

Part 12

Minister for Emergency Services; Corrective Services

Summary of Portfolio Appropriations

Agency	2016-17 Budget \$'000	2016-17 Estimated Actual '000	2017-18 Budget Estimate '000
Fire and Emergency Services			
– Delivery of Services	18,702	19,603	20,740
– Capital Appropriation	-	-	1,500
Total	18,702	19,603	22,240
Office of Emergency Management			
– Delivery of Services	5,015	5,450	6,244
– Administered Grants, Subsidies and Other Transfer Payments	15,000	45,300	102,900
– Capital Appropriation	-	-	31
Total	20,015	50,750	109,175
Office of the Inspector of Custodial Services			
– Delivery of Services	3,617	3,617	3,557
Total	3,617	3,617	3,557
GRAND TOTAL			
– Delivery of Services	27,334	28,670	30,541
– Administered Grants, Subsidies and Other Transfer Payments	15,000	45,300	102,900
– Capital Appropriation	-	-	1,531
Total.....	42,334	73,970	134,972

Division 18 Fire and Emergency Services

Part 12 Minister for Emergency Services; Corrective Services

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 27 Net amount appropriated to deliver services ^(a)	36,091	17,661	18,562	19,699	17,004	17,527	17,613
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	1,016	1,041	1,041	1,041	1,041	1,041	1,041
Total appropriations provided to deliver services.....	37,107	18,702	19,603	20,740	18,045	18,568	18,654
CAPITAL							
Item 99 Capital Appropriation	161	-	-	1,500	-	-	-
TOTAL APPROPRIATIONS	37,268	18,702	19,603	22,240	18,045	18,568	18,654
EXPENSES							
Total Cost of Services.....	376,774	385,764	397,211	395,509	389,407	399,408	404,690
Net Cost of Services ^(b)	31,949	28,485	35,081	23,506	8,580	15,434	18,330
CASH ASSETS ^(c)	73,028	57,311	49,088	31,442	37,625	45,257	46,342

(a) The Department's net amount appropriated to deliver services from the 2016-17 Estimated Actual onwards includes the transfer of appropriation for staff reallocated from the Department of Finance to various agencies in response to changes to government procurement policy.

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

(c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since the publication of the 2016-17 Pre-election Financial Projections Statement on 9 February 2017, are outlined below:

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2016-17 Estimated Outturn	(3,760)	-	-	-	-
Bushfire Risk Management Planning.....	-	3,657	-	-	-
Fire Crew Protection	2,230	4,219	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(16)	(31)	(48)	(64)
Local Government Grant Scheme Backlog.....	5,500	-	-	-	-
Revision to Indexation for Non-Salary Expenses	-	(41)	(82)	(124)	(165)
State Emergency Service Response and Recovery Operations.....	1,611	-	-	-	-
Transfer of Staff from the Office of Bushfire Risk Management to the Office of Emergency Management.....	-	(356)	(361)	(365)	(370)
Wild Fire Suppression.....	3,919	-	-	-	-

Significant Issues Impacting the Agency

- The role of bushfire mitigation has been identified in many bushfire reviews, including the recent ‘Reframing Rural Fire Management: Report of the Special Inquiry into the January 2016 Waroona Fire’, as an important element in reducing the impact of human, economic and social losses as a consequence of bushfires. Funding has been secured for 2017-18 to continue with the bushfire risk management planning process, which will enable the Department to continue to work with priority local governments to include bushfire treatment and mitigation strategies into their bushfire risk management plans.
- Drafting of the new Emergency Services Act is anticipated to commence in 2017-18. The proposed legislation will clarify agency and stakeholder responsibilities for prevention, mitigation and response to emergencies.
- The final report of the Economic Regulatory Authority’s review into the emergency services levy is scheduled for completion in late September 2017. Any Government policy decisions arising from this review, as well as any decisions about the rural fire service capability within the State, will be considered in conjunction with any required legislative change.
- A significant achievement of the Department is the development of the replacement computer aided dispatch system, through inter-agency collaboration on the ‘WA Emergency Services Communications Strategy: 2016 Roadmap and Implementation Plan’ and State Government Information Technology Strategy, where the Department leveraged off the Western Australia Police’s computer-aided dispatch contract to realise significant savings and operational benefits.
- The Department’s Information, Communication and Technology (ICT) Strategy aligns with the Digital WA: Western Australian Government ICT Strategy 2016-2020. Plans are underway to ensure the successful transition to GovNext ICT services during 2017-18. This transition will result in changes to the mix of service provisions and will see much of the Department’s computer applications transferring to the GovCloud.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

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

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Community Awareness, Education and Information Services.....	8,493	9,962	8,546	9,492	10,942	11,223	11,372
2. Compliance and Technical Advisory Services	16,756	18,763	18,772	21,437	17,874	18,333	18,575
3. Training and Organisational Resourcing Services	77,976	82,194	100,103	98,284	96,184	98,654	99,958
4. Frontline Services	273,549	274,845	269,790	266,296	264,407	271,198	274,785
Total Cost of Services	376,774	385,764	397,211	395,509	389,407	399,408	404,690

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16	2016-17	2016-17	2017-18	
	Actual	Budget	Estimated Actual	Budget Target	Note
Outcome: Minimised occurrence and impact of preventable emergencies:					
Number of accidental residential fires per 100,000 households.....	58.4	65	63.4	65	
Proportion of hazardous material sites with current Fire and Emergency Service Emergency Response Guides.....	69.9%	90%	90.9%	90%	
Proportion of building plans assessed within specified timeframes.....	n/a	95%	97%	95%	
Outcome: Minimised impact of natural hazard emergencies:					
Number of community-based Bushfire Ready Groups established.....	n/a	207	236	257	1
Outcome: An operational workforce that is trained and equipped to respond:					
Number of operational personnel endorsed as Level 3 Incident Controllers...	20	22	23	22	
Proportion of the Department's operational volunteers actively engaged in Pathways training.....	34.7%	43%	39.2%	43.5%	2
Proportion of assets within specified replacement period parameters	93%	85%	90%	85%	
Proportion of first round Local Government Grant Scheme offers accepted ...	69.8%	70%	71.9%	70%	
Outcome: Minimised impact from emergencies through timely and effective response:					
Proportion of responses to incidents in Emergency Service Levy 1 and Emergency Service Levy 2 areas within target timeframes	89.4%	90%	90.8%	90%	
Proportion of the Department's volunteer turnouts within target timeframes	90%	90%	92.3%	90%	
Proportion of structure fires confined to the object or room of origin.....	76%	72%	76.4%	72%	
Proportion of Level 2 and Level 3 bushfires where no structures are lost or significantly damaged.....	96%	95%	98.4%	95%	

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

Explanation of Significant Movements

(Notes)

- Following a 2016-17 audit finding, the methodology for determining the number of community Bushfire Ready Groups established has been revised leading to an increase in numbers.
- All personnel, including volunteers, utilise the e-Academy system to manage their training pathway. Associated delays and complexities with the implementation of the e-Academy system has resulted in a lower 2016-17 Estimated Actual than budgeted.

Services and Key Efficiency Indicators

1. Community Awareness, Education and Information Services

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

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,493	\$'000 9,962	\$'000 8,546	\$'000 9,492	1
Less Income.....	7,773	9,207	7,791	8,928	
Net Cost of Service.....	720	755	755	564	
Employees (Full Time Equivalents).....	22	21	21	20	
Efficiency Indicator					
Average Cost per Western Australian Household to Deliver Emergency Hazard Information and Awareness Programs	\$9.78	\$9.50	\$8.03	\$8.66	2

Explanation of Significant Movements

(Notes)

1. The 2016-17 Estimated Actual Total Cost of Service to deliver emergency hazard information and awareness programs is less than budgeted due to a change in calculation methodology as well as savings in some programs.
2. The number of Western Australian households has increased, and together with a reduced 2016-17 Estimated Actual Total Cost of Service, as per note 1 above, results in a lower average cost per household.

2. Compliance and Technical Advisory Services

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

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 16,756	\$'000 18,763	\$'000 18,772	\$'000 21,437	1
Less Income.....	15,336	17,418	17,114	20,163	2
Net Cost of Service.....	1,420	1,345	1,658	1,274	
Employees (Full Time Equivalents).....	58	68	64	67	
Efficiency Indicators					
Average Cost per Fire and Emergency Service Emergency Response Guides Reviewed.....	\$280	\$673	\$1,606	\$1,714	3
Average Cost per Building Plan Assessed.....	n/a	\$300	\$238	\$305	4
Average Cost per Engaged Local Government to Support Bushfire Risk Management.....	\$26,473	\$30,233	\$24,973	\$26,870	5

Explanation of Significant Movements

(Notes)

1. The 2017-18 Budget Target reflects the full-year impact of the bushfire risk management planning, in addition to an increased allocation of corporate overheads.
2. The 2017-18 Budget Target income is higher than the 2016-17 Estimated Actual in line with the increased expenditure.
3. The Average Cost per Fire and Emergency Service Emergency Response Guides Reviewed did not capture all relevant information in calculating the 2015-16 Actual and 2016-17 Budget. Should the 2016-17 Budget have been determined on the same basis, the target would have been \$1,549. This information is not available for 2015-16.
4. The 2016-17 Estimated Actual for the Average Cost per Building Plan Assessed is lower than the 2016-17 Budget as the actual time spent assessing the building plans was less than anticipated.
5. The 2016-17 Estimated Actual is lower than the 2016-17 Budget and the 2017-18 Budget Target, as the grants paid to local governments for the bushfire risk management officers were significantly less than budgeted as a result of vacancies. This impacted on the Average Cost per Engaged Local Government to Support Bushfire Risk Management.

3. Training and Organisational Resourcing Services

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

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	77,976	82,194	100,103	98,284	
Less Income.....	71,362	76,040	91,262	92,443	
Net Cost of Service.....	6,614	6,154	8,841	5,841	
Employees (Full Time Equivalents).....	146	145	160	153	
Efficiency Indicator					
Average Cost per Participant to Deliver Pathways Training	\$3,502	\$4,125	\$1,118	\$1,733	1

Explanation of Significant Movements

(Notes)

1. The basis for calculating the Average Cost per Participant to Deliver Pathways Training has been revised (the 2016-17 Budget would have been \$1,380 if the same basis had been applied). Furthermore, the introduction of online courses from 2016-17 has reduced the cost of training and has increased the number of participants, hence the reduction in the Average Cost per Participant to Deliver Pathways Training from the 2015-16 Actual to the 2016-17 Estimated Actual.

4. Frontline Services

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

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	273,549	274,845	269,790	266,296	
Less Income.....	250,354	254,614	245,963	250,469	
Net Cost of Service.....	23,195	20,231	23,827	15,827	
Employees (Full Time Equivalents).....	1,303	1,301	1,426	1,429	1
Efficiency Indicator					
Average Cost to Deliver Frontline Services per Western Australian.....	\$105	\$171.78	\$102	\$101	2

Explanation of Significant Movements

(Notes)

1. The Full Time Equivalents for the 2015-16 Actual and 2016-17 Budget differ from the 2016-17 Estimated Actual and 2017-18 Budget Target due to changes in calculation methodology.
2. The 2016-17 Budget Average Cost to Deliver Frontline Services per Western Australian is overstated as an incorrect assumption with respect to population data was used.

Asset Investment Program

The Department's Asset Investment Program (AIP) for 2017-18 totals \$57.8 million, comprising new works of \$3.7 million and works in progress of \$54.1 million. The AIP is established in conjunction with the application of a resource-to-risk/fit-for-purpose model to determine the infrastructure needs to effectively deliver emergency services throughout the State. This process recognises demographic shifts and changing community safety issues.

An overview of the 2017-18 AIP is as follows:

- \$22.1 million has been allocated for vehicle acquisitions, enhancements and ongoing replacement programs in line with the Department's maintenance and serviceable life replacement strategies. This comprises of \$21.9 million for works in progress and \$0.2 million of new works;
- land and buildings works in progress are expected to be substantially completed during 2017-18. Land acquisition and construction initiation for the new Career Fire and Rescue Service Cockburn Fire Station is also scheduled for the year;
- \$2.7 million has been allocated for the replacement of critical radio and rescue equipment; and
- an estimated \$12.2 million will be invested during the period to substantially progress the replacement of the computer-aided dispatch system.

	Estimated Total Cost	Estimated Expenditure to 30-6-17	2016-17 Estimated Expenditure	2017-18 Budget Estimate	2018-19 Forward Estimate	2019-20 Forward Estimate	2020-21 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
WORKS IN PROGRESS							
Intangible Asset Development - Computer-Aided Dispatch Replacement Project.....	18,025	3,669	3,669	12,199	2,157	-	-
Land and Building Works							
CFRS Albany Fire Station (a).....	7,520	6,690	4,316	830	-	-	-
CFRS Bunbury Fire Station.....	7,200	6,062	2,989	1,138	-	-	-
CFRS Cockburn Land Acquisition.....	5,810	150	150	5,660	-	-	-
CFRS Vincent Fire Station.....	18,950	11,677	1,953	6,913	360	-	-
South West Emergency Rescue Helicopter Service.....	8,047	8,007	4,035	40	-	-	-
Urgent Minor Works.....	56,607	10,221	2,681	5,193	4,715	4,833	4,954
Plant and Equipment Works - Emergency Rescue							
Equipment Program.....	15,804	8,303	744	191	1,155	1,155	1,000
Vehicle Programs							
CFRS Appliances Vincent.....	1,330	980	980	350	-	-	-
CFRS Combined Ladder Platform Half Life Refurbishment.....	2,474	214	-	-	-	-	500
CFRS Incident Control Vehicle Replacement Program....	6,658	465	163	1,764	-	-	1,050
CFRS Urban Pump Replacement Program.....	36,472	21,680	6,035	4,257	-	-	1,045
Communication and Information and Communication Technologies Support Replacement Program.....	1,481	339	260	150	-	-	410
Fire Crew Protection - Appliance Modification.....	3,641	2,119	1,822	1,522	-	-	-
Light Tanker Replacement Program.....	43,568	7,350	3,179	4,764	2,873	2,916	4,391
VFES Unit Fleet Replacement Program (b).....	25,387	10,946	1,616	3,648	2,010	2,014	1,151
VFES General Purpose Appliance Replacement Program (c).....	12,686	7,544	663	-	-	-	-
VFES Urban Tanker Replacement Program.....	46,474	2,290	2,290	4,660	6,897	4,278	3,519
COMPLETED WORKS							
Land and Building Works							
CFRS Butler Fire Station.....	4,841	4,841	10	-	-	-	-
CFRS Geraldton Fire Station.....	6,633	6,633	187	-	-	-	-
CFRS Wangara Fire Station Modifications.....	1,634	1,634	1,428	-	-	-	-
Plant and Equipment Works - Breathing Apparatus Replacement Program.....	2,163	2,163	800	-	-	-	-
NEW WORKS							
Land and Building Works - CFRS Cockburn Fire Station....	9,120	-	-	1,000	7,750	370	-
Plant and Equipment Works - CFRS Radio Equipment Replacement.....	2,500	-	-	2,500	-	-	-
Vehicle Programs							
CFRS Specialist Equipment Tender and Pod Carrier Replacement Program.....	3,145	-	-	600	-	-	-
Personnel Transport, Training and Fleet Asset Replacement Program.....	992	-	-	160	-	-	500
VFES Road Crash Rescue Trailer Replacement Program....	2,301	-	-	220	441	231	255
Total Cost of Asset Investment Program.....	351,463	123,977	39,970	57,759	28,358	15,797	18,775
Loan and Other Repayments.....			2,440	13,040	6,239	6,239	6,239
Total.....	351,463	123,977	42,410	70,799	34,597	22,036	25,014
FUNDED BY							
Capital Appropriation.....			-	1,500	-	-	-
Asset Sales.....			-	7,900	1,500	-	-
Borrowings.....			-	7,850	6,038	159	-
Internal Funds and Balances.....			24,001	40,695	15,423	6,609	6,239
Emergency Services Levy.....			16,964	11,292	11,636	15,268	18,775
Drawdowns from Royalties for Regions Fund (d).....			1,445	1,562	-	-	-
Total Funding.....			42,410	70,799	34,597	22,036	25,014

(a) CFRS: Career Fire and Rescue Service.

(b) VFES: Volunteer Fire and Emergency Service.

(c) VFES: Volunteer Fire and Rescue Service.

(d) Regional Community Services Fund and Regional Infrastructure and Headworks Fund.

Financial Statements

Income Statement

Expenses

The 2017-18 Total Cost of Services is forecast to be \$1.7 million less than the 2016-17 Estimated Actual. This is mainly as a result of the 2016-17 Estimated Actual including:

- expenditure relating to the State Emergency Service response and recovery activities and wild fire suppression (\$5.5 million); and
- alignment of the Volunteer Marine Rescue Service operating grants with the Local Government Grant Scheme and an increase in their hull replacement program (\$4.7 million).

If these additional expenditure items are excluded, the 2017-18 Total Cost of Services represents an increase of \$8.5 million (or 2.2%) on the 2016-17 Estimated Actual, which is attributed to award increases, standard cost escalations and the impact of previous policy decisions.

Income

Operating and State Government income totalling \$411.5 million for 2017-18 represents an increase of \$15.9 million or 4% compared to the 2016-17 Estimated Actual. This increase is mainly attributable to an increase in the Emergency Services Levy (\$12 million) to fund standard cost escalations and the flow on impact of previous policy decisions, an increase in service appropriation (\$1.1 million) mainly associated with the Bushfire Risk Management Planning Process, an increase in the Royalties for Region Fund (\$4.2 million) to fund various projects and various increases across of categories of revenue, offset by an expected decrease in sale of goods and services (\$3.7 million) relating to false fire alarm fees and mitigation of Unallocated Crown Land on behalf of the Department of Land.

Statement of Financial Position

Total assets are expected to increase by a net \$22.4 million from the 2016-17 Estimated Actual to the 2017-18 Budget Estimate. This largely reflects:

- an increase in Holding Account receivables (\$6.9 million);
- an increase in assets reflecting expenditure in accordance with the AIP, including for the Albany, Bunbury, Vincent and Cockburn CFRS fire stations (\$15.5 million), the computer-aided dispatch replacement project (\$12.2 million) and ongoing vehicle and equipment replacement programs (\$22.1 million); and
- a partial offset through increased depreciation and amortisation of \$4.5 million, proceeds from the sale of Fire and Emergency Services Authority House of \$8 million and a reduction in cash assets of \$17.6 million.

Statement of Cashflows

The decrease in cash balances of \$17.6 million between the 2016-17 Estimated Actual and the 2017-18 Budget Estimate is predominantly due to funding \$27.7 million of capital expenditure using cash balances.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	196,642	206,089	203,071	209,949	211,933	215,336	221,743
Grants and subsidies ^(c)	35,634	43,323	53,490	46,238	40,463	41,309	43,586
Supplies and services.....	75,100	57,420	75,793	58,841	50,979	52,936	52,806
Accommodation.....	10,294	10,633	9,175	10,899	11,171	11,451	12,070
Depreciation and amortisation.....	15,971	21,402	18,510	23,038	25,409	27,567	27,431
Equipment repairs and maintenance.....	23,607	17,076	22,157	22,834	24,861	25,785	22,027
Other expenses.....	19,526	29,821	15,015	23,710	24,591	25,024	25,027
TOTAL COST OF SERVICES	376,774	385,764	397,211	395,509	389,407	399,408	404,690
Income							
Sale of goods and services.....	9,758	6,894	10,563	6,834	7,005	7,013	7,083
Regulatory fees and fines.....	323,268	338,891	340,883	352,906	362,485	366,252	368,530
Grants and subsidies.....	6,821	6,742	6,385	6,791	6,842	6,894	6,894
Other revenue.....	4,978	4,752	4,299	5,472	4,495	3,815	3,853
Total Income	344,825	357,279	362,130	372,003	380,827	383,974	386,360
NET COST OF SERVICES	31,949	28,485	35,081	23,506	8,580	15,434	18,330
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	37,107	18,702	19,603	20,740	18,045	18,568	18,654
Resources received free of charge.....	1,386	2,000	1,300	2,000	2,000	2,000	2,000
Royalties for Regions Fund: Regional Community Services Fund.....	12,298	14,439	12,605	16,768	1,152	1,152	1,152
TOTAL INCOME FROM STATE GOVERNMENT	50,791	35,141	33,508	39,508	21,197	21,720	21,806
SURPLUS/(DEFICIENCY) FOR THE PERIOD	18,842	6,656	(1,573)	16,002	12,617	6,286	3,476

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 1,529, 1,671 and 1,669 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
Bushfire Risk Management Planning Process...	1,205	1,195	562	1,820	-	-	-
Fire Crew Protection.....	1,786	2,627	5,130	4,991	-	-	-
Geraldton Volunteer Marine Rescue Group.....	740	-	-	-	-	-	-
Local Government - Community Emergency Service Managers.....	2,207	2,532	2,374	2,651	2,660	2,726	2,788
Local Government Emergency Services Grants....	23,760	29,303	34,141	30,906	31,830	32,626	33,442
Other.....	1,672	557	1,766	2,002	243	1,467	930
Surf Life Saving Western Australia.....	1,314	1,347	1,347	1,381	1,415	1,450	1,486
Volunteer Fuel Card.....	186	1,746	1,941	909	908	907	1,000
Volunteer Marine Rescue Service.....	2,764	4,016	6,229	1,578	3,407	2,133	3,940
TOTAL	35,634	43,323	53,490	46,238	40,463	41,309	43,586

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

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	66,019	55,330	49,052	31,406	37,589	45,221	46,306
Restricted cash	7,009	1,981	36	36	36	36	36
Receivables	7,128	8,021	9,022	9,122	9,072	9,102	9,102
Other.....	18,575	21,847	17,917	17,817	17,687	17,657	17,657
Assets held for sale.....	-	-	8,000	-	-	-	-
Total current assets	98,731	87,179	84,027	58,381	64,384	72,016	73,101
NON-CURRENT ASSETS							
Holding account receivables.....	25,261	31,716	31,682	38,593	46,339	54,609	62,879
Property, plant and equipment.....	353,296	393,158	358,473	399,638	388,550	379,306	357,476
Intangibles	623	1,054	256	220	15,385	13,132	10,879
Other.....	851	833	862	844	844	844	844
Total non-current assets	380,031	426,761	391,273	439,295	451,118	447,891	432,078
TOTAL ASSETS	478,762	513,940	475,300	497,676	515,502	519,907	505,179
CURRENT LIABILITIES							
Employee provisions	25,541	23,451	28,010	28,010	28,010	28,010	28,010
Payables.....	5,734	7,996	8,399	8,559	8,589	8,584	8,584
Other.....	5,464	17,705	14,096	6,327	6,759	7,690	8,152
Total current liabilities	36,739	49,152	50,505	42,896	43,358	44,284	44,746
NON-CURRENT LIABILITIES							
Employee provisions	10,267	9,928	10,008	10,008	10,008	10,008	10,008
Borrowings.....	48,386	64,458	38,996	40,607	40,406	34,326	28,087
Other.....	3,484	-	-	1,433	1,433	1,433	1,433
Total non-current liabilities	62,137	74,386	49,004	52,048	51,847	45,767	39,528
TOTAL LIABILITIES.....	98,876	123,538	99,509	94,944	95,205	90,051	84,274
EQUITY							
Contributed equity	345,817	349,488	350,100	361,039	365,987	369,260	356,833
Accumulated surplus/(deficit).....	(16,541)	(21,332)	(18,114)	(2,112)	10,505	16,791	20,267
Reserves.....	50,610	62,246	43,805	43,805	43,805	43,805	43,805
Total equity	379,886	390,402	375,791	402,732	420,297	429,856	420,905
TOTAL LIABILITIES AND EQUITY	478,762	513,940	475,300	497,676	515,502	519,907	505,179

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual	Budget	Estimated	Budget	Forward	Forward	Forward
	\$'000	\$'000	Actual	Estimate	Estimate	Estimate	Estimate
			\$'000	\$'000	\$'000	\$'000	\$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	31,609	12,281	13,182	13,829	10,299	10,298	10,384
Capital appropriation.....	161	-	-	1,500	-	-	-
Royalties for Regions Fund:							
Regional Community Services Fund.....	20,242	15,510	14,050	17,192	1,152	1,152	1,152
Regional Infrastructure and Headworks Fund.....	-	-	-	1,138	-	-	-
Net cash provided by State Government.....	52,012	27,791	27,232	33,659	11,451	11,450	11,536
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(194,379)	(206,544)	(199,877)	(208,897)	(211,201)	(214,140)	(221,011)
Grants and subsidies.....	(44,007)	(43,323)	(49,093)	(46,238)	(40,463)	(41,309)	(43,586)
Supplies and services.....	(74,782)	(54,974)	(69,564)	(53,178)	(45,309)	(47,439)	(47,306)
Accommodation.....	(10,147)	(10,633)	(9,175)	(10,899)	(11,171)	(11,451)	(12,070)
Other payments.....	(63,374)	(56,229)	(59,172)	(55,893)	(58,808)	(60,172)	(56,420)
Receipts							
Regulatory fees and fines.....	325,316	338,891	340,883	352,906	362,485	366,252	368,530
Grants and subsidies.....	6,072	5,842	2,135	5,891	5,942	5,994	5,994
Sale of goods and services.....	9,757	7,794	11,463	7,734	7,905	7,913	7,983
GST receipts.....	19,005	8,794	20,335	8,794	8,794	8,794	8,794
Other receipts.....	6,623	4,554	3,303	3,524	3,617	3,617	3,655
Net cash from operating activities.....	(19,916)	(5,828)	(8,762)	3,744	21,791	18,059	14,563
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(35,275)	(41,343)	(39,970)	(57,759)	(28,358)	(15,797)	(18,775)
Proceeds from sale of non-current assets.....	363	-	-	7,900	1,500	-	-
Net cash from investing activities.....	(34,912)	(41,343)	(39,970)	(49,859)	(26,858)	(15,797)	(18,775)
CASHFLOWS FROM FINANCING ACTIVITIES							
Repayment of borrowings.....	(14,890)	(10,223)	(2,440)	(18,440)	(11,639)	(11,639)	(11,639)
Proceeds from borrowings.....	-	13,031	-	13,250	11,438	5,559	5,400
Net cash from financing activities.....	(14,890)	2,808	(2,440)	(5,190)	(201)	(6,080)	(6,239)
NET INCREASE/(DECREASE) IN CASH HELD.....	(17,706)	(16,572)	(23,940)	(17,646)	6,183	7,632	1,085
Cash assets at the beginning of the reporting period.....	90,734	73,883	73,028	49,088	31,442	37,625	45,257
Cash assets at the end of the reporting period.....	73,028	57,311	49,088	31,442	37,625	45,257	46,342

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

Division 19 Office of Emergency Management

Part 12 Minister for Emergency Services; Corrective Services

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 28 Net amount appropriated to deliver services	5,044	5,015	5,450	6,244	5,974	6,012	6,060
Total appropriations provided to deliver services.....	5,044	5,015	5,450	6,244	5,974	6,012	6,060
ADMINISTERED TRANSACTIONS							
Item 29 Amount provided for Administered Grants, Subsidies and Other Transfer Payments ^(a)	25,756	15,000	45,300	102,900	45,000	45,000	45,000
CAPITAL							
Item 100 Capital Appropriation.....	-	-	-	31	-	-	-
TOTAL APPROPRIATIONS	30,800	20,015	50,750	109,175	50,974	51,012	51,060
EXPENSES							
Total Cost of Services ^(b)	8,367	8,961	8,455	16,128	12,186	10,449	10,497
Net Cost of Services ^(c)	5,732	5,288	1,892	10,959	8,862	7,317	7,365
CASH ASSETS	5,642	5,497	9,755	5,313	2,698	1,666	634

- (a) Administered Transactions represents funding for the Western Australia Natural Disaster Relief and Recovery Arrangements payments. This funding was previously administered and reported within the Department of the Premier and Cabinet.
- (b) Represents Total Cost of Services (expenses) less retained revenues applied to the agency's services. Reconciliation to the 'Total appropriations provided to deliver services' includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.
- (c) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since the publication of the 2016-17 Pre-election Financial Projections Statement on 9 February 2017, are outlined below:

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Emergency Alert Upgrade	-	2,037	192	-	-
National Bushfire Mitigation Program	282	414	-	-	-
Natural Disaster Resilience Program Activities	430	5,549	4,214	3,132	3,132
Revision to Indexation for Non-Salary Expenses	-	(84)	(161)	(190)	(219)
Transfer of the Office of Bushfire Risk Management Full Time Equivalents to Undertake Assurance Activities	-	356	361	365	370

Significant Issues Impacting the Agency

- The National Partnership Agreement for Natural Disaster Resilience has been extended for a further 12 months to 30 June 2018. The extension will allow the Commonwealth Government to assess the recommendations of the Productivity Commission inquiry into Natural Disaster Funding Arrangements. The Productivity Commission recommended that more is invested in mitigation to counter the escalating costs of recovery and that mitigation investment be informed by comprehensive risk assessments for which Western Australia is well advanced. The 12 month extension will further support disaster resilience activities in the State.
- Since 2013 Western Australia has been garnering a consistent and comprehensive understanding of its emergency management risks related to the 27 hazards prescribed in legislation. District level risk reports which analyse the top five or six hazards per district are now complete and published. The reports will help inform future investment decisions and programs, with an emphasis on prevention and preparedness activities. The Office will now focus on enhancing local government emergency risk assessments and identifying treatment/mitigation options.
- The Office, formerly the State Emergency Management Committee Secretariat was established on 1 December 2016. The State Recovery functions including the Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA) previously administered by the Department of the Premier and Cabinet were transferred to the Office on 1 December 2016.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

Government Goal	Desired Outcome	Service
Strong Communities: Safe communities and supported families.	Effective strategic coordination of emergency management.	1. Emergency Management Advice and Consultation

Service Summary

Expense	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
1. Emergency Management Advice and Consultation	8,367	8,961	8,455	16,128	12,186	10,449	10,497
Total Cost of Services	8,367	8,961	8,455	16,128	12,186	10,449	10,497

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: Effective strategic coordination of emergency management:					
Stakeholder assessment of strategic coordination and quality of emergency management.....	68%	60%	71%	68%	

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

Services and Key Efficiency Indicators**1. Emergency Management Advice and Consultation**

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

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 8,367	\$'000 8,961	\$'000 8,455	\$'000 16,128	1
Less Income.....	2,635	3,673	6,563	5,169	
Net Cost of Service.....	5,732	5,288	1,892	10,959	
Employees (Full Time Equivalents).....	39	30	38	41	
Efficiency Indicator					
Average Hourly Cost of Providing Emergency Management Advice and Consultation.....	\$54	\$56	\$51	\$54	

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

Explanation of Significant Movements

(Notes)

- Total Cost of Service will increase by \$7.7 million (47.5%) for the 2017-18 Budget Target compared to the 2016-17 Estimated Actual. This increase is mainly attributable to grants and subsidies expenditure of \$2 million for the State's contribution to the upgrade of the national Emergency Alert System and \$4.4 million of Commonwealth funds carried over from 2016-17 for Natural Disaster Resilience and the Bushfire Mitigation emergency management programs to progress key priorities for the State.

Asset Investment Program

The Office's 2017-18 Asset Investment Program of \$31,000 is for office fit-out and information, communication and technology costs associated with its relocation to Dumas House.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
NEW WORKS							
Office Fit-out and Relocation.....	31	-	-	31	-	-	-
Total Cost of Asset Investment Program.....	31	-	-	31	-	-	-
FUNDED BY							
Capital Appropriation			-	31	-	-	-
Total Funding.....			-	31	-	-	-

Financial Statements

Income Statement

Expenses

Total Cost of Services shows an increase of \$7.7 million (47.5%) for the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual. This increase is mainly attributable to grants and subsidies expenditure of \$2 million for the upgrade of the national Emergency Alert system and \$6 million of Commonwealth funds for the Natural Disaster Resilience and the Bushfire Mitigation emergency management programs to progress key priorities for the State.

Income

Total income shows a net decrease of \$1.4 million (-35.2%) in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual. The decrease is mainly resulting from a reduction of \$3.1 million in the Commonwealth Natural Disaster Resilience program funding in 2017-18, offset by an increase of \$2 million for the upgrade of the national Emergency Alert system.

Income from State Government service appropriation shows an increase of \$0.8 million (14.2%) in the 2017-18 Budget Estimate compared to the 2016-17 Estimated Actual. The increase is mainly attributable to \$0.4 million transfer of Office of Bushfire Risk Management staff to undertake assurance activities and \$0.3 million to cover one-off transition government accommodation costs associated to the expiring lease arrangements for the West Leederville office.

Statement of Financial Position

Total assets are planned to be reduced to \$5.7 million for the 2017-18 Budget Estimate period and further reduced in the subsequent financial years. This decrease is mainly attributable to restricted cash held in relation to Commonwealth funds for the Natural Disaster Resilience and the Bushfire Mitigation emergency management programs being expended to progress key priorities for the State.

INCOME STATEMENT ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	3,931	4,688	4,979	5,570	5,627	5,410	5,455
Grants and subsidies ^(c)	2,285	2,506	1,391	8,280	4,604	3,325	3,325
Supplies and services.....	1,122	712	870	949	903	655	656
Accommodation.....	684	720	830	1,017	735	742	744
Depreciation and amortisation.....	86	73	73	3	3	3	3
Other expenses.....	259	262	312	309	314	314	314
TOTAL COST OF SERVICES	8,367	8,961	8,455	16,128	12,186	10,449	10,497
Income							
Grants and subsidies.....	2,522	3,673	6,563	5,169	3,324	3,132	3,132
Other revenue.....	113	-	-	-	-	-	-
Total Income	2,635	3,673	6,563	5,169	3,324	3,132	3,132
NET COST OF SERVICES	5,732	5,288	1,892	10,959	8,862	7,317	7,365
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	5,044	5,015	5,450	6,244	5,974	6,012	6,060
Resources received free of charge.....	389	273	423	273	273	273	273
TOTAL INCOME FROM STATE GOVERNMENT	5,433	5,288	5,873	6,517	6,247	6,285	6,333
SURPLUS/(DEFICIENCY) FOR THE PERIOD	(299)	-	3,981	(4,442)	(2,615)	(1,032)	(1,032)

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

(b) The Full Time Equivalents for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 39, 38 and 41 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

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

DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
All West Australians Reducing Emergencies							
Program.....	121	-	238	202	198	193	193
Emergency Alert Upgrade Contribution.....	-	-	-	2,037	192	-	-
National Bushfire Mitigation Program.....	153	299	282	414	-	-	-
Natural Disaster Resilience Program.....	2,011	2,207	430	5,549	4,214	3,132	3,132
Other.....	-	-	89	-	-	-	-
State Crisis Information Management System...	-	-	352	78	-	-	-
TOTAL	2,285	2,506	1,391	8,280	4,604	3,325	3,325

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	501	352	633	633	633	633	633
Restricted cash	5,141	5,145	9,122	4,680	2,065	1,033	1
Receivables	57	298	57	57	57	57	57
Other.....	85	115	85	85	85	85	85
Total current assets	5,784	5,910	9,897	5,455	2,840	1,808	776
NON-CURRENT ASSETS							
Holding account receivables.....	148	147	221	224	227	230	233
Property, plant and equipment.....	84	15	11	39	36	33	30
Intangibles	9	-	9	9	9	9	9
Other.....	-	17	-	-	-	-	-
Total non-current assets	241	179	241	272	272	272	272
TOTAL ASSETS	6,025	6,089	10,138	5,727	3,112	2,080	1,048
CURRENT LIABILITIES							
Employee provisions	515	504	617	617	617	617	617
Payables	281	73	281	281	281	281	281
Other.....	5	32	5	5	5	5	5
Total current liabilities	801	609	903	903	903	903	903
NON-CURRENT LIABILITIES							
Employee provisions	218	176	248	248	248	248	248
Total non-current liabilities	218	176	248	248	248	248	248
TOTAL LIABILITIES.....	1,019	785	1,151	1,151	1,151	1,151	1,151
EQUITY							
Contributed equity	3,754	3,754	3,754	3,785	3,785	3,785	3,785
Accumulated surplus/(deficit).....	1,252	1,550	5,233	791	(1,824)	(2,856)	(3,888)
Total equity	5,006	5,304	8,987	4,576	1,961	929	(103)
TOTAL LIABILITIES AND EQUITY	6,025	6,089	10,138	5,727	3,112	2,080	1,048

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	4,896	4,942	5,377	6,241	5,971	6,009	6,057
Capital appropriation.....	-	-	-	31	-	-	-
Net cash provided by State Government.....	4,896	4,942	5,377	6,272	5,971	6,009	6,057
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(3,566)	(4,688)	(4,851)	(5,574)	(5,631)	(5,414)	(5,459)
Grants and subsidies.....	(2,041)	(2,506)	(1,391)	(8,280)	(4,604)	(3,325)	(3,325)
Supplies and services.....	(911)	(439)	(597)	(676)	(630)	(382)	(383)
Accommodation.....	(63)	(720)	(680)	(1,017)	(735)	(742)	(744)
Other payments.....	(1,150)	(262)	(308)	(305)	(310)	(310)	(310)
Receipts ^(b)							
Grants and subsidies.....	2,522	3,673	6,144	3,132	3,132	3,132	3,132
GST receipts.....	298	-	-	-	-	-	-
Other receipts.....	160	-	419	2,037	192	-	-
Net cash from operating activities.....	(4,751)	(4,942)	(1,264)	(10,683)	(8,586)	(7,041)	(7,089)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	-	-	-	(31)	-	-	-
Net cash from investing activities.....	-	-	-	(31)	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD.....	145	-	4,113	(4,442)	(2,615)	(1,032)	(1,032)
Cash assets at the beginning of the reporting period.....	5,497	5,497	5,642	9,755	5,313	2,698	1,666
Cash assets at the end of the reporting period.....	5,642	5,497	9,755	5,313	2,698	1,666	634

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
Grants and Subsidies							
Commonwealth Funds for Natural Disaster Resilience Program	2,522	3,673	6,144	3,132	3,132	3,132	3,132
GST Receipts							
GST Receipts.....	298	-	-	-	-	-	-
Other Receipts							
Emergency Alert Upgrade	-	-	-	2,037	192	-	-
Other Receipts	160	-	419	-	-	-	-
TOTAL	2,980	3,673	6,563	5,169	3,324	3,132	3,132

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

DETAILS OF ADMINISTERED TRANSACTIONS

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
INCOME							
Other							
Western Australia Natural Disaster Relief and Recovery Arrangements ^{(a) (b)}	25,756	15,000	45,300	102,900	45,000	45,000	45,000
TOTAL ADMINISTERED INCOME	25,756	15,000	45,300	102,900	45,000	45,000	45,000
EXPENSES							
Grants to Charitable and Other Public Bodies							
Western Australia Natural Disaster Relief and Recovery Arrangements ^(a)	41,331	15,000	45,300 ^(c)	102,900 ^(d)	45,000	45,000	45,000
TOTAL ADMINISTERED EXPENSES	41,331	15,000	45,300	102,900	45,000	45,000	45,000

(a) The WANDRRA previously administered by the Department of the Premier and Cabinet were transferred to the Office on the 1 December 2016.

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

(c) The 2016-17 WANDRRA payments primarily reflect outstanding claims from the Commissioner of Main Roads totalling \$44.4 million for the restoration of damaged essential public assets.

(d) Following an unprecedented number of natural disasters occurring in Western Australia in 2016-17, including but not limited to bushfires in the Peel and South West regions and heavy rainfall and severe flooding throughout the State, the Office has forecast WANDRRA claims to exceed \$100 million in 2017-18.

Division 20 **Office of the Inspector of Custodial Services**
Part 12 **Minister for Emergency Services; Corrective Services**

Appropriations, Expenses and Cash Assets

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
DELIVERY OF SERVICES							
Item 30 Net amount appropriated to deliver services	3,323	3,370	3,370	3,310	3,305	3,336	3,372
Amount Authorised by Other Statutes							
- Salaries and Allowances Act 1975	247	247	247	247	247	247	247
Total appropriations provided to deliver services.....	3,570	3,617	3,617	3,557	3,552	3,583	3,619
TOTAL APPROPRIATIONS	3,570	3,617	3,617	3,557	3,552	3,583	3,619
EXPENSES							
Total Cost of Services.....	3,602	3,622	3,618	3,556	3,551	3,582	3,618
Net Cost of Services ^(a)	3,594	3,617	3,611	3,551	3,546	3,577	3,613
CASH ASSETS ^(b)	363	333	367	371	375	379	383

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

(b) As at 30 June each financial year.

Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the agency's Income Statement since the publication of the 2016-17 Pre-election Financial Projections Statement on 9 February 2017, are outlined below:

	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
2017-18 Streamlined Budget Process Incentive Funding.....	-	33	-	-	-
Freeze Salaries and Allowances Tribunal Determined Salaries	-	(4)	(7)	(11)	(15)
Revision to Indexation for Non-Salary Expenses	-	-	(27)	(38)	(49)

Significant Issues Impacting the Agency

- The Office's inspection and liaison visits in 2016-17 were impacted by:
 - an increased prisoner population;
 - incidents at the Banksia Hill Detention Centre;
 - additional monitoring following the commissioning of the Eastern Goldfields Regional Prison; and
 - re-tendering of Court Security and Custodial Services.
- There have been significant workload increases due to the commencement of the Melaleuca Remand and Reintegration Facility, and the upgrading of the old Broome Prison from an annexe facility of the West Kimberley Regional Prison.
- Management strategies have been implemented to reduce accrued leave liabilities, and an organisational restructure has reduced staff Full Time Equivalents (FTEs) from 20 to 19 as part of the Office's Agency Expenditure Review.

Resource Agreement

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

Outcomes, Services and Key Performance Information

Relationship to Government Goals

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

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

Service Summary

Expense	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20	2020-21
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000	Forward Estimate \$'000
1. Inspection and Review of Custodial Services	3,602	3,622	3,618	3,556	3,551	3,582	3,618
Total Cost of Services	3,602	3,622	3,618	3,556	3,551	3,582	3,618

Outcomes and Key Effectiveness Indicators ^(a)

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Outcome: The Parliament, Minister and other stakeholders are informed on the performance of custodial services:					
Number of recommendations made.....	100	150	96	150	1
Percentage of recommendations accepted.....	80%	80%	89%	80%	2

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

Explanation of Significant Movements

(Notes)

1. The number of recommendations in the 2016-17 Estimated Actual is below the 2016-17 Budget, but is consistent with previous years. The Office operates on the basis that each prison, juvenile detention centre, court custody centre and prescribed lockup is fully inspected at least once every three years. The number of recommendations made may vary depending on the complexity of inspections, and which facilities are inspected in a particular year.
2. The majority of the Office's recommendations were either supported, supported existing initiatives or partially supported. There were 11 recommendations that were not supported.

Services and Key Efficiency Indicators**1. Inspection and Review of Custodial Services**

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

	2015-16 Actual	2016-17 Budget	2016-17 Estimated Actual	2017-18 Budget Target	Note
Total Cost of Service.....	\$'000 3,602	\$'000 3,622	\$'000 3,618	\$'000 3,556	
Less Income.....	8	5	7	5	
Net Cost of Service.....	3,594	3,617	3,611	3,551	
Employees (Full Time Equivalents).....	20	20	20	19	
Efficiency Indicators					
Average Cost per Report.....	\$224,393	\$200,000	\$243,219	\$245,000	1
Average Cost per Independent Visitors' Scheme Report	\$1,950	\$2,000	\$2,463	\$2,500	1
Average Cost per Liaison Visit	\$11,840	\$10,000	\$9,868	\$10,000	

Explanation of Significant Movements

(Notes)

1. The Average Cost per Report and the Average Cost per Independent Visitors' Scheme Report is higher for the 2016-17 Estimated Actual than the 2016-17 Budget, primarily due to less reports produced during the year. The number of reports per annum may vary as the Office operates on the basis that each prison, juvenile detention centre, court custody centre and prescribed lockup is fully inspected at least every three years.

Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-17 \$'000	2016-17 Estimated Expenditure \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COMPLETED WORKS							
Asset Replacement - Office Equipment							
2016-17 Program	26	26	26	-	-	-	-
NEW WORKS							
Asset Replacement - Office Equipment							
2017-18 Program	26	-	-	26	-	-	-
2018-19 Program	26	-	-	-	26	-	-
2019-20 Program	26	-	-	-	-	26	-
2020-21 Program	26	-	-	-	-	-	26
Total Cost of Asset Investment Program.....	130	26	26	26	26	26	26
FUNDED BY							
Drawdowns from the Holding Account			26	26	26	26	26
Total Funding.....			26	26	26	26	26

Financial Statements

INCOME STATEMENT ^(a) (Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
COST OF SERVICES							
Expenses							
Employee benefits ^(b)	2,639	2,559	2,633	2,578	2,575	2,604	2,637
Supplies and services	497	431	378	366	359	356	354
Accommodation	308	374	341	344	347	350	353
Depreciation and amortisation	4	26	3	3	3	3	3
Other expenses.....	154	232	263	265	267	269	271
TOTAL COST OF SERVICES	3,602	3,622	3,618	3,556	3,551	3,582	3,618
Income							
Other revenue	8	5	7	5	5	5	5
Total Income.....	8	5	7	5	5	5	5
NET COST OF SERVICES	3,594	3,617	3,611	3,551	3,546	3,577	3,613
INCOME FROM STATE GOVERNMENT							
Service appropriations.....	3,570	3,617	3,617	3,557	3,552	3,583	3,619
Resources received free of charge	97	6	-	-	-	-	-
TOTAL INCOME FROM STATE GOVERNMENT	3,667	3,623	3,617	3,557	3,552	3,583	3,619
SURPLUS/(DEFICIENCY) FOR THE PERIOD.....	73	6	6	6	6	6	6

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

(b) The FTEs for 2015-16 Actual, 2016-17 Estimated Actual and 2017-18 Budget Estimate are 20, 20 and 19 respectively. In some cases the figures for 2015-16 and 2016-17 may differ from previously published figures due to changes in calculation methodology.

STATEMENT OF FINANCIAL POSITION ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CURRENT ASSETS							
Cash assets	363	237	363	367	371	375	379
Restricted cash	-	88	-	-	-	-	-
Holding account receivables	26	26	26	26	26	26	26
Receivables	41	73	41	41	41	41	41
Other	50	59	50	50	50	50	50
Total current assets	480	483	480	484	488	492	496
NON-CURRENT ASSETS							
Holding account receivables	177	179	179	181	183	185	187
Property, plant and equipment	34	10	57	80	103	126	149
Restricted cash	-	8	4	4	4	4	4
Total non-current assets	211	197	240	265	290	315	340
TOTAL ASSETS	691	680	720	749	778	807	836
CURRENT LIABILITIES							
Employee provisions	520	481	518	518	518	518	518
Payables	89	147	112	135	158	181	204
Other	58	111	58	58	58	58	58
Total current liabilities	667	739	688	711	734	757	780
NON-CURRENT LIABILITIES							
Employee provisions	163	141	165	165	165	165	165
Total non-current liabilities	163	141	165	165	165	165	165
TOTAL LIABILITIES	830	880	853	876	899	922	945
EQUITY							
Contributed equity	274	274	274	274	274	274	274
Accumulated surplus/(deficit)	(413)	(474)	(407)	(401)	(395)	(389)	(383)
Total equity	(139)	(200)	(133)	(127)	(121)	(115)	(109)
TOTAL LIABILITIES AND EQUITY	691	680	720	749	778	807	836

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

STATEMENT OF CASHFLOWS ^(a)
(Controlled)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
CASHFLOWS FROM STATE GOVERNMENT							
Service appropriations.....	3,542	3,589	3,589	3,529	3,524	3,555	3,591
Holding account drawdowns.....	26	26	26	26	26	26	26
Net cash provided by State Government.....	3,568	3,615	3,615	3,555	3,550	3,581	3,617
CASHFLOWS FROM OPERATING ACTIVITIES							
Payments							
Employee benefits.....	(2,642)	(2,559)	(2,633)	(2,578)	(2,575)	(2,604)	(2,637)
Supplies and services.....	(367)	(360)	(354)	(342)	(335)	(332)	(330)
Accommodation.....	(309)	(394)	(341)	(344)	(347)	(350)	(353)
Other payments.....	(319)	(319)	(306)	(308)	(310)	(312)	(314)
Receipts ^(b)							
GST receipts.....	127	42	42	42	42	42	42
Other receipts.....	8	5	7	5	5	5	5
Net cash from operating activities.....	(3,502)	(3,585)	(3,585)	(3,525)	(3,520)	(3,551)	(3,587)
CASHFLOWS FROM INVESTING ACTIVITIES							
Purchase of non-current assets.....	(28)	(26)	(26)	(26)	(26)	(26)	(26)
Net cash from investing activities.....	(28)	(26)	(26)	(26)	(26)	(26)	(26)
NET INCREASE/(DECREASE) IN CASH HELD.....							
	38	4	4	4	4	4	4
Cash assets at the beginning of the reporting period.....	325	329	363	367	371	375	379
Cash assets at the end of the reporting period.....	363	333	367	371	375	379	383

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

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

NET APPROPRIATION DETERMINATION ^(a)

	2015-16 Actual \$'000	2016-17 Budget \$'000	2016-17 Estimated Actual \$'000	2017-18 Budget Estimate \$'000	2018-19 Forward Estimate \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000
GST Receipts							
GST Receipts from Australian Taxation Office.....	127	42	42	42	42	42	42
Other Receipts							
Other Receipts.....	8	5	7	5	5	5	5
TOTAL.....	135	47	49	47	47	47	47

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