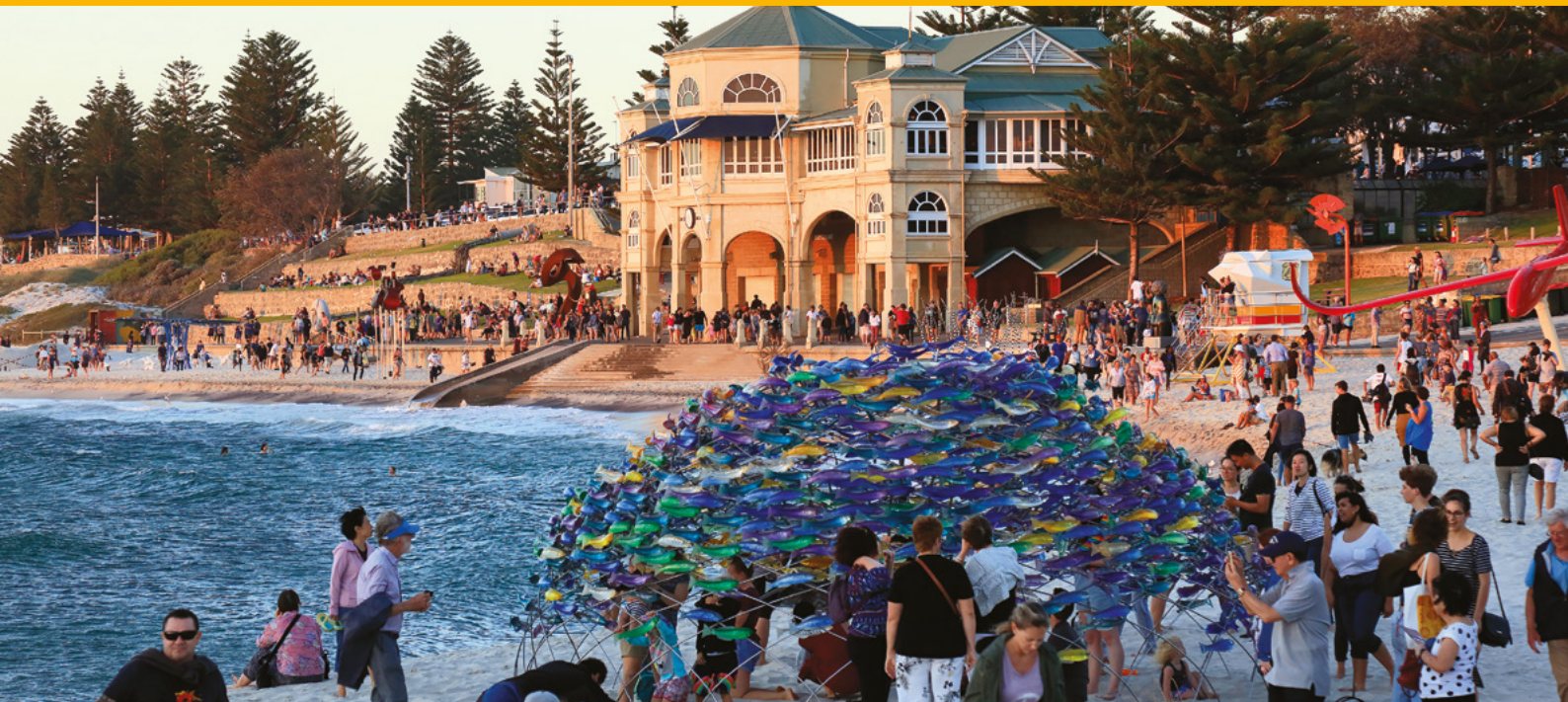
Measure	2015-16 ⁽¹⁾	2017-18	Target	Target
Number of fatalities	0 (zero)	0 (zero)	0 (zero)	Target achieved
Lost time injury and/or disease incidence rate	1.57	0.42%	0 or 10% reduction	Target achieved
Lost time injury and/or disease severity rate	0 (zero)	33%	0 or 10% reduction	Target not achieved
Percentage of injured workers returned to work within 13 weeks	100	100	Greater than or equal to 80%	100% achieved
Percentage of injured workers returned to work within 26 weeks	100	100	Greater than or equal to 80%	Target achieved
Percentage of managers trained in occupational safety, health and injury management responsibilities	84	41	Greater than or equal to 80%	Target achieved

⁽¹⁾ 2015-16 figures based on Planning figures

FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS

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AUDITOR GENERALS INDEPENDENT AUDITORS REPORT



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

DEPARTMENT OF PLANNING, LANDS AND HERITAGE

Report on the Financial Statements

Opinion

I have audited the financial statements of the Department of Planning, Lands and Heritage which comprise the Statement of Financial Position as at 30 June 2018, 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.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Department of Planning, Lands and Heritage for the year ended 30 June 2018 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

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 Department 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 Director General for the Financial Statements

The Director General 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 Director General 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 Director General 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 Department.

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.

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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 Director General.
- Conclude on the appropriateness of the Director General'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 Director General 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.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Department of Planning, Lands and Heritage. The controls exercised by the Department are those policies and procedures established by the Director General 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 Department of Planning, Lands and Heritage 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 2018.

The Director General's Responsibilities

The Director General 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.

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 Department of Planning, Lands and Heritage for the year ended 30 June 2018. 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 Department of Planning, Lands and Heritage are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2018.

The Director General's Responsibility for the Key Performance Indicators

The Director General 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 Director General 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 Director General 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.

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 Department of Planning, Lands and Heritage for the year ended 30 June 2018 included on the Department's website. The Department's management is responsible for the integrity of the Department's website. This audit does not provide assurance on the integrity of the Department'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.



CAROLINE SPENCER
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
/4 September 2018

CERTIFICATION OF FINANCIAL STATEMENTS

For the reporting period ended 30 June 2018

The accompanying financial statements of the Department of Planning, Lands and Heritage 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 reporting period ended 30 June 2018 and the financial position as at 30 June 2018.

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.



Gail McGowan
DIRECTOR GENERAL
Department of Planning, Lands and Heritage

3 September 2018



John Deery
CHIEF FINANCE OFFICER
Department of Planning, Lands and Heritage

3 September 2018

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 \$000
COST OF SERVICES		
Expenses		
Employee benefits expense	3.1	90,954
Supplies and services	3.3	44,126
Depreciation and amortisation expense	5.1, 5.2	3,968
Impairment expense	6.1	157
Accommodation expenses	3.3	14,268
Grants and subsidies expense	3.2	11,420
Cost of sales	4.3	143
Other expenses	3.3	12,096
Total cost of services		177,132
Income		
Revenue		
User charges and fees	4.2	9,297
Sales	4.3	388
Commonwealth grants and contributions	4.4	943
Grants and subsidies	4.5	665
WAPC service delivery agreement	4.6	42,056
Other revenue	4.8	3,630
Total revenue		56,979
Gains		
Gain on disposal of non-current assets	4.7	19
Total gains		19
Total income other than income from State Government		56,998
NET COST OF SERVICES		120,134
Income from state government	4.1	
Service appropriation		108,727
Services received free of charge		8,724
Royalties for Regions Fund		4,807
Total income from State Government		122,258
SURPLUS FOR THE PERIOD		2,124
OTHER COMPREHENSIVE INCOME		
Items not reclassified subsequently to profit or loss		
Changes in asset revaluation surplus	9.9	1,737
Total other comprehensive income		1,737
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		3,861

See also Note 2.2 '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 FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 \$000
ASSETS		
Current Assets		
Cash and cash equivalents	7.1	61,233
Restricted cash and cash equivalents	7.1	11,092
Inventories	4.3	82
Receivables	6.1	10,056
Amounts receivable for services	6.2	562
Other current assets	6.3	1,700
Total Current Assets		84,725
Non-Current Assets		
Amounts receivable for services	6.2	28,871
Infrastructure, property, plant and equipment	5.1	136,537
Intangible assets	5.2	8,841
Restricted cash and cash equivalents	7.1	656
Total Non-Current Assets		174,905
TOTAL ASSETS		259,630
LIABILITIES		
Current Liabilities		
Payables	6.4	11,584
Employee related provisions	3.1	16,335
Other current liabilities	6.5	779
Total Current Liabilities		28,698
Non-Current Liabilities		
Employee related provisions	3.1	4,191
Total Non-Current Liabilities		4,191
TOTAL LIABILITIES		32,889
NET ASSETS		226,741
EQUITY		
Contributed equity	9.9	222,880
Reserves	9.9	1,737
Accumulated surplus		2,124
TOTAL EQUITY		226,741

See also Note 2.3 '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 2018

	Notes	Contributed equity (\$000)	Reserves (\$000)	Accumulated surplus/ (deficit) (\$000)	Total equity (\$000)
BALANCE AT 1 JULY 2017		-	-	-	-
Surplus				2,124	2,124
Other comprehensive income	9.9		1,737		1,737
Total comprehensive income for the period		-	1,737	2,124	3,861
Transactions with owners in their capacity as owners:	9.9				-
Capital appropriation		2,391			2,391
Distributions to owners		220,489			220,489
Total		222,880	-	-	222,880
BALANCE AT 30 JUNE 2018		222,880	1,737	2,124	226,741

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 2018

	Notes	2018 \$000
CASH FLOWS FROM STATE GOVERNMENT		
Service appropriation		108,727
Capital appropriations		2,391
Royalties for Regions Fund		4,807
Net cash provided by State Government		115,925
Utilised as follows:		
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Employee benefits		(98,260)
Supplies and services		(34,074)
Accommodation		(14,268)
Grants and subsidies		(11,420)
GST payments on purchases		(1,006)
GST payment to taxation authority		(1,083)
Other payments		(12,097)
Receipts		
Sales of goods and services		245
User charges and fees		7,688
Commonwealth grants and contributions		943
GST receipts on sales		2,390
WAPC Service Delivery Agreement		42,056
Grants and subsidies		471
Other receipts		3,630
Net cash provided by / (used in) operating activities	7.1.2	(114,785)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of non-current assets		25
Purchase of non-current assets		(3,502)
Net cash provided by/(used in) investing activities		(3,477)
Net increase/(decrease) in cash and cash equivalents		(2,337)
Cash and cash equivalents at the beginning of the period		75,318
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7.1.1	72,981

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 2018

	2018 Estimate \$000	2018 Actual \$000	Variance \$000
DELIVERY OF SERVICES			
Item 41 Net amount appropriated to deliver services	115,311	107,752	7,559
Amount Authorised by Other Statutes	-	-	-
<i>Salaries and Allowances Act 1975</i>	1,228	975	253
Total appropriations provided to deliver services	116,539	108,727	7,812
CAPITAL			
Item 106 Capital appropriations	2,391	-	2,391
GRAND TOTAL	118,930	108,727	10,203
DETAILS OF EXPENSES BY SERVICES			
Land, Infrastructure Policy	48,549	43,729	4,820
Land Access Planning and Policy	48,220	41,731	6,489
Land Asset Management	18,830	15,077	3,753
Crown Land Administration	22,619	22,010	609
Native Title Administration	16,269	12,892	3,377
Preparation for Sale State Land	12,095	12,555	(460)
Heritage Conservation	7,931	6,120	1,811
Community Engagement	5,672	6,086	(414)
Heritage Management	13,235	8,140	5,095
Land Management	8,109	8,792	(683)
Total cost of services	201,529	177,132	24,397
Less total income	-	-	-
Net cost of services	201,529	177,132	24,397
Adjustments	-	-	-
Total appropriations provided to deliver services	201,529	177,132	24,397
CAPITAL EXPENDITURE			
Purchase of non-current assets	9,389	3,502	5,887
Adjustment for other funding sources	(6,998)	(1,111)	5,887
Capital appropriations	2,391	2,391	-

Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation. Note 10.1 'Disclosure of administered income and expenses by service' and Note 10.2 'Explanatory statement for administered items' provide details of any significant variations between estimates and actual results for 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. BASIS OF PREPARATION

The Department of Planning, Lands and Heritage (DPLH) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The agency is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Director General of DPLH on 13 September 2018.

Statement of compliance

These general purpose financial statements are prepared in accordance with:

- 1) *The Financial Management Act 2006* (FMA)
- 2) The Treasurer's Instructions (the Instructions or TI)
- 3) Australian Accounting Standards (AAS) including applicable interpretations
- 4) Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied

The FMA and the TI take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. 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.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

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 (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. 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.

The transfers 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.

Comparative figures

The Department of Planning, Lands and Heritage was established on 1 July 2017 and as such, comparative figures are not presented in the current reporting period.

2. DPLH OUTPUTS

How the DPLH operates

This section includes information regarding the nature of funding the DPLH receives and how this funding is utilised to achieve DPLH's objectives.

	Note
DPLH's objectives	2.1
Schedule of Income and Expenses by Service	2.2
Schedule of Assets and Liabilities by Service	2.3

2.1 DPLH's objectives

Mission

The department is responsible for planning and managing land and heritage for all Western Australians - now and into the future.

Services

The DPLH provides the following services:

Service 1: Integrated Land and Infrastructure Policy Development

By shaping the pattern of development and influencing the location, scale, density, design and mix of land uses, integrated land use systems to contribute to the Government's goal, 'Better Places' by:

- ensuring flexibility to meet the demands of a changing economy and market environments; and
- maximising the use of existing infrastructure rather than incurring the costs of green fields infrastructure with its resulting impact on home affordability.

Service 2: Land Accessibility Planning and Policy Development

This service contributes to the Government's 'Better Places' goal through:

- ensuring that sufficient land is available for purchase for both residential and commercial, industrial/employment purposes;
- controlling lot sizes and therefore the costs of infrastructure required to service each lot;

- minimising land supply delays and the attendant costs by making accurate, timely decisions on redevelopment and subdivision proposals;
- providing resources to the Western Australian Planning Commission (WAPC) to enable;
- the acquisition and management of properties reserved under Perth's Metropolitan Region Scheme for important urban roads, controlled access highways, parks and recreational reserves, special uses and major land redevelopment projects; and
- other special planning projects undertaken within the Perth metropolitan area.

Service 3: Land Asset Management

The department manages Crown land to ensure that land is being utilised at its full value and potential. This service is responsible for supporting the policies and strategies that unlock the land potential for the State, and manage the risk of Crown land including managed and unmanaged Crown land.

Service 4: Crown Land Administration

The department administers and manages Crown land to support the needs of the community of Western Australia and to deliver primary land tenure for strategic infrastructure projects.

Service 5: Native Title Administration

The department ensures that in the case of land subject to native title rights and interests, security of land tenure is provided by dealing with Native Title appropriately depending on the use and type of tenure proposed.

Service 6: Preparation for Sale of State-owned Land Assets

The department administers the Government's Land Asset Sales Program, whereby surplus or underutilised Crown land assets are identified and prepared for sale. Sale of land enables the assets to be used for a higher and/or better use in a way that unlocks the full potential of the assets for the betterment of Western Australia.

**Service 7:
Cultural Heritage Conservation Services on Behalf
of and Under the Direction of the Heritage Council
of Western Australia**

Provide quality advice and support to the Heritage Council to establish and maintain a comprehensive Heritage Register; provide conservation advice on development referrals and other relevant matters; develop the role of public authorities in conserving and managing heritage places; provide financial assistance and other conservation incentives; provide publications, seminars and other promotional activities.

**Service 8:
Community Engagement in Cultural Heritage**

Conserve and interpret the applicable world, national, State and local heritage values of places under management (Fremantle Prison); promote a sustainable future for places under management through an integrated development framework, compatible uses and delivery of visitor standards consistent with being Western Australia's premier heritage sites; promote heritage success stories and engagement with the State's heritage through media, publications, tourism and interpretation.

**Service 9:
Heritage Management**

Involves the provision of secretariat and policy support for the Aboriginal Cultural Material Committee; provision of advice on matters relating to Aboriginal heritage; processing of statutory approvals administration of heritage sites register; family history research; and heritage compliance activities.

**Service 10:
Land Management**

Involves the provision of secretariat and policy support to the Aboriginal Lands Trust, Aboriginal people, the Minister for Aboriginal Affairs, Government and key stakeholders in relation to management of the Aboriginal Lands Trust estate; processing of land access approvals; assisting with operational management and development of land; management of strategic initiatives in accordance with the Aboriginal Land Trust strategic plan; and facilitation of the transfer of land to the Aboriginal people.

2.2 Schedule of income and expenses by service for the year ended 30 June 2018

	Land, Infrastructure Policy	Land Access Planning and Policy	Land Asset Management	Crown Land Administration	Native Title Administration	Preparation for Sale State Land	Heritage Conservation	Community Engagement in Cultural Heritage	Heritage Management	Land Management	Total
	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
COST OF SERVICES											
Expenses											
Employee benefits expense	24,068	25,189	3,605	14,231	4,678	2,814	3,691	2,683	5,021	4,974	90,954
Supplies and services	12,775	10,243	5,027	3,918	2,247	3,434	1,401	2,429	1,654	998	44,126
Depreciation and amortisation expense	1,050	1,099	157	621	204	123	161	117	219	217	3,968
Impairment expense	42	44	4	25	8	5	6	5	9	9	157
Accommodation expenses	3,624	3,969	714	2,153	860	457	552	545	708	686	14,268
Grants and subsidies	1,227	2,058	5,399	350	50	27	182	43	337	1,747	11,420
Cost of sales	-	-	-	-	-	-	-	143	-	-	143
Other expenses	943	(871)	171	712	4,845	5,695	127	121	192	161	12,096
Total cost of services	43,729	41,731	15,077	22,010	12,892	12,555	6,120	6,086	8,140	8,792	177,132
Income											
User charges and fees	2	1,262	1,751	2,500	23	-	8	3,751	-	-	9,297
Sales	-	13	-	-	1	-	-	374	-	-	388
Commonwealth grants and contributions	301	301	-	15	3	-	-	323	-	-	943
Grants and subsidies	226	225	-	-	966	-	-	-	-	(752)	665
Gain on disposal of non-current assets	5	4	1	3	1	1	1	1	1	1	19
WAPC service delivery agreement	8,411	33,645	-	-	-	-	-	-	-	-	42,056
Other revenue	112	99	21	119	2,239	11	830	148	31	20	3,630
Total income other than income from State Government	9,057	35,549	1,773	2,637	3,233	12	839	4,597	32	(731)	56,998
NET COST OF SERVICES	34,672	6,182	13,304	19,373	9,659	12,543	5,281	1,489	8,108	9,523	120,134
INCOME FROM STATE GOVT											
Service appropriation	28,705	30,042	4,299	16,973	5,580	3,356	4,403	3,450	5,988	5,933	108,727
Resources received free of charge	1,231	1,701	1,559	1,559	1,559	484	304	-	217	109	8,724
Royalties for regions fund	-	-	3,786	771	250	-	-	-	-	-	4,807
Total income from State Government	29,937	31,743	9,644	19,303	7,389	3,840	4,706	3,450	6,205	6,042	122,258
SURPLUS/DEFICIT FOR THE PERIOD	4,735	(25,561)	3,660	70	2,270	8,703	575	(1,961)	1,903	3,481	(2,124)

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

2.3 Schedule of assets and liabilities by service for the year ended 30 June 2018

	Land, Infrastructure Policy	Land Access Planning and Policy	Land Asset Management	Crown Land Administration	Native Title Administration	Preparation for Sale State Land	Heritage Conservation	Community Engagement in Cultural Heritage	Heritage Management	Land Management	Total
	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Assets											
Current assets	21,885	26,210	3,128	12,377	4,067	2,437	3,196	2,770	4,347	4,308	84,725
Non-current assets	10,412	10,896	110,265	6,156	2,024	1,217	1,597	28,014	2,172	2,152	174,905
Total assets	32,297	37,106	113,393	18,533	6,091	3,654	4,793	30,785	6,519	6,460	259,630
Liabilities											
Current liabilities	8,794	9,272	(736)	3,961	1,710	(287)	1,352	984	1,835	1,813	28,698
Non-current liabilities	1,109	1,161	166	655	216	130	170	124	231	229	4,191
Total liabilities	9,903	10,433	(570)	4,616	1,926	(157)	1,522	1,108	2,066	2,042	32,889
NET ASSETS	42,200	26,673	113,963	13,917	4,165	3,812	3,271	29,677	4,453	4,417	226,741

The Schedule of Asset and Liabilities by Service should be read in conjunction with the accompanying notes.

3. USE OF OUR FUNDING

This section provides additional information about how the agency's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the agency in achieving its objectives and the relevant notes are:

	Notes	2018 \$ 000
Employee benefits expenses	3.1 (a)	90,954
Employee related provisions	3.1 (b)	20,526
Grants and subsidies	3.2	11,420
Other expenditure	3.3	70,490

3.1 (a) Employee benefits expense

Wages and salaries	83,508
Superannuation - defined contribution plans (a)	7,446
Total employee benefits expenses	90,954

(a) Defined contribution plans include West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Board Schemes (GESBs) and other eligible funds.

Wages and salaries: Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements and WorkCover premiums.

Termination benefits: Payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the agency is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Superannuation: The amount recognised in profit or loss of 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 Government Employees Superannuation Board (GESB) in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the agency to GESB extinguishes the agency's obligations to the related superannuation liability.

The agency does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The Liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the agency to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

2018
\$ 000

3.1 (a) Employee related provisions

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Current

Employee benefits provision

Annual leave (a)	6,691
Long service leave (b)	8,051
Deferred salary scheme (c)	125

Other provisions

Employment on-costs(d)	1,469
Total current employee related provisions	16,335

Non-current

Employee benefits provision

Long service leave(b)	3,772
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Other provisions

Employment on-costs(d)	419
Total non-current employee related provisions	4,191

(a) **Annual leave liabilities:** 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	5,145
More than 12 months after the end of the reporting period	2,293
	7,438

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) **Long service leave liabilities:** Unconditional long service leave provisions are classified as current liabilities as the agency 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 agency has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

2018
\$ 000

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	3,319
More than 12 months after the end of the reporting period	9,733
	13,052

The provision for long service leave is calculated at present value as the agency does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and 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.

(c) **Deferred salary scheme liabilities:** Classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	125
	125

(d) **Employment on-costs:** The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

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 included as part of 'Other expenses, Note 3.3 (apart from the unwinding of the discount (finance cost))' and are not included as part of the agency's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

Employment on-costs provision

Carrying amount at start of period	2,099
Additional/(reversals of) provisions recognised	(211)
Carrying amount at end of period	1,888

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions 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.

Several estimates and assumptions are used in calculating the agency's long service leave provision. These include:

- Expected future salary rates;
- Discount rates;
- Employee retention rates; and
- Expected future payments.

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

2018
\$ 000

3.2 Grants and subsidies

Recurrent	
Government Agencies	6,899
Local Government	683
Community grants	1,752
Non Government Organisations	1,690
Other	396
	11,420

Transactions in which the agency provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

3.3 Other expenditure

Supplies and Services

Advertising and public relations	649
Minor works	431
Operating lease and hire charges	521
Repairs and maintenance	9,115
Travel and passenger transport	641
Communication expenses	923
Consultancies and contracted services	28,336
Insurance	1,144
Utilities expenses	368
Supplies and services - other	1,998
Total supplies and services expenses	44,126

Accommodation expenses

Lease rentals	13,940
Repairs and maintenance	86
Cleaning	242
Total accommodation expenses	14,268

	2018 \$ 000
Other expenses	
Compensation Payments	10,207
Other employee expenses	765
Write-off other assets	2
Revaluation decrement	154
Other	968
Total other expenses	12,096
Total other expenditure	70,490

Supplies and services:

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Accommodation expenses:

Operating lease payments are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. [AASB 117.33]

Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

Other expenses:

Other expenses generally represent the day-to-day running costs incurred in normal operations.

Doubtful debt expense:

is recognised as the movement in the provision for doubtful debt. Please refer to note 6.1.1 Movement of the allowance for impairment of receivables.

Employee on-cost:

includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 3.1(b) Employee related provision. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

	Notes	2018 \$ 000
4. OUR FUNDING SOURCES		
How we obtain our funding		
This section provides additional information about how the agency obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the agency and the relevant notes are:		
Income from State Government	4.1	122,258
User charges and fees	4.2	9,297
Sales	4.3	245
Commonwealth grants and contributions	4.4	943
Grants and subsidies	4.5	665
WAPC service delivery agreement	4.6	42,056
Gains	4.7	19
Other Revenue	4.8	3,630
4.1 Income from State Government		
Appropriation received during the period:		
Service appropriation (a)		108,727
		108,727
Services received free of charge from other State government agencies during the period:		
Landgate		4,433
State Solicitor's Office		2,308
Department of Finance		1,460
Department of Transport		200
Department of Health		146
Department of Mines, Industry Regulation and Safety		93
Main Roads WA		49
Department of Local Government, Sport and Cultural Industries		32
Department of Primary Industries and Regional Development		2
Department of Water and Environmental Regulation		1
Total services received		8,724
Royalties for Regions Fund:		
Regional Community Services Account (c)		4,807
Total Royalties for Regions Fund		4,807
Total income from State Government		122,258

2018
\$ 000

(a) Service Appropriations:

are recognised as revenues at fair value in the period in which the agency gains control of the appropriated funds. The agency gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Service appropriations fund the net cost of services delivered (as set out in note 2.2). Appropriation revenue comprises the following:

- Cash component; and
- A receivable (asset).

The receivable (holding account – note 6.2) comprises the following:

- The budgeted depreciation expense for the year; and
- Any agreed increase in leave liabilities during the year.

(b) Transfer of assets:

Discretionary transfers of assets (including grants) and liabilities between State government agencies are reported under Income from State Government. Transfers of assets and liabilities in relation to a restructure of administrative arrangements are recognised as distribution to owners by the transferor and contribution by owners by the transferee under AASB 1004.

Other non-discretionary non-reciprocal transfers of assets and liabilities designated as contributions by owners under TI 955 are also recognised directly to equity.

(c) The Regional Community Services Accounts:

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 and are recognised as revenue when the agency gains control on receipt of the funds.

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4.2 User charges and fees

Fees	6,095
User charges	3,202
	<u>9,297</u>

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

- Fees
- User charges

Revenue is recognised by reference to the stage of completion of the transaction.

	2018 \$ 000
4.3 Trading profit	
Sales	388
Cost of Sales:	
Opening Inventory	79
Purchases	134
Stocktake adjustment	12
	225
Closing Inventory	82
Cost of Goods Sold	143
Trading Profit	245
Current Inventories	
At cost	82
Total current inventories	82

Sales

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.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate for each particular class of inventory, with the majority being measured on a first in first out basis.

Inventories not held for resale are measured at cost unless they are no longer required, in which case they are measured at net realisable value.

4.4 Commonwealth grants and contributions

Recurrent grants	943
	943

4.5 Grants and subsidies

Recurrent grants - other government agencies	665
	665

4.6 WAPC service delivery agreement

Recoupable expense and fees for services rendered	42,056
	42,056

	2018 \$ 000
4.7 Gains	
Net proceeds from disposal of non-current assets	
Plant, equipment and vehicles	25
Carrying amount of non-current assets disposed	
Plant, equipment and vehicles	(6)
Net gain	19
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.	
Gains and losses on the disposal of non-current assets are presented by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses. Gains and losses are recognised in profit or loss in the statement of comprehensive income (from the proceeds of sale).	
4.8 Other revenue	
Services rendered	3,630
	3,630

	Notes	2018 \$ 000
5. KEY ASSETS		
Assets the Agency utilises for economic benefit or service potential.		
This section includes information regarding the key assets the agency utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:		
Property, plant and equipment	5.1	136,537
Intangibles	5.2	8,841
Total key assets		145,378

5.1 Property, plant and equipment

Reconciliations of the carrying amounts of property, plant, and equipment at the beginning and end of the reporting period are set out in the table below.

	Land \$000	Buildings \$000	Computer equipment \$000	Furniture and Fittings \$000	Total \$000
2018					
Carrying amount at start of period	108,860	25,376	1,192	267	135,695
Additions			21		21
Disposals			(6)		(6)
Revaluation increments / (decrements)	(153)	1,737			1,584
Depreciation		(259)	(461)	(37)	(757)
Carrying amount at end of period	108,707	26,854	746	230	136,537

(a) Recognised in the Statement of Comprehensive Income. 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. Information on fair value measurements is provided in Note 8.3.

Initial recognition

Items of property, plant and equipment and infrastructure, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Assets transferred as part of a machinery of government change are transferred at their fair value.

Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of:

- land, and
- buildings and

Land is carried at fair value.

Buildings and infrastructure are carried at fair value less accumulated depreciation and accumulated impairment losses.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuations and Property Analytics) 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.

Land and buildings were revalued as at 1 July 2017 by the Western Australian Land Information Authority (Valuations and Property Analytics). The valuations were performed during the year ended 30 June 2018 and recognised at 30 June 2018. In undertaking the revaluation, fair value was determined by reference to market values for land: \$108,706,570 and buildings: \$26,854,100. For the remaining balance, fair value of buildings was determined on the basis of current 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).

Revaluation model:

(a) Fair Value 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.

b) Fair value in the absence of market-based evidence:

Buildings are specialised or where land is restricted: Fair value of land and buildings is determined on the basis of existing use.

Existing use buildings: Fair value is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Where the fair value of buildings is determined on the current replacement cost basis, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset.

Restricted use land: Fair value 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).

2018
\$ 000

5.1.1 Depreciation and impairment

Charge for the period

Depreciation

Buildings	259
Computer equipment	461
Furniture and Fittings	37
Total depreciation for the period	757

As at 30 June 2018 there were no indications of impairment to property, plant and equipment.

All surplus assets at 30 June 2018 have either been classified as assets held for sale or have been written-off.

Please refer to note 5.2.1 for guidance in relation to the impairment assessment that has been performed for intangible assets.

Finite useful lives

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Buildings	100 years
Software (a)	2 to 5 years
Computer equipment	2 to 7 years
Furniture and Fittings	6 to 10 years

(a) Software that is integral to the operation of related hardware.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Land which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of land because its service potential has not, in any material sense, been consumed during the reporting period.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. 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 considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the agency is a not-for-profit agency, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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 the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

5.2 Intangible assets

Year ended 30 June 2018	Computer Software (\$'000)
1 July 2017	
Gross carrying amount	8,517
Carrying amount at start of period	8,517
Additions	292
Work-in-progress	3,243
Amortisation expense	(3,211)
Carrying amount at 30 June 2018	8,841

Initial recognition

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more that comply with the recognition criteria per AASB 138.57, are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

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

5.2.1 Amortisation and impairment

Charge for the period

	2018 \$ 000
Computer software	3,211
	3,211

As at 30 June 2018 there were no indications of impairment to intangible assets. The agency held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the agency have a finite useful life and zero residual value.

Estimated useful lives are reviewed annually. The estimated useful lives for each class of intangible asset are:

Asset	Useful life: years
Software (a)	2 to 5 years

(a) Software that is not integral to the operation of any related hardware.

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in note 5.1.1.

	Notes	2018 \$ 000
6. OTHER ASSETS AND LIABILITIES		
This section sets out those assets and liabilities that arose from the agency's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:		
Receivables	6.1	10,056
Amounts receivable for services	6.2	29,433
Other current assets	6.3	1,700
Payables	6.4	11,584
6.1 Receivables		
Receivables		8,909
Allowance for impairment of receivables		(193)
GST receivable		1,326
		10,042
Loans and advances:		
Other debtors		14
		14
Total current		10,056

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

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

6.1.1 Movement of the allowance for impairment of receivables

Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of period	115
Doubtful debts expense	157
Amounts written off during the period	(2)
Impairment losses reversed during the period	(77)
Balance at end of period	193

The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the agency will not be able to collect the debts.

2018
\$ 000

6.2 Amounts receivable for services (Holding Account)

Current	562
Non-current	28,871
Balance at end of period	29,433

Amounts receivable for services represent 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.

The agency receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable). The accrued amount receivable is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

6.3 Other assets

Current

Prepayments	1,671
Accrued Income	25
Other	4
Total current	1,700

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

6.4 Payables

Current

Trade payables	632
Accrued expenses	10,658
Accrued salaries	294
Total current	11,584

Payables are recognised at the amounts payable when the agency 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 settlement is generally within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The agency considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (See Note 7.5.1 'Restricted cash and cash equivalents') consists of amounts paid annually, from agency appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

	Notes	2018 \$ 000
6.5 Other liabilities		
Current		
Unearned Revenue		752
Other current liabilities		27
Total current		779

7. FINANCING

This section sets out the material balances and disclosures associated with the financing and cashflows of the agency.

Cash and cash equivalents	7.1
Reconciliation of cash	7.1.1
Reconciliation of net cost of services to net cash flows used in operating activities	7.1.2
Commitments	7.2
Non-cancellable operating lease commitments	7.2.1
Other expenditure commitments	7.2.2

7.1 Cash and cash equivalents

7.1.1 Reconciliation of cash

Cash and cash equivalents		61,233
Restricted cash and cash equivalents:	8.1	
• Special purpose funds		11,092
• Accrued salaries suspense account		656
Balance at end of period		72,981

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

	Notes	2018 \$ 000
7.1.2 Reconciliation of net cost of services to net cash flows used in operating activities		
Net cost of services		120,134
Non-cash items		
Depreciation and amortisation expense	5.1, 5.2	3,968
Services received free of charge	4.1	8,724
Net (gain) / loss on disposal of property, plant and equipment	4.7	(19)
Impairment loss		157
Revaluation decrement		153
(Increase)/decrease in assets		
Current receivables (a)		(1,764)
Current inventories		(3)
Other current assets		2,139
Non-current receivables		(2,452)
Increase/(decrease) in liabilities		
Current payables (a)		(3,188)
Current provisions		(2,223)
Other current liabilities		72
Non-current provisions		(205)
Net GST receipts/(payments) (b)		(309)
Change in GST in receivables/payables (c)		299
Net cash provided by/(used in) operating activities		(114,785)

(a) Note that the Australian Taxation Office (ATO) receivable / payable in respect of GST and the receivable/payable 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.

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

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

The mandatory application of AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107 imposed disclosure impacts only. The Department is not exposed to changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

	Notes	2018 \$ 000
7.2 Commitments		
7.2.1 Non-cancellable operating lease commitments		
Commitments for minimum lease payments are payable as follows:		
Within 1 year		7,908
Later than 1 year and not later than 5 years		26,807
Later than 5 years		11,923
		46,638

Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

The Department has entered into a property lease which is a non-cancellable lease with a five year term, with rent payable monthly in advance. Contingent rent provisions within the lease agreement require that the minimum lease payments shall be increased by the lower of CPI or 3% per annum. An option exists to renew the lease at the end of the five year term for an additional term of five years.

7.2.2 Capital expenditure commitments

Other expenditure commitments contracted for at the end of the reporting period but not recognised as liabilities, are payable as follows:

Within 1 year		4,258
Later than 1 year and not later than 5 years		440
		4,698

The totals presented for other expenditure commitments are GST inclusive.

Judgements made by management in applying accounting policies – operating lease commitments

The Department 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	2018 \$ 000
8. RISKS AND CONTINGENCIES		
This note sets out the key risk management policies and measurement techniques of the Department.		
Financial risk management	8.1	
Contingent assets and liabilities	8.2	
Fair value measurements	8.3	

8.1 Financial risk management

Financial instruments held by the Department are cash and cash equivalents, restricted cash and cash equivalents, receivables, and payables. The Department has limited exposure to financial risks. The Department's overall risk management program focuses on managing the risks identified below.

(a) Summary of risks and risk management

Credit risk

Credit risk arises when there is the possibility of the Department's receivables defaulting on their contractual obligations resulting in financial loss to the Department.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at Note 8.1(c) 'Financial instruments disclosures' and Note 6.1 'Receivables'.

Credit risk associated with the Department's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than Government, the Department trades only with recognised, creditworthy third parties. The Department has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Department's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Department is unable to meet its financial obligations as they fall due.

The Department is exposed to liquidity risk through its trading in the normal course of business.

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

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Department's income or the value of its holdings of financial instruments. The Department does not trade in foreign currency and is not materially exposed to other price risks [for example, equity securities or commodity prices changes]. The Department's exposure to market risk for changes in interest rates relates primarily to restricted cash and cash equivalents which are held at variable interest rates.

The Department has no borrowings. The Department's exposure to interest rate risk is immaterial.

	Notes	2018 \$ 000
(b) Categories of financial instruments		
The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:		
Financial assets		
Cash and cash equivalents		61,233
Restricted cash and cash equivalents		11,748
Receivables (a)		8,730
Amounts receivable for services		29,433
Total financial assets		111,144
Financial liabilities		
Payables		11,584
Total financial liability		11,584

(c) Aged analysis of financial assets

	Carrying Amount	Not past due and not impaired	Past due but not impaired					Impaired financial assets
			up to 1 month	1-3 months	3 months to 1 year	1-5 years	More than 5 years	
2018	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	61,233	61,233	-	-	-	-	-	-
Restricted cash and cash equivalents	11,748	11,748	-	-	-	-	-	-
Receivables (a)	8,730	8,717	-	-	5	8	-	157
Amounts receivable for services	29,433	29,433	-	-	-	-	-	-
	111,144	111,131	-	-	5	8	-	157

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

(d) Liquidity risk and interest rate exposure

The following table details the Department's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

2018	Weighted average effective interest rate %	Carrying amount \$000	Interest rate exposure			Nominal amount \$000	Maturity dates				
			Fixed interest rate \$000	Variable interest rate \$000	Non interest bearing \$000		Up to 1 month \$000	1-3 months \$000	3 months to 1 year \$000	1-5 years \$000	More than 5 years \$000
Financial Assets											
Cash and cash equivalents		61,233	-	-	61,233	61,233	61,233	-	-	-	-
Restricted cash and cash equivalents	2.12	11,748	-	85	11,663	11,748	11,091	85	-	-	656
Receivables (a)		8,730	-	-	8,730	8,730	8,730	-	-	-	-
Amounts receivable for services		29,433	-	-	29,433	29,433	29,433	-	-	-	-
		<u>111,144</u>	<u>-</u>	<u>85</u>	<u>111,059</u>	<u>111,144</u>	<u>110,487</u>	<u>85</u>	<u>-</u>	<u>-</u>	<u>656</u>
Financial Liabilities											
Payables		11,584	-	-	11,584	11,584	11,584	-	-	-	-
		<u>11,584</u>	<u>-</u>	<u>-</u>	<u>11,584</u>	<u>11,584</u>	<u>11,584</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

8.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at nominal value.

The Department is unable to provide itemised estimates of contingent assets and liabilities as the cases are in progress and may compromise the Department's legal position.

8.2.1 Contingent assets

The following contingent assets are excluded from the assets included in the financial statements

Litigation in progress

- There is contingent asset of around \$6.25M relating to land and recovery of rent / lease.
- Contingent benefits arising from other litigations in progress cannot be estimated at this time.

8.2.2 Contingent liabilities

The following contingent liabilities are excluded from the liabilities included in the financial statements:

Litigation in progress

- There is contingent liability of approximately \$6.36M in pending litigations.
- Other litigations in progress may have contingent liabilities that cannot be estimated at this time.

Native title claims

Crown land, administered by the Department, is subject to native title rights and interests. There is a potentially large, but as yet unquantified compensation liability for the State, relating to land transactions that constitute “future acts” under the *Native Title Act 1993* (Commonwealth) (NTA), and which have extinguished or affected native title rights and interests over specified parcels of land. Compensation may be claimed under the *Land Administration Act 1997* (LAA) or the NAT.

Contaminated sites

Under the *Contaminated Sites Act 2003*, the agency is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the agency may have a liability in respect of investigation or remediation expenses.

DWER approved a reporting program for DPLH under section 12 of the CSA for the systematic identification, inspection, reporting and treatment of suspected contaminated sites on Crown land. At the commencement of the program, there was approximately 10,000 suspected contaminated sites on unmanaged Crown land that required initial review and inspection by State Land Field Officers. Following this, DPLH determines whether the site requires further investigation and subsequent reporting to DWER as a suspected or known contaminated site. Contingent on availability of funding, DPLH then engages qualified environmental consultants and contaminated sites auditors, to undertake detailed site investigations and remediation as required. Following the Office of the Auditor General (OAG) report on the Management of Crown Land Site Contamination (June 2018), the section 12 reporting program is currently under review and revision by DPLH. The revised identification and reporting program should be agreed to by 31 December 2018. The extent of DPLH's liability can only be quantified as DWER progressively classifies sites under the program.

Under s29 and s32 of the CSA, DPLH (on behalf of the State) is the responsible agency for any orphaned contaminated sites and contaminated sites that are re-vested back to the State.

Per the MOU between DWER, DPLH and LandCorp, DPLH has transferred the Minim Cove Containment Cell reserve and is the proponent responsible for the EPA conditions imposed on the cell. Monitoring continues in accordance with the conditions.

During the 2017-2018 financial year, the Department reported eight (8) suspected contaminated sites to DWER. In total, 224 sites require formal investigation and have been classified by DWER as ‘possibly contaminated – investigation required’ and 31 sites require remediation or management and have been classified by DWER as ‘contaminated – remediation required’.

8.3 Fair value measurements

Assets measured at fair value:	Level 1	Level 2	Level 3	Fair value at end of period
2018	(\$000)	(\$000)	(\$000)	(\$000)
Land (Note 5.1)		88,709	19,997	108,706
Buildings (Note 5.1)		-	26,854	26,854
	-	88,709	46,851	135,560

There were no transfers between Levels 1, 2 or 3 during the current and previous periods.

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.

Non-current assets held for sale have been written down to fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices of comparable assets.

Fair value measurements using significant unobservable inputs (Level 3)

2018	Buildings (\$000)	Infrastructure (\$000)
Fair value at start of period	20,166	25,376
Additions		
Revaluation increments / (decrements) recognised in Profit or Loss	(168)	
Revaluation increments / (decrements) recognised in Comprehensive Income		1,737
Income		
Transfers from / (to) Level 2		
Disposals		
Depreciation Expense		(259)
Fair Value at end of period	19,998	26,854

Total gains or losses for the period include in profit and loss, under 'Other Gains'

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, buildings and infrastructure to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Land (Level 3 fair values)

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land). The relevant comparators of land with low level utility is selected by the Western Australian Land Information Authority (Valuations and Property Analytics) and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Buildings (Level 3 fair values)

Fair value for existing use specialised buildings assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Valuation using current replacement cost utilises the significant Level 3 input, consumed economic benefit/ obsolescence of asset which is estimated by the Western Australian Land Information Authority (Valuations and Property Analytics). 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.

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.

Amendments to AASB 136

Mandatory application of AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities has no financial impact for the Department as the agency is classified as not-for-profit and regularly revalues specialised property, plant and equipment assets. Therefore, fair value the recoverable amount of such assets is expected to be materially the same as fair value.

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

Description	Fair value 2018 (\$000)	Valuation Techniques	Unobservable Inputs
Land	19,997	Market approach	Selection of land with similar approximate utility
Buildings	26,854	Depreciated replacement cost	Consumed economic benefit / obsolescence of asset

9. OTHER DISCLOSURES

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	9.1
Future impact of Australian standards issued not yet operative	9.2
Key management personnel	9.3
Related party transactions	9.4
Related bodies	9.5
Affiliated bodies	9.6
Special purpose accounts	9.7
Remuneration of auditors	9.8
Equity	9.9
Supplementary financial information	9.10
Explanatory statement	9.11

9.1 Events occurring after the end of the reporting period

No information has become apparent after the end of the reporting period which would materially affect the financial statements.

9.2 Future impact of Australian Accounting Standards not yet operative

The Agency cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements' or by an exemption from TI 1101. Where applicable, the agency plans to apply the following Australian Accounting Standards from their application date.

AASB 9 Financial Instruments

This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.

The Department has assessed that recognition of expected credit losses will increase the amount of impairment losses recognised as Other expenses in the Statement of Comprehensive Income, and thus have an adverse impact on the agency's Surplus / (Deficit) for the period.

AASB 15 Revenue from Contracts with Customers

This Standard establishes the principles that the Department shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The mandatory application date of this Standard is currently 1 January 2019 after being amended by AASB 2016-7."

[The Department's income is principally derived from appropriations which will be measured under AASB 1058 and will be unaffected by this change. However, the Department has not yet determined the potential impact of the Standard on 'User charges and fees' and 'Sales' revenue. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the Department has discharged its performance obligations.]

AASB 16 Leases

This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

[Whilst the impact of AASB 16 has not yet been quantified, the Department currently has commitments for \$46.638M worth of non-cancellable operating leases which will mostly be brought onto the Statement of Financial Position. Interest and amortisation expense will increase and rental expense will decrease.]

AASB 1058 Income of Not-for-Profit Entities

This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an agency.

[The Department anticipates that the application will not materially impact appropriation or untied grant revenues.]

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 Int 2, 5, 10, 12, 19 & 127]

This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018.

[Other than the exposures to AASB 9 noted above, the Department is only insignificantly impacted by the application of the Standard.]

AASB 2014-1 Amendments to Australian Accounting Standards

Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards.

[These changes have no impact as Appendix E has been superseded and the Department was not permitted to early adopt AASB 9.]

AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15

This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018.

[The Department has not yet determined the application or the potential impact of the Standard.]

AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)

This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014).

[The Department has not yet determined the application or the potential impact of the Standard.]

AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15

This Standard amends the mandatory application date of AASB 15 to 1 January 2018 (instead of 1 January 2017). It also defers the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this Standard.

AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15

This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15.

[The Department has not yet determined the application or the potential impact when the deferred AASB 15 becomes effective from 1 January 2019].

AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities

This Standard defers, for not-for-profit entities, the mandatory application date of AASB 15 to 1 January 2019, and the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this standard.

AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities

This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.

9.3 Key management personnel

The Department has determined key management personnel to include cabinet ministers and senior officers of the Department. The Department does not incur expenditures to compensate Ministers and those disclosures may be found in the Annual Report on State Finances.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Department for the reporting period are presented within the following bands:

Compensation Band (\$)			2018
410,001	to	420,000	1
300,001	to	310,000	1
280,001	to	290,000	1
230,001	to	240,000	1
220,001	to	230,000	2
210,001	to	220,000	2
190,001	to	200,000	1
180,001	to	190,000	1
150,001	to	160,000	1
140,001	to	150,000	1
90,001	to	100,000	1
			2018
			\$000
Short term employee benefits			2,370
Post employment benefits			266
Other long term benefits			260
Total compensation of senior officers			2,896

Total compensation includes the superannuation expense incurred by the agency in respect of senior officers.

9.4 Related party transactions

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

Related parties of the agency include:

- all cabinet ministers and their 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 related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Significant Transactions with Government-related entities

In conducting its activities, the agency is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all agencies. Such transactions include:

- income from State Government (Note 4.1);
- equity contributions (Note 9.9);
- superannuation payments to GESB (Note 3.1(a));
- lease rentals payments to the Department of Finance (Government Office Accommodation and State Fleet) and the Housing Authority (Government Regional Officer Housing) (Note 3.3);
- insurance payments to the Insurance Commission and RiskCover fund (Note 3.3); and
- remuneration for services provided by the Auditor General (Note 9.8)."

Material transactions with other related parties

Outside of normal citizen type transactions with the agency, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

9.5 Related bodies

The Department had no related bodies during the financial year 2017-18.

9.6 Affiliated bodies

The Department had no affiliated bodies during the financial year 2017-18.

	2018
	\$000
9.7 Special purpose accounts	
Wittenoom Relocation Trust Account (b)	
The purpose of this account is to hold funds for the purpose of purchasing property in the Wittenoom town site, relocating residents, demolition and disposal of acquired property.	
Balance at start of period	2,562
Payments	(2)
Balance at end of period	2,560
Anketell Trust Account (a)	
The purpose of this account is to hold funds under the Anketell Indigenous Land Use Agreement.	
Balance at start of period	7,194
Receipts	11
Balance at end of period	7,205
Indian Ocean Territories Service Level Agreement (a)	
Balance at start of period	18
Receipts	620
Payments	(221)
Balance at end of period	416
<i>(a) Established under section 16(1)(c) of FMA.</i>	
<i>(b) Established under section 16(1)(d) of FMA.</i>	
9.8 Remuneration of auditors	
Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:	
Auditing the accounts, financial statements, controls and key performance indicators	329

	2018
	\$000
9.9 Equity	
Contributed equity	
Balance at start of period	-
<i>Contributions by owners</i>	
Capital appropriation	2,391
Other contributions by owners	220,489
Other contributions by owners	222,880
Asset revaluation surplus	
Balance at start of period	-
<i>Net revaluation increments</i>	
Buildings	1,737
Total asset revaluation	1,737
Accumulated surplus	
Balance at start of period	-
Result for the period	2,124
	2,124
Balance at end of period	226,741

	2018 \$000
9.10 Supplementary financial information	
(a) Write-off	
During the financial year, \$281K [\$2K DPLH and \$279K Administered] were written off the agency's trade debtor account under the authority of:	
The accountable authority	40
The Minister	241
	281
¹ This pertain to administered asset	
(b) Losses through theft, defaults and other causes	
The Department did not report any losses due to theft, defaults and other causes.	
(c) Gifts of public property	
The Department did not provide any gifts of public property.	
(d) Resources provided free of charge	
Department of Biodiversity, Conservation and Attractions	17
Department of Education	19
Department of Mines, Industry, Regulation and Safety	17
Department of Premier and Cabinet	29
Department of Transport	271
Department of Water and Environmental Regulation	21
Main Roads WA	4
Aboriginal Affairs Planning Authority	6,358
Total resources provided free of charge	6,736

9.11 Explanatory statement (Controlled Operations)

All variances between estimates (original budget) and actual results for 2018 are shown below. Narratives are provided for selected major variances, which are generally greater than:

- 5% and \$4.0M for the Statements of Comprehensive Income and Cash Flows; and
- 5% and \$4.9M for the Statement of Financial Position.

9.11.1 Statement of Comprehensive Income Variances

	Variance note	Estimate 2018	Actual 2018	Variance between estimate and actual
		\$000	\$000	\$000
Expenses				
Employee benefits expense	E 1	100,729	90,954	9,775
Supplies and services	E 2	56,771	44,126	12,645
Depreciation and amortisation expense		4,806	3,968	838
Impairment expense		-	157	(157)
Accommodation expenses		14,785	14,268	517
Grants and subsidies		12,909	11,420	1,489
Cost of sales		-	143	(143)
Other expenses		11,529	12,096	(567)
Total cost of services		201,529	177,132	24,397
Income				
Revenue				
User charges and fees	E3	1,092	9,297	(8,205)
Sales	E3	4,794	388	4,406
Commonwealth grants and contributions		-	943	(943)
Grants and subsidies		677	665	12
WAPC Service Delivery Agreement	E4	-	42,056	(42,056)
Other revenue	E4	51,483	3,630	47,853
Total revenue		58,046	56,979	1,067
Gains				
Gain on disposal of non-current assets		-	19	(19)
Total Gains		-	19	(19)
Total income other than income from State Government		58,046	56,998	1,048
NET COST OF SERVICES		143,483	120,134	23,349
Income from State Government				
Service appropriation	E5	115,311	108,727	6,584
Services received free of charge		9,245	8,724	521
Royalties for Regions Fund		6,807	4,807	2,000
Total income from State Government		131,363	122,258	9,105
SURPLUS/(DEFICIT) FOR THE PERIOD		(12,120)	2,124	(14,244)
OTHER COMPREHENSIVE INCOME				
Items not reclassified subsequently to profit or loss				
Changes in asset revaluation surplus		-	1,737	(1,737)
Total other comprehensive income		-	1,737	(1,737)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(12,120)	3,861	(15,981)

Major Estimate and Actual (2018) Variance Narratives

E1 Actual is \$9.8M less than estimate due to reduction of staff from voluntary targeted separation scheme (VTSS) savings.

E2 Actual is \$12.6M less than estimate due to delay in Wittenoom Townsite (\$3.4 M), Southwest Settlements (\$1.9 M), Strategic Planning Projects (\$1.5 M), Northampton project (\$1.5 M), Kariyarra Indigenous Land Use Agreement (ILUA) (\$1.3 M), and Bushfire Mitigation expenditure (\$1.5 M).

E3 Actual is \$3.8 (net) greater than estimate due to reclassification of sales to user charges and fees. Over achievement has also occurred within the Fremantle Prison tours and events, Developer Assessment Panel fees and Crown license fees.

E4 Actual is \$42.1M greater than estimate due to reclassification of other revenue to WAPC service delivery agreement income. Conversely, other revenue actual is lower by \$47.9M than estimate. Net deficit of \$5.8M is due to underspending in strategic planning projects (\$2.0M), DPLH overheads (\$0.8M) and property services (\$0.8M).

E5 Service appropriation is lower by \$6.6M than estimate as the draw down of funds relating to voluntary target separation were deferred.

9.11.2 Statement of Financial Position Variances

	Variance note	Estimate 2018	Actual 2018	Variance between estimate and actual
		\$000	\$000	\$000
ASSETS				
Current Assets				
Cash and cash equivalents		47,886	61,233	(13,347)
Restricted cash and cash equivalents		4,701	11,092	(6,391)
Inventories		-	82	(82)
Receivables		6,889	10,056	(3,167)
Amounts receivable for services		562	562	-
Other current assets		3,344	1,700	1,644
Total Current Assets		63,382	84,725	(21,343)
Non-Current Assets				
Amounts receivable for services		28,871	28,871	-
Property, plant and equipment		139,583	136,537	3,046
Intangible assets		12,612	8,841	3,771
Other non-current assets		584	-	584
Restricted cash and cash equivalents		606	656	(50)
Total Non-Current Assets		182,256	174,905	7,350
TOTAL ASSETS		245,638	259,630	(13,993)
LIABILITIES				
Current Liabilities				
Payables	E6	2,186	11,584	(9,398)
Provisions		17,640	16,335	1,305
Other current liabilities	E6	15,299	779	14,520
Total Current Liabilities		35,125	28,698	6,427
Non-Current Liabilities				
Employee related provisions		5,228	4,191	1,037
Other non-current liabilities		19	-	19
Total Non-Current Liabilities		5,247	4,191	1,056
TOTAL LIABILITIES		40,372	32,889	(5,370)
NET ASSETS		205,266	226,741	(8,622)
EQUITY				
Contributed equity		573,045	222,880	350,165
Reserves		252	1,737	(1,485)
Accumulated surplus/(deficit)		(12,120)	2,124	(14,244)
Other		(355,911)	-	(355,911)
TOTAL EQUITY		205,266	226,741	(21,475)

Major Estimate and Actual (2018) Variance Narratives

E6 The variances against actual are a result of re-classification of liabilities from other current to payables. The net variance of \$5.1M was due to deferral of compensation payments to following year.

9.11.3 Statement of Cash flows Variances

	Variance note	Estimate 2018	Actual 2018	Variance between estimate and actual
		\$000	\$000	\$000
CASH FLOWS FROM STATE GOVERNMENT				
Service appropriation		111,220	108,727	2,493
Capital appropriations		2,391	2,391	-
Holding account		625	-	625
Royalties for Regions Fund		6,807	4,807	2,000
Net cash provided by State Government		121,043	115,925	5,118
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee benefits		(100,082)	(98,260)	(1,822)
Supplies and services	E7	(48,182)	(34,074)	(14,108)
Accommodation		(14,280)	(14,268)	(12)
Grants and subsidies		(12,909)	(11,420)	(1,489)
GST payments on purchases		-	(1,006)	1,006
GST payments to taxation authority		-	(1,083)	1,083
Other payments	E8	(18,172)	(12,096)	(6,075)
Receipts				
Sale of goods and services	E9	5,626	245	5,381
User charges and fees	E9	1,092	7,688	(6,596)
Commonwealth grants and contributions		-	943	(943)
GST receipts on sales	E10	6,761	2,390	4,371
WAPC Service Delivery Agreement	E11	-	42,056	(42,056)
Grants and subsidies		677	471	206
Other receipts	E11	50,659	3,630	47,029
Net cash provided by/(used in) operating activities		(128,810)	(114,785)	(14,025)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments				
Purchase of non-current assets	E12	(9,389)	(3,502)	(5,887)
Receipts				
Proceeds from sale of non-current assets		-	25	(25)
Cash flows from investing activities		(9,389)	(3,477)	(5,912)
Net increase / (decrease) in cash and cash equivalents		(17,156)	(2,337)	(14,819)
Cash and cash equivalents at the beginning of the period		70,349	75,318	(4,969)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		53,193	72,981	(19,788)

Major Estimate and Actual (2018) Variance Narratives

E7 Actual is \$14.1M lower than estimate due to delay in Wittenoom Townsite (\$3.4 M), Southwest Settlements (\$1.9 M), Strategic Planning Projects (\$1.5 M), Northampton project (\$1.5 M), Kariyarra ILUA (\$1.3 M), and Bushfire Mitigation expenditure (\$1.5 M).

E8 Actuals is \$6.1M under estimate due to timing of compensation payments.

E9 The variance is due to reclassification of sales to user charges and fees. The net variance of \$1.2M is the result of higher than expected revenue from Fremantle Prison tours and events, Developer Assessment Panel fees and Crown license fees.

E10 GST actuals is \$4.4M under estimate due to inclusion of out of scope revenue in the estimate.

E11 Actual is \$42.1M greater than estimate due to reclassification of other revenue to WAPC service delivery agreement income. Conversely, other revenue actual is lower by \$47.0M than estimate. Net deficit of \$5.1M is mainly due to underspending in strategic planning projects (\$2.0 M), DPLH overheads (\$0.8M) and property services (\$0.8M).

E12 Actual \$5.9M is under estimate due to re-profiling of various information technology projects and deferral of expenditure to the 2018-19 financial year.

10. ADMINISTERED DISCLOSURES

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

Disclosure of administered income and expenses	10.1
Explanatory statement for administered items	10.2
Administered assets and liabilities	10.3

	2018 \$000
10.1 Disclosure of administered income and expense	
Income	
For transfer:	
Sale of land (b)	22,565
Rent revenue	23,602
Regulatory fees and charges	1,588
Asset transfers (a)	10,328
Other revenue	334
Total administered current assets	58,417
Expenses	
Employee expenses	702
Supplies and services	823
Revaluation decrement	64,197
Depreciation	3,648
Cost of goods sold (b)	56,966
Payments to Consolidated Account (c)	48,429
Other expenses	1,756
Total administered expenses	176,521
(a) This relates to assets (mainly land) transferred in from the following agencies:	
Department of Communities	132
Burswood Park Board	170
WA Police	7,350
Local Government authorities	1,730
Other	946
	10,328

	2018 \$000
(b) Sale of administered Crown land is reported as a net loss on disposal of fixed assets as outlined below:	
Proceeds from disposal of land	22,565
Cost of disposal of land (at fair value less cost to sell)	(56,966)
Net loss	(34,401)
(c) This reflects Crown land lease and sale proceeds that were transferred to the State Government Consolidated Accounts during the year.	

10.2 Explanatory Statement for Administered Items

All variances between estimates (original budget) and actual results for 2018 are shown below. Narratives are provided for key major variances, which are generally greater than 5% and \$1.2 million.

	Variance note	Estimate 2018 \$000	Actual 2018 \$000	Variance between estimate and actual \$000
Income				
For transfer:				
Sale of land	A	39,797	22,565	17,232
Rent revenue	B	17,296	23,602	(6,306)
Regulatory fees and charges	C	-	1,588	(1,588)
Asset transfers	D	-	10,328	(10,328)
Other revenue	C	1,569	334	1,235
Total administered income		58,662	58,417	245
Expenses				
Employee expenses		937	702	235
Supplies and services	E	-	823	(823)
Revaluation decrement	F	-	64,197	(64,197)
Depreciation	E	-	3,648	(3,648)
Cost of goods sold	A	-	56,966	(56,966)
Payments to Consolidated Account	G	68,588	48,429	20,159
Other expenses	E	9,340	1,756	7,584
Total administered expenses		78,865	176,521	(97,656)

Major Estimate and Actual (2018) Variance Narratives

- A Actual land sales are \$17.2M below estimate and cost of goods sold is \$57.0M higher than estimate resulting from asset transfers at no cost.
- B Actual is \$6.3M above estimate due to better than expected lease income received.
- C Variance is due to reclassification, net variance of \$0.4M is immaterial.
- D The variance of \$10.3M relates to asset transfers from various agencies, refer to note 10.1a.
- E Variance is due to reclassification, net variance of \$3.1M is primarily due to no grants issued in the current year.
- F Increase of \$64.2M is due to unbudgeted decrement classification on adjustment of carrying value of assets to the fair value per Valuer General Office report.
- G Decrease of \$20.2M is due to reduced land sales receipts.

	2018
	\$000
10.3 Administered assets and liabilities	
Current assets	
Cash and cash equivalents	28,441
Receivables	649
Land classified as held for sale (a)	7,776
Total administered current assets	36,866
Non-current assets	
Land at fair value (b)	3,068,507
Buildings at fair value	8,341
Infrastructure	126,296
Easements at fair value	18,550
Total administered non-current assets	3,221,694
TOTAL ADMINISTERED ASSETS	3,258,560
Current liabilities	
Payables	1,334
Employee provisions	68
Refundable deposits	1,720
Other liabilities	7
Total Administered Current Liabilities	3,129
Non-Current Liabilities	
Employee provisions	15
Other non-current liabilities	1,868
Total Administered Non-Current Liabilities	1,883
TOTAL ADMINISTERED LIABILITIES	5,012

(a) Crown Land administered by the Department and identified for sale within the next 12 months is reported as current asset held for sale.

(b) Notes to the Schedules of Administered Items - Land values

Land is measured at fair value based on independent valuations provided by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2018 and recognised at 30 June 2018.

Fair value has been determined on the basis of current market value where an active market exists or current use where no market exists and/or the current land use if specialised in nature. Revaluations are made with sufficient regularity to ensure that the carrying value of land does not differ materially from its fair value at reporting date

Valuation Services, the Office of the Auditor General and the Department of Treasury assessed the valuations globally to ensure that the valuations provided (as at 1 July 2017) were compliant with fair value at 30 June 2018.

CERTIFICATION OF KEY PERFORMANCE INDICATORS

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department of Planning, Lands and Heritage's performance, and fairly represent the performance of the Department of Planning, Lands and Heritage for the reporting year ended 30 June 2018.



Gail McGowan
DIRECTOR GENERAL
Department of Planning, Lands and Heritage

3 September 2018

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John Deery
CHIEF FINANCE OFFICER
Department of Planning, Lands and Heritage

3 September 2018

DPLH DESIRED OUTCOME AND KEY PERFORMANCE INDICATORS

For the year ended 30 June 2018

The department is responsible for planning and managing land and heritage for all Western Australians – now and into the future. In this way the department contributes to the Government's goals outlined below.

Government Goal	Desired Outcomes	Services
Better Places A quality environment with liveable and affordable communities and vibrant regions	An effective and efficient planning system that supports the development of well-planned communities in Western Australia	1. Integrated land and infrastructure policy development
	The State's land asset is managed responsibly	2. Land accessibility planning and policy development
	Security of Land Tenure	3. Land asset management
Sustainable Finances Responsible financial management and better service delivery	Optimise the value of the State's land assets	4. Crown Land Administration
		5. Native Title administration
Better Places A quality environment with liveable and affordable communities and vibrant regions	Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations	6. Preparation for Sale of State-owned Land Assets
	Cultural heritage management for community education and appreciation	7. Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia
	Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community	8. Community Engagement in Cultural Heritage
	Better utilisation of the Aboriginal Lands Trust Estate to achieve shared social and economic outcomes	9. Heritage Management
		10. Land Management

OUTCOME AND KEY EFFECTIVENESS INDICATORS

DPLH Desired Outcome:

An effective and efficient planning system that supports the development of well-planned communities in Western Australia

Effectiveness Indicator:

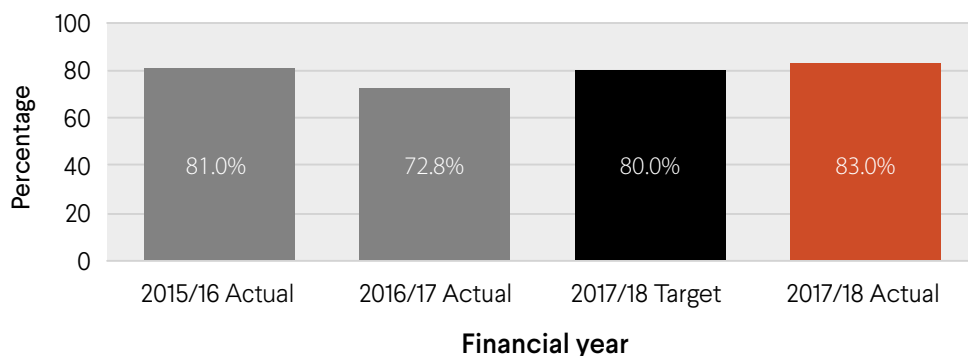
The % of subdivision applications determined within the statutory timeframe

Subdivision is the division of land into separate lots, but also includes the amalgamation of several lots into a larger lot. Subdivisions, for the purpose of this measure, include green title and survey strata subdivisions. Various officers in the Department of Planning, Lands and Heritage

(the department) have the delegated authority to determine subdivision applications on behalf of the Western Australian Planning Commission (WAPC).

Subdivision applications are determined within strategic, legislative and policy frameworks that support the sustainable development of well-planned communities in Western Australia. In 2017/18, the department determined 2,774 subdivision applications. This KPI demonstrates the department's effectiveness in determining subdivision applications within the statutory timeframe. The statutory timeframe is currently 90 days as specified in section 143(2) of the *Planning and Development Act 2005*, or within any such longer period that may be agreed between the WAPC and the applicant in writing.

The percentage of subdivision applications determined within the statutory timeframe



Explanation for significant variance

The 2017/18 result is 10.2% better than that achieved the previous financial year due mainly to improvements in the processes for managing deferred applications.

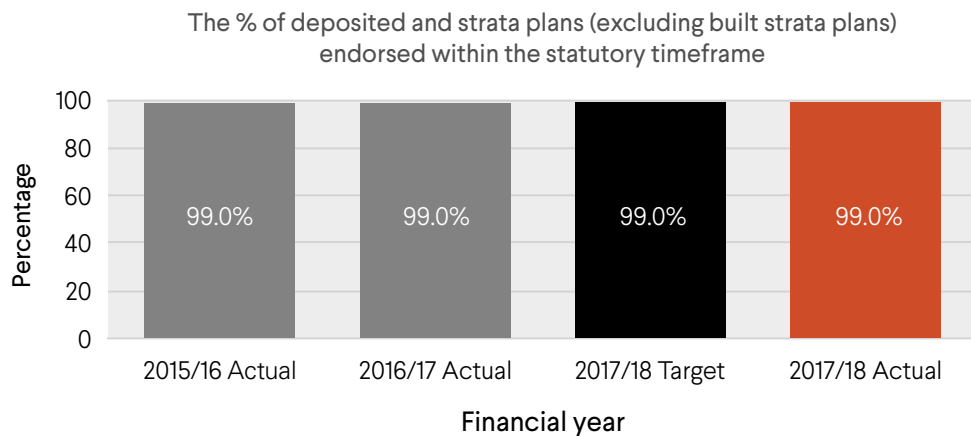
Effectiveness Indicator:

The % of deposited and strata plans (excluding built strata plans) endorsed within the statutory timeframe

Various officers in the department have the delegated authority to endorse deposited and strata plans on behalf of the WAPC.

A deposited plan defines the boundaries of a green title lot of land while a strata plan contains a detailed pictorial description of lots within a strata arrangement. Deposited plans are endorsed within strategic, legislative and policy frameworks that support the sustainable development of well-planned communities in Western Australia. In 2017/18, the department endorsed 2,892 deposited and strata plans.

This KPI demonstrates the department's effectiveness in reviewing and endorsing deposited and strata plans within the statutory timeframe. Built strata plans have been excluded from this KPI as they have been delegated to Local Government. Under section 145(5) of the *Planning and Development Act 2005* the department is to try to deal with these applications within 30 days or within such longer period that may be agreed in writing between the Commission and the applicant.



Effectiveness Indicator:

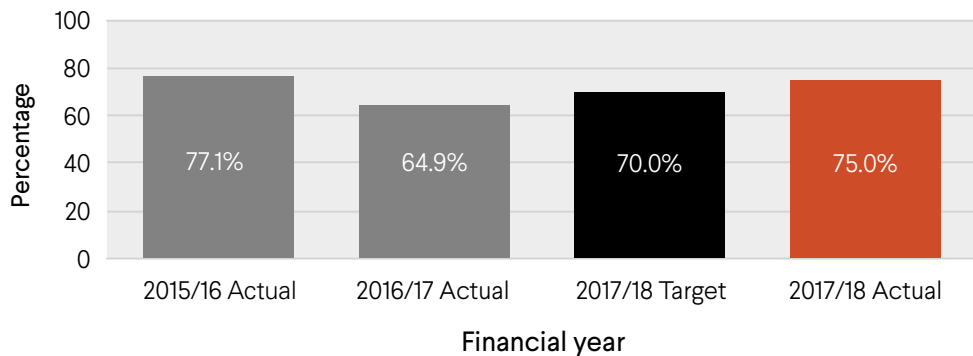
The % of development applications determined within the statutory timeframe

Various officers in the Department of Planning, Lands and Heritage (the department) have the delegated authority to determine development applications on behalf of the Western Australian Planning Commission (WAPC).

Development applications detail the proposed development of land, and they are determined within strategic, legislative and policy frameworks that support the sustainable development of well-planned communities in Western Australia. In 2017/18, the department determined 474 development applications.

This KPI demonstrates the department's effectiveness in determining development applications within the required timeframe. The required timeframe is 60 days for the metropolitan region as specified in clause 31(2) of the Metropolitan Region Scheme Text. For the Greater Bunbury and Peel regions, the required timeframe is 90 days as stated in clause 47(2) of the *Greater Bunbury Region Scheme Text* and clause 41(2) of the *Peel Region Scheme Text*.

The % of development applications determined within the statutory timeframe



Explanation for significant variance

The 2017/18 result is 10.1% better than that achieved the previous financial year due mainly to improvements in the processes for managing deferred applications.

Effectiveness Indicator:

The % of finalised appeals (excluding DAPs) that are not upheld on review by the State Administrative Tribunal

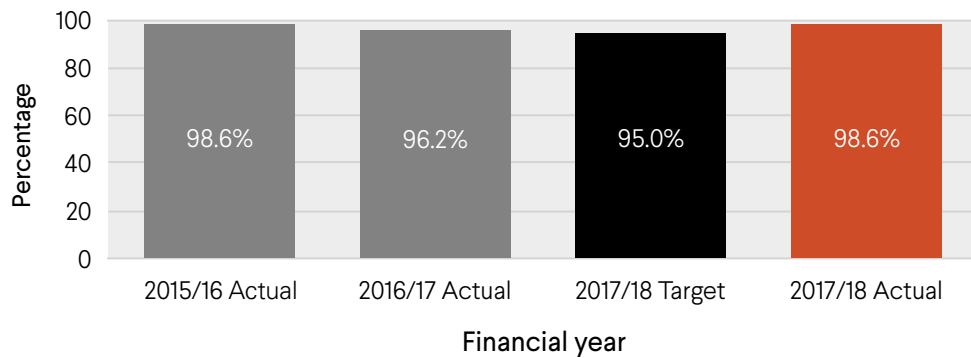
Various officers in the department have the delegated authority to determine or endorse statutory planning applications on behalf of the WAPC. In addition, these officers make recommendations to the WAPC in relation to statutory applications.

Under legislation, applicants have the right to appeal decisions that are made by the department and the WAPC. The percentage of appeals that are finalised in favour of the decisions made by the department and/or the WAPC (i.e., not upheld) on review by the State Administrative Tribunal (SAT) provides an indication of how effective planning policies have been applied by the department in making those decisions under delegated authority or formulating

recommendations to the WAPC. Where a determination is successfully challenged by demonstrating flaws in the department's decision making or application of policy, additional costs may be incurred by both the developer and subsequently by land purchasers.

Appeals relating to Development Assessment Panel (DAP) applications are excluded from this KPI as those determinations are made by the DAPs under delegated authority. While the department provides administrative support for the DAPs, the decisions made by DAPs are independent of the department and the WAPC.

The % of finalised appeals (excluding DAPs) that are not upheld on review by the State Administrative Tribunal



Effectiveness Indicator:

The % of Local Planning Scheme (LPS) amendments processed by the department under delegated authority and submitted to the Minister within the statutory timeframe:

- Basic (42 days)
- Standard (60 days)

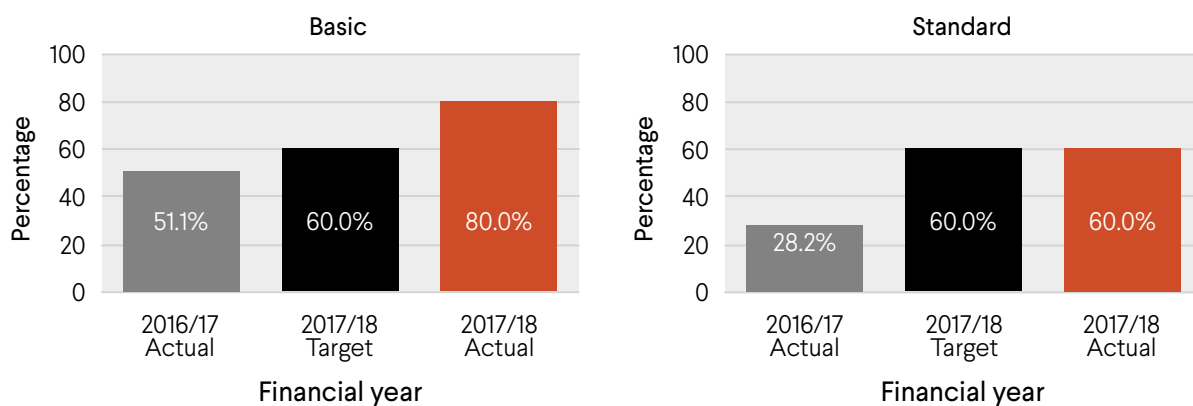
Local Planning Scheme amendments are processed within strategic, legislative and policy frameworks that support the sustainable development of well-planned communities in Western Australia. Local planning schemes outline how land is to be used and developed, classify areas for land use and include provisions to coordinate regional infrastructure (traditional and community) in a locality through Development Contribution Plans. Section 75 of the *Planning and Development Act 2005* provides for the amendment of Local Planning Schemes, and this KPI demonstrates the department’s effectiveness in processing amendments to local planning schemes within the statutory timeframes.

Unless a longer period is approved by the Minister, the department must consider the amendment, make any recommendations to the Minister, and submit the documents and recommendations to the Minister:

- Within 60 days for standard Local Planning Scheme amendments in accordance with section 55 of the Planning and Development (Local Planning Scheme) Regulations 2015; and
- Within 42 days for basic Local Planning Scheme amendments in accordance with section 60 of the Planning and Development (Local Planning Scheme) Regulations 2015.

In 2017/18, the department processed 25 Basic LPS amendments and 144 Standard LPS amendments.

The % of Local Planning Scheme (LPS) amendments processed by the department under delegated authority and submitted to the Minister within the statutory timeframe



Explanation for significant variance

The improved performance this financial year is due to the clearance of the outstanding backlog of LPS amendments, which has provided more opportunity for the department to better manage new applications within the statutory timeframe.

Effectiveness Indicator:

The % of DAP applications that are determined within the statutory timeframe

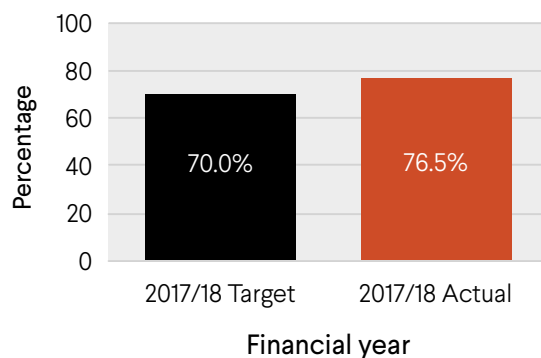
The Department provides coordination and secretariat services to DAPs, which were established in 2011 under the Planning and Development (Development Assessment Panels) Regulations 2011. As a key component of planning reform in Western Australia, DAPs are intended to enhance planning expertise in decision making by improving the balance between technical advice and local knowledge.

DAP applications are determined within strategic, legislative and policy frameworks that support the development of well-planned communities in Western Australia. Under the DAP regulations, each DAP will determine development applications that meet set type and value thresholds as if it were the responsible authority under the relevant planning instrument, such as the local planning scheme or region planning scheme. The DAP regulations state that DAP applications cannot be determined by local government or the WAPC.

Under the regulations, a DAP, unless otherwise agreed to in writing between the applicant and responsible authority, is to take no more than 60 days after receipt of an application to make a decision, or 90 days if the proposal is subject to public advertising. The overall process from the receipt of a DAP application to a DAP decision involves local government, the department planners on occasions, the DAP Secretariat, and the DAP itself.

As this is a new KPI for the department, no comparatives are available for previous financial years.

The % of DAP applications that are determined within the statutory timeframe



DPLH Desired Outcome: The State's land asset is managed responsibly

Effectiveness Indicator:

Percentage of unmanaged Crown land in the State of Western Australia

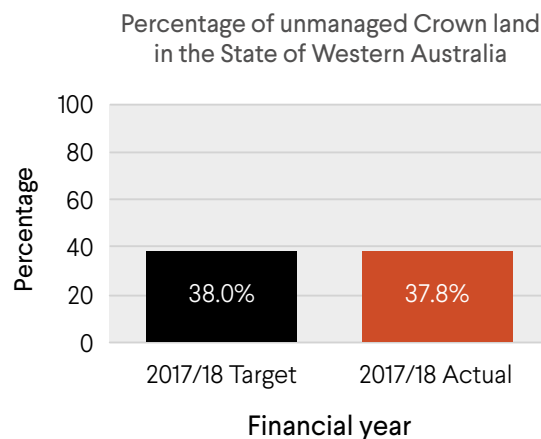
This effectiveness indicator is a measure of how the department is meeting the desired outcome of the State's land asset being managed responsibly.

The department ensures that the State's land asset is managed responsibly to the benefit all Western Australians by ensuring that a large percentage of Crown land is managed either by way of a lease, management order (managed reserve), or other means.

This effectiveness indicator provides information to stakeholders that the department is working towards ensuring that the State's Crown land asset is managed responsibly to optimise its value and reduce risk mitigation. Management of the land by third parties assists in reducing the economic costs of maintaining Crown land for the government.

Un-managed Crown Land as a percentage of the total land in the State of WA should reduce as a result of the effectiveness of the department to either provide management or freehold over Crown land.

As this is a new KPI for the department, no comparatives are available for previous financial years.



Effectiveness Indicator:

Percentage of rent reviews implemented by the recent review date

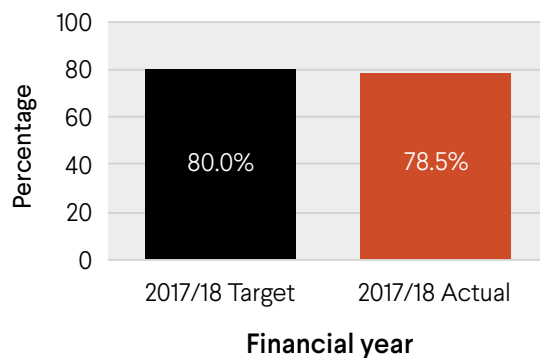
The percentage of rent reviews implemented by the rent review date in the lease agreement provides an indicator of the department's effectiveness in managing the State's land asset by ensuring that the Government is receiving the best value outcome for leased land.

Most leases over Crown land contain a clause allowing for a review of rent on a regular basis. Generally this is every three years, although all Pastoral leases are reviewed every five years.

This indicator demonstrates to stakeholders that the department is meeting its requirements to manage the State's land asset effectively and optimising the return to Government. It also assists the department to effectively manage the service level agreement with Landgate, who under the agreement is responsible for providing the valuations for rent reviews.

As this is a new KPI for the department, no comparatives are available for previous financial years.

Percentage of rent reviews implemented by the recent review date



DPLH Desired Outcome: Security of Land Tenure

Effectiveness Indicator:

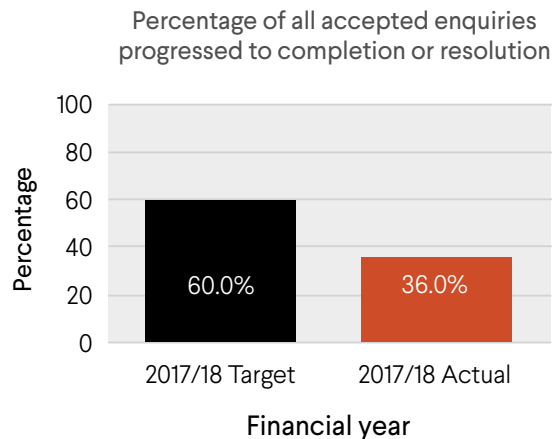
Percentage of all accepted enquiries progressed to completion or resolution

This effectiveness indicator is intended to provide information to internal and external stakeholders on the progress of the desired outcome – security of land tenure.

An “accepted enquiry” for the purposes of this measurement is an enquiry that results in a Prompt job being raised. Completed enquiries are measured once the Prompt job has been completed and closed. Acceptance indicates that it has been reviewed by the Assessment team and progressed to Delivery (Statutory Approvals) or Case Management (Crown land applications).

This indicator tracks all open enquiries closed during the year, regardless of when they were opened. As such, some jobs will cross over into different financial years.

As this is a new KPI for the department, no comparatives are available for previous financial years.



Explanation for significant variance

The target for 2017/18 was based on the premise that the department would implement an electronic workflow management system to improve the processing of all accepted enquiries. The implementation of this system has now been rescheduled to be released in mid-2018/19, at which time we will prioritise the closing of current cases to support the implementation of the system.

Effectiveness Indicator:

Number of challenges to provision of tenure

This indicator measures the department's effectiveness at providing security of tenure by tracking the number of challenges to tenure received. A "challenge" is a formal process challenging the validity of tenure granted over Crown land by an action taken by the department.

This measure includes all challenges to tenure under the *Land Administration Act 1997*, as well as, Native Title challenges whether they are successful or not. Nil challenges in any year indicate that the department is effective in providing security of land tenure.

It demonstrates that the processes taken to secure tenure over Crown land are robust and will give stakeholders confidence the department is providing security of tenure while administering the State's land assets.

	2016/17 Actual	2017/18 Target	2017/18 Actual
Number of challenges to provision of tenure	0	0	0

Effectiveness Indicator:

Percentage of new Crown land applications assessed for Native Title

This effectiveness indicator is a measure of how the department is meeting the desired outcome of security of land tenure in relation to Native Title. The department is responsible for the security of land tenure and Native Title under the *Native Title Act 1993* and section 104 of the *Land Administration Act 1997*.

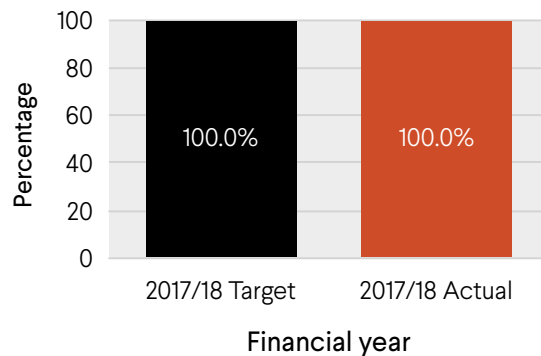
Assessment of each new Crown land application for Native Title ensures that Native Title is addressed and appropriate processes followed, prior to any changes in tenure being registered and security of tenure provided.

Operational teams carry out Native Title actions as part of assessing and managing new Crown land applications. It is important that the department assesses all new Crown land applications for Native Title, and with continuing changes to the way Native Title is administered, including decisions from Courts in relation to Native Title rights, and compensation, there is an ongoing need for monitoring, research and legislative interpretation.

Security of land tenure is provided by dealing with native title appropriately depending on the use and type of tenure proposed, and may include the payment/settlement of compensation to any affected parties who hold determined Native Title rights and interests. This is a material area of the State's interests.

As this is a new KPI for the department, no comparatives are available for previous financial years.

Percentage of new Crown land applications assessed for Native Title



DPLH Desired Outcome: Optimise the value of the State's land assets

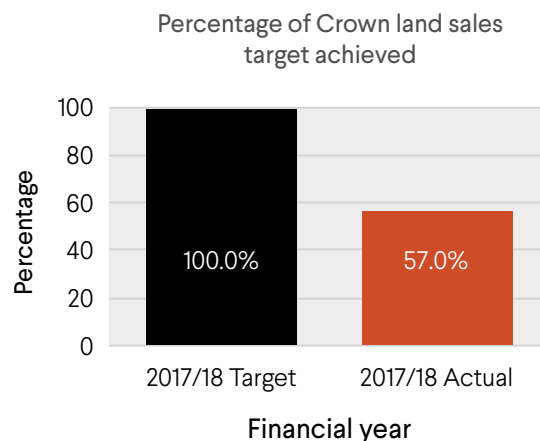
Effectiveness Indicator:

Percentage of Crown land sales target achieved

Land sales are a high priority to the State and to the department. This indicator demonstrates the department's effectiveness in achieving the annual land sales target.

The land sale target is reviewed and adjusted throughout the year depending on market conditions, and other external factors. Demonstrating this indicator as a percentage of the target achieved, shows that the department is focused on meeting its targets.

As this is a new KPI for the department, no comparatives are available for previous financial years.



Explanation for significant variance

In late 2017, the department advised of a forecast outturn of \$19.3 million this financial year via the 2018/19 budget process. The reduction from the original target of \$39.8 million is attributed to delays and uncertainty regarding the disposal of a significant land holding to the Housing Authority referred to as the 'Bentley Regeneration Precinct' (indicatively valued around \$20 million). Protracted negotiations with the City of Canning regarding the revocation of its Management Orders over the land has prevented disposal to the Department of Communities - Housing from proceeding as planned.

In 2017/18, the Crown land sales totalled \$22.6 million, which was above the forecast outturn approved at the mid-term review.

DPLH Desired Outcome:
Quality advice and support to the Heritage Council of Western Australia and the Minister for Heritage to promote and deliver the conservation of cultural heritage places in Western Australia, for the benefit of present and future generations

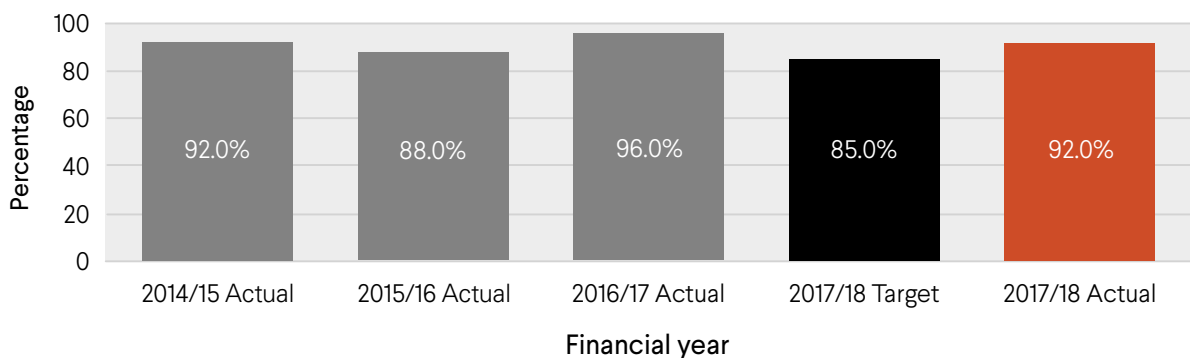
Effectiveness Indicator:

The Minister for Heritage's satisfaction with the services provided by the department

The department supports the Minister for Heritage in administering the *Heritage of Western Australia Act 1990*, including identifying, celebrating and promoting the conservation and sensitive development of cultural heritage places in Western Australia.

This KPI illustrates the Minister's satisfaction with the work of the department and includes the quality of items relating to the Heritage Act, briefing notes, Parliamentary questions, ministerials, events, speech notes, media releases etc., and the extent that outputs meet Ministerial and government objectives. The KPI is measured through an annual survey.

The Minister for Heritage's satisfaction with the services provided by the department



Effectiveness Indicator:

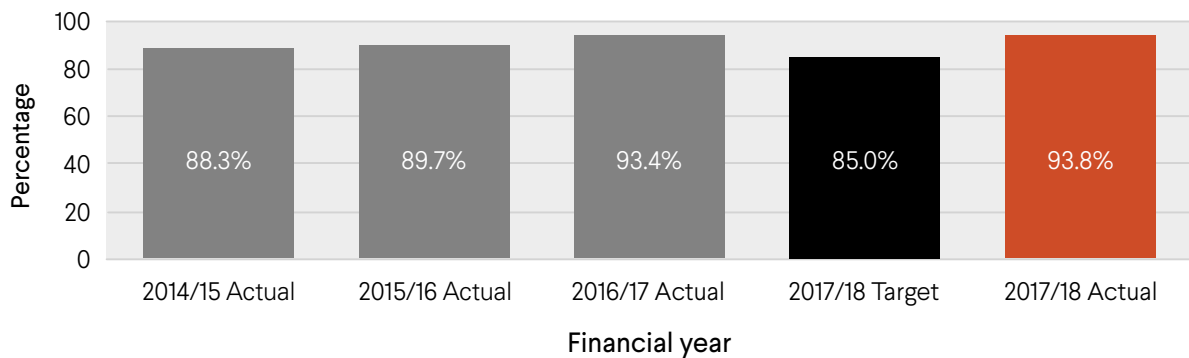
The Heritage Council of Western Australia's satisfaction with the services provided by the department

The department supports the Heritage Council of Western Australia (HCWA) in administering the *Heritage of Western Australia Act 1990*, including identifying, celebrating and promoting the conservation and sensitive development of cultural heritage places in Western Australia.

This KPI illustrates the HCWA's satisfaction with the work of the department and includes the quality and timeliness of agenda items relating to the Heritage Act and other relevant HCWA policies and standards such as the Burra Charter, as well as governance and performance reporting, the extent to which outputs meet HCWA goals and objectives, corporate communications and expenditure reporting. This KPI is measured by three surveys delivered to the Board and its Committees.

At the end of three committee meetings held during the year, HCWA and Committee members are surveyed via an online survey. Only those in attendance are required to complete the survey. Fifty-four of a possible 69 responses was received providing a confidence level of 95% with a margin of error of $\pm 6.3\%$.

The Heritage Council of Western Australia's satisfaction with the services provided by the department



DPLH Desired Outcome: Cultural heritage management for community education and appreciation

Effectiveness Indicator:

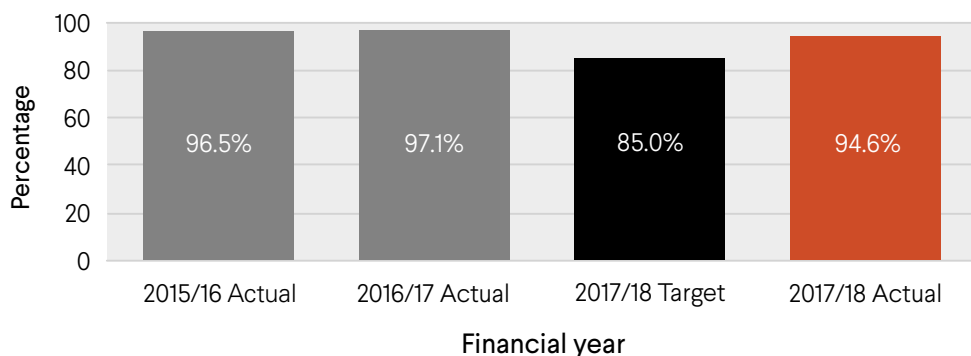
Visitors to Fremantle Prison's satisfaction with the services provided by the department

Fremantle Prison is one of Western Australia's most fascinating and significant cultural attractions. In 2010, Fremantle Prison became the first building in Western Australia to be included on the World Heritage list. Its inscription on the World Heritage list was part of a serial nomination with ten other Australian Convict Sites. Under the guidance of the Heritage Council, the department's vision is to preserve the heritage values of the Fremantle Prison Precinct through conservation and community engagement. The department aims to do this by being one of Western Australia's premier destinations for tourism, cultural and educational activities, among other things.

This KPI is measured by surveys of visitors, and illustrates visitors' satisfaction with the work of the department in delivering heritage education and appreciation activities at Fremantle Prison.

All visitors entering the Fremantle Prison gates were able to complete satisfaction surveys in hard copy until mid-October 2017 and Touchpads thereafter. In 2017/18, over 1,471 visitors completed surveys, from a total visitation of 191,387 visitors, resulting in a confidence level of 95% with a margin of error of $\pm 2.5\%$.

Visitors to Fremantle Prison's satisfaction with the services provided by the department



DPLH Desired Outcome:
Achieving the right balance between development and protection to ensure economic opportunities are leveraged to the benefit of the whole community

Effectiveness Indicator:

Percentage of direct stakeholders satisfied with the services related to the management of Aboriginal heritage

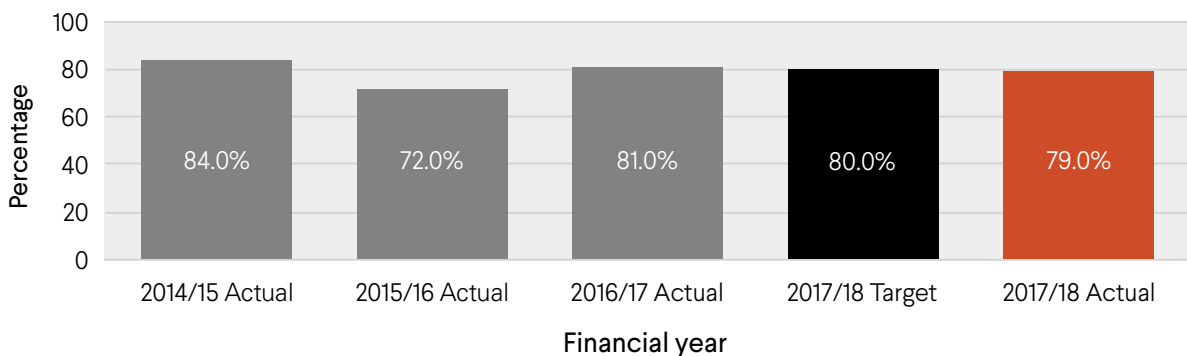
The department is responsible for administering the *Aboriginal Heritage Act 1972* (AHA), which includes support for the Aboriginal Cultural Material Committee (ACMC), provision of advice on matters relating to Aboriginal heritage, processing of statutory approvals, administration of the heritage sites register, as well as research and heritage compliance activities.

This indicator provides an assessment of the level of satisfaction of direct stakeholders with these services, and is an important measure of the department's effectiveness in achieving the right balance between:

- development, which leads to the delivery of economic benefits for Western Australians; and
- the protection of Aboriginal heritage, which will ensure that it is preserved for the future enjoyment of both Aboriginal people and the wider community.

A total of 59 respondents from a database of 71 stakeholders participated in the survey, yielding an 83% participation rate that provides a confidence level of 95% with a maximum margin of error of ±5.3%. The survey sample comprised 37% from government agencies, 24% from Aboriginal organisations, 7% from community/not for profit organisations and 32% from commercial.

Percentage of direct stakeholders satisfied with the services related to the management of Aboriginal heritage



DPLH Desired Outcome:
Better utilisation of the Aboriginal Lands Trust Estate to achieve shared social and economic outcomes

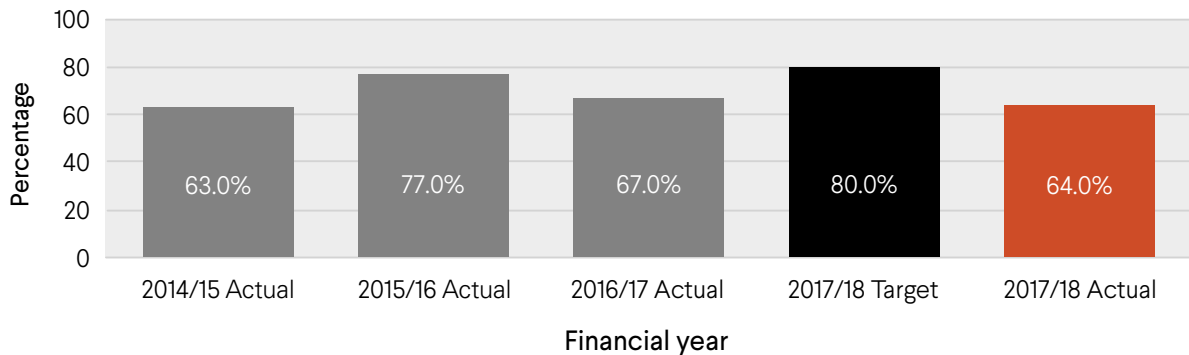
Effectiveness Indicator:

Percentage of direct stakeholders satisfied with the services related to the management of the Aboriginal Lands Trust Estate

The department undertakes activities and provides services related to the management of Aboriginal Lands Trust (ALT) estate, including support for the ALT Board, provision of advice on matters relating to ALT estate, processing of land access approvals, assistance with the operational management and development of land, management of strategic initiatives in accordance with the ALT strategic plan, and facilitating the transfer of land to Aboriginal people.

This indicator provides an assessment of the level of satisfaction of direct stakeholders with these services, indicating the department's effectiveness in better utilising the ALT estate to achieve shared social and economic outcomes. A total of 37 respondents from a database of 55 stakeholders participated in the survey, yielding a 67% participation rate that provides a confidence level of 95% with a maximum margin of error of ±9.4%. The survey sample comprised 30% from government agencies, 51% from Aboriginal organisations, 8% from not for profit/ community and 11% from commercial.

Percentage of direct stakeholders satisfied with the services related to the management of the Aboriginal Lands Trust Estate



Explanation for significant variance

The target of 80% satisfaction was established to bring uniformity to the performance goals of the Aboriginal Lands and Aboriginal Heritage outcomes. In 2017/18 stakeholder satisfaction regarding the services related to the management of the ALT estate fell short of the target by 16%. During the year, remediation of health and safety risks on ALT estate was prioritised, however the ability to assist with remediation is limited compared to the overall demand, and only the highest priority risks were addressed. Despite the significant increase in activity in this regard, the overall demand for remediation and significant risk mitigation works on ALT estate has also increased, resulting in a decline in stakeholder satisfaction. Through the survey, stakeholders expressed opportunities for improvement in communication, direct engagement and clarity of the department's responsibility and capacity in managing ALT estate.

DPLH SERVICES:

Service 1 Integrated land and infrastructure policy development

Efficiency Indicator:

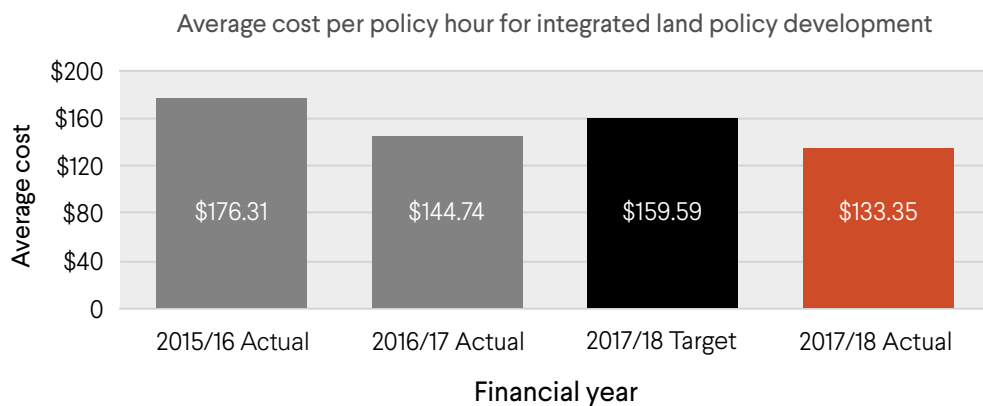
Average cost per policy hour for integrated land policy development

The department's expenditure on "Integrated land and infrastructure policy development" covers a wide range of activities that impact on the entire population of Western Australia. These include the:

- State Planning Strategy;
- Regional Planning Strategies and Frameworks;
- State Planning Policies; and
- coordination of infrastructure priorities.

The frameworks, policies and strategies, etc. are developed in consultation with numerous agencies, stakeholders and community groups. When they are applied in determining planning applications, they serve to ensure that decisions are made in the best interest of the community.

This KPI measures the average cost per hour of time spent by the department on integrated land and infrastructure policy development.



Explanation for significant variance

The significant variance is due predominantly to the total cost of service attributed to integrated land policy development being 10.8% below the original estimate, while the total hours attributed to this service in 2017/18 was 4.7% greater than the original estimate.

Service 2 Land accessibility planning and policy development

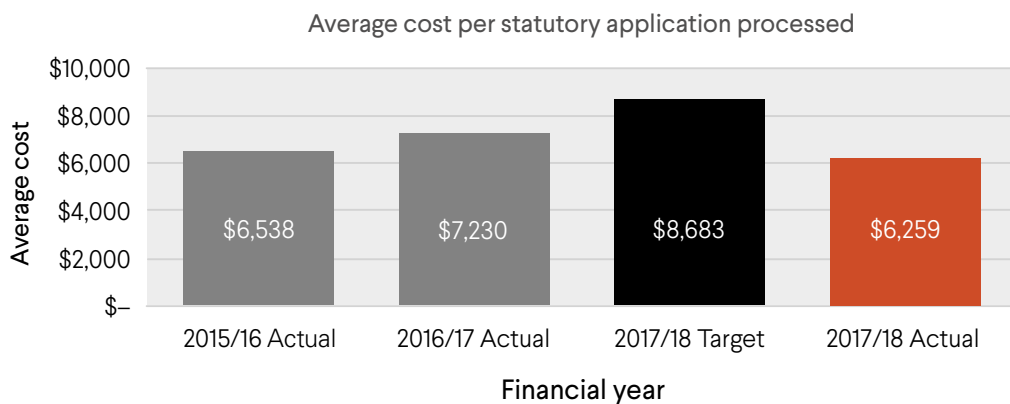
Efficiency Indicator:

Average cost per statutory application processed

Statutory applications are determined under delegated authority by the department's officers on behalf of the WAPC. They include:

- Subdivision applications;
- Deposited plans;
- Development applications;
- Structure plans; and
- Local planning schemes and local planning scheme amendments.

This KPI measures the average cost of service associated with "Land accessibility planning and policy development" per statutory application processed.



Explanation for significant variance

In 2017/18 the department processed a total of 6,339 statutory applications. This was 14% greater than the number the department had originally estimated for the budget papers. In addition, the total cost of service for 2017/18 was 18% lower than the department's original estimate.

Service 3 Land asset management

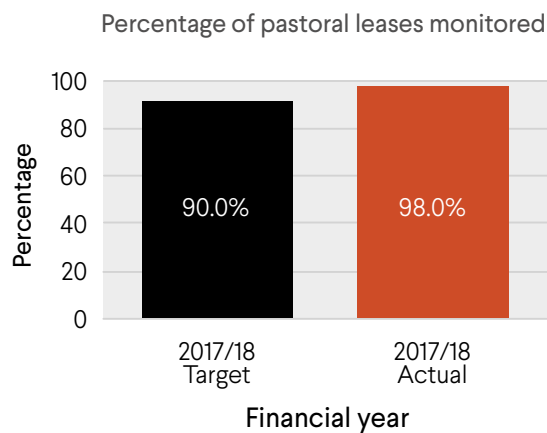
Efficiency Indicator:

Percentage of pastoral leases monitored

This efficiency indicator measures the number of pastoral stations monitored against the total number of pastoral stations and provides information to stakeholders on how efficiently the department is meeting its statutory requirements, by ensuring that the State's land asset is managed responsibly. The Minister for Lands and the Pastoral Lands Board are responsible for ensuring lessees meet their obligations and that pastoral land is managed in an economically sustainable manner.

Looking after the rangeland is integral to pastoral land management and pastoral lessees are obliged to sustainably manage the rangeland in a way that promotes pastoral potential.

As this is a new KPI for the department, no comparatives are available for previous financial years.



Efficiency Indicator:

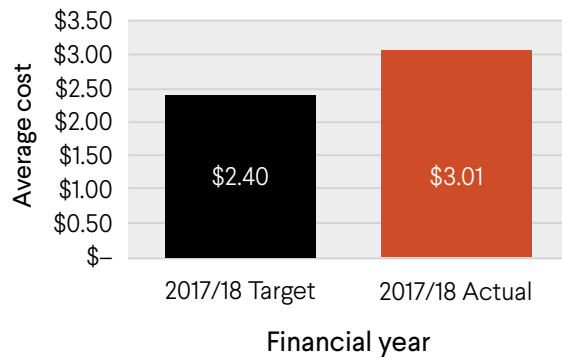
Average cost per square kilometre to manage Crown land

This efficiency indicator supports the desired outcome that the State’s land asset is managed responsibly. The indicator measures the cost of managing the Crown land asset, including costs from the Remote directorate, Contaminated Sites (including inspectors), rent review officer and a percentage of overhead costs against the total area of Crown land.

This indicator measures the cost against the total area of Crown land, regardless of whether or not it is under management of a third party (lease, management order, or other). The department has a responsibility to ensure that even managed land is being utilised to its full potential and is managed effectively. The department must also ensure leases are compliant with lease terms and that regular rent reviews are being actioned according to lease conditions.

As this is a new KPI for the department, no comparatives are available for previous financial years.

Average cost per square kilometre to manage Crown land



Explanation for significant variance

The variance was mainly due to the total operating costs for this efficiency indicator being 25.8% greater than the original budget due to the inability to estimate non business as usual costs in relation to the release of funding for various projects.

Service 4 Crown Land Administration

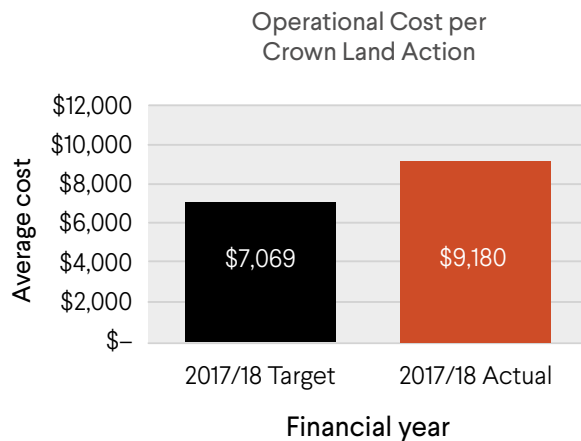
Efficiency Indicator:

Operational Cost per Crown Land Action

This efficiency indicator measures the cost associated with land administration and assembly activities (including an allocation of corporate overhead costs) against the number of documents lodged at Landgate (excluding Native Title) plus new licences and new pastoral permits.

As this is a new KPI for the department, no comparatives are available for previous financial years.

For the 2017/18 reporting period a Crown land action was defined as a registrable document created via the Document Processing System (DPS) and lodged at Landgate by the department's staff. The efficiency indicator includes licences and Pastoral permits which although not lodged at Landgate, still provide a security of tenure as they allow the land to be used for an approved purpose.



Explanation for significant variance

The variance was due predominantly to the number of Crown land actions in 2017/18 being 26.2% less than the original estimate used for the budget papers.

Efficiency Indicator:

Average number of days to progress an inquiry from assessment to acceptance

This efficiency indicator measures the average number of days that are taken from Assessment receiving an initial application (enquiry) and moving it to Case Management (acceptance). It is intended to provide information to internal and external stakeholders on the efficiency of the department to evaluate these applications.

Applications are for new proposals or projects for the granting or amendment of tenure and are received by the department through Crown Land Enquiry Forms (CLEF), email or letter into the Assessment branch.

An application is considered accepted when the Assessment team receives sufficient information to enable appropriate consideration, referral and negotiation to occur. The Assessment team reviews all information provided with an application and ensures all significant fields in the CLEF are completed. As part of the review, the Assessment team determines whether the department is best placed to deal with the enquiry, whether the application is linked directly or indirectly with other work the department is involved with, if the land is subject to a determination, claim or agreement under the *Native Title Act 1993* and whether there is job history that may impact the proposal.

As this is a new KPI for the department, no comparatives are available for previous financial years.

Average number of days to progress an inquiry from assessment to acceptance



Explanation for significant variance

The total number of enquiries the Assessment team received in 2017/18 increased by 36% compared to 2016/17. A delay in implementing the electronic workflow management system (LandsWA) together with a 14% increase in the total number of accepted enquiries in 2017/18 compared to 2016/17, resulted in an increase in the number of days taken to progress an enquiry from assessment to acceptance.

Service 5 Native Title administration

Efficiency Indicator:

Average operational cost per Native Title action taken

This efficiency indicator highlights the importance of Native Title management, practice and outcomes to the business of land administration and management.

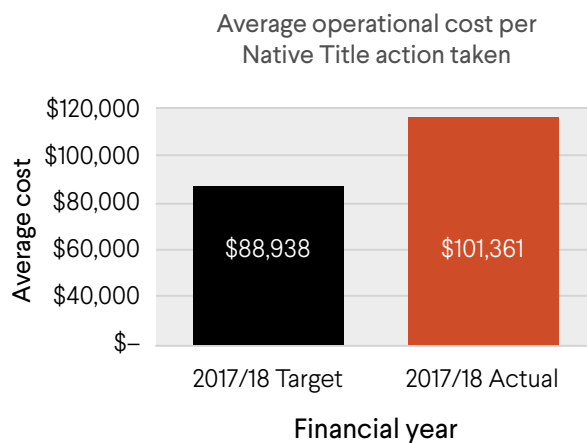
The Native Title compliance team supports the work of the operational teams. The team supports the land administration and land assembly functions by ensuring statutory compliance of Notices of Intention to Take and Taking Orders, registering these notices at Landgate, advertising and notifying interest holders.

Native title actions undertaken by the department include the following:

- Notice of Intention to Take
- Increased period of currency of Notice of Intention to Take

- Notice of Intention to Take cancellation
- Taking Order
- Order authorising taking for the purpose of conferring interests under written law
- Revocation of order authorising taking for the purpose of conferring interests under written law
- Designation cancellation

As this is a new KPI for the department, no comparatives are available for previous financial years.



Explanation for significant variance

The variance was due predominantly to the number of Native Title actions in 2017/18 being 10% less than the original estimate used for the budget papers.

Service 6 Preparation for Sale of State-owned Land Assets

Efficiency Indicator 6.1:

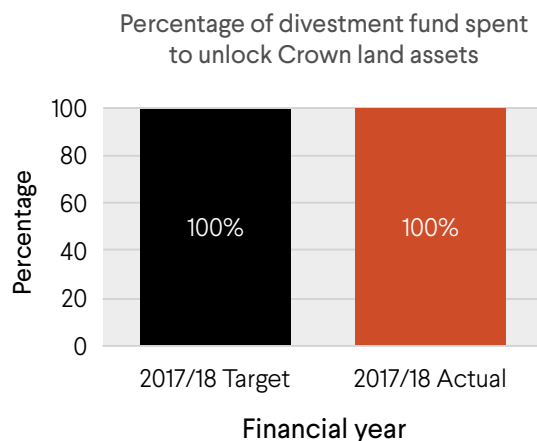
Percentage of divestment fund spent to unlock Crown land assets

This key efficiency indicator reports on the percentage of the Divestment Fund spent to unlock land assets. The government's property register revealed that many high value assets no longer required for government purposes were also highly constrained by a number of factors such as tenure, contamination, heritage, zoning, native title, mining tenements, as well as requirements for surveys, valuations, demolition and community consultation and engagement.

To de-constrain high value assets in a way that captures value uplift requires upfront investment. The value uplift may provide a higher return on investment for the community that is then redirected back to the consolidated account to assist in the State government's fiscal repair task. Predominantly, there is no increase to the value of the land as a result of de-constraining; it only enables the land to be more marketable.

A divestment fund has been established under Divisions 3 and 4 of the *Financial Management Act 2006* to assist the State to make ready land and assets identified for sale in order to maximise sale proceeds. The department was allocated \$8.3 million in 2015/16, \$8.3 million in 2016/17, \$318,000 in 2017/18 and \$326,000 in 2018/19 to fund de-constraining activity on realisable State Government Stage 1 property sales. This has been increased so that the Fund now receives \$8 million in 2017/18 and 2018/19.

As this is a new KPI for the department, no comparatives are available for previous financial years.



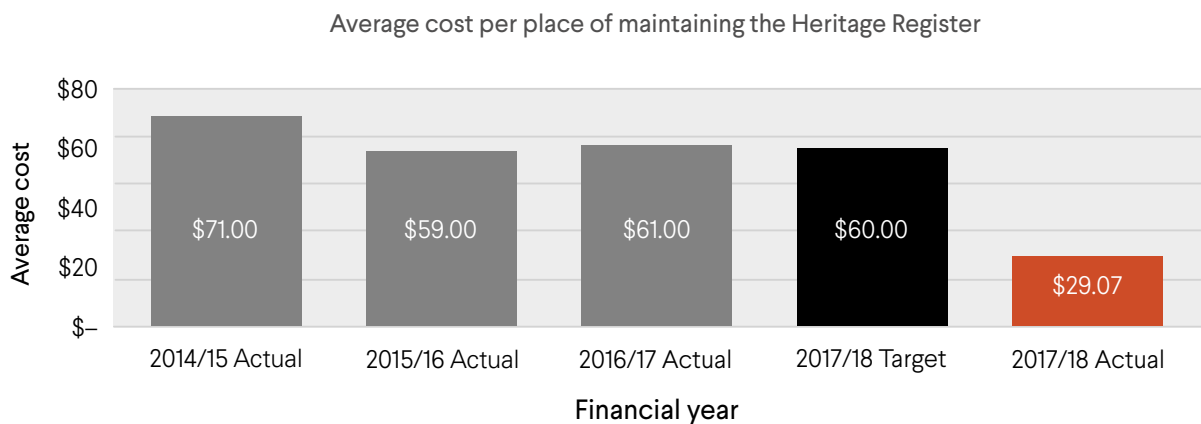
Service 7 Cultural Heritage Conservation Services on Behalf of and Under the Direction of the Heritage Council of Western Australia

Efficiency Indicator:

Average cost per place of maintaining the Heritage Register

The department assists the Heritage Council of WA in managing the State Register of Heritage Places, which is a statutory register established by the *Heritage of Western Australia Act 1990* to ensure that places are recognised for their value and importance to the State, and to promote their conservation into the future.

This efficiency indicator describes the unit cost of maintaining the Register, excluding the costs associated with assessing and adding new entries to the Register. Among other things, the work involved in maintaining the Register includes servicing public enquiries, dealing with land-description amendments and other land-dealing issues, and publishing the Register electronically.



Explanation for significant variance

The significant variance between the target and the actual result was due to the new method of calculating the average cost. There was also a slight decrease in the time spent on maintaining the State Register of Heritage Places, due to a position being vacant for part of the year.

Efficiency Indicator:

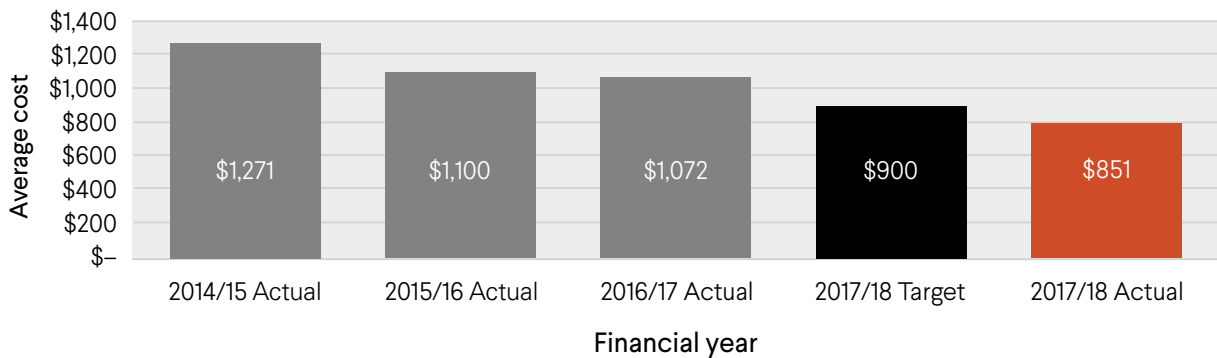
Average cost of development referrals

If a development or change to a place listed on the State Register of Heritage Places is proposed, it is referred to the Heritage Council of WA for advice, usually by the responsible local government. The department, through a delegation from the Heritage Council, deals with the majority of development referrals. This allows the Heritage Council to concentrate on major and sensitive developments.

This efficiency indicator describes the unit cost of development referrals; it does not include the cost of providing conservation advice not directly connected with referrals (e.g. giving advice about paint schemes or choice of conservation products, unrelated to specific referrals).

Development referrals are managed within strategic, legislative and policy frameworks that ensure the cultural heritage significance of the place is respected.

Average cost of development referrals



Explanation for significant variance

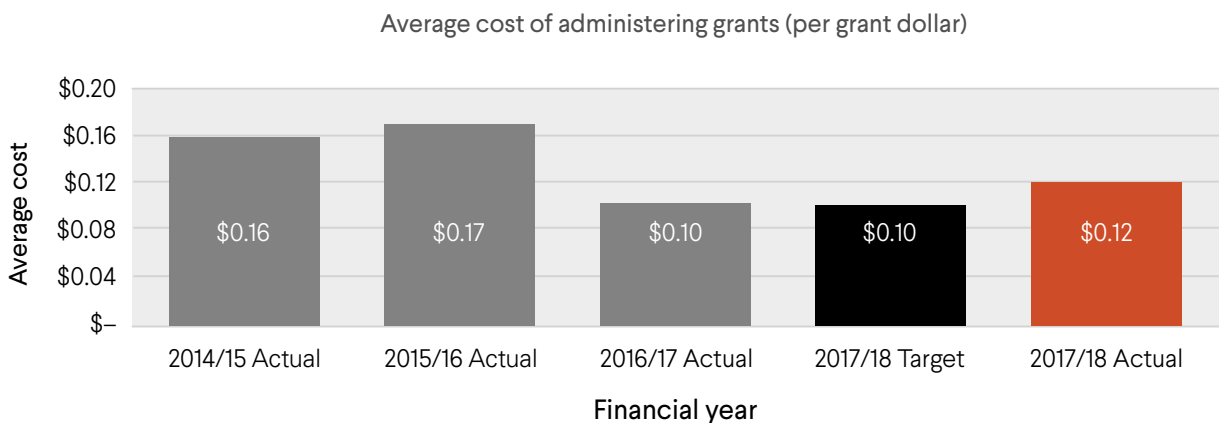
The significant variance between the 2016/17 result and the result for 2017/18 is due to a slight increase in the number of development referrals. Additionally, more time was spent on fewer development referrals in 2016/17, as a number of complex and State significant projects were managed including the New Museum, Raine Square, St Andrew’s Church, Perth General Post Office, and Elizabeth Quay projects.

Efficiency Indicator:

**Average cost of administering grants
(per grant dollar)**

The department supports the Heritage Council of WA in delivering the Heritage Grants Program that assists owners of State Registered Heritage Places by offering grants of up to \$100,000 on a dollar-for-dollar basis for essential conservation works and the preparation of conservation management plans or strategies.

This efficiency indicator measures the average 'overhead' cost of administering grants, by expressing the total cost of administering currently funded grants programs as a percentage of the total of new grants committed within the financial year in question. The indicator encompasses projects defined as controlled grants and subsidies in the State Budget. This does not include previous commitments that have received variations in the current year.



Explanation for significant variance

The significant variance between the target and the actual result was due to the new method of calculating the average cost of administering the grants program.

Service 8 Community Engagement in Cultural Heritage

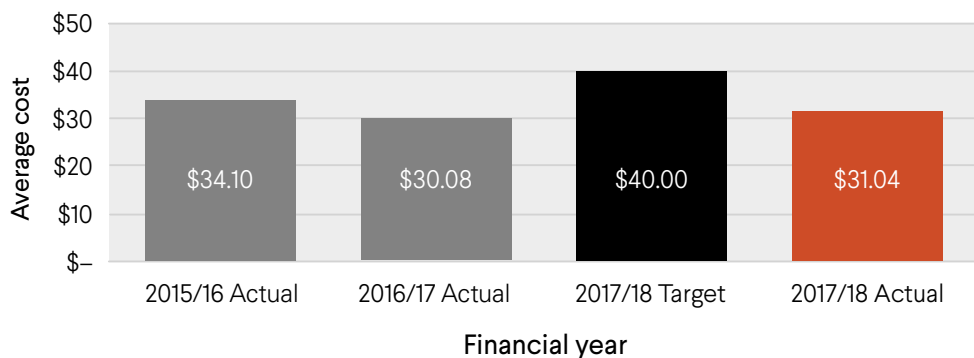
Efficiency Indicator:

Average cost per visitor to the Fremantle Prison

One of the key functions of the department is to 'manage cultural heritage, assets and resources' and this includes Fremantle Prison. The department ensures these places are conserved, appropriately managed, and that their full potential for compatible use and tourism is realised.

This efficiency indicator describes the average 'overhead' cost of administering the Fremantle Prison in relation to the visitors who benefit from these services.

Average cost per visitor to the Fremantle Prison



Explanation for significant variance

The significant variance between the target and actual result was mainly due to a 37% increase in visitor numbers to Fremantle Prison against the original estimate used for the budget papers.

Service 9 Heritage Management

Efficiency Indicator:

Average processing time per statutory approval

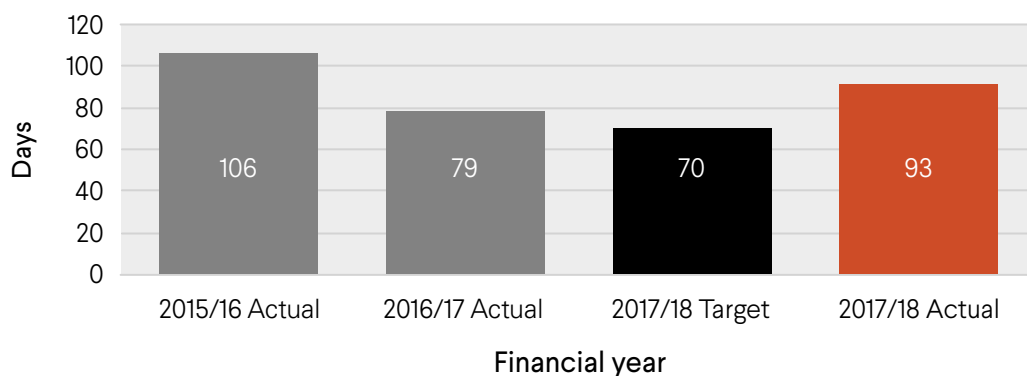
The department is responsible for administering the *Aboriginal Heritage Act 1972* (AHA) including processing statutory approvals. Statutory approvals for the purpose of this measure are section 18 Notices under the AHA that are used to seek the Minister for Aboriginal Affairs' consent to impact a Site.

Improving the approvals performance is a high priority of the government, acknowledging that a lack of certainty and unnecessary time delays

have financial implications and reputational repercussions for stakeholders. Accordingly, the department considers managing statutory approvals as a key measure of efficiency in delivery of Aboriginal heritage services.

The current target for this measure is 70 days. Under the AHA the Minister for Aboriginal Affairs is the only person authorised to issue consent under section 18.

Average processing time per statutory approval



Explanation for significant variance

The 70 day timeframe commences when the Department receives a complete application for a notice under section 18 of the *Aboriginal Heritage Act 1972* (AHA) and stops when the Minister for Aboriginal Affairs makes a decision. This includes a procedural fairness process. The time taken to complete procedural fairness varies for each notice, and in some cases additional information is obtained that requires further consultation or consideration by the department or Aboriginal Cultural Material Committee. The procedural fairness process includes writing to known interest holders (including but not limited to knowledge holders, native title bodies and land owners) for the section 18 area to seek comments on the proposal and any place assessments associated with the section 18 notice. The Minister may have to consider a range of complex issues when deciding whether or not to provide consent under section 18 of the AHA.

The result excludes the statutory approvals that were deferred, EPA constrained or awaiting sign-off.

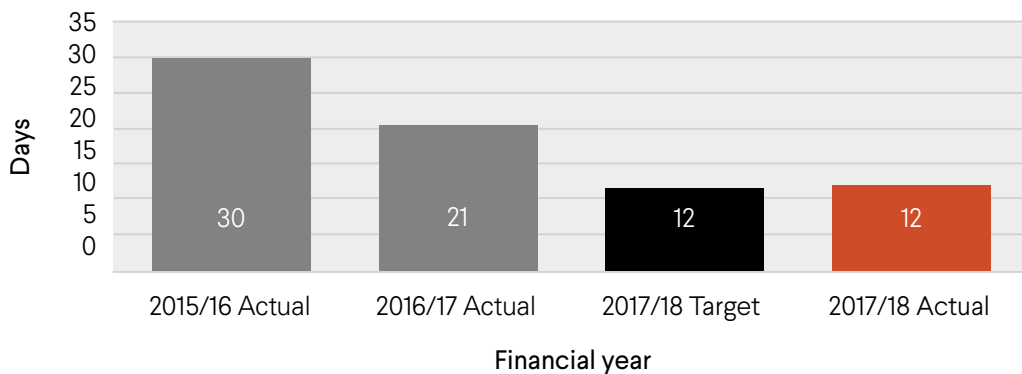
Efficiency Indicator:

Average time to update register

The department is responsible for maintaining the Register of Places and Objects (the Register). Places must be updated to reflect site assessments made by the Aboriginal Cultural Material Committee (ACMC). The department aims to ensure that the Register is a comprehensive collection of places that are recognised for their cultural heritage significance.

This KPI measures the average time taken on activities relating to the administration and update of the Register, and subsequently the department's ability to manage and protect Aboriginal heritage. By benchmarking and reporting the average time taken to reflect the identification of sites relating to Aboriginal heritage, improvements can be made with regard to the timeliness of updating the status of sites on the register.

Average time to update register



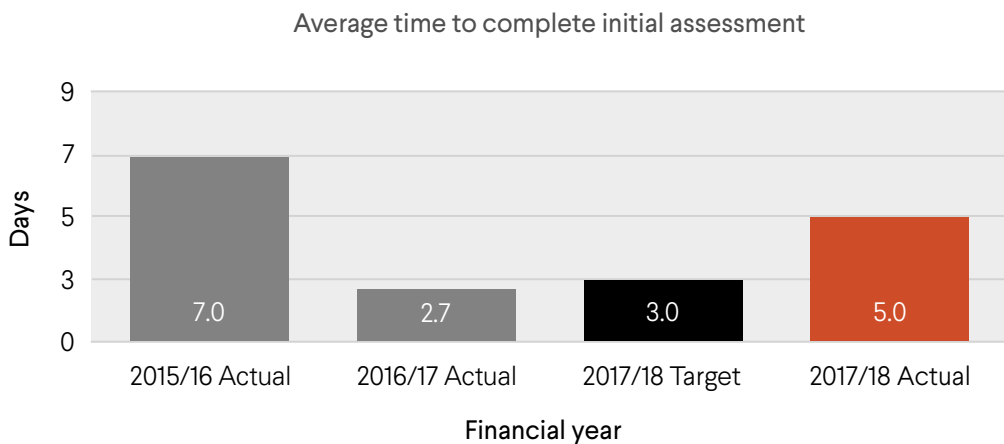
Explanation for significant variance

The significant variance between the 2016/17 and 2017/18 results is due to improvements in processes and a greater focus on improving the timeliness of updating the Register of Places and Objects.

Efficiency Indicator:

Average time to complete initial assessment

The department is responsible for administering a number of legislations and associated regulations to deliver a range of services to the State. Complaints can be lodged with the department if it is suspected that there has been a breach of the legislation administered by the department. This key efficiency indicator measures the average time taken by the department to evaluate if the complaints should be investigated further. By benchmarking and reporting average time taken to determine if a complaint needs to be investigated, the department can make improvements in regards to compliance in the services it delivers.



Explanation for significant variance

In 2017/18, the department assessed a total of 52 complaints, of which 46 were assessed within an average of 3 days. The remaining 6 complaints took an average of 19 days to assess, causing the overall result to be significantly higher than the target. The reason for these delays included departmental staff being unable to contact the complainant for further information, the time taken by the complainant to provide additional information, and the availability of departmental staff. The average time to complete the initial assessment in 2017/18 has increased by 85.2% compared to 2016/17 because in 2016/17, the complaints received were only for breaches of the *Aboriginal Heritage Act 1972* and *Aboriginal Affairs Planning Authority Act 1972*.

Service 10 Land Management

Efficiency Indicator:

Average processing time per land transaction

This indicator measures the department's efficiency in relation to the management of the Aboriginal Lands Trust (ALT) estate.

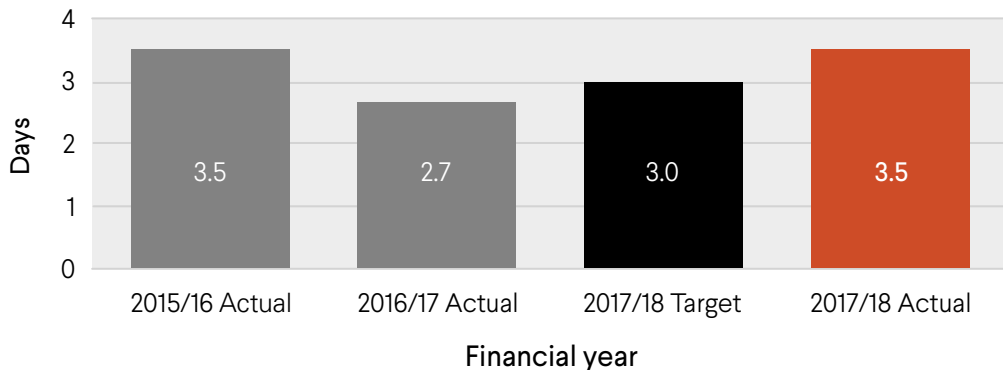
By benchmarking and reporting of the average time taken to achieve land transactions relating to land management, improvements can be made with regard to timeliness of process.

This indicator will help to identify improvements and achievements in terms of the following outcomes sought:

- timely divestment of land to Aboriginal people;
- effective management of estate land and associated assets; and
- better integration with development processes.

Measurement of this indicator includes department processing times only.

Average processing time per land transaction



Explanation for significant variance

For 2017/18, land transactions included transit permits, mining entry permits and the consideration of lease proposals. While the department processed 6,000 transit permits at an average of 2.96 days per permit, 20 mining entry permits and 29 lease proposals took considerably longer to process at an average of 51 days and 80 days respectively. Mining permits and lease proposals are tabled at bimonthly ALT Board meetings for consideration.

Further to this, a different method was used to calculate the number of days for lease proposals in 2017/18 compared to 2016/17, which resulted in an increase in the average processing time per land transaction.