



ANNUAL REPORT 2021-22

Department of
Planning, Lands and Heritage

Western Australian Planning
Commission

Aboriginal Affairs Planning Authority

Heritage Council of Western Australia



Photo supplied by Dome Coffees.
Photographer Barry Williams.

Acknowledgement of country

The Department of Planning, Lands and Heritage, Western Australian Planning Commission, Aboriginal Affairs Planning Authority and Heritage Council of Western Australia acknowledges the traditional owners and custodians of land and waterways across Western Australia. The Department is committed to reconciliation to improve outcomes for Aboriginal and Torres Strait Islander peoples and to work together to provide a culturally-safe and inclusive environment.



Statement of compliance

Hon Rita Saffioti MLA BBus
Minister for Planning

Hon John Carey MLA BA (Hons)
Minister for Lands

Hon Dr Tony Buti MLA BPE (Hons), DipEd, MIR, LLB (Hons), DPhil
Minister for Aboriginal Affairs

Hon David Templeman MLA DipTchg BEd
Minister for Heritage

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, Western Australian Planning Commission, Aboriginal Affairs Planning Authority and Heritage Council for the financial year ended 30 June 2022.

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

Anthony Kannis PSM
Director General
Department of Planning, Lands and Heritage

About this report

This report covers the operations of the Department of Planning, Lands and Heritage (the Department) including the Western Australian Planning Commission (WAPC), Aboriginal Affairs Planning Authority (AAPA) and the Heritage Council of Western Australia (Heritage Council).

This report presents the audited financial statements and performance indicators for the year ended 30 June 2022.

Pursuant to *Treasurer's Instruction 104C - Annual Reporting 2021-22 Exemption*, the Department has opted to submit a reduced Annual Report for the 2021-22 financial year.



Contents

Executive Summary	1	Our Year in Review	13
A Message from the Director General	2	Our Achievements	14
Our Year 2021-22	4	Our Services	22
Our Department	5	Our Grant Programs	34
Organisational Structure	8	Our Department Managed Attractions	38
Legislation	10	Awareness and Fundraising	42
		Performance Management Framework	43
Disclosures and Legal Compliance		Financial Statements	
	51		97
Our Boards and Committees	52	Department of Planning, Lands and Heritage	98
Diversity and Inclusion	82	Western Australian Planning Commission	146
Staff Development	87	Aboriginal Affairs Planning Authority	184
Occupational Safety, Health and Injury Management	90	Heritage Council of Western Australia	210
Disclosures	93		
Recordkeeping Plan	95		



Executive Summary

The Department prioritises the importance of design excellence and tree canopy in planning and development of urban streetscapes.



A message from the Director General

Kaya

The 2021-22 Annual Report is presented on behalf of the Department of Planning, Lands and Heritage (the Department) and the statutory bodies we support – the Western Australian Planning Commission, Heritage Council of Western Australia, Aboriginal Lands Trust, Aboriginal Cultural Material Committee and the Pastoral Lands Board.

The Department is well placed to assist the delivery of long-lasting infrastructure and outcomes that will benefit all Western Australian communities. By achieving highest and best use of government land, supporting and facilitating development, preparing for our future infrastructure needs and ensuring the protection of our Aboriginal cultural and physical heritage, we help to deliver a wealth of social, economic and cultural benefits for the State.

As the impacts of COVID-19 continued to challenge public health and productivity globally, nationally and locally, the Department has ensured the health and safety of staff and visitors in the workplace – assigning considerable effort to our response. Key reform projects and initiatives continued this year, underpinning Western Australia's short-term and longer-term economic recovery.

One such reform was a new temporary pathway for assessment of significant development applications which was established in 2020 to support COVID-19 economic recovery. Known as the Part 17 pathway, it was open to proponents for part of this reporting period, drawing 50 proposals that represent more than \$5 billion in potential investment and could support up to 30,000 jobs. This is in addition to

almost \$6 billion of development proposals assessed through the Development Assessment Panel system during the same period. At the end of this reporting period, Parliament has passed legislative amendments that allowed the Part 17 pathway to operate for an extended period.

In December 2021, Parliament passed the *Aboriginal Cultural Heritage Act 2021* – new laws that are the result of three years of consultation. The Act creates a contemporary system for the protection of Aboriginal cultural heritage in Western Australia. It replaces the outdated laws of 1972, removes the section 18 approval process in favour of agreement-making and aligns with Commonwealth Native Title laws. A three-phase co-design process has commenced to develop the Regulations and guidelines that will support the new Act when it becomes operational in mid-2023.

These important reforms empower Aboriginal people as the right people to speak for their country, and their heritage. The laws have the capacity to allow Aboriginal organisations across the State to establish agreements with land users that will deliver tangible outcomes for their community. These reforms align with proposed amendments to the *Aboriginal Affairs Planning Authority Act 1972*. In consultation with Aboriginal organisations, Native Title representative bodies and key stakeholders, these amendments will address obstacles and limitations to divestment of the Aboriginal Lands Trust estate and open new social, cultural and economic opportunities for Aboriginal people.

In another important legislative reform, amendments to the *Land Administration Act 1997* will deliver on long-awaited reforms of the pastoral industry, creating a new form of lease tenure that will support the growing hydrogen industry and other non-agricultural uses such as wind farms and Aboriginal tourism ventures. A draft Bill has been prepared.

My appointment as Director General coincided with the transfer of the Market-led Proposals policy from the Department of Finance. This innovative process invites solutions to be put to the State Government for infrastructure proposals, to provide goods and services or for the purchase of a government-owned asset.

The State Government's commitment to creating a pipeline of housing development opportunities has resulted in a number of land parcels being released to market. With a priority to increase the social housing stock, proposals are being sought for innovative delivery models. The Department will work with a number of other government agencies and proponents to deconstrain land and support delivery of more affordable housing opportunities for Western Australians.

This past year has seen many achievements for our agency including contracting with a record number of Aboriginal organisations for works and services, completing implementation of our Reflect Reconciliation Action Plan and Fremantle Prison winning the Gold medal for Cultural Tourism at the 2021 Australian Tourism Awards. We also picked up a Planning Institute of Australia award for the new *State Planning Policy 7.2 - Precinct Design Guidelines*, completed access improvements in our Perth office for people with disabilities and launched a purpose-built train carriage for wheelchair users of the Bennett Brook Railway vintage train ride service at Whiteman Park.

Our agency is broad and diverse, providing many opportunities to deliver tangible outcomes for communities across the State while planning for our future and respecting our past. This includes, as identified in this report, facilitation of a number of initiatives related to the Perth City Deal, METRONET, Westport and the Future of Fremantle.

I would like to acknowledge Jodi Cant and Vaughan Davies for faithfully performing the role of Director General during this reporting period, setting a strong leadership course for the many priorities our agency is now delivering. I also acknowledge our four Ministers for their support and direction and the Chairs of our statutory boards for their commitment and dedication to regulating and administering key government processes.

While I have only been Director General of the Department for a brief part of this reporting period, I am immensely proud of the Corporate Executive team for how they have stewarded the many challenges presented by COVID-19, particularly maintaining service delivery – and to all employees of the Department for their continued patience, resilience and comradeship. We have remained focused in delivering our strategic priorities, implementing important legislative reforms and supporting our State's economic recovery.

Anthony Kannis PSM

Director General
Department of Planning, Lands and Heritage

Our Year 2021-22

233,522,757 hectares of Crown land administered

490 pastoral leases administered

\$52 million in Crown land sales

2,783 subdivision applications completed

426 development applications determined

2,390 deposited and strata plans completed

124 local planning schemes amended

3 sets of ancestral remains repatriated

196 site assessments completed for protection under section 5 of the *Aboriginal Heritage Act 1972*

15 section 16 applications processed under the *Aboriginal Heritage Act 1972*

57 section 18 applications processed under the *Aboriginal Heritage Act 1972*

15,155 total registered Aboriginal heritage sites

301 Aboriginal Lands Trust properties

18 Aboriginal Lands Trust properties approved for transfer or lease, with four legally transferred

6 heritage places added to the State Register of Heritage Places

75 historic and Aboriginal heritage grant applications processed

38 design review meetings of the State Design Review Panel

74 design advice reports by the Office of the Government Architect

9 Part 17 pathway development applications approved by the WAPC

5 Part 17 pathway projects substantially commenced

110 applications processed under section 41 of the *Dampier to Bunbury Pipeline Act 1997*

2,804 permits issued under section 28 of the *Aboriginal Affairs Planning Authority Act 1972*

Our Department

The Department plans and manages land and heritage for all Western Australians in order to conserve our past, protect our unique landscapes, nurture the present and plan for the future. The Department is responsible for state-level land use planning and management, Aboriginal cultural heritage and historic heritage.

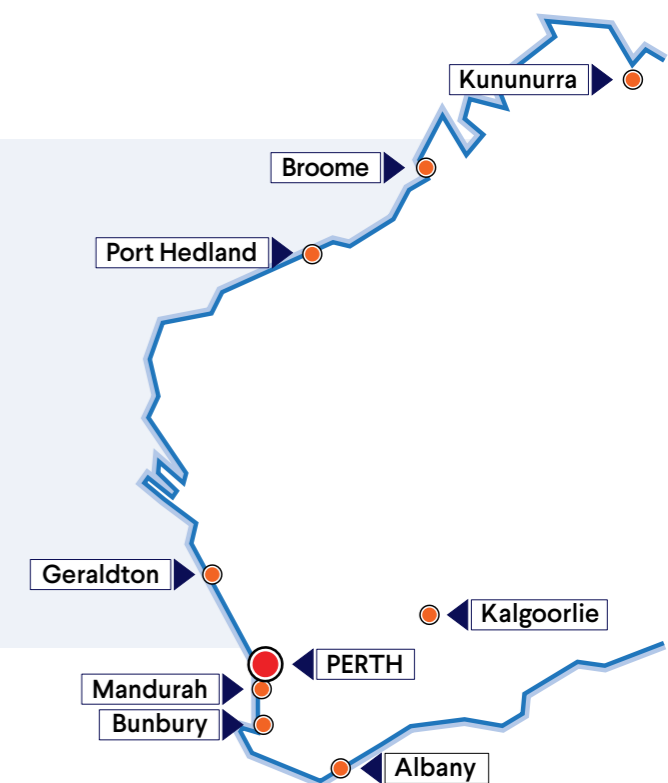
The Department responds to and balances demands for land, and proactively plans and advises on key development projects across the state to ensure our communities continue to prosper for our future generations. We plan how to make best use of the state's natural and built assets for the sustainable and responsible development of all Western Australian communities, through evidence-based research, integrated policy development and stakeholder engagement.

The Department supports four State Government Ministers and five Statutory Boards and Committees.

Our key focus areas are:

- Aboriginal heritage and land management
- Crown land administration
- Historic heritage conservation
- Integrated land and infrastructure policy development
- Land use planning and policy development

The Department currently has nine offices across Western Australia and manages two of the State's major tourism destinations – Whiteman Park and Fremantle Prison.



Our Ministers



Hon Rita Saffioti MLA BBus >
Minister for Planning



Hon John Carey MLA BA (Hons) >
Minister for Lands



Hon Dr Tony Buti MLA >
BPE (Hons), DipEd, MIR,
LLB (Hons), DPhil
Minister for Aboriginal Affairs



Hon David Templeman MLA >
DipTchg BEd
Minister for Heritage

Statutory Boards and Committees

Western Australian Planning Commission

Heritage Council of Western Australia

Aboriginal Lands Trust

Aboriginal Cultural Material Committee

Pastoral Lands Board

The Department also supports Development Assessment Panels, the Office of the Government Architect and the State Design Review Panel.

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

Respect

We respect that our work is personal to our stakeholders and that every piece of land and site has a story.

Collaboration

We engage and collaborate to build prosperous places and connected communities.

Integrity

Our ethics and integrity guide our actions with every piece of land, site and opportunity to enable us to deliver great outcomes for Western Australia.

Innovation

We enable innovation, implementing innovative approaches to the way we work to create value for our stakeholders.

Professionalism

Our professionalism empowers us to use our specialised knowledge and skills to deliver our work to the highest standards.



Organisational Structure



Anthony Kannis

**Director General,
Department of Planning, Lands and Heritage**

- Ministerial Services
- Government Relations
- Communications and Engagement
- Development Assessment Panels
- Internal Audit



Shaun McLeod

**Acting Assistant Director General,
Business and Corporate Services**

- Financial Services
- Business Information Services
- Human Resources Services
- Governance and Performance
- Corporate Project Management
- Investigations of Breaches of Administered Legislation
- Market-led Proposals



David Saunders

**Assistant Director General,
Land Use Planning**

- Strategic Planning Instrument Preparation, Proposal Assessment, Determination and Implementation (delegation from WAPC)
- Statutory Planning Proposal Assessment and Determination (delegation from the WAPC)
- Planning Advice, Assistance and Administration
- Regional Planning Policy Preparation and Implementation



Jaime Lundberg

**Acting Assistant Director General,
Strategy and Engagement**

- Data Analytics
- Policy and Research
- Infrastructure Planning and Policy
- Legal
- Major Projects Facilitation Office
- Cross-divisional Strategic Projects



Vaughan Davies

**Assistant Director General,
Heritage and Property Services**

- Aboriginal Heritage Conservation
- Historic Heritage Conservation
- Review and Reform
- Stakeholder Engagement
- WA Recovery Projects
- WAPC Property Services
- Fremantle Prison
- Whiteman Park



Matt Darcey

**Assistant Director General,
Land Use Management**

- Property and Risk Management
- Crown Land Administration
- Pastoral and Aboriginal Lands
- Agreement Implementation and Land Services
- Land Management and Land Divestment



Kathy Bonus

**Chief Planning Advisor,
Reform, Design and State Assessment**

- Design, Policy and Urban Environment
- Planning Reform
- Office of the Government Architect
- State Development Assessment Unit
- Planning Appeals

Corporate Executive Team biographies are accessible on the Department's [website](#)

Legislation

Enabling legislation

The Department was established as an agency on 1 July 2017, under the *Public Sector Management Act 1994*.

Administered legislation

The Department assists the **Minister for Planning** in administration of the following Acts:

- *Forrest Place and City Station Development Act 1985*
- *Hope Valley-Wattleup Redevelopment Act 2000*
- *Machinery of Government (Planning and Infrastructure) Amendment Act 2002*
- *Metropolitan Region Improvement Tax Act 1959*
- *Metropolitan Region Scheme (Beeliar Wetlands) Act 2021*
- *Metropolitan Region Scheme (Fremantle) Act 1994*
- *Perry Lakes Redevelopment Act 2005*
- *Perth Town Hall Agreement Act 1953*
- *Planning and Development Act 2005*
- *Planning and Development Amendment Act 2020*
- *Planning and Development (Consequential and Transitional Provisions) Act 2005*
- *Port Kennedy Development Act 2017*
- *Road closure Acts (various)*
- *Swan Valley Planning Act 2020 (formerly the Swan Valley Planning Act 1995 repealed 1 August 2021)*

The Department assists the **Minister for Lands** in administration of the following Acts:

- *Anglican Church of Australia Diocesan Trustees and Lands Act 1918*
- *Anglican Church of Australia Lands Vesting Act 1892*
- *Anglican Church of Australia School Lands Act 1896*
- *Browse (Land) Agreement Act 2012*
- *Cambridge Endowment Lands Act 1920*
- *Canning Lands Revestment Act 1954*
- *Chevron-Hilton Hotel Agreement Act 1960*
- *City of Perth (Lathlain Park Reserves) Act 1950*
- *City of Perth (Leederville Park Lands) Act 1950*
- *East Carey Park Land Vesting Act 1957*
- *Fremantle City Council Lands Act 1929*
- *Fremantle Endowment Lands Act 1929*
- *Fremantle Reserves Surrender Act 1912*
- *Geraldton Agricultural and Horticultural Society's Land Act 1914*
- *Geraldton Sailors and Soldiers' Memorial Institute Lands Vesting Act 1933*
- *Jennacubbine Sports Council (Incorporated) Act 1965*
- *Land Administration Act 1997*
- *Land Administration (South West Native Title Settlement) Act 2016*
- *Land Administration Amendment Act 2000*
- *Parks and Reserves Act 1895*
- *Perth Town Hall Act 1950*
- *Perth Town Hall Agreement Act 1953*
- *Reserves (Tjuntjuntjara Community) Act 2018*
- *Reserves Acts (various)*
- *Roman Catholic New Norcia Church Property Act 1929*
- *Town of Claremont (Exchange of Land) Act 1964*
- *War Service Land Settlement Scheme Act 1954*
- *Wittenoom Closure Act 2022*

The Department assists the **Minister for Aboriginal Affairs** in administration of the following Acts:

- *Aboriginal Affairs Planning Authority Act 1972*
- *Aboriginal Communities Act 1979*
- *Aboriginal Cultural Heritage Act 2021*
- *Aboriginal Heritage Act 1972*
- *Aboriginal Heritage (Marandoo) Act 1992*

The Department assists the **Minister for Heritage** in administration of the following Act:

- *Heritage Act 2018*

Other key legislation impacting on the Department's activities

In the performance of its functions, the Department complies with the following relevant written laws:

- *Auditor General Act 2006*
- *Disability Services Act 1993*
- *Equal Opportunity Act 1984*
- *Financial Management Act 2006*
- *Freedom of Information Act 1992*
- *Industrial Relations Act 1979*
- *Long Service Leave Act 1958*
- *Minimum Conditions of Employment Act 1993*
- *Procurement Act 2020*
- *Public Sector Management Act 1994*
- *Salaries and Allowances Act 1975*
- *State Records Act 2000*
- *Workers' Compensation and Injury Management Act 1981*
- *Work Health and Safety Act 2020 (formerly the Occupational Safety and Health Act 1984 repealed on 31 March 2022)*

Other specialised legislation impacting on the Department's operation

- *Building Act 2011*
- *Community Titles Act 2018*
- *Environmental Protection Act 1986*
- *Interpretation Act 1984*
- *Maritime Archaeology Act 1973*
- *Mining Act 1978*
- *Petroleum and Geothermal Energy Resources Act 1967*
- *Property Law Act 1969*
- *Public Works Act 1902*
- *Registration of Deeds Act 1856*
- *Strata Titles Act 1985*
- *Superannuation and Family Benefits Act 1938*
- *Transfer of Land Act 1893*
- *Valuation of Land Act 1978*

Legislation that may need to be considered in various planning decisions:

- *Environmental Protection Act 1986*
- *Environment Protection and Biodiversity Conservation Act 1999*
- *Contaminated Sites Act 2003*
- *Swan and Canning Rivers Management Act 2006*

Legislation overriding planning legislation:

- *City of Perth Act 2016*
- *Mining Act 1978*
- *State Agreement Acts*

Western Australian Planning Commission subsidiary legislation:

- *Greater Bunbury Region Scheme*
- *Metropolitan Region Scheme*
- *Peel Region Scheme*



Our Year in Review

The Parry Street Precinct conservation works project was one of the heritage works' contracts prioritised in the WA Recovery Plan.

Ru Wemyss and Marlise Dossin from our Heritage and Property Services team in front of the Parry Street houses.

Our Achievements

In 2021-22, the Department's [Strategic Plan](#) continued to guide priorities and delivery of outcomes.



Places

The Department continues to create opportunities to enable the sustainable growth of Perth's metropolitan areas and ensure Western Australia's regional communities are best placed to thrive. We are people-focused, and will promote communities where people want to live, work and recreate with a balance of historic and cultural heritage, and the natural environment. We will do this while respecting our State's past and learning from our stories, as we plan for growth and development.

- Progressing delivery of the \$1.69 billion **Perth City Deal** through negotiation and facilitation of land assembly, planning and contract negotiations to support delivery of many of these projects including Edith Cowan University's City Campus near Yagan Square – a project that will create 3,000 jobs during construction and more than 380 ongoing jobs.
- Delivering **Crown land asset sales** through identification and release of land to support State Government priorities including the Housing Diversity Pipeline (Albany Highway, Kelmscott), aged care facilities (Heidelberg Park in Carmel) and provision of land for workforce accommodation in Kalbarri and Exmouth.
- Working closely with State Government agencies, local government authorities and non-government organisations to address **housing supply** issues in regional towns through the identification of suitable Crown land and grants of tenure to support development outcomes – including in Broome, Fitzroy Crossing, Karratha, Kununurra and Tom Price. These initiatives will have positive social and economic impacts for these regional towns.

- Facilitating land tenure to support growth of the **renewable energy industry**, which also aligns with the State's Renewable Hydrogen Strategy.
- Supporting opportunities offered by **carbon farming** on the Crown land estate to stimulate economic activity in regional areas for the State's pastoralists and contribute to the rehabilitation of degraded pastoral lands, while also assisting wider efforts to mitigate climate change.
- The **Wittenoom Closure Bill 2021** was passed by Parliament in March 2022 allowing the State Government to acquire and demolish the final 14 properties and progress to permanently close the townsite.
- Negotiation of agreements to facilitate the acquisition and redevelopment of the **WA Deaf School in Cottesloe**, including the conservation and adaptive reuse of this State heritage-listed building.
- Collaboration with the City of Karratha and Ngarluma Yindjibarndi Foundation Ltd to finalise local planning scheme amendments that will facilitate low-impact tourism opportunities to activate existing heritage assets within the historic **Cossack townsite** and on Jarman Island.
- Six new entries in the **State Register of Heritage Places** including the Don Aitken Centre in East Perth, Coinda House in Mount Lawley and Bob Hawke's former family home in West Leederville.
- Progressing the **Northampton Lead Tailings Project** with construction of a containment cell at the former Wheal Ellen mine to permanently encapsulate lead tailings which posed a potential risk to human health and the environment.

- Finalised the **Shire of Augusta-Margaret River Local Planning Strategy** which will provide for more than 8,500 additional dwellings and balance development outcomes with the significant environmental, landscape and tourism values of the region.
- Finalised the **Muchea Industrial Park Structure Plan** to support the release of industrial land to provide local and regional economic opportunities, including up to 1,000 ongoing jobs.
- Finalised an amendment to the **Queens Park Structure Plan** delivering better built outcomes for the community and providing housing opportunities with good access to public transport services.

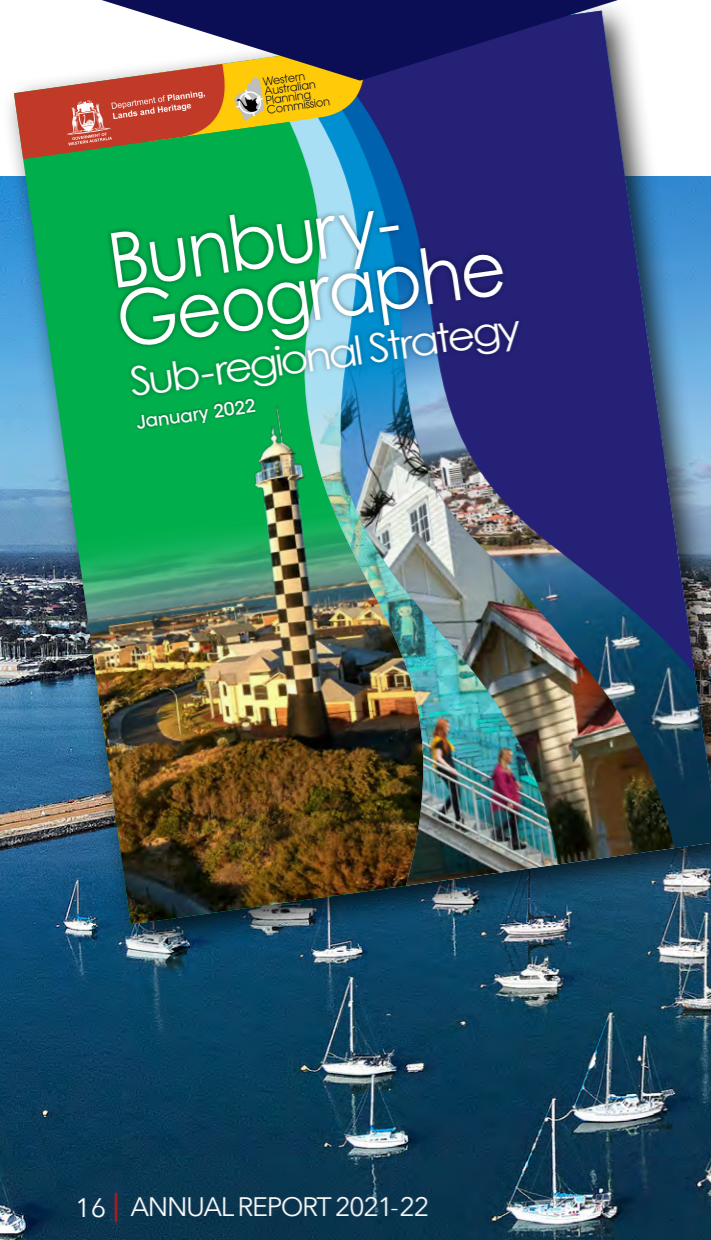
- **Development approval** for five **METRONET** stations – Alkimos (Stage 2), Malaga, Noranda, Whiteman Park and Ellenbrook. These stations will significantly enhance the availability of public transport to these growing communities.

- Approval of the **West Mundijong Industrial Area Structure Plan**, working closely with the Shire of Serpentine-Jarrahdale to release industrial land supporting local jobs and economic growth.
- Implementation of the **Shenton Park Improvement Plan and Scheme**, including consideration of all applications lodged for new homes in the area, and assessment of revisions to the Design Guidelines to guide quality-built outcomes.
- Finalisation of the **Wanju and Waterloo Greater Bunbury Region Scheme amendments**. This rezoning will facilitate significant land supply for urban and industrial development.
- Endorsement for advertising of the **City of Perth's first local planning strategy**; a key document guiding the growth of the Perth City over the next 10 to 15 years.



Artist impression of the future Whiteman Park Station. Image courtesy METRONET

- Delivery of land assembly outcomes to facilitate the expansion of Wellington National Park and the creation of Thundelarra Conservation Park and Warlibirri National Park in Gooniyandi country in line with the State Government's **Plan for our Parks** initiative.
- Established an Implementation Group to oversee delivery of the **Cape Peron (including Mangles Bay) Planning Investigation Area Study** recommendations. This includes work to progress the creation of a Class A reserve, protecting and enhancing environmental values of the area.
- Publication of the **Bunbury-Geographe Sub-regional Strategy**, setting out a coordinated, contemporary and considered approach to future growth and development.
- Ongoing collaboration with the Department of Water and Environmental Regulation and the City of Perth to establish the Northbridge Special Entertainment Precinct to support cultural vibrancy and encourage economic prosperity while minimising the impact on future noise-sensitive development.
- Continue planning work in partnership with Main Roads WA and local governments to ensure the best strategic-level transport network is achieved across the State. Key projects include initiation of the **Metropolitan Region Scheme amendments for Breakwater Drive and Armadale Road deviation**, and collaboration on the **Bullsbrook interchange along Tonkin Highway between Maralla and Stock Roads**, which will facilitate delivery of approximately 10,000 dwellings north of Ellenbrook and 270 hectares of industrial land.



People

Leadership, workforce planning and development across the Department positions us as an employer of choice to attract people who align with our values and reflect the community we serve. We will be identified for our inclusive and supportive culture, where staff have opportunities to recognise and grow their capabilities.

- Ongoing facilitation of the **Reflect Reconciliation Action Plan** initiatives including development of an Aboriginal Engagement Toolkit to improve cultural competency across the Department and assist employees in providing culturally appropriate services and meaningful engagement with the community.
- Delivering on all actions in our current **Disability Access and Inclusion Plan 2018-23** including a focus on improving our standing as an employer of choice for people with a disability and the appointment of an Aboriginal Employment and Diversity Manager.
- Continued implementation of our **Multicultural Action Plan 2021-25** to build a diverse and inclusive workforce, ensuring our staff profile reflects the community we serve.
- Participation in the Public Sector Commission's **Solid Futures Aboriginal Traineeship Program** providing young Aboriginal people employment opportunities and support.
- Exceeded the **State Government Aboriginal Procurement Policy target** with 15 per cent of contracts awarded to Aboriginal organisations representing a combined contract value of more than \$5 million.

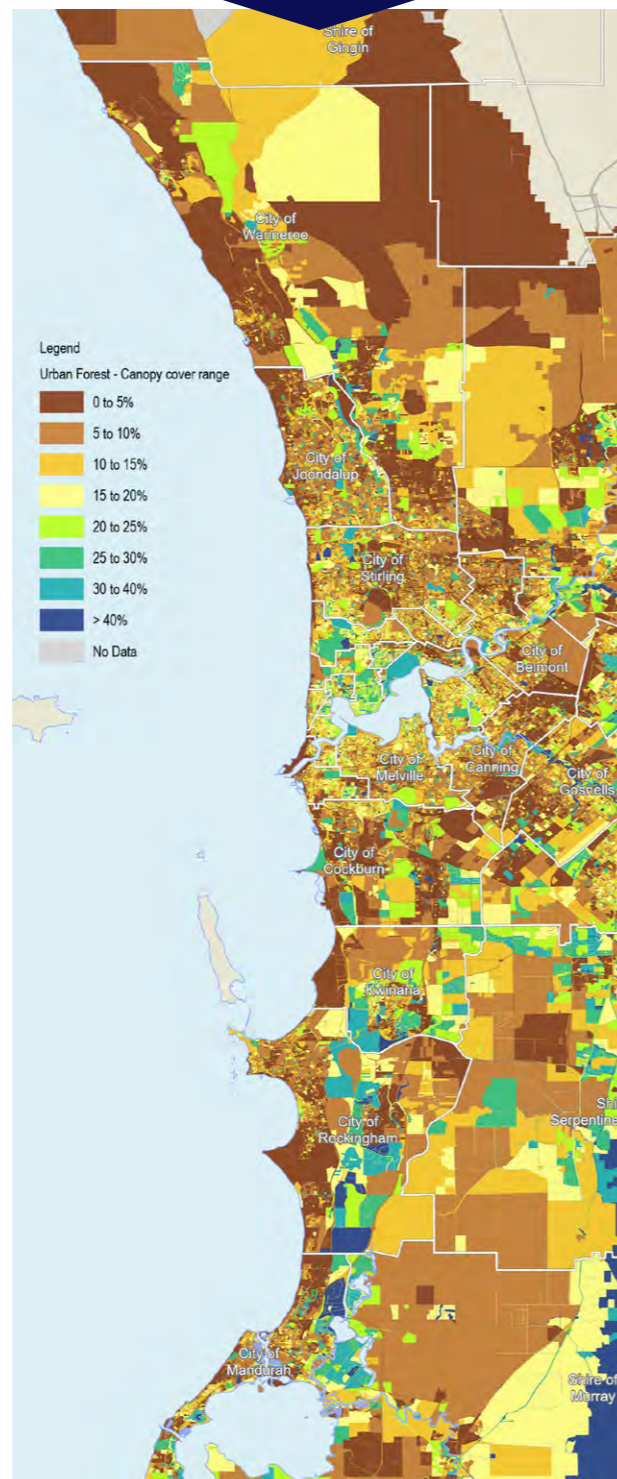
Frameworks/Reform

The Department is committed to continuously review how we work to ensure we have a contemporary and effective system for planning communities, administering lands and conserving cultural heritage in Western Australia. We will embrace change and lead reform activities to deliver Department and State Government priorities.

- A new **Aboriginal Cultural Heritage Act 2021** was passed by Parliament in December 2021 to provide a modern framework for the recognition, protection, conservation and preservation of Aboriginal cultural heritage while recognising the fundamental importance of Aboriginal cultural heritage to Aboriginal people. The Act replaces the outdated *Aboriginal Heritage Act 1972* and will be operational by mid-2023.
- A three-phase **co-design process** was launched to develop the Regulations, statutory guidelines and operational policies to support the new *Aboriginal Cultural Heritage Act 2021* including a new tiered assessment system to replace the section 18 approval process.
- Drafting of the **Land and Public Works Legislation Amendment Bill 2022** which will allow more flexible use of Crown land through amendments to the *Land Administration Act 1997* and provide an opportunity for pastoralists, Native Title bodies and other organisations to maximise opportunities in the growing renewables market including carbon farming, hydrogen, and wind and solar markets.
- Strong interest in the temporary **Part 17 pathway** for assessment and determination of significant developments prompted the State Government to introduce the **Planning and Development Amendment Bill 2022**. The Bill, which was passed by Parliament in June 2022, reopened the pathway until December 2023.
- Preparing amendments to the **Aboriginal Affairs Planning Authority Act 1972** targeted at removing legislative barriers to the divestment of the Aboriginal Lands Trust estate and maximising opportunities for direct Aboriginal land ownership and management, economic activity and improved outcomes for Aboriginal communities.

- Progressing major initiatives through the **Planning Reform** program including release of the [Development Assessment Panels \(DAP\) reforms](#) for public comment with the proposed changes intended to simplify and improve the DAP system, and commencing work on a key reform initiative to create a more efficient and strategically-focused WAPC.
- Continued implementation of the **Design WA** program including finalising the draft Medium Density Code and *State Planning Policy 4.2 – Activity Centres*, commencing public consultation on the draft Safer Places by Design Guidelines and planning for the review of Liveable Neighbourhoods.
- Release of the [Guide to Best Practice Planning Engagement in Western Australia](#) providing clear and consistent principles, guidance and tools for designing and delivering best practice consultation and engagement on planning proposals.
- Gazettal of revised [State Planning Policy 2.4 – Planning for Basic Raw Materials](#) allowing for the responsible extraction of basic raw materials and ensuring the protection of people and the environment.
- Progressing the amalgamation of existing water-related policies into a consolidated draft [State Planning Policy 2.9 – Water Resources](#) and Planning for Water Guidelines, with a view to provide one single policy that is easy to navigate, has a greater focus on outcomes, and provides an enhanced integration with the broader planning system.
- Progressing the *Position Statement: Planning for Tourism* and associated Guidelines in line with recommendations from the Parliamentary Inquiry into Short-Stay Accommodation – to create a better system for **short-term rental accommodation** to ensure consumer choice, provide a level playing field across the sector and respond to impacts on local communities, and broader market and industry trends.

• Release of new data, mapping products and guidelines to support better urban forest planning in the Perth and Peel regions – a project led by the WAPC.



Services

The Department will be supported by systems and processes that enhance the way we work to ensure outstanding practices that deliver results for Western Australia and exceed the expectations of our stakeholders. We will demonstrate strong leadership and have a forward focus where we anticipate change and embrace new technologies.

- Approval of nine applications and two amendments through the **Part 17 pathway** for significant developments, with assessment of another 32 applications also underway. A liquid natural gas (LNG) plant was the first approved project to be completed and operational during the reporting period, with construction also commencing on a number of other developments.
- Supported the successful advancement of the **Murujuga World Heritage Nomination** led by the Department of Biodiversity, Conservation and Attractions in partnership with the Murujuga Aboriginal Corporation and the Australian Government.

- Processing a constant level of applications, site nominations and requests for site information under the *Aboriginal Heritage Act 1972*, demonstrating a consistent level of engagement and interest in Aboriginal cultural heritage sites across the State.
- Continuation of the Department's program to **repatriate Aboriginal ancestral remains and cultural objects**, working with institutions, organisations and communities across the State to ensure correct identification and a return to country without delay. This year, the repatriation of two sets of ancestral remains from the Quobba blowholes near Carnarvon and the repatriation of a Hindmarsh Ancestor back to South Australia were completed.
- Assessed nearly 700 development applications to support the regional road network of the Metropolitan Region Scheme to support safe and efficient infrastructure and transport planning.

• The **State Design Review Panel**, chaired by the Government Architect, has continued to assist decision-makers and proponents with design advice on major and strategic projects. This year, the panel undertook 41 reviews of 30 projects – including five METRONET projects, 15 proposals from the Part 17 pathway, the Edith Cowan University City Campus and the Perth Girls School redevelopment.



Community

The Department is committed to building strong relationships with our stakeholders through meaningful engagement. We will communicate early and often to bring our stakeholders on the journey with us. Our dealings will be professional and respectful with a strong focus on openness and transparency that provides positive outcomes and experiences.

- Progressing the implementation of significant **Indigenous Land Use Agreements** including the South West Native Title Settlement and Yamatji Nation Agreement and working with the Department of the Premier and Cabinet to negotiate new agreements with Traditional Owners.

The media release can be found here www.mediastatements.wa.gov.au

- Continued divestment of the Aboriginal Lands Trust estate, exceeding the target for this reporting period with **18 divestments approved** and **four properties legally transferred**, opening doors for social and economic opportunities for Aboriginal communities.
- Completion of **restoration works at Arthur Head in Fremantle** to stabilise the cliff faces, improve access and safety for visitors and install artwork in the Whalers Tunnel – a collaboration between a local artist and Noongar elders.
- More than \$250,000 shared by 10 Aboriginal organisations through the [Preserve, Promote and Protect Aboriginal Sites Grants Program](#).



- Completed conservation works at the **Roebourne Gaoler's Quarters** supporting the future divestment and reactivation of the precinct. The project has converted the vacant building for office use, including new universal access facilities and car parking.
- Completion of critical **conservation works at the State registered Parry Street Precinct** – a streetscape including seven heritage homes from the late 19th and early to mid-20th century. The works have enabled the properties to be prepared for occupation as social housing.
- Through the [Heritage Grants Program](#), 38 grants were awarded, worth more than \$1.3 million, for conservation and community projects that celebrate State registered heritage places.
- Continued delivery of the [Local Government Heritage Consultancy Grant Program](#) providing more than \$317,000 to support projects associated with the identification of local heritage places.
- Hosted the inaugural 2022 Heritage Conference [Be prepared – act now to protect our past](#) as an online event involving more than 240 participants from across Australia, sharing a passion for protecting heritage and learning how to prepare for natural disasters.
- Established the new [Swan Valley Strategic Leadership Group](#), a community-based committee to help guide the future planning and development of Western Australia's unique wine, tourism and horticultural region.
- Following finalisation of the Dampier Peninsula Cultural Heritage Protection Plan last year, the Department has undertaken significant planning work with the communities on the **Dampier Peninsula** to ensure increased protection of its important Aboriginal cultural heritage sites and values.



- Completed extensive **community and stakeholder engagement**, including numerous workshops held across the State to support planning reform, refine proposals for amendments to the *Land Administration Act 1997* and the *Aboriginal Affairs Planning Authority 1972*, and commence the co-design process to support implementation of the new *Aboriginal Cultural Heritage Act 2021*.
- With Department offices based in key regional centres, and through regional travel, we **worked with stakeholders and communities across the State** to provide assistance on land use, strategic and regional planning, Aboriginal heritage, heritage and lands, matters and to facilitate pre-lodgement advice on development proposals.
- Conducted **107 Aboriginal heritage site audits** in collaboration with Traditional Owners throughout the State to ensure sites are protected and managed.
- Our regional offices provided advice on cultural resource management, strengthened partnerships with Aboriginal groups and participated in awareness activities to promote the richness of Aboriginal heritage, with involvement in 191 stakeholder engagement activities.

Our Services

Planning Services

Desired outcome: *An effective planning system that supports the development of communities in Western Australia.*

The Department provides land use planning services that underpin vibrant, connected and sustainable communities and balance economic, social and environmental considerations. This includes developing strategic planning frameworks for each planning region to guide land use and development in communities across metropolitan and regional Western Australia.

The Department works with State and local government agencies, the development industry, landowners, and stakeholders to prepare planning frameworks that will support the growth of communities; and is responsible for assessing planning strategies, schemes, applications for subdivision and developments of State or regional significance including a range of planning control mechanisms to support urban development and the delivery of major projects, including METRONET and Westport.

Complex planning and development projects for the State are supported by the Department with subject matter expertise, legal advice, project management services and infrastructure planning. A key part of our work is focused on planning policies that align with environmental, social and governance principles to guide emerging industries, cater for essential public services, respond to challenging issues affecting the State and drive economic investment, job creation and deliver better outcomes for Western Australians.

Planning Reform

In 2021-22, the Department has continued to implement major initiatives through the State Government's planning reform agenda to support economic recovery. An initial phase of reform initiatives has delivered immediate changes to Western Australia's planning system through more streamlined, efficient and transparent processes. Further reforms will facilitate a strategic refocus of the system resulting in longer-term benefits and improvements.

Widespread public consultation was undertaken to provide the scope and direction for a second phase of planning reform and on a series of proposed changes to simplify and improve the Development Assessment Panels system. The [Guide to Best Practice Planning Engagement in Western Australia](#) and Local Planning Strategy Guidelines were also finalised and released, and projects to review region schemes and the efficiency and strategic focus of the Western Australian Planning Commission (WAPC) were initiated.

Market-led Proposals

Responsibility for the Market-led Proposal (MLP) process was transferred from the Department of Finance to the Department in March 2022. MLPs provide an opportunity for the State Government and the private sector to work together on innovative proposals that could create jobs and stimulate economic activity in Western Australia. Since the MLP Policy commenced in 2019, the Government has received 69 proposals – 11 of which were submitted this reporting period. Of the 69 proposals received to date, two are now completed and 16 are under assessment. In addition, the Government has released six Problem and Opportunity Statements.

Future of Fremantle

With Kwinana confirmed as the preferred location for Perth's new port, the Future of Fremantle Planning Committee was established this year – as a sub-committee of the WAPC – to consider land use and economic development opportunities around North Quay, Victoria Quay and surrounding areas. The Department is providing planning, urban design and project management professionals to support the new Committee, to explore opportunities at Fremantle's Inner Harbour and develop a vision, land use plan and economic development strategy for longer-term redevelopment.

Bushfire Mitigation and Planning

The Department is supporting the State Government's response to improve bushfire preparedness and reduce risk across Western Australia through continued implementation of initiatives under the [Action Plan for Bushfire Framework Review 2019](#). A revised map of bushfire prone areas and policy framework are being developed with the Department of Fire and Emergency Services. The Department is also supporting improved bushfire preparedness and resilience through the release of *Guidelines for Planning in Bushfire Prone Areas Version 1.4* which incorporate provisions for tourism proposals in bushfire areas, a revised [State Planning Policy 3.7 – Planning in Bushfire Prone Areas](#), and administering funding of \$4.25 million to help manage bushfire mitigation on Crown land.

Coastal Management and Planning

With a coastline of more than 20,000 kilometres, the Department is coordinating with other states and territories to call for a national approach to coastal erosion. In parallel, four high priority coastal erosion hotspots are under ongoing management and an additional 42 coastal management projects are underway. The Department, on behalf of the WAPC, will administer \$33.5 million in [CoastWA grants](#) over the next five years to support local governments, land managers and environmental and community groups in mitigating the effects of inundation and erosion and to protect assets along our coastline.

Office of the Government Architect

The Office of the Government Architect supports the Government Architect's role of providing leadership and independent strategic advice to government, industry and stakeholders to improve the design of public buildings and spaces and enhance the quality of the built environment. The Government Architect recognises that our urban environments are a product of the relationship between built outcomes and the natural environment. Built outcomes therefore include streets, open spaces, buildings, movement networks, infrastructure, signage and the activities that are carried out both within buildings and in the public realm.

The State Design Review Panel comprises a pool of members with a range of expertise across architecture, landscape architecture, urban design and planning. Members are called for reviews based on a specific discipline, availability and to ensure balance and independence for each review.

Part 17 Significant Development Assessment Pathway

The initial phase of the temporary Part 17 pathway for significant developments closed to new applications in January 2022. Initially established by the State Government to boost economic recovery in response to COVID-19, 50 applications were lodged for assessment as at 6 January 2022 when the pathway closed. In total, these proposals represent \$5 billion in investment in various State regions and are expected to support up to 30,000 jobs. A dedicated team in the Department, the State Development Assessment Unit, assesses applications and coordinates referrals to regulatory authorities. The application is then considered by the WAPC.

Of the applications received in this first phase, 18 had been approved by the end of the 2021-22 reporting period representing more than \$1.7 billion investment. Six of the approved projects were underway or complete by June 2022. Approved developments include a liquid natural gas (LNG) processing plant in Mt Magnet; residential and mixed-use developments in South Perth, Subiaco, Cottesloe, Como, East Fremantle and Tuart Hill; the State Football Centre in Queens Park; aged care facilities in Nedlands and Victoria Park; the Parliamentary Annex in West Perth; a local shopping centre in Dawesville; a student accommodation facility in Waterford; a wharf extension in Henderson; a hotel in Fremantle; and the \$1 billion redevelopment of the Cockburn Gateway shopping centre into a community hub.

In June 2022, the Planning and Development Amendment Bill 2022 was passed by Parliament providing for an extended COVID-19 economic recovery period and the reopening of the pathway for a further 18 months to December 2023. The original criteria remain to assess well-designed 'shovel ready' proposals for significant developments valued at \$20 million or more in the Perth metropolitan region and \$5 million or more in regional areas.

An additional provision was incorporated to allow for extensions of timeframes to substantially commence approved developments in light of supply and labour challenges being experienced in the residential and commercial construction markets.

Re-opening the pathway will stimulate a further pipeline of projects, investment and job opportunities for years to come.



A render of the \$1.08 billion Cockburn Gateway from Beeliar Drive.

Cockburn Gateway Shopping Centre Expansion

A coordinated referral process has been one of the significant benefits of the temporary Part 17 pathway. For the proposed Cockburn Gateway shopping centre expansion, 12 State Government agencies and services providers, the City of Cockburn and the community were consulted on the development application.

Major planning matters to be considered were traffic and parking to accommodate the proposed increase in retail, commercial and residential uses in an important regional network adjacent to the Kwinana Freeway and Mandurah rail line. Workshops were held with staff from Main Roads WA, the City of Cockburn and the applicant's transport planners to account for future transport and road projects in the area and ensure a collaborative approach was taken to resolve identified traffic issues.

Plans for the expanded Cockburn Gateway precinct were approved by the WAPC in October 2021. In addition to an expanded shopping centre, the staged development proposes a dining and entertainment hub with new public spaces, a mix of apartments and townhouses to accommodate approximately 2,000 new residents, offices, a 66-room hotel, showroom and additional parking facilities.

A unique and important aspect of the Part 17 pathway is that the legislation requires the applicant to demonstrate the potential economic impacts of an application – such as how it would benefit the State's ongoing economic recovery from the COVID-19 pandemic and support employment opportunities. This aspect of the pathway ensures the substantial employment and local economic benefits of significant development applications.

The Cockburn Gateway redevelopment will create new employment, retail, service, and recreational opportunities for residents across Perth's south metropolitan suburbs and provide a greater diversity of housing choices with access to METRONET links and a range of local amenities.



Sod-turning for Parker Street with Planning Minister Rita Saffioti.

Land Administration and Asset Management Services

Desired outcome: An effective system for the administration of Crown land and the Aboriginal Lands Trust estate.

The Department administers and manages Western Australia's Crown land estate, which comprises approximately 92 per cent (233.5 million hectares) of the State including all land (other than freehold) and all coastal and other waters. This includes resolving complex land tenure, the administration of 490 pastoral leases, divestment of surplus government land and the assessment and negotiation of Indigenous Land Use Agreements and Native Title settlements on behalf of the State and Traditional Owners.

Our work also involves processing land access approvals, property and risk management for hazards and contaminated sites on Crown land, and delivering primary land tenure for strategic infrastructure projects – working to ensure highest and best use of Crown land in accordance with key Government priorities.

Land Administration Act 1997 Amendments

The Department has been progressing amendments to the *Land Administration Act 1997* in 2021-22 to remove constraints for Crown land-based developments throughout Western Australia, support economic growth and development through diversified land use, and facilitate best-practice land management and more effective administration of the pastoral estate.

The draft Bill proposes legislative reforms including a new form of tenure (a diversification lease) which will enable Crown land to be used for multiple purposes including renewable hydrogen and renewable energy projects. The amendments also provide for the extension of pastoral lease terms where appropriate, supporting investment in pastoral businesses, potential carbon sequestration and better management of the land through security of tenure.

8 Parker Street, South Perth

This \$40 million residential development in South Perth incorporates two apartment buildings up to 15 storeys. Its 29 dwellings include three dual-key apartments and access to a range of communal facilities such as a pool, gym with sauna and games and therapy rooms.

The development came about as a joint enterprise by the owners of the townhouses that used to exist on the site. The ingenuity and collaboration by former residents is an excellent demonstration of innovation in planning and development, particularly in allowing the residents to realise the value of their investment and maximise the opportunity to age in place and reside in the community they love.

The Part 17 pathway allowed the development to be approved a year ahead of when it might otherwise have been, because the WAPC was able to take into consideration a planned amendment to the local planning scheme which would allow heights of up to 15-storeys in the area. Construction started on the development in July 2021.



Divestment of Aboriginal Lands Trust Estate

The Aboriginal Lands Trust (ALT) estate covers 8.7 per cent (22 million hectares) of State land and is home to an estimated 12,000 people in 142 permanent settlements, ranging from large communities, to regional towns and small family settlements. The State Government is committed to the continued divestment of the ALT estate into the direct control of Aboriginal people – to strengthen communities, foster economic activity and secure improved outcomes for Aboriginal people in regional and remote Western Australia.

To achieve this, the Department is preparing amendments to the *Aboriginal Affairs Planning Authority Act 1972* targeted at removing barriers to divestment. Through consultation with Aboriginal organisations, Native Title representative bodies and other key stakeholders, the Department has collected feedback on the proposed amendments to inform the preparation of a draft Bill. A more comprehensive legislative review is also being progressed.

Carbon Farming on Crown Land

Policy changes being developed by the Department are supporting carbon farming opportunities on the Crown land estate. These projects can support the State's efforts to mitigate climate change, stimulate economic activity in regional areas, offer a diverse income base for pastoralists and contribute to the rehabilitation of degraded pastoral lands.

Land Supply and Social Housing

A new Housing Diversity Pipeline has been created by the State Government to increase the delivery of housing developments, including social housing, on Government-owned land across the State. In collaboration with the Department of the Premier and Cabinet, the Department of Communities and DevelopmentWA, a Registration of Interest process was launched in February 2022 seeking to partner with industry on innovative delivery models and future development across 12 identified sites. The Department is leading the project and is also working to deconstrain and divest surplus land owned by the Crown or the Western Australian Planning Commission for social housing developments and other strategic planning and land use objectives.

Historic Heritage Services

Desired outcome: An effective system for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations.

The Department supports the Heritage Council of Western Australia and the Minister for Heritage to identify, celebrate and promote the conservation and sensitive development of cultural heritage places in the State.

The Department has delegated responsibility for carrying out the Heritage Council's day-to-day operations, including:

- advising State agencies and local government on heritage related matters and providing assistance to manage local heritage places;
- facilitating the identification and assessment of places of cultural heritage significance;
- revitalising vacant and under-utilised State or local government-owned heritage properties through the Heritage Works program; and
- promoting best-practice conservation and enhancing the community's understanding and appreciation of heritage places.

The Department also provides operational management of the World Heritage-listed Fremantle Prison and conserves, interprets, and presents the Prison as a landmark compatible-use property.



Heritage Regulations

In 2021-22, the Department finalised a second phase of consultation on the *Heritage Amendment Regulations 2022* designed as a complete set of Regulations to accompany the *Heritage Act 2018*, better informing decision-makers, heritage custodians and stakeholders. Submissions were received from a wide range of stakeholders including local government, heritage practitioners, property owners and the broader community. A final draft was completed in June 2022 and it is anticipated the Regulations will come into effect early in 2022-23.

WA Economic Recovery Projects

The Department is leading the delivery of 10 projects funded under the \$5.5 billion WA Recovery Plan following the impacts of COVID-19. These projects – seven of which are in the Perth metropolitan area and the others in the Pilbara, Kimberley and Wheatbelt regions – have assisted to stimulate local jobs and provide a variety of tourism, environmental protection, heritage conservation and community benefits. The Department has awarded 100 per cent of the

works that have commenced for these projects to Western Australian businesses, including some contracts to Aboriginal companies.

The Parry Street Precinct conservation works project was one of the heritage works' contracts prioritised in the WA Recovery Plan. The Department worked with the Department of Communities to complete critical conservation works to seven houses in the historic Parry Street Precinct, on the border of the Perth CBD and Northbridge. With refurbishments completed in June 2022, the homes have now been added to the State's social housing portfolio.

Another Department-led WA Recovery Plan project completed in June 2022 was the conservation and fit-out of the Gaoler's Quarters, within the Roebourne Gaol Precinct. This project converted the 125-year-old vacant building for office use, including new universal access facilities and car parking, new electrical, hydraulic and mechanical services, an accessible walkway, kitchen, conservation of the external stone walls and internal painting. The Roebourne Gaol Precinct is listed in the State Register of Heritage Places and is a significant and iconic heritage site relating to the development of the North West and the history of incarceration in Western Australia.

Fremantle Prison Conservation Projects

Funding of \$1.6 million through the WA Recovery Plan was allocated for conservation works at Fremantle Prison. This funding assisted in the releveling of the Parade Ground to ensure visitor safety, improve stormwater management, and enhance visitor infrastructure and amenities.

In addition, the Department facilitated essential conservation and maintenance works in 2021-22 to support key projects identified under the Fremantle Prison Master Plan 2019-2029. These include:

- The Commissariat Conservation and Interpretation Project to remediate the ceiling of an enclosed former yard and improve universal access. A mix of State and Australian Government stimulus funding helped to conserve much of the original fabric, repairing stonework and joinery, interpreting former steel elements and installing a new universal elevator and large spiral staircase. The project, part of an ongoing, large scale program of restoration works in the Main Cell Block, was completed in June 2022 and is now an actively used function space and tour area.

- Restoration and painting of the Sally Port security cage, painting of the Gatehouse gates, restoration and painting of the 1855 Wray Gates and stonework repairs throughout the Gatehouse area. These works have contributed to the preservation of the Gatehouse complex and have also improved the experience for visitors at their initial point of interaction with Fremantle Prison.

In May 2022, an additional [\\$12.6 million funding](#) was committed by the State Government to undertake additional multi-year conservation works at the Prison, due to commence in the 2022-23 financial year.



The Parry Street Precinct conservation works project.



Main Cell Block COVID recovery works, Fremantle Prison.

Aboriginal Heritage Services

Desired outcome: *An effective system for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations.*

The Department works with Traditional Owners and industry to provide advice and support the Minister for Aboriginal Affairs, and the Aboriginal Cultural Material Committee, to manage Aboriginal cultural heritage. Our staff provide a wide range of heritage services that support the recognition, conservation and celebration of Aboriginal heritage in Western Australia through:

- advising Government, industry and community stakeholders on matters in relation to Aboriginal cultural heritage;
- processing statutory applications and registrations;
- conducting site assessments, repatriation of ancestral remains, site audits and providing advice;
- implementing the State Government’s Aboriginal heritage commitments under Native Title settlements and Indigenous Land Use Agreements; and
- administering grants to assist the Aboriginal community to protect and promote Aboriginal heritage sites.

State Significant Indigenous Land Use Agreements

The Department is working closely with the Department of the Premier and Cabinet on multiple State Significant Indigenous Land Use Agreements (ILUA) including the South West Native Title Settlement, Yamatji Nation ILUA, and Kariyarra and State ILUA. These agreements aim to resolve Native Title matters and provide Aboriginal people with long-term benefits and opportunities for economic, social and cultural outcomes.

South West Native Title Settlement Agreement

Involves around **30,000 Noongar people** and covers approximately **200,000 square kilometres** of land.

Yamatji Nation ILUA

Is set to deliver almost **half a billion dollars** to the Yamatji community and covers more than **48,000 square kilometres** of land.

Kariyarra and State ILUA

Will deliver significant **land and monetary benefits** to the Kariyarra people in Port Hedland and South Hedland.

New Aboriginal Cultural Heritage Laws

The State Government achieved the most significant reform to the Aboriginal cultural heritage system for almost 50 years with the passing of the new *Aboriginal Cultural Heritage Act 2021* (ACH Act) by Parliament on 22 December 2021. The ACH Act culminates three years of development and more than 380 submissions from a wide range of stakeholders.

The central foundation of the ACH Act is consultation, negotiation and agreement-making between Aboriginal people and proponents, in accordance with the principles of the *United Nations Declaration on the Rights of Indigenous Peoples*. Traditional Owners are now at the heart of decision-making about the protection and management of their cultural heritage, with the principles of free, prior and informed consent enshrined in the agreement-making process.

The ACH Act provides a modern legislative framework for the recognition, protection, conservation and preservation of Aboriginal cultural heritage while recognising the fundamental importance of that heritage to Aboriginal people. It is a significant step towards achieving equity in the relationship between Aboriginal people, industry and the State Government by replacing outdated laws and removing the controversial section 18 approval process.

Passage of the ACH Act through Parliament was an important first step of this reform process. Consultation and engagement with Aboriginal people and stakeholders continues through the co-design of key Regulations and documents that will support implementation and operation of the new laws. An Aboriginal Cultural Heritage Reference Group comprising two Aboriginal members and a representative from industry and the State Government was appointed in February 2022 to oversee the co-design process.

An initial phase of co-design was managed by the Department during April and May 2022 including a public consultation process and workshops held in Kununurra, Broome, Albany, Esperance, Geraldton, Bunbury, Carnarvon, Kalgoorlie, Perth, Armadale, Port Hedland and Karratha. The 15 workshops were attended in person by approximately 300 participants. A broad group of stakeholders engaged in respectful discussions, providing constructive feedback on issues including timelines, Local Aboriginal Cultural Heritage Services (LACHS) fees, activity categories and consultation guidelines.

A two-day workshop involving Aboriginal groups, mining and industry representatives, pastoralists, local government and State government officers was conducted in Perth in June 2022. Feedback received from all workshops has formed the basis of draft Regulations, statutory guidelines and key documents which will be subject to further co-design throughout 2022. The new laws are due to take effect from mid-2023.

Under the new ACH Act, Local Aboriginal Cultural Heritage Services (LACHS) will be appointed for each area of the State and will play an active role in the management of cultural heritage. LACHS will be the go-to groups to help negotiate and facilitate agreement-making on land-use proposals.

In August 2021, the State Government committed \$10 million to provide one-off establishment, administration and capacity-building funding for LACHS. This money is a commitment to capacity building and development.

Our Grant Programs

Grants administered by the Department of Planning, Lands and Heritage and the Western Australia Planning Commission.

The Department's grant programs enable local communities to deliver projects that add economic, cultural and environmental value to their area.

Preserve, Promote and Protect our Aboriginal Sites Grants Program

The Department's [Preserve, Promote and Protect our Aboriginal Sites](#) grants program offers funding to Aboriginal not-for-profit organisations to undertake projects that protect and preserve registered Aboriginal heritage sites.

In 2021-22, a share of more than \$250,000 was awarded to 10 Aboriginal organisations, including:

- Wattandee Littlewell Aboriginal Corporation in the Mid West to build a large pergola so that all-weather cultural gatherings can be held onsite;
- Ngarluma Yindjibarndi Foundation and the Nomads Charitable and Education Trust in the Pilbara to develop interpretive signage to inform tourists about the historical and cultural significance of the sites;
- Albany Heritage Reference Group Aboriginal Corporation to complete a panoramic painting in the Town Hall Square with contemporary descriptions of the Menang Noongar people, including well respected Elder and guide Mokare who lived in the 1800s and worked with early settlers; and
- Hotham River Aboriginal Corporation to further investigate its history with the use of a ground penetrating radar to confirm the location of local tracker Quency Dilyan, who accompanied explorers and surveyors into the Boddington area during the 1800s.

Local Government Heritage Consultancy Grants Program

Following a pilot program in 2020-21, the [Local Government Heritage Consultancy Grants](#) program was again offered in 2021-22 to local government authorities for professional fees associated with the identification of local heritage places in Western Australia and the development and implementation of a heritage framework. In 2021-22, more than \$317,000 was shared between 20 recipients to support projects associated with the identification of local heritage places, including:

- \$20,000 for the Shire of Katanning to review its local heritage survey and for the preparation of a heritage list and a heritage survey;
- \$15,000 to the Shire of Derby-West Kimberley to prepare a local heritage survey and a heritage list; and
- \$20,000 for the City of Wanneroo to create a local heritage strategy and guiding heritage documents.

Severe Tropical Cyclone (STC) Seroja Heritage Asset Grant Program

Cyclone Seroja crossed the Western Australian coast in April 2021 and left an extensive trail of destruction across the Mid West region, including damage to many places identified as having State and local heritage significance. The STC Seroja Heritage Asset Grant Program is jointly funded by the State and Australian Governments to assist insured and uninsured property owners in the restoration of heritage assets that were damaged. The program operates as part of the Disaster Recovery Funding Arrangement and will extend through to June 2023.

The Department administers a grants fund of \$1.5 million in addition to contracting professional services to assist affected owners. In 2021-22, the Department participated in three tours to the region to support applicants and encourage property owners to access grant funding.

Coastal Management Grants

As part of the State Government's strategic response to coastal management, the Department administers the [Coastwest](#) program and the [Coastal Management Plan Assistance Program](#) on behalf of the Western Australian Planning Commission. In 2021-22, 30 grants worth almost \$1.4 million were awarded to local governments and community groups to plan, protect, manage, and enhance Western Australia's coast from the Shire of Broome in the north, and south to the Shire of Ravensthorpe. Projects include coastal hazard risk management and adaptation planning for coastal erosion hotspots at Exmouth, Windy Harbour and Hopetoun; dune stabilisation at Point Moore in Geraldton, Floreat Beach and Cottesloe; and monitoring of coastal community values in the South West.



Floreat Beach Dune Conservation.

Grants administered by the Heritage Council of Western Australia.

The Heritage Council's grant and sponsorship programs provide funding assistance towards the conservation and celebration of State registered heritage places.

Heritage Grants Program

One of the Heritage Council's key objectives is that places in the State Register of Heritage Places are protected and celebrated through sound conservation practice, successful adaptation and harmonious development. To assist in achieving this objective, the Heritage Council offers financial incentives to owners of State registered heritage places through its annual Heritage Grants Program. Since 1997, more than \$23 million has been invested in over 820 heritage projects.

The current Heritage Grants Program offers funding through two funding streams to support conservation and interpretation projects:

- **State Heritage Grants** are open to private owners of State registered heritage places with funding of up to \$40,000 offered for essential conservation projects, and up to \$100,000 offered for major projects that demonstrate strong outcomes for heritage place reactivation, disaster mitigation or job creation and economic stimulus.
- **Community Heritage Grants** are open to local governments, not-for-profit and private organisations to support projects that promote or celebrate the history of State registered places. This funding stream offers grants of up to \$20,000 for community events, activities and heritage interpretation projects.

The 2021-22 round saw 38 applications approved with more than \$1.3 million in grant funding allocated and, through matched funding arrangements, will deliver projects worth over \$5.26 million. Funded projects include \$58,000 for conservation and documentation works to the Newmarracarra site after it was damaged during Cyclone Seroja; a \$100,000 grant for conservation works to assist the future reactivation of the *Sutton Farm and Graveyard* site for community enjoyment and heritage tourism; and a \$20,000 grant to Riggs Australia to research and produce a documentary series exploring the significance and history of Esperance's heritage places.

Heritage Council of Western Australia Sponsorship Program

Heritage Council sponsorships deliver partnerships with events or activities that assist with the delivery of one or more of the Heritage Council's key strategic outcomes. In 2021-22, five organisations shared more than \$52,000 worth of sponsorship funding including \$10,000 awarded to FACET – the State's nature, cultural and heritage tourism network – to sponsor a workshop on best practice in Heritage Tourism and \$2,040 to the Friends of ANZAC Cottage to sponsor an evening ANZAC Day Service.

Heritage Minister David Templeman, Heritage Council Chair John Cowdell, Lisa Munday (Member for Dawesville) and Nigel Oakey (Dome Cafe Group) at Sutton Farm in Halls Head. A \$100,000 heritage grant was awarded for plaster, masonry and drainage works to support future development of the site.



Our Department Managed Attractions

Two of Western Australia’s major tourism destinations, Whiteman Park and Fremantle Prison, are owned by the State Government and managed by the Department, generating broad community benefits today and ensuring their sustainable future for generations to come.

Whiteman Park

As the largest remaining area of Endangered Swan Coastal Plain Banksia Woodlands in the Perth metropolitan area, Whiteman Park is an important haven for increasingly rare fauna and flora, while also offering a place for the community to connect with the natural environment. Whiteman Park is home to several volunteer community organisations who operate attractions and sporting clubs for the benefit of the community. There are over 600 volunteers who contribute to the Park’s success as a popular, highly valuable recreation and community facility.

Visitation

Whiteman Park’s attractions were heavily impacted by COVID-19 for most of 2021 and financial assistance was provided to lessors in the Park through rent relief. However, as public health restrictions eased and borders reopened, many local residents and interstate visitors decided to ‘wander out yonder’. In April 2022, the Park recorded its highest monthly visitation since 2015.

Conservation projects

This year, the Department completed over \$1.5 million in capital works infrastructure projects at Whiteman Park, and an additional \$1.1 million in WA Recovery Plan funding will enable the installation of more fencing in and around the Park.

The Woodland Reserve fauna sanctuary was extended by a further 384 hectares with the installation of an electrified fauna fence around its perimeter. The total area of Woodland Reserve is now 584 hectares of protected bushland and predator-free fauna habitat.

A fauna fence was also erected to the boundary of the Park improving security and preventing kangaroos from accessing surrounding roads. This boundary fence was completed five years ahead of its original schedule thanks to the additional funding boost, which in turn benefitted local contractors who worked on the project.

Community events

In 2021-22, Whiteman Park hosted the following community events:

- Eid ul-Adha community celebrations – July 2021
- Making Smoking History Targa West Rally – August 2021
- National Tree Day Community Planting event – August 2021
- MiLi’s Made-It Markets – August 2021, November 2021 and May 2022
- Meerilinga’s Go for 2&5 Children’s Week Family Fun Day – October 2021
- EnviroFEST 2021 – November 2021
- 19th Annual Children’s Gnangara Groundwater Festival – November 2021
- Eid al-Fitr community celebrations – May 2022
- Schools Orienteering Championships – June 2022

Whiteman Park was awarded a **2022 Travellers Choice Award** for consistently delivering amazing experiences.



This year, over 400 of the critically endangered ‘Woylie’ (brush-tailed bettong or *bettongia penicillata*) were captured and recorded in the Woodland Reserve, proving the success of the Park’s breeding program.

Fremantle Prison

A World Heritage-listed site and an iconic part of Western Australia's cultural heritage fabric, Fremantle Prison is an award-winning tourist destination managed and conserved by the Department on behalf of the Minister for Heritage.

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 support maintenance and operations, the Prison offers a range of interpretive tours, exhibitions, retail opportunities, a café, unique venue spaces and events. In addition, the site offers leasing opportunities for compatible-use tenants.

Key highlights for 2021-22 include:

- The *30 Years: Unlocked. Fremantle Prison after closure* exhibition opened on 8 November 2021. Developed by a team of in-house curators, archaeologists, architects and interpreters, the exhibition takes visitors through 30 years of work since the Prison's official closure to acknowledge its heritage significance and keep it open for future generations.
- 560 cultural artefacts were accessioned into the Fremantle Prison Collection with thousands of other objects cleaned, photographed and re-housed into improved storage conditions.
- Finalisation of the *Fremantle Prison Interpretation Management Plan 2022* as part of a suite of guiding documents for managing heritage values of the Prison. The plan provides a sound framework for the preparation of future Interpretation Management Strategies for individual projects and spaces at the Prison.

- Publication of the *Fremantle Prison Archaeological Management Plan 2022* which is the overarching framework document for archaeology at Fremantle Prison. This document is integral to ensuring the site's archaeology is appropriately identified, managed, protected, studied, and interpreted according to statutory obligations and various, sometimes competing, levels of significance.

Awards received in 2021-22

Fremantle Prison was the gold medal winner and was inducted into the Hall of Fame for the second time for the 'Cultural Tourism' category at the *Perth Airport WA Tourism Awards* in November 2021. The Prison also collected a Silver Medal in the 'Major Tourist Attractions' category.

Fremantle Prison was recognised nationally for its superb cultural tourism experience and won a gold medal at the *Qantas Australian Tourism Awards* in March 2022.



Heritage Minister David Templeman officially handing over the National Tourism Award to Fremantle Prison staff, March 2022.

Awareness and Fundraising

Across the Department, staff worked collectively or independently to raise awareness of a variety of community issues and events throughout the year. Some of the initiatives we supported in 2021-22 include:

- NAIDOC Week – July 2021
- Push-up Challenge – July 2021
- Wear it Purple Day – August 2021
- International Translation Day – September 2021
- Mental Health Month – October 2021
- Wigs 4 Kids – November 2021
- Movember Bake Sale – November 2021
- International Day of Persons with Disabilities – December 2021
- International Migrants Day – December 2021
- International Women’s Day – March 2022
- Harmony Day – March 2022
- National Reconciliation Week – May/June 2022

• 16 Days in WA – November/December 2021



Performance Management Framework

Department of Planning, Lands and Heritage

Outcome-based management framework

The Department is responsible for planning and managing land and heritage for all Western Australians – now and into the future. Through the desired outcomes and services listed below, the Department contributes to the Government’s goal for "Growing Our Communities: Protecting our environment with thriving suburbs and regions".

Government Goal	Desired Outcomes	Services
Growing Our Communities	An effective planning system that supports the development of communities in Western Australia	1. Planning services
	Protecting our environment with thriving suburbs and regions	2. Land administration services
	An effective system for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations	3. Historical heritage services 4. Aboriginal heritage management

Key Performance Indicators (KPIs) are used to measure the Department’s achievement of its desired outcomes, and the efficiency of its services.

Summary of Department actual results compared to budget targets

Department Financial Targets	2021-22 Target ^(a) \$'000	2021-22 Actual ^(b) \$'000	Variation \$'000
Total cost of services (expense limit)	208,016	179,599	28,417
Net cost of services	194,913	167,680	27,233
Total equity	401,836	381,090	(20,746)
Net increase/(decrease) in cash held	(20,651)	9,191	29,842
Approved salary expense level	89,402	91,040	1,638
Agreed borrowing limit	NIL	NIL	-

Department Financial Targets	2021-22 Agreed Limit ^(a) \$'000	2021-22 Target/Actual ^(b) \$'000	Variation \$'000
Working Cash Limit (at budget)	9,558	9,346	212
Working Cash Limit (at actuals)	9,346	8,015	1,331

Notes: (a) The targets specified above are as per the 2021-22 Budget Statements
(b) Further explanations are contained in Note 8.10 to the financial statements

Summary of Department Key Performance Indicators compared to budget targets

Key Effectiveness Indicators ^(a)	2021-22 Target ^(b)	2021-22 Actual	Variation ^(c)
Desired Outcome: An effective planning system that supports the development of communities in Western Australia			
Percentage of applications determined within the statutory timeframe	85%	84.4%	(0.6%)
Percentage of finalised appeals (excluding Development Assessment Panels (DAPS)) that are not upheld on review by the State Administrative Tribunal	95%	100%	5%
Percentage of Local Planning Scheme amendments processed by the Department under delegated authority and submitted to the Minister within the statutory timeframe (Basic 42 days, Standard 60 days, Complex 90 days)	85%	78.2%	(6.8%)
Percentage of DAP applications determined within the statutory timeframe	75%	74.3%	(0.7%)
Desired Outcome: An effective system for the administration of Crown land and the Aboriginal Lands Trust estate			
Percentage of land tenure change and interest documents validly lodged with the Western Australian Land Information Authority (Landgate)	97%	98.6%	1.6%
Number of leases or divestments of Aboriginal Lands Trust estate land to direct Aboriginal control	10	18	8
Desired Outcome: An effective system for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations			
Percentage of visitors to Fremantle Prison satisfied with the services provided by the Department	95%	96%	1%
Percentage of statutory approvals delivered to the Aboriginal Cultural Material Committee within set timeframes	90%	93%	3%
Percentage of development/planning referrals processed within set timeframes	90%	96.9%	6.9%
Percentage of nominations progressed to preliminary review within set timeframes	90%	100%	10%
Key Efficiency Indicators ^(a)			
	2021-22 Target ^(b)	2021-22 Actual	Variation ^(c)
Service 1: Planning services			
Average cost of planning services	\$16,224.85	\$16,036.47	(\$188.38)
Service 2: Land administration services			
Average cost per square kilometre to administer Crown land and Aboriginal Lands Trust estate	\$27.91	\$20.04	(\$7.87)
Service 3: Historical heritage services			
Average cost of historical heritage services	\$5,620.66	\$4,465.30	(\$1,156.36)
Average cost per visitor to the Fremantle Prison	\$76.03	\$85.67	\$9.64
Service 4: Aboriginal heritage management			
Average cost of Aboriginal heritage management services	\$3,339.86	\$3,261.02	(\$78.84)

Notes: (a) The tables above provide a summary of the Department's Key Performance Indicators for 2021-22. For more detailed information, including explanations for significant variances, refer to the Desired Outcome and Key Performance Indicators section of this report at pages 131 – 145.

(b) The targets specified above are as per the 2021-22 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.

Western Australian Planning Commission

Outcome-based management framework

The WAPC's mission is to formulate and coordinate land use strategies for Western Australia to facilitate its growth while continuously enhancing its unique quality of life and environment. In this way the WAPC contributes to the Government's goal outlined below through its desired outcome and services, while KPIs are used to measure its performance.

The WAPC's Outcome Based Management structure is as follows:

Government Goal	Desired Outcome	Services
Growing Our Communities		
Protecting our environment with thriving suburbs and regions	An efficient and effective planning system that promotes the use and development of land in Western Australia	<ol style="list-style-type: none"> 1. Statutory planning 2. Strategic planning 3. Asset management

In line with this framework, the WAPC's report on operations, including the KPIs associated with the WAPC's desired outcome and services is summarised on the following pages.

Summary of WAPC actual results compared to budget targets

WAPC Financial Targets	2021-22 Target ^(a) \$'000	2021-22 Actual ^(b) \$'000	Variation \$'000
Total cost of services (expense limit)	79,039	99,719	(20,680)
Net cost of services	53,968	73,685	(19,717)
Total equity	1,200,918	1,087,530	(113,388)
Net increase/(decrease) in cash held	(69,639)	(37,937)	31,702
Approved salary expense level	NIL	NIL	-
Agreed borrowing limit	NIL	NIL	-

WAPC Financial Targets	2021-22 Agreed Limit ^(a) \$'000	2021-22 Target/Actual ^(b) \$'000	Variation \$'000
Working Cash Limit (at budget)	3,748	3,785	(37)
Working Cash Limit (at actuals)	3,785	2,906	879

Notes: (a) The targets specified above are as per the 2021-22 Budget Statements

(b) Further explanations are contained in Note 8.10 to the financial statements

Summary of WAPC Key Performance Indicators compared to budget targets

Desired Outcome: An efficient and effective planning system that promotes the use and development of land in Western Australia			
Key Effectiveness Indicators ^(a)	2021-22 Target ^(b)	2021-22 Actual	Variation ^(c)
The proportion of residential land in the metropolitan area that is capable of multiple dwellings within 400m and 800m of the Capital City, a Strategic Metropolitan Centre, or a Train Station:			
- 400 metres	45%	43.8%	(1.2%)
- 800 metres	36%	33.3%	(2.7%)
The proportion of residential land that is zoned R40 and above that is within 400m of a Major Regional Centre	67%	66.2%	(0.8%)
The percentage of subdivision applications determined within the statutory timeframe	85%	79.4%	(5.6%)
The percentage of development applications determined within the statutory timeframe	85%	64.3%	(20.7%)
Vacancy rate of residential properties available for rent	5%	1.8%	(3.2%)
Vacancy rate of commercial properties available for rent	5%	4.3%	(0.7%)

Key Efficiency Indicators ^(a)	2021-22 Target ^(b)	2021-22 Actual	Variation ^(c)
Service 1: Statutory Planning			
Average cost per statutory application	\$3,667	\$3,919	\$252
Service 2: Strategic Planning			
Average cost per strategic project	\$1,058,105	\$315,888	(\$742,217)
Service 3: Asset Management			
Average cost of service for the management of Whiteman Park per hectare	\$2,450	\$2,701	\$251
Average cost of service for the management of residential and commercial properties per property	\$19,626	\$21,083	\$1,457
Average cost of service for the management of reserved land (excluding Whiteman Park and Residential and Commercial properties) per hectare managed	\$429	\$446	\$17

Notes (a) The tables above provide a summary of the WAPC's Key Performance Indicators for 2021-22. For more detailed information, including explanations for significant variances, refer to the Desired Outcome and Key Performance Indicators section of this report at pages 172 – 182.

(b) The targets specified above are as per the 2021-22 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.

Heritage Council of Western Australia

Outcome-based management framework

The Heritage Council recognises that heritage is integral to the vibrant life and prosperity of Western Australia. As such, the Heritage Council's mission is to work with Western Australians to recognise, conserve, adapt and celebrate our State's unique cultural heritage. In this way the Heritage Council contributes to the Government's goals outlined below through its desired outcome and service, while KPIs are used to measure its performance.

The Heritage Council's outcome-based management framework is as follows:

Government Goal	Desired Outcome	Service
Growing Our Communities		
Protecting our environment with thriving suburbs and regions	Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations	Cultural Heritage Conservation Services

In line with this framework, the Heritage Council's report on operations, including the KPIs associated with the Heritage Council's desired outcome and service is summarised on the following pages.

Summary of Heritage Council actual results compared to budget targets

Financial Targets	2021-22 Target ^(a) \$'000	2021-22 Actual ^(a) \$'000	Variation \$'000
Total cost of services (expense limit)	2,953	3,043	(90)
Net cost of services	2,953	3,041	(88)
Total equity	6,205	6,513	308
Net increase/(decrease) in cash held	(877)	(369)	508
Approved salary expense level	Nil	Nil	-
Agreed borrowing limit	Nil	Nil	-

Financial Targets	2021-22 Agreed Limit ^(a) \$'000	2021-22 Target/Actual ^(a) \$'000	Variation \$'000
Working Cash Limit (at budget)	148	163	(15)
Working Cash Limit (at actuals)	163	122	41

Notes (a) The targets specified above are as per the 2021-22 Budget Statements.

Summary of Heritage Council Key Performance Indicators compared to budget targets

Desired Outcome: Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations

Key Effectiveness Indicators ^(a)	2021-22 Target ^(b)	2021-22 Actual	Variation ^(c)
Extent to which development approvals issued for registered places are consistent with the Council's advice to decision-making authorities	100%	100%	0%
Percentage of additional private investment generated from grant-assisted conservation projects	150%	330%	180%

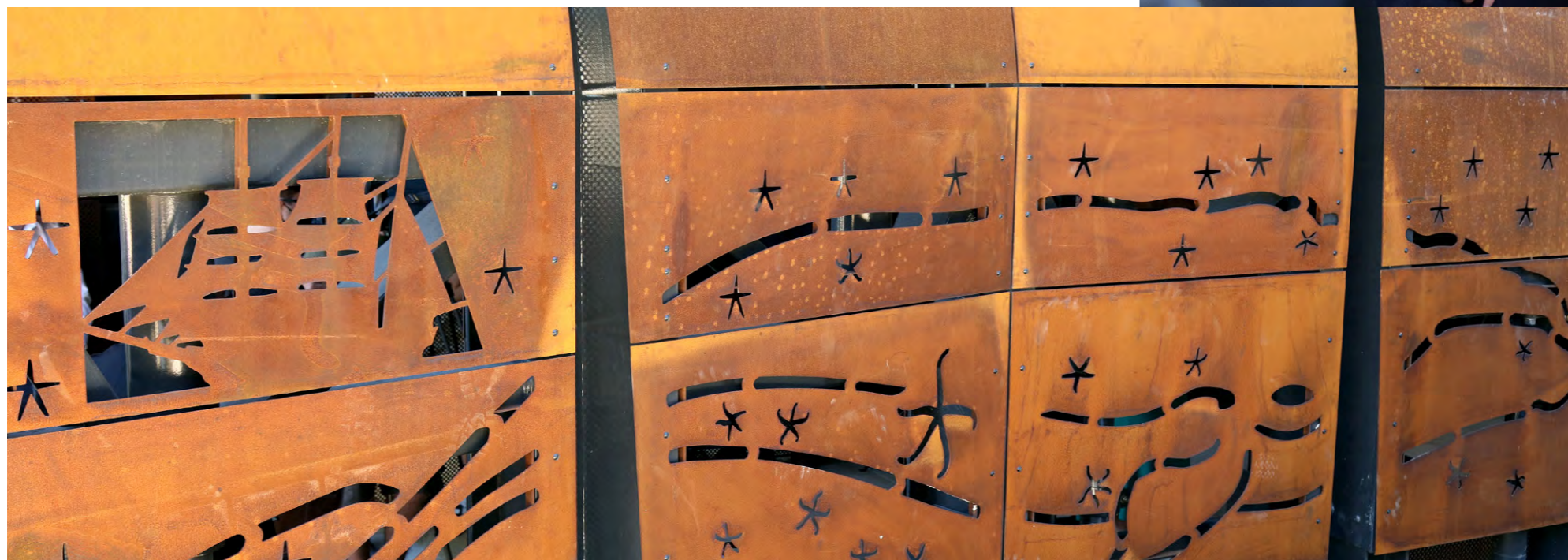
Key Efficiency Indicator ^(a)	2021-22 Target ^(b)	2021-22 Actual	Variation ^(c)
Service 1: Cultural Heritage Conservation Services			
Average number of days to make preliminary determinations	50 days	41.5 days	(8.5 days)

Notes (a) The tables above provide a summary of the Heritage Council's Key Performance Indicators for 2021-22. For more detailed information, including explanations for significant variances, refer to the Desired Outcome and Key Performance Indicators section of this report at pages 230 - 233.

(b) The targets specified above are as per the 2021-22 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.

City of Fremantle Mayor Hannah Fitzhardinge, and Hon Simone McGurk MLA (Member for Fremantle) joined Heritage Minister David Templeman to officially reopen the Whalers Tunnel and unveil the completed stabilisation works and new artwork at Arthur Head, part of the State Government's WA Recovery Program.





Disclosures and Legal Compliance

Members of the Future of Fremantle Planning Committee and Reference Group visited the Inner Harbour and Fremantle's port facilities, including Victoria Quay.

Our Boards and Committees

Western Australian Planning Commission

- Statutory Planning Committee
- Executive, Finance and Property Committee
- Capital City Planning Committee
- Bunbury Development Committee
- Future of Fremantle Planning Committee
- Swan Valley Statutory Planning Committee
- State Design Review Panel

Heritage Council of Western Australia

Aboriginal Affairs Planning Authority

Aboriginal Lands Trust

Aboriginal Advisory Council of Western Australia

Aboriginal Affairs Co-ordinating Committee

Aboriginal Cultural Material Committee

Pastoral Lands Board

Development Assessment Panels

Western Australian Planning Commission

Message from the Chairman

This has been another landmark year for the Western Australian Planning Commission (WAPC). Chief accomplishments include the large number of applications lodged through the Part 17 pathway for State-significant developments before its closure in January, a further series of determinations during the year, and the reopening of the pathway on the eve of the financial year-end. There was also important progress on a range of matters by the WAPC and its committees.

In the final month of the initial phase of the Part 17 pathway to 7 January 2022, a further 26 applications were lodged, to a total of 50 applications. This included extensions to Westfield Booragoon and the St John of God campuses in Subiaco and Murdoch, a motorsport facility in Keysbrook and some innovative resource projects in the regions.

Reflecting on the success of the first phase of the Part 17 pathway, and in light of challenges in the residential and commercial construction markets, the State Government introduced the *Planning and Development Amendment Bill 2022* in May 2022 to accept new applications until the end of 2023 and allow for extensions of the timeframes to substantially commence approved developments. The legislation will enable the consideration of a further pipeline of major projects by the WAPC as the decision-maker for significant development applications valued at \$20 million or more in the metropolitan area and \$5 million or more in regional areas.

During the last financial year, nine additional major projects – to a total of 18 developments – were approved through the Part 17 pathway, such as the \$1.08 billion expansion of the Cockburn Gateway Shopping Centre including residential towers, a wharf extension at the Australian Marine Complex in Henderson, two hotel developments in the Fremantle area, and a stock feed grain mill in Bullsbrook. Work also began or concluded on six approved projects, including the State Football Centre in Queens Park, a shopping precinct in Dawesville and a high-rise apartment development in South Perth which will allow the site's former residents to age in place.

With the finalisation and release of the [Guide to Best Practice Planning Engagement in Western Australia](#) and Local Planning Strategy Guidelines that form part of the State Government's broad Planning Reform agenda, projects were initiated to review a range of Region Schemes as well as the efficiency and strategic focus of the WAPC.

In line with the continued implementation of initiatives from the Swan Valley Action Plan, the new *Swan Valley Planning Act 2020* has led to the WAPC preparing the first Swan Valley Planning Scheme (No. 1), drawing on extensive community input which included 139 submissions. The new scheme took effect on 6 August 2021. The WAPC's Swan Valley Statutory Planning Committee is responsible for overseeing the scheme, and balancing future tourism and hospitality development with protecting the region's agricultural industry.

At the start of the 2021-22 reporting period, the Future of Fremantle Planning Committee was established within the WAPC to consider land use and economic development opportunities around North Quay and surrounding areas, and to continue developing a new vision for a Victoria Quay Waterfront Precinct. This work is in light of a new port being built at Kwinana and has a strong focus on job creation. Amongst the proactive objectives of the Committee is to develop an employment strategy to maintain local jobs and explore exciting new economic opportunities and developments for the coastal city.

At the other end of the spectrum, the work of the Bunbury Development Committee concluded successfully in March 2022. The Committee worked to ensure cross-government and stakeholder coordination to deliver better community outcomes on transformational projects such as Koombana Park-Mangrove Cove and the Withers renewal, Glen Iris Liveability, and Transforming Bunbury's Waterfront projects. Its principles included considering and incorporating appropriate design and functionality components to encourage inclusiveness, vibrancy, activation, and a strong sense of place. These values were aided by applying access, heritage and indigenous interpretation, and lighting and technology principles to the various projects. At the same time, the Bunbury Development Committee collaborated with the City of Bunbury to help facilitate more opportunities for growth and prosperity in the Bunbury Central Business District.

My thanks to all WAPC and Committee members for their continued commitment and focus.



David Caddy
RPIA (Life Fellow) GAICD
Chairman

About the Western Australian Planning Commission

The WAPC has State-wide responsibility for urban, rural, and regional integrated strategic and statutory land use planning and land development. Its functions and authority to undertake and regulate land use planning and development is established primarily by the *Planning and Development Act 2005*.

The WAPC has overall responsibility for the following committees:

- Statutory Planning Committee
- Executive, Finance and Property Committee
- Capital City Planning Committee
- Bunbury Development Committee
- Future of Fremantle Planning Committee
- Swan Valley Statutory Planning Committee
- State Design Review Panel

The WAPC responds to the strategic direction of the State Government and is responsible for:

- advising the Minister for Planning on strategic land use planning and land development, legislative reform and local planning schemes;
- making statutory decisions on a range of planning applications;
- implementing the [State Planning Strategy](#) to provide a vision for the future development of Western Australia;
- implementing, reviewing and managing the State Planning Framework, including State Planning Policies;
- developing integrated land use planning strategies for the coordinated provision of transport and infrastructure for land development;
- preparing and reviewing region schemes to cater for anticipated growth;
- monitoring and forecasting land supply throughout the State and developing strategies for the timely supply of affordable residential land;
- undertaking research and developing planning methods and models relating to land use planning, land development and associated matters; and
- acquiring land for public requirement reservations in regional planning schemes and compensating affected landowners.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration	Meeting participation
Mr David Caddy	Chairman, WAPC	Per annum	12 months	\$295,933	20
Ms Michelle Andrews	Director General, Department of Water and Environmental Regulation	N/A	12 months	N/A	10
Ms Jane Bennett	Professions representative	Per annum	12 months	\$27,531	14
Ms Helen Brookes	Coastal planning and management representative	Per annum	12 months	\$27,531	18
Ms Rebecca Brown	Director General, Department of Jobs Tourism, Science and innovation	N/A	12 months	N/A	5
Mr Anthony Kannis	Director General, Department of Planning, Lands and Heritage	N/A	4 months	N/A	5
Ms Jodi Cant	[Former] Director General, Department of Planning, Lands and Heritage	N/A	6 months	N/A	6
Mr Vaughan Davies	[Former] Director General, Department of Planning, Lands and Heritage	N/A	2 months	N/A	0
Mr Fred Chaney	Professions representative	Per annum	6 months	\$14,824	11
Ms Anne Arnold	Professions representative	Per annum	6 months	\$11,436	6
Mr Barry McGuire	Professions representative	Per annum	12 months	\$27,531	13
Mayor Emma Cole	Local government representative - metropolitan	Per annum	12 months	\$27,531	19
Ms Lynne Craigie	Nominee of the Minister for Regional Development	Per annum	12 months	\$29,694	18
Cr Veronica Fleay	Local government representative - non-metropolitan	Per annum	6 months	\$16,299	13
Cr Caroline Knight	Local government representative - non-metropolitan	Per annum	6 months	\$11,436	5
Mr Mike Rowe	Director General, Department of Communities	N/A	12 months	N/A	3
Mr Peter Woronzow	Director General, Department of Transport	N/A	12 months	N/A	7

Statutory Planning Committee

The Statutory Planning Committee is the WAPC's regulatory decision-making body. Its functions include approval of land subdivision, approval of leases and licences, approval of strata schemes, advice to the Minister for Planning on local government planning schemes and scheme amendments, and the determination of certain development applications under the Metropolitan Region Scheme.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration	Meeting participation
Mr David Caddy	Chairman, WAPC	N/A	12 months	N/A	22
Ms Lynne Craigie	Nominee of the Minister for Regional Development	Per meeting	12 months	\$6,615	21
Mr Vaughan Davies	Nominee of the Director General, Department of Planning, Lands and Heritage	N/A	12 months	N/A	14
Ms Kym Davis	Community representative	Per meeting	12 months	\$7,718	18
Mr Lino Iacomella	WAPC appointee	Per meeting	12 months	\$9,188	22
Mr Leonard (Len) Kosova	LG representative	Per meeting	12 months	\$5,512	15
Ms Nina Lyhne	WAPC appointee	Per meeting	12 months	\$7,717	22
Ms Marion Thompson	Professions representative	Per meeting	12 months	\$8,085	19
Mr Ross Thornton	WAPC appointee	Per meeting	12 months	\$9,737	22

Executive, Finance and Property Committee

The Executive, Finance and Property Committee performs the administrative, financial and property functions of the WAPC. Most of its activities centre on monitoring development projects, the acquisition and disposal of property, and associated capital works.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration	Meeting participation
Mr David Caddy	Chairman, WAPC	N/A	12 months	N/A	12
Mr David Saunders	Nominee of the Director General, Department of Planning, Lands and Heritage	N/A	12 months	N/A	11
Ms Rachel Chapman	WAPC appointee	Per meeting	12 months	\$2,940	10
Mr Leonard Kosova	WAPC appointee	Per meeting	12 months	\$3,675	9
Mayor Emma Cole	Member of the WAPC	Per meeting	12 months	\$3,675	11

Capital City Planning Committee

The Capital City Planning Committee was established to oversee and provide direction for planning in the Perth central area. It exercises delegated authority to deal with the City of Perth local planning scheme and scheme amendments; the Metropolitan Region Scheme and amendments; subdivisions, strata titles, leases, and licences; and development on reserved land in the City of Perth.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration	Meeting participation
Mr David Caddy	Chairman, WAPC	N/A	12 months	N/A	1
Mr Hamish Beck	Chairman, Swan River Trust	Per meeting	12 months	\$300	1
Professor Tony Blackwell	Professions representative	Per meeting	12 months	\$300	1
Hon John Cowdell	Chairperson, Heritage Council	N/A	12 months	N/A	1
Ms Lisette Traves	Nominee of the Director General, Department of Communities	N/A	11 months	N/A	1
Lord Mayor Basil Zempilas	Mayor, City of Perth	N/A	9 months	N/A	0
Mr Frank Marra	CEO, DevelopmentWA	N/A	12 months	N/A	1
Mr Anthony Kannis	Director General, Department of Planning, Lands and Heritage	N/A	4 months	N/A	0
Ms Jodi Cant	[Former] Director General, Department of Planning, Lands and Heritage	N/A	6 months	N/A	0
Mr Vaughan Davies	[Former] Director General, Department of Planning, Lands and Heritage	N/A	2 months	N/A	0
Mr Peter Woronzow	Director General, Department of Transport	N/A	12 months	N/A	1
Ms Rebecca Moore	Government Architect	N/A	10 months	N/A	1
Vacant	Community representative	Per meeting	9 months	N/A	0
Ms Melinda Payne	Deputy to the Government Architect	N/A	12 months	N/A	0

Bunbury Development Committee

The Bunbury Development Committee provides strategic guidance and facilitates interagency and community cooperation to progress key strategic initiatives to develop the Bunbury Waterfront, Withers and Glen Iris.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration	Meeting participation
Ms Robyn Fenech	Chairperson	Per meeting	6 months	\$1,098	3
Ms Mellisa Teede	CEO South West Development Commission	N/A	6 months	N/A	1
Mr Gary Brennan	Local government expertise representative	N/A	6 months	N/A	3
Mr David Kerr	President of the Bunbury Geographe Chamber of Commerce and Industry	Per meeting	6 months	N/A	3
Mr Stuart Thompson	Community representative	Per meeting	6 months	\$714	3
Mr Frank Marra	CEO, DevelopmentWA	N/A	6 months	N/A	1
Ms Jodi Cant	[Former] Director General, Department of Planning, Lands and Heritage	N/A	3 months	N/A	1

Future of Fremantle Planning Committee

The Future of Fremantle Planning Committee has been established to examine the future of Fremantle, with a strong focus on redeveloping Fremantle's North Quay, and surrounding land, while also examining other uses for Victoria Quay.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration	Meeting participation
Ms Jane Bennett	Chairperson	Per meeting	7 months	\$1,098	3
Mr David Caddy	Western Australian Planning Commission	N/A	7 months	N/A	3
Mr George Kailis	Community representative	Per meeting	7 months	\$714	3
Mayor Hannah Fitzhardinge	City of Fremantle representative	N/A	7 months	N/A	3
Mr Ross Love	Fremantle Port Authority	N/A	7 months	N/A	2
Ms Renata Lowe	Tourism WA	N/A	7 months	N/A	3
Mr Damien Martin	Department of Planning, Lands and Heritage	N/A	7 months	N/A	2
Hon. Simone McGurk MLA	State Member for Fremantle	N/A	7 months	N/A	3
Mr Justin McKirdy	Department of Transport	N/A	7 months	N/A	3
Ms Danicia Quinalan	Fremantle Chamber of Commerce	N/A	7 months	N/A	3
Mr Patrick Seares	Westport	N/A	7 months	N/A	2
Ms Marzia Zamir	Department of Jobs, Tourism, Science and Innovation	N/A	7 months	N/A	3

Swan Valley Statutory Planning Committee

The Swan Valley Statutory Planning Committee is established under the *Swan Valley Planning Act 2020* 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 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration	Meeting participation
Mr David Caddy	Chairman, WAPC	N/A	11 months	N/A	6
Ms Kym Davis	Member of the Statutory Planning Committee	Per meeting	11 months	\$1,190	6
Mr Lino Iacomella	Member of the Statutory Planning Committee	Per meeting	11 months	\$1,190	6
Mr Leonard (Len) Kosova	Member of the Statutory Planning Committee	Per meeting	11 months	\$1,190	5
Ms Nina Lyhne	Member of the Statutory Planning Committee	Per meeting	11 months	\$1,190	6
Mr John Rex	Representative of Swan Valley Residents and Businesses	Per meeting	8 months	\$1,190	5
Mr Justin Rogan	Representative of Swan Valley Residents and Businesses	Per meeting	8 months	\$1,190	5
Ms Marion Thompson	Member of the Statutory Planning Committee	Per meeting	11 months	\$952	5
Cr Charlie Zannino	Representative of Swan Valley Local Government	Per meeting	8 months	\$1,190	5

State Design Review Panel

Message from the Government Architect



Rebecca Moore
Government Architect

This year the State Design Review Panel has considered and provided design advice on a number of major and strategic projects with referrals from the WAPC, the Minister for Planning and Development WA. The Panel has undertaken 41 reviews of 30 projects – including five METRONET projects, Edith Cowan University City Campus, Perth Girls School redevelopment, and 15 proposals from the Part 17 pathway.

From 1 July 2022, the Panel will expand from 50 to 76 industry specialists with expertise in the built environment and, for the first time, will include members with expertise in Aboriginal cultural heritage and engagement. Panel members are appointed for a two-year term, from a range of disciplines including architecture, landscape architecture, urban design, planning, heritage, sustainability, public art, engineering and Aboriginal cultural heritage and engagement. With the passing of the Planning and Development Amendment Bill 2022, the Panel will continue to provide design advice on significant development applications under the Part 17 pathway until December 2023.

Many thanks to the outgoing Panel Members for their expert advice and contribution to the design of the built environment.

About the State Design Review Panel

The State Design Review Panel is a multi-disciplinary panel of highly experienced built environment professionals from industry and government that provide independent advice on the design quality of major development proposals. Chaired by the Government Architect, the Panel provides advice to State Government agencies, decision-makers, and proponents, including the WAPC.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration	Meeting participation
Ms Rebecca Moore	Chair	N/A	12 months	N/A	13
Mr David Caddy	Chair	N/A	12 months	N/A	1
Melinda Payne	Chair	N/A	12 months	N/A	1
Graham Agar	Member	Sitting fees (per meeting attended)	12 months	\$875	1
David Barr	Member	Sitting fees (per meeting attended)	12 months	\$2,000	2
Janine Betz	Member	Sitting fees (per meeting attended)	12 months	\$1,000	1
Tony Blackwell	Member	Sitting fees (per meeting attended)	12 months	\$15,875	17
Natalie Busch	Member	Sitting fees (per meeting attended)	12 months	\$875	1
Josh Byrne	Member	Sitting fees (per meeting attended)	12 months	\$2,000	2
Peter Ciemitis	Member	Sitting fees (per meeting attended)	12 months	\$1,125	1
Robina Crook	Member	Sitting fees (per meeting attended)	12 months	\$1,000	1
Kate Cullity	Member	Sitting fees (per meeting attended)	12 months	\$1,000	1

Member	Position	Type of remuneration	Membership period	Gross remuneration	Meeting participation
Anthony Duckworth	Member	Sitting fees (per meeting attended)	12 months	\$1,750	2
Ryan Falconer	Member	Sitting fees (per meeting attended)	12 months	N/A	5
Marion Fredriksson	Member	Sitting fees (per meeting attended)	12 months	\$7,375	8
Pam Gaunt	Member	Sitting fees (per meeting attended)	12 months	\$0	0
Philip Gresley	Member	Sitting fees (per meeting attended)	12 months	\$3,000	3
Philip Griffiths	Member	Sitting fees (per meeting attended)	12 months	\$1,250	1
Tom Griffiths	Member	Sitting fees (per meeting attended)	12 months	\$3,375	3
Libby Guj	Member	Sitting fees (per meeting attended)	12 months	\$2,125	2
Samantha Hall	Member	Sitting fees (per meeting attended)	12 months	\$1,000	1
Shea Hatch	Member	Sitting fees (per meeting attended)	12 months	\$3,000	3
Karen Hyde	Member	Sitting fees (per meeting attended)	12 months	\$3,000	3
Paul Jones	Member	Sitting fees (per meeting attended)	12 months	\$1,000	1
David Karotkin	Member	Sitting fees (per meeting attended)	12 months	\$4,250	4
Patrick Kosky	Member	Sitting fees (per meeting attended)	12 months	\$3,875	5
Will Lakin	Member	Sitting fees (per meeting attended)	12 months	\$3,250	3
Morag Lee	Member	Sitting fees (per meeting attended)	12 months	\$2,250	3
Peter Lee	Member	Sitting fees (per meeting attended)	12 months	\$6,250	6
Helen Lochhead	Member	Sitting fees (per meeting attended)	12 months	\$1,000	1
Geoffrey London	Member	Sitting fees (per meeting attended)	12 months	\$11,750	8
Munira Mackay	Member	Sitting fees (per meeting attended)	12 months	\$4,250	5
Alisdair MacKerron	Member	Sitting fees (per meeting attended)	12 months	\$0	0
Chris Maher	Member	Sitting fees (per meeting attended)	12 months	\$5,750	6
Ken Maher	Member	Sitting fees (per meeting attended)	12 months	\$2,500	2
Carolyn Marshall	Member	Sitting fees (per meeting attended)	12 months	\$0	0
Chris Melsom	Member	Sitting fees (per meeting attended)	12 months	\$3,625	4
Kathy Meney	Member	Sitting fees (per meeting attended)	12 months	\$5,250	6
Nerida Moredoundt	Member	Sitting fees (per meeting attended)	12 months	\$4,250	4
Denise Morgan	Member	Sitting fees (per meeting attended)	12 months	\$1,250	1
Hans Oerlemans	Member	Sitting fees (per meeting attended)	12 months	\$1,750	2
Jennie Officer	Member	Sitting fees (per meeting attended)	12 months	\$2,000	2
Annabelle Pegrum	Member	Sitting fees (per meeting attended)	12 months	\$1,125	1
Shelley Penn	Member	Sitting fees (per meeting attended)	12 months	\$3,750	4
Damien Pericles	Member	Sitting fees (per meeting attended)	12 months	\$9,875	10
Rachel Pleasant	Member	Sitting fees (per meeting attended)	12 months	\$0	0
Alf Seeling	Member	Sitting fees (per meeting attended)	12 months	\$6,625	7
Shelley Shepherd	Member	Sitting fees (per meeting attended)	12 months	\$6,875	7
Dominic Snellgrove	Member	Sitting fees (per meeting attended)	12 months	\$4,250	4
Margie Tannock	Member	Sitting fees (per meeting attended)	12 months	\$0	0
Emma Williamson	Member	Sitting fees (per meeting attended)	12 months	\$9,000	7

Heritage Council of Western Australia

Message from the Chairman



On behalf of the Heritage Council of Western Australia, I am pleased to present this overview that highlights our achievements and activities over the past year.

I would like to thank my colleagues on the Heritage Council for their support and welcome incoming Councillor

Alan Kelsall, an experienced architect who brings a wealth of knowledge to the Heritage Council. I would also like to take this opportunity to thank outgoing Council member Jennifer Marschner for her invaluable commitment and expertise to Western Australia's heritage through her service over the years.

During the year, the Heritage Council met regularly on a fortnightly basis, with members also attending conferences, workshops, committee meetings and presentations to further the strategic objectives of the Council.

Recent entries in the State Register of Heritage Places continue to recognise and protect the State's significant heritage places, and include the Don Aitken Centre in East Perth, Cooina in Mount Lawley, Little Wilgie in Cue and Bob Hawke's House in West Leederville.

The Heritage Council and the Department have continued to work proactively with local government, property owners and developers to achieve positive heritage outcomes with many examples completed or in progress such as Gage Road's A Shed at Victoria Quay, the conservation of Streeter's Jetty in Broome, the conservation of the Royal George Hotel in East Fremantle, the revitalisation of the Piccadilly Theatre and Arcade and the adaptive reuse of Perth Girls' School, East Perth Power Station and various Rottne Island/Wadjemup projects.

In addition to providing expert heritage advice, the Heritage Council is committed to education and the advancement of heritage values in the general community through State Government funding of an annual Heritage Awards program, heritage grants and sponsorships. This year saw the Heritage Council sponsor the Australian Institute of Architects Awards program and ANZAC Day 2022 commemorations. This year also saw significant upgrades to the Heritage Plaques program.

The 29th Western Australian Heritage Awards were held in November 2021 at the Art Gallery of Western Australia. The winners of the awards shone a spotlight on the exciting heritage work being undertaken in regional Western Australia, and the contribution heritage plays within the tourism sector. The coveted Gerry Gauntlet Award was accepted by Nigel Oakey of the Dome Café Group for their restoration of the Farmers Home Hotel in Northam; a project that showcases adaptive reuse and interpretation to provide a unique tourism experience.

The Heritage Council continues to support private owners of State registered places through our annual Heritage Grants Program. The 2021-22 funding round resulted in 38 successful applications sharing \$1.33 million in grant funding to undertake vital conservation works of heritage places or deliver community projects that share stories of our past.

The Department's 2021-22 Local Government Heritage Consultancy Grants provided 18 local governments with funding to engage specialist heritage consultants to support the delivery of local heritage services. The funding will help local governments to work with heritage specialists to identify and record heritage places and develop the appropriate frameworks to protect these places for their communities, now, and into the future. The Council also applied itself to the revision and update of a range of governance documents and heritage assessment guidelines.

It was unfortunate that this year's Heritage Conference could not be held in York but delegates from across Australia enjoyed an informative and engaging online event. Around 240 participants explored a program that focused on the challenges natural hazards can pose to Western Australia's heritage sites with an emphasis on preparing our heritage places and buildings for natural hazards.

I was pleased to report to the Heritage Chairs and Officials of Australia and New Zealand meeting that Western Australia had progressed with *Dhawura Ngilan: A vision for Aboriginal and Torres Strait Islander heritage in Australia* through greater engagement with Aboriginal groups on assessment documentation, dual naming, the proposed Sites of Truth-Telling project and heritage awards and grants.

The Heritage Council was delighted to see Fremantle Prison recognised in Australia's top tourism awards and awarded gold in the Cultural Tourism category.

Once again, I pay tribute to the hard work of my fellow Councillors and the dedicated staff at the Department who have made possible the significant achievements of the year.

Hon John Cowdell AM
Chairman

About the Heritage Council

The Heritage Council is the State Government's advisory and statutory body on heritage matters, established under the *Heritage Act 2018*. It is listed as a statutory authority on Schedule 1 of the *Financial Management Act 2006* and is subject to provisions of the *Public Sector Management Act 1994*.

The Heritage Council is vested with functions and powers under the *Heritage Act 2018*. Its primary roles are to:

- recommend places to the Minister for Heritage for entry in the State Register of Heritage Places;
- review and provide advice on development of heritage places to ensure cultural heritage significance is maintained while allowing for contemporary use and adaptation;
- promote the conservation of Western Australia's heritage; and
- set strategic direction for the Department of Planning, Lands and Heritage.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration
Hon John Cowdell AM	Chair	Sitting fees	12 months	\$31,949
Lloyd Clark	Councillor	Sitting fees	12 months	\$17,406
Nerida Moredoundt	Councillor	Sitting fees	12 months	\$21,656
Sally Malone	Councillor	Sitting fees	12 months	\$19,210
Jennifer Marschner	Councillor	Sitting fees	6 months	\$9,105
Richard Offen	Councillor	Sitting fees	12 months	\$17,406
Erika Techera	Councillor	Sitting fees	12 months	\$17,406
Leigh Barrett	Councillor	Sitting fees	12 months	\$35,080
Alan Kelsall	Councillor	Sitting fees	6 months	\$8,301
Catherine Lezer	Councillor	Sitting fees	12 months	\$19,284

The Don Aitken Centre in East Perth is a recent entry in the State Register of Heritage Places.



Aboriginal Affairs Planning Authority

About the Aboriginal Affairs Planning Authority

The *Aboriginal Affairs Planning Authority Act 1972* makes provision for the establishment of an Aboriginal Affairs Planning Authority and an Aboriginal Affairs Advisory Council to provide consultative and other services for the economic, social, and cultural advancement of Aboriginal people in Western Australia.

Under this Act, four statutory bodies were created to facilitate these objectives:

- Aboriginal Affairs Planning Authority (AAPA)
- Aboriginal Lands Trust (ALT)
- Aboriginal Advisory Council of Western Australia (AACWA)
- Aboriginal Affairs Co-ordinating Committee (AACC).

The AAPA does not have any staff and it funds the operational management of the ALT estate.

The Department of the Premier and Cabinet is responsible for policy relating to Aboriginal affairs, including the functions of the AAPA, AACC and AACWA.

The Department of Planning, Lands and Heritage is responsible for the land management functions of the ALT and related financial provisions, including annual reporting.

Aboriginal Lands Trust

Message from the Trust

I was appointed by the Minister of Aboriginal Affairs as Chairperson of the Aboriginal Lands Trust (Trust) in November 2021 following a period as Interim Chairperson from November 2020 to April 2021.

Over the financial year, the following decisions have been made in relation to land managed by the Trust, known as the ALT estate:

- 10 recommendations to transfer land;
- 9 lease and sublease approvals;
- 15 development approvals;
- 5 recommendations to grant a licence under the *Land Administration Act 1997*; and
- 7 recommendations to grant a Mining Entry Permit or Consent to Mine.

During the reporting period, the major focus of the Trust has been continuing to support the divestment of Trust-managed land through the transfer of ownership, management, and control of the land to Aboriginal people. As part of the commitment to divestment, the Trust has continued to support the transfer of properties through the implementation of agreements such as the South West Native Title Settlement and the Yamatji Nation Indigenous Land Use Agreement.

During the financial year, the Trust approved the transfer of three freehold properties, in Greenmount, Hamilton Hill and Subiaco, under the terms of the South West Native Title Settlement. These transfers will help fulfil the long-standing commitment of the Trust and the State Government to see the ownership of these properties returned to the Noongar people of the South West of the State.

During the first half of 2022, the State Government commenced a process to amend the *Aboriginal Affairs Planning Authority Act 1972*, the legislation that established the Trust and guides its actions. The proposed amendments are intended to remove the legislative barriers to divesting the ALT estate and promote direct Aboriginal land ownership and management. The Trust supports efforts to modernise the Act and looks forward to working with government to provide improved opportunities and outcomes for Aboriginal people.

Throughout the reporting period, the Members of the Trust have continued to demonstrate their commitment to ensuring that decisions about the use and management of the ALT estate benefit the Aboriginal people of Western Australia.



Roanna Edwards
Chairperson

About the Trust

The Trust is established under section 20 of the *Aboriginal Affairs Planning Authority Act 1972* and is responsible for holding and managing approximately 22 million hectares of land (the ALT estate) for the benefit of Aboriginal people. The Trust also provides advice to the Minister for Aboriginal Affairs in relation to the administration of the AAPA Act.

The ALT estate comprises 301 parcels of land across Western Australia including 142 regional and remote Aboriginal communities with a population of up to 12,000 people. Seventeen of the 20 largest Aboriginal communities in Western Australia are located on the ALT estate. The five largest are Bidyadanga, Balgo, Warburton, Kalumburu and Jigalong.

The Trust is responsible for management of the ALT estate, including divestment of land, granting of interests such as leases and the approval of development on the land. The Trust has a statutory obligation to ensure that decisions about the use and management of the ALT estate benefit Aboriginal people and, where possible, accord with the wishes of the Aboriginal inhabitants of the land.

For more information, visit: www.wa.gov.au/government/document-collections/aboriginal-lands-trust

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration
Roanna Edwards	Chairperson	Per full day meeting or per part day meeting	8 months	Nil
Roanna Edwards	Member	Per full day meeting or per part day meeting	4 months	Nil
Nerida Haynes	Member	Per full day meeting or per part day meeting	12 months	\$1,428
James Elliott	Member	Per full day meeting or per part day meeting	12 months	Nil
Jeremiah Riley	Member	Per full day meeting or per part day meeting	5 months	\$785
Rowena Mouda	Member	Per full day meeting or per part day meeting	12 months	\$2,636
Fabian Tucker	Member	Per full day meeting or per part day meeting	12 months	\$952
Andrew Dowding	Member	Per full day meeting or per part day meeting	12 months	\$952

Notes:

- There is nil or minimal remuneration for some members because they are not eligible for remuneration due to being on the public payroll.
- Trust Members are paid a sitting fee of \$476 per full day (for meetings over four hours); \$309 per half day (for meetings of four hours or less) and the ALT Chairperson is paid a sitting fee of \$732 per full day (for meetings over four hours); \$476 per half day (for meetings of four hours or less).
- The gross remuneration figure does not include motor vehicle allowance and travel related reimbursements to which board members are entitled.
- Mr Jeremiah Riley's gross remuneration includes induction training. Mr Riley resigned as of 11 April 2022.
- Ms Rowena Mouda's gross remuneration includes a Chairperson's sitting fee as she was nominated Chairperson for the November 2021 ALT meeting.

Aboriginal Advisory Council of Western Australia

Message from the Co-Chairs

As the co-chairs of the Council since October 2019, we urge Government stakeholders to stay on course as outlined in the Aboriginal Empowerment Strategy implemented in 2021 to achieve the agreed economic, social and cultural outcomes for Aboriginal people living in Western Australia. We would like to thank the public service members for their dedication and hard work to supporting improved outcomes. Especially those contributing towards building genuine, respectful, and reciprocal relationships between Aboriginal people and the WA Government in what has proven to be a uniquely challenging year.

The Council looks forward to continuing this collaborative work with the WA Government, and other representatives of the Aboriginal community to build upon areas of success in the upcoming year.

Ms Gail Beck and Mr Martin (Marty) Sibosado
Co-Chairs

About the Aboriginal Advisory Council of Western Australia

The Aboriginal Advisory Council of Western Australia (Council) was established under section 18 (1) of the *Aboriginal Affairs Planning Authority Act 1972* to advise the WA Government. The Council is established for the purpose of advising on matters relating to the interests and well-being of persons of Aboriginal descent.

The Council's mandate is to guide the State Government's strategic direction for Aboriginal affairs, transform relationships and positively influence the social, economic and cultural outcomes for Aboriginal Western Australians.

The Council was instrumental in the development of the Aboriginal Empowerment Strategy, released in 2021, and continues to provide strategic advice and support to the State Government.

Six meetings were held during the 2021-22 with members attending in person or via teleconference.

Secretariat support for the Council is provided by the Department of the Premier and Cabinet.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross Remuneration
Ms Gail Beck	Co-Chair	Sitting fees (per meeting attended)	12 months	\$7,248
Mr Martin (Marty) Sibosado	Co-Chair	Sitting fees (per meeting attended)	12 months	\$8,932
Ms Vicki O'Donnell	Member	Sitting fees (per meeting attended)	12 months	\$4,376
Mr Jonathan Ford	Member	Sitting fees (per meeting attended)	4 months	\$785
Mr Daniel Brown	Member	Sitting fees (per meeting attended)	12 months	\$4,092
Ms Merle Carter	Member	Sitting fees (per meeting attended)	12 months	\$3,950
Ms Linda Dridi	Member	Sitting fees (per meeting attended)	12 months	\$1,570
Mr Gordon Gray	Member	Sitting fees (per meeting attended)	9 months	\$2,664
Ms Mary (Corina) Martin	Member	Sitting fees (per meeting attended)	12 months	\$4,092
Ms Lynette (Gail) Adamson	Member	Sitting fees (per meeting attended)	12 months	\$1,737

Note: The remuneration indicated above includes remuneration for those members of the Aboriginal Advisory Council of Western Australia who are also represented on the Aboriginal Affairs Co-ordinating Committee.

Aboriginal Affairs Co-ordinating Committee

The Aboriginal Affairs Co-ordinating Committee, established under section 19 of the *Aboriginal Affairs Planning Authority Act 1972*, is the coordinating body for Aboriginal affairs, policies, services and programs.

The Committee includes the following core membership:

- Director General, Department of the Premier and Cabinet (Chair)
- Co-Chairs of the Aboriginal Advisory Council of Western Australia
- Director General, Department of Health
- Director General, Department of Education
- Director General, Department of Communities
- Under Treasurer, Department of Treasury.

The AAPA Act also enables the Committee to invite additional participation of others with special knowledge, experience or responsibility that will assist the Committee in the performance of their functions. In 2021-22, frequently invited participants included:

- Aboriginal Advisory Council member(s), appointed by the Aboriginal Advisory Council as Western Australia's Co-Chair representatives for the Commonwealth-led Closing the Gap Forums
- Director General, Department of Planning, Lands and Heritage
- Director General, Department of Justice
- Commissioner of Police
- Mental Health Commissioner.

In March 2022, the Committee approved the State Government's progress on the National Agreement on Closing the Gap and Native Title policy and coordination, as priorities for the Committee. To ensure delivery across these priorities, the Committee expanded invited participants to include:

- Director General, Department of Primary Industries and Regional Development
- Director General, Department of Local Government, Sport and Cultural Industries
- Public Sector Commissioner
- Director General, Department of Biodiversity, Conservation and Attractions
- Director General, Department of Water and Environmental Regulation
- Director General, Department of Finance
- Director General, Department of Training and Workforce Development
- Director General, Department of Mines, Industry Regulation and Safety
- Director General, Department of Transport
- Director General, Department of Jobs, Tourism, Science and Innovation.

The Committee held five meetings in 2021-22, providing strategic advice and co-ordination of a discussion paper for the whole-of-Government Aboriginal Empowerment Strategy and development of the implementation plan for the National Agreement on Closing the Gap.

Secretariat support for the Committee is provided by the Department of the Premier and Cabinet.

Government members and Government invitees do not receive remuneration.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration
Martin (Marty) Sibosado	Co-Chair Aboriginal Advisory Council	Sitting fees (per meeting)	12 months	Remuneration is included with remuneration for the Aboriginal Advisory Council
Ms Gail Beck	Co-Chair Aboriginal Advisory Council	Sitting fees (per meeting)	12 months	Remuneration is included with remuneration for the Aboriginal Advisory Council
Ms Vicki O'Donnell	Member, Aboriginal Advisory Council	Sitting fees (per meeting)	12 months	Remuneration is included with remuneration for the Aboriginal Advisory Council

Aboriginal Cultural Material Committee

Message from the Chairman

The Aboriginal Cultural Material Committee is established under the *Aboriginal Heritage Act 1972* to record and preserve objects and places of cultural importance to Aboriginal people, provide specialist advice on Aboriginal heritage to the Minister for Aboriginal Affairs, and administer various functions assigned to it under the Act – including consideration of applications to enter, examine or remove material from places of Aboriginal cultural heritage significance.

I would like to thank the members for their work and dedication in what has been a busy year with reviews and court decisions. I recognise how challenging it is to ensure there is a balanced approach between land development and the protection of Aboriginal heritage in Western Australia. I value their opinions and robust and honest discussions; it is a complex area we work in.

I would also like to recognise the Registrar of Aboriginal Sites and the Aboriginal Heritage staff and thank them for their hard work this year. The team consistently ensures agenda papers and Aboriginal heritage matters are dealt with professionally and within a very short timeframe.

I look forward to the implementation of the new *Aboriginal Cultural Heritage Act 2021* and an improved framework for the recognition, protection, conservation and preservation of Aboriginal heritage in Western Australia.

Vanessa Kickett
Chair

About the Aboriginal Cultural Material Committee

The Aboriginal Cultural Material Committee (ACMC) is established to:

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

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration
Vanessa Kickett	Chair	Sitting fees	12 months	\$23,050
Patrick Churnside	Member	Sitting fees	3 months	\$384
Danielle Stefani	Member	Sitting fees	5 months	\$1,536
Irene Stainton	Member	Sitting fees	5 months	\$1,591
Merle Carter	Member	Sitting fees	12 months	\$10,581
Lindsay Dean	Member	Sitting fees	12 months	\$13,568
Juliet Jones	Member	Sitting fees	5 months	\$768
David Rafferty	Member	Sitting fees	5 months	Nil

Pastoral Lands Board

Message from the Chairman

The pastoral industry continues to respond to changing global conditions and challenges, including climate changes, emerging Australian Government policy related to live sheep export, the threat of infectious zoonotic diseases from overseas and the ongoing effects of the COVID-19 pandemic on worker availability and the general economy.

Over the past year, the Pastoral Lands Board has continued its priority work with the State Government to progress the planned legislative amendments to the *Land Administration Act 1997*, with a view to bringing stronger land tenure for pastoral lessees, improvements in the monitoring of land conditions and more secure diversification permit arrangements.

A focus for the Pastoral Lands Board is to improve transparency around its decision-making, while ensuring its expectations are clear for pastoralists. Part of this involves ongoing review of the Pastoral Lands Board's policies. In the past year the following documents were published:

- A revised Rangeland Management Compliance Policy
- Cultivation of Non-Indigenous Plant Species on Pastoral leases
- Development Plan and Management Plan Guidelines
- Annual Rent for Land Under Permit Policy.

This year the Pastoral Lands Board also established a Policy Development Advisory Committee, comprised of a group of experienced pastoral lessees interested in assisting the Board in the review of draft documents. The Committee's feedback is proving valuable in the development of practical and well-researched policies to guide the administration of the pastoral estate.

The Pastoral Lands Board continues to consider its governance policies and this year undertook a review of its approach to strategic communications and stakeholder engagement. With the opportunity to travel with fewer restrictions than previous years, the Pastoral Lands Board is keen to engage with pastoralists in person and will revert to its previous practice of holding at least one meeting per year in a regional location.

I would like to thank members of the Pastoral Lands Board and the support teams within the Department of Planning, Lands and Heritage for their work over the past year. I would also like to acknowledge industry bodies, the Pastoralists and Graziers Association of WA and the Kimberley Pilbara Cattlemen's Association, both of which have provided important guidance to the Board on multiple policy-related issues during the year.



Tim Shackleton
Chair

About the Pastoral Lands Board

The Pastoral Lands Board is a statutory authority established under section 94 of the *Land Administration Act 1997* (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 Pastoral Lands Board functions under the LAA include advising the Minister for Lands in relation to policy relating to pastoral land administration, ensuring that pastoral leases are managed on an ecologically sustainable basis, and developing policies to prevent rangeland degradation and encourage rangeland rehabilitation.

Details of members and remuneration for the 2021-22 year

Member	Position	Type of remuneration	Membership period	Gross remuneration
Mr Tim Shackleton	Chair	Annual salary paid fortnightly	12 months	\$31,649
Ms Jane Sale	Member	Per full day meeting or per part day meeting	12 months	\$2,980
Mr Tim Meecham	Member	Per full day meeting or per part day meeting	11 months	\$1,490
Ms Wendy Brockhurst	Member	Per full day meeting or per part day meeting	11 months	\$2,790
Ms Kim Eckert	Member	Per full day meeting or per part day meeting	12 months	\$3,910
Mr Eric (Lawford) Benning	Member	Per full day meeting or per part day meeting	12 months	\$2,388

Development Assessment Panels

Development Assessment Panels (DAP) are independent decision-making bodies that determine development applications within a certain type and value threshold through consistent, accountable, and professional decision-making. There are four DAPs in the Perth metropolitan area and one regional DAP covering the northern, central and southern areas of Western Australia, and each panel is comprised of three specialist and two local government panel members.

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

All DAP meetings are open to the public and members of the media. In 2021-22, 296 DAP applications were received, including 235 new Form 1 applications, 43 Form 2 (minor amendment or cancellation) applications and 18 State Administrative Tribunal appeals.

As part of the State Government's planning reform program, revised Regulations governing the DAP system were released for public consultation in March 2022. The reforms propose changes to the composition of panels, the appointment of fixed-term members and changes to thresholds. Feedback from the consultation is under consideration.

Breakdown by DAP area

Number of Applications received by DAP	Form 1	Form 2	SAT	Total
Perth Local Development Assessment Panel	6	0	0	6
Metro Inner-North Joint Development Assessment Panel	44	18	7	69
Metro Inner-South Joint Development Assessment Panel	48	8	2	58
Metro Outer Joint Development Assessment Panel	97	12	5	114
Regional Joint Development Assessment Panel	40	5	4	49

Cost of Development by DAP area for new (form 1) applications

New application cost of development	Mandatory	Optional	Total
Perth Local Development Assessment Panel	\$300,949,550	Nil	\$300,949,550
Metro Inner-North Joint Development Assessment Panel	\$499,050,000	\$127,532,273	\$626,582,273
Metro Inner-South Joint Development Assessment Panel	\$875,700,000	\$118,753,000	\$994,453,000
Metro Outer Joint Development Assessment Panel	\$756,163,844	\$217,879,900	\$974,043,744
Regional Joint Development Assessment Panel	\$3,330,232,000	\$71,150,000	\$3,401,382,000

Details of members and remuneration for the 2021-22 year

Name	Position	Type of remuneration	Membership period	Gross remuneration
Cr Peter Abetz	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,325
Cr Carol Adams	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,050
Cr Tallan Ames	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Claire Anderson	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Mr Tony Arias	A/Deputy Presiding Member	Sitting fees (per meeting attended)	12 months	\$4,250
Cr Kevin Bailey	Local Government Member	Sitting fees (per meeting attended)	5 months	\$950
Cr Linda Balcombe	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Kirsty Barrett	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Ms Lindsay Baxter	A/Deputy Presiding Member	Sitting fees (per meeting attended)	12 months	\$2,550
Cr Fergus Bennett	Local Government Member	Sitting fees (per meeting attended)	12 months	\$4,350
Cr Michael Bennett	Local Government Member	Sitting fees (per meeting attended)	12 months	\$625
Cr David Binks	Local Government Member	Sitting fees (per meeting attended)	5 months	\$500
Mr Ian Birch	Presiding Member	Sitting fees (per meeting attended)	12 months	\$58,171
Cr David Bolt	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Cr David Boothman	Local Government Member	Sitting fees (per meeting attended)	7 months	\$1,375
Cr Blane Brackenridge	Local Government Member	Sitting fees (per meeting attended)	5 months	\$2,525
Cr Julie Brown	Local Government Member	Sitting fees (per meeting attended)	7 months	\$2,125
Cr Ryan Brown	Local Government Member	Sitting fees (per meeting attended)	5 months	\$500
Cr Sheryl Bryan	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Lorna Buchan	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,125
Cr Daniel Bull	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,275
Cr Peter Callaghan	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Georgie Carey	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Carl Celedin	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,700
Cr Anthony Chafer	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Ms Sheryl Chaffer	Deputy Presiding Member	Sitting fees (per meeting attended)	12 months	\$23,689
Cr Nicholas Chandler	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Ms Rachel Chapman	Deputy Presiding Member	Sitting fees (per meeting attended)	12 months	\$12,525
Cr Rebecca Coghlan	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,275
Cr Amy Collins	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Cr Melvyn Congerton	Local Government Member	Sitting fees (per meeting attended)	12 months	\$4,250
Cr Patricia Cook	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Georginana Corke	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,550
Cr Janice Court	Local Government Member	Sitting fees (per meeting attended)	5 months	\$850
Cr Glenn Cridland	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,375
Cr Phillip Cronin	Local Government Member	Sitting fees (per meeting attended)	5 months	\$825
Mr Brian Curtis	A/Deputy Presiding Member	Sitting fees (per meeting attended)	12 months	\$4,350
Cr Frank Cvitan	Local Government Member	Sitting fees (per meeting attended)	12 months	\$7,000
Cr Jennifer Davis	Local Government Member	Sitting fees (per meeting attended)	5 months	\$1,675
Cr Matthew Davis	Local Government Member	Sitting fees (per meeting attended)	7 months	\$425
Cr Leonie de Haas,	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Wendy Dickinson	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Cr Kathryn Driver	Local Government Member	Sitting fees (per meeting attended)	7 months	\$425
Cr Kim Eckert	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Catherine Ehrhardt	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,275
Cr Joshua Eveson	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Felicity Farrelly	Local Government Member	Sitting fees (per meeting attended)	12 months	\$4,250
Cr Russel Fishwick	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Brent Fleeton	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Cr Paul Gillett	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,675
Cr Lisa Glover	Local Government Member	Sitting fees (per meeting attended)	12 months	\$400
Ms Diana Goldswain	Third Specialist Member	Sitting fees (per meeting attended)	12 months	\$11,775

Name	Position	Type of remuneration	Membership period	Gross remuneration
Cr David Goode	Local Government Member	Sitting fees (per meeting attended)	12 months	\$4,450
Cr Adriana Green	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Mr Ray Haeren	Presiding Member	Sitting fees (per meeting attended)	12 months	\$7,670
Cr Robert Hall	Local Government Member	Sitting fees (per meeting attended)	12 months	\$525
Cr Deborah Hamblin	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,275
Cr Rodney Henderson	Local Government Member	Sitting fees (per meeting attended)	12 months	\$6,050
Mayor Grant Henley	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,550
Mr Jason Hick	Third Specialist Member	Sitting fees (per meeting attended)	12 months	\$18,800
Mr Clayton Higham	Presiding Member	Sitting fees (per meeting attended)	12 months	\$51,892
Cr Adrian Hill	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Ms Kanella Hope	Deputy Presiding Member	Sitting fees (per meeting attended)	12 months	\$7,179
Cr Desmond Hughes	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Jacqueline Huntley	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Ms Karen Hyde	Local Government Member	Sitting fees (per meeting attended)	12 months	\$525
Cr Tania Jackson	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Cr Jesse Jacobs	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,275
Cr Frank Johnson	Local Government Member	Sitting fees (per meeting attended)	12 months	\$850
Cr Zenda Johnson	Local Government Member	Sitting fees (per meeting attended)	12 months	\$950
Cr Mark Jones	Local Government Member	Sitting fees (per meeting attended)	12 months	\$3,825
Cr Nigel Jones	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,125
Cr John Keogh	Local Government Member	Sitting fees (per meeting attended)	5 months	\$825
Cr Caroline Knight	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,125
Mr Eugene Koltasz	A/Deputy Presiding Member	Sitting fees (per meeting attended)	12 months	\$10,792
Cr Garry Kosovich	Local Government Member	Sitting fees (per meeting attended)	5 months	\$600
Mr Paul Kotsoglo	Presiding Member	Sitting fees (per meeting attended)	12 months	\$7,200
Cr Adrian Kowald	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Benjamin Kunze	Local Government Member	Sitting fees (per meeting attended)	5 months	\$825
Cr Kenneth Lawrence	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Mr Peter Lee	Third Specialist Member	Sitting fees (per meeting attended)	12 months	\$3,925
Ms Francesca Lefante	Presiding Member	Sitting fees (per meeting attended)	12 months	\$42,100
Cr Catherine Lezer	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,275
Cr Luana Lisandro	Local Government Member	Sitting fees (per meeting attended)	5 months	\$500
Cr Mary Little	Local Government Member	Sitting fees (per meeting attended)	12 months	\$850
Cr Daniel Loden	Local Government Member	Sitting fees (per meeting attended)	12 months	\$100
Cr Paul Macfarlane	Local Government Member	Sitting fees (per meeting attended)	12 months	\$850
Cr Peter Macintosh	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Marilyn Macnab	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Philip Marks	Local Government Member	Sitting fees (per meeting attended)	12 months	\$3,500
Cr Betty McCleary	Local Government Member	Sitting fees (per meeting attended)	12 months	\$850
Cr Thomas McLean	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,475
Cr Renee McLennan	Local Government Member	Sitting fees (per meeting attended)	12 months	\$100
Cr Paige McNeil	Local Government Member	Sitting fees (per meeting attended)	12 months	\$825
Cr Julia Meldrum	Local Government Member	Sitting fees (per meeting attended)	5 months	\$500
Cr Suzanne Migdale	Local Government Member	Sitting fees (per meeting attended)	12 months	\$7,100
Cr Kellie Miskiewicz	Local Government Member	Sitting fees (per meeting attended)	5 months	\$1,250
Cr Jeffrey Munn	Local Government Member	Sitting fees (per meeting attended)	7 months	\$1,375
Cr Derek Nash	Local Government Member	Sitting fees (per meeting attended)	5 months	\$1,275
Cr Robert Nash	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Xuan Vinh Nguyen	Local Government Member	Sitting fees (per meeting attended)	12 months	\$6,575
Cr Tanya Nicholls	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Brooke O'Donnell	Local Government Member	Sitting fees (per meeting attended)	12 months	\$850
Cr Jo-Anne O'Donnell	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Ms Lee O'Donohue	Deputy Presiding Member	Sitting fees (per meeting attended)	12 months	\$19,800

Name	Position	Type of remuneration	Membership period	Gross remuneration
Cr Rebecca O'Meehan	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Mr Justin Page	Third Specialist Member	Sitting fees (per meeting attended)	12 months	\$8,248
Cr Ross Paine	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Nicholas Pazolli	Local Government Member	Sitting fees (per meeting attended)	12 months	\$4,450
Cr Rachel Pemberton	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,700
Ms Leigh Penney	A/Third Specialist Member	Sitting fees (per meeting attended)	12 months	\$2,225
Cr Shanavas Peter	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Desmond Pike	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Rhonhda Potter	Local Government Member	Sitting fees (per meeting attended)	12 months	\$950
Cr Vicki Potter	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,150
Cr Richard Powell	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,900
Cr Naomi Purcell	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Cr Maria Re	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,475
Cr Michelle Rich	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,275
Cr Peter Robinson	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Cr Peter Rogers	Local Government Member	Sitting fees (per meeting attended)	5 months	\$400
Cr Casey Rose	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Cr Eileen Rose	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Clive Ross	Local Government Member	Sitting fees (per meeting attended)	7 months	\$1,450
Cr Jarrod Ross	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,550
Cr Roberto Rossi	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,800
Cr Matthew Rowse	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,050
Cr Stephen Russell	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,375
Cr Sara Saberi	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,650
Cr Margaret Sandford	Local Government Member	Sitting fees (per meeting attended)	7 months	\$825
Cr Kerry Smyth	Local Government Member	Sitting fees (per meeting attended)	12 months	\$3,500
Cr Laurie Snell	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Amanda Spencer-Teo	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,250
Cr Trevor Stacey	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Chontelle Stone	Local Government Member	Sitting fees (per meeting attended)	12 months	\$3,825
Cr Lauren Strange	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,275
Cr Dean Strautins	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Andrew Sullivan	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,125
Mr John Syme	Third Specialist Member	Sitting fees (per meeting attended)	12 months	\$26,829
Mr John Taylor	A/Third Specialist Member	Sitting fees (per meeting attended)	12 months	\$6,413
Cr Philippa Taylor	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,125
Cr Peter Telford	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Chamonix Terblanche	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,700
Cr Christine Terrantroy	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Paul Terry	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,275
Cr Margaret Thomas	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,125
Cr Suzanne Thompson	Local Government Member	Sitting fees (per meeting attended)	5 months	\$2,550
Cr Andres Timmermanis	Local Government Member	Sitting fees (per meeting attended)	9 months	\$300
Mayor Shane Van Styn	Local Government Member	Sitting fees (per meeting attended)	12 months	\$425
Cr Ashley Wallace	Local Government Member	Sitting fees (per meeting attended)	12 months	\$100
Cr Andrew White	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Simon White	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Thomas Widenbar	Local Government Member	Sitting fees (per meeting attended)	12 months	\$850
Cr Caroline Wielinga	Local Government Member	Sitting fees (per meeting attended)	12 months	\$1,375
Mayor Rhys Williams	Local Government Member	Sitting fees (per meeting attended)	12 months	\$2,950
Cr Sherilyn Wood	Local Government Member	Sitting fees (per meeting attended)	7 months	\$400
Cr Matthew Woodall	Local Government Member	Sitting fees (per meeting attended)	12 months	\$4,875
Cr Cosimo Zannino	Local Government Member	Sitting fees (per meeting attended)	12 months	\$850

Diversity and Inclusion

The Department strives to provide a workplace where staff feel valued and recognised for their unique qualities, ideas and perspectives and everyone is supported to reach their full potential. We are committed to meeting and exceeding our diversity targets by 2023.

To support this, during 2021-22 the Department has:

- Appointed an Aboriginal Employment and Diversity Manager to build a culturally aware and inclusive workplace that reflects the communities we serve and supports, respects and values Aboriginal people and people from diverse groups.
- Provided significant leadership and coaching programs to enhance the development of Aboriginal staff and women at every level.
- Implemented critical initiatives during COVID-19, including:
 - a simpler working from home process;
 - thorough internal contact tracing to protect and support the health and wellbeing of employees;
 - regular reporting and monitoring of positive cases to ensure response measures and business continuity plans were adaptive and responsive;
 - COVID-19 leave for staff who tested positive, have carers responsibilities, are required to isolate or quarantine or are unable to attend work for some other reason; and
 - virtual (online) training and development programs.

- Developed new strategies to better attract, retain and develop staff from Aboriginal and Torres Strait Islander cultural backgrounds.
- Implemented all *Disability Access and Inclusion Plan 2018-23* actions and prepared new *Innovate Reconciliation Action Plan*.
- Focused on implementing our *Multicultural Action Plan* in alignment with the State Government's *Multicultural Policy Framework*.

Reconciliation

As a member of Reconciliation Australia, the Department has been involved in the RAP program since 2019. We completed our Reflect RAP in 2021 as the first stage of our four-part reconciliation journey and began to advance future reconciliation through the development and implementation of our **Innovate RAP** in 2022.

Our **Innovate RAP** will provide a framework to lift the Department's focus from reflection and awareness-raising to being aspirational and innovative. It will drive a deeper understanding of the Department's sphere of influence, pilot innovative strategies to empower Aboriginal and Torres Strait Islander peoples and improve access to and delivery of the Department's services.

Key achievements of the Department's reconciliation journey during 2021-22 include:

- Establishing Welcome to Country protocols and procedures across the Department.
- Participation in the State Government's National Reconciliation Week Street Banner project in which we sponsored three banners located outside the Perth Cultural Centre as well as in Geraldton and Kalgoorlie.
- Hosting of a Survivors of the Stolen Generations event on National Sorry Day with two survivors generously and courageously sharing stories of their experiences of the Carrolup/Marribank mission in Woodanilling in the 1960s.
- Encouraging attendees of all meetings held on National Sorry Day to observe one minute's silence in remembrance of the Stolen Generation survivors, families and the children who did not return home.

• Hosting of a joint NAIDOC Week 2021 event with seven other State Government agencies.

- Organising presentations by Department staff on the repatriation of remains and the power of language during National Reconciliation Week.
- Completing and launching the first iteration of the Department's Aboriginal Engagement Toolkit to improve cultural competency across the Department and assist staff in providing culturally appropriate services and meaningful engagement with the Aboriginal community.
- Committing to improving employment outcomes for Aboriginal and Torres Strait Islander peoples through initiatives such as the Aboriginal Traineeship Program, the establishment of workforce diversification targets and strategies and by providing opportunities for leadership development for Aboriginal staff.
- Exceeding all targets under the Western Australian Aboriginal Procurement Policy aimed at awarding contracts to businesses registered on the Aboriginal Business Directory or the Supply Nation Indigenous Business Directory.
- Appointing the new Aboriginal Employment and Diversity Manager as a member of the RAP Working Group.



RAP in Action

In August 2021, Fremantle Prison embarked on a two-year project of research and delivery of the Aboriginal Heritage Management Plan and worked closely with Walyalup Elders to develop the scope. Input and participation was sought from the wider Aboriginal community during several monthly sessions coordinated through an Aboriginal facilitation service to understand what traditional, historical and contemporary cultural values Fremantle Prison holds for Aboriginal and Torres Strait Islander peoples, noting that different nation groups were imprisoned at the site.

Work on the Plan will continue through 2022-23. Kambarang Services has been contracted to undertake stakeholder engagement with Aboriginal groups across Western Australia and to research and draft the Plan. This document aims to be a truth telling and reconciliation document and it will guide Fremantle Prison in its aim to be a culturally safe, healing place for Aboriginal people.

During 2021-22, the RAP Working Group collaborated with Reconciliation Australia to finalise our Innovate RAP and set the following reconciliation principles to guide deliverable actions throughout 2023-25:

- **Relationships**
How the Department will strengthen relationships with Aboriginal and Torres Strait Islander peoples.
- **Respect**
How the Department's respect for Aboriginal Torres Strait Islander peoples, culture, lands, waters, histories, and rights will be demonstrated in our core business activities.
- **Opportunities**
How the Department's employment, procurement, professional development, and consultative processes will create or improve opportunities for Aboriginal and Torres Strait Islander peoples.
- **Governance**
How the Department will achieve cohesion across business areas and monitor and report publicly on progress and achievements.

Disability Access and Inclusion

The Department, WAPC, Heritage Council, Aboriginal Affairs Planning Authority and Pastoral Lands Board are committed to ensuring equal access to our facilities, services, and information for all members of the community. The Department continues to implement its *Disability Access and Inclusion Plan 2018-23* (DAIP), which sets a framework for identifying areas and developing strategies to improve access and inclusion at our places, in service delivery and through our policy work.

Initiatives to address access and inclusion outcomes that were undertaken in 2021-22 include:

- Modifications to facilities in our Perth office to provide better accessibility and inclusion to staff and visitors.
- Partnering with the Job Access organisation to strengthen the Department's employment practices, recruitment, talent development and other people-focused strategies.
- Implementing a new Recruitment and Selection training session focusing on the benefits of diversity in the workplace and how selection panels can use flexibilities in the selection process to ensure our workforce reflects the community we serve.

A report outlining the Department's achievements against each DAIP outcome in 2021-22 is available on our [website](#).

Multicultural Action Plan

The Department is committed to achieving substantive equality in service delivery for the Western Australian community and continuously looks for opportunities to improve outcomes for people with diverse needs. We are also dedicated to building a more diverse and inclusive workforce, ensuring our staff profile reflects the community we serve.

The Department's *Multicultural Action Plan 2021-25* (MAP) was tabled in Parliament in November 2021. It is designed to ensure the intended benefits of the framework are realised, by introducing defined actions and targets to improve the Department's services and enable it to respond meaningfully and dynamically to the needs of Western Australia's culturally and linguistically diverse population.

A copy of the Department's MAP is available on our [website](#).

In 2021-22, the Department progressed the following MAP actions:

- Held internal and joint agency events to celebrate National Reconciliation Week and NAIDOC Week.
- Promoted the Department's Inclusivity Statement through activities including the International Translators Day video and through consultation processes relating to the development of the Reconciliation Action Plan. The Statement is published on the Department's intranet to be available for all staff.
- Published internal communications celebrating the achievements of staff from culturally and linguistically diverse backgrounds.
- Established a Contact Officer network, with officers trained by the Equal Opportunity Commission, to provide safe reporting opportunities for all staff.
- Held mandatory training for staff in relation to Bullying in the Workplace and Diversity and Discrimination.

- Held mandatory Code of Conduct, Accountable and Ethical Decision Making and Cultural Awareness training with 89.3 per cent staff completion within two months of commencement.
- Developed and launched an Aboriginal Stakeholder Engagement Toolkit.
- Collaborated with the Public Sector Commission on the development of sector-wide cultural competency training programs.

The table below provides a snapshot of performance for June 2022 against the Public Sector Commission 2025 targets. It illustrates our consistent performance that exceeds the 6.8 per cent target for employment of people of culturally and linguistically diverse background.

Substantive equality

The Department is focused on proactively building a workforce that reflects our community. We recognise that entitlements, opportunities and access are not equally distributed throughout the community and we consciously identify and remove barriers to service provision that result in unequal outcomes for particular groups. We recognise that equal treatment requires that we treat people differently to cater for different needs and to ensure equal outcomes.

As an example, the Department continues to apply its Diversity and Inclusion Policy and Language Services Procedure. This ensures that individual customers' needs are met through the provision of high-quality accessible, professional and culturally responsive policies, programs and services.

Face-to-face cultural awareness training for all Department staff continues to be delivered. This training has raised greater appreciation of Aboriginal heritage and land issues, which in turn will improve relationships with the community, and the delivery of services. The Department has ensured that all its boards and committees' members have been provided with the cultural awareness training by promoting the online training facilitated through the Public Sector Commission.

Comparison data

Data from June 2021 and December 2021 performance is detailed below to illustrate the changing trends across all areas of diversity.

	2025 targets	June 2021 performance	December 2021 performance	June 2022 performance
Women in Senior Executive Service	50%	40.9%	31.3%	48.1%
Aboriginal and Torres Strait Islander people	3.7%	2.2%	2.4%	2.5%
People with disability	5%	2.3%	2.2%	1.8%
People of culturally and linguistically diverse backgrounds	15.5%	22.7%	22.2%	22.3%
Youth (age < 24)	5.8%	2.3%	2.1%	3.7%

Staff Development

The Department is committed to our people and strengthening capability and organisational culture through leadership, workforce planning and development.

Traineeships

In February 2022, the Department again welcomed two trainees (pictured below) through the Public Sector Commission's [Solid Futures](#) Aboriginal traineeship program. The trainees receive broad exposure to the work of the Department, with placements in the Reform, Design and State Assessment and Heritage and Property Services divisions and rotations through other divisions to develop public administration skills and competencies. Upon successful completion of their traineeships, the trainees will receive a nationally and industry recognised qualification – Certificate III in Government.

Internship

In 2021-22, the Government Architect created an Internship for tertiary students in their final year of architectural studies. To date, two interns (one each semester) have participated, each for a period of 100 hours (approximately two days per week). The purpose of the Internship is to provide an architecture student with exposure to the work of the Government Architect and the Department including, but not limited to design advice, projects, review, advocacy and the interrelationship between planning and architecture.



The Department welcomed Ezekiel Maitland-Smith and Rose Carter, Aboriginal Trainees participating in the Solid Futures Program.



The Departments 2022 graduates:
back (left to right) Grace Bowdidge, Olivia Spraggs, Braidy Allen
front (left to right) Brent Davern, Erin Carder, Liang Ming Lee.

Graduate Program

The Department's 2022 Graduate Program has placed six graduates (pictured left) into varied roles across the Department. The 12-month customised development program focuses on building professional and technical skills and broader leadership competencies to build on the behaviours and attitudes for success they brought into the Department. The program includes tailored development and rotation options throughout the Department to give graduates a broad experience of our diverse work for Western Australia.

Empower Leadership Program

The Department delivered the Empower program for its third year in 2021-22. Empower is an internal, Department-wide leadership development program targeting high-potential staff across a range of levels. The program provides an opportunity for these staff and future leaders to engage with our Department's values and foster skills to help them lead people and operations with courage, confidence, and integrity. Seventeen staff (pictured below) successfully completed the four-month program and benefited from four modules covering self-leadership, leading others, leading culture, and leading for the future.

Formal Development Opportunities

Staff development is encouraged to support a future-fit workforce that is responsive to the needs of our Department, our values and strategic priorities. The Department's Human Resources Employee Development team offers a range of internal and external learning offerings and courses that support individual development, management, leadership, and technical capabilities. Our MyPlan performance review process refocuses staff and leaders on the importance of development plans and tailored learning throughout the staff lifecycle and is a valuable tool to inform and design training opportunities for our staff.



Occupational Safety, Health and Injury Management

The Department is committed to providing a healthy and safe work environment and achieving a high standard of safety, health and wellness for its staff, contractors, visitors, and the community.

In 2021-22, the Department undertook an audit of its work, health and safety policies, procedures, and practices in preparation for the implementation of the *Work Health and Safety Act 2020*. The Department has also reviewed and updated its work, health and safety training for managers to ensure that our responsibilities under the new legislation are understood.

For more information visit our: [Statement of commitment](#).

In 2021-22, the Department held the following OSH-related training programs:

- OSH Awareness
- First Aid Training
- Remote First Aid Training for staff traveling and residing in regional locations
- Fire Warden Training
- Health and Safety Representative Training.

The Department's Safety, Health and Wellness Committee meetings were held quarterly throughout 2021-22, providing an ongoing mechanism for staff consultation on work health, safety and wellness matters.

Health and safety performance indicators

Measures	Results 2019-20	Results 2020-21	Results 2021-22	Targets	Comments towards targets
Number of fatalities	0	0	0	0	Target achieved
Lost time injury and disease incidence rate	0.45%	0.25%	1.45%	0 or 10% reduction in incidence rate	In 2021-22, the total staff hours were impacted by COVID-19
Lost time injury rate 60+ days	75%	50%	0	0 or 10% reduction in severity rate	Target achieved
Percentage of injured workers returned to work (i) within 13 weeks	75%	100%	50%	No target set	In 2021-22, two claims were received during this period
Percentage of injured workers returned to work (ii) within 26 weeks	75%	100%	50%	Greater than or equal to 80%	In 2021-22, two claims were received during this period
Percentage of managers trained in occupational safety, health and injury management responsibilities, including refresher training within 3 years	82%	78%	79%	Greater than or equal to 80%	Results breakdown: <ul style="list-style-type: none"> • 79% completed • 2% in progress • 19% not commenced

Wellness

A range of wellness initiatives were delivered in 2021-22, including:

- A Building Buoyancy workshop which explored mental and emotional wellbeing, building resilience and provided key skills to maintain positive mental health, was delivered by *Access Wellbeing Services*; the Department's Employee Assistance Program (EAP) provider.
- Guest speakers during Women's Health Week who delivered a range of talks regarding women's health, and free health checks were offered to all staff.

- Wear it Purple Day invited the Department's staff to share their story as part of the LGBTQ+ community or as a relative or friend of someone who is LGBTQ+.

- Staff communications were published in promotion of RUOK Day, a National Day of Action dedicated to reminding everyone that any day of the week is alright to ask, "Are you OK?" and support those who may be struggling.
- Staff communications were published in support of Safe Work Month and National Safe Work Month to promote and participate in positive work health and safety practices in the workplace.
- The Department promoted the State Government's 16 Days in WA campaign encouraging bystanders to speak up and contribute to positive change towards the safety and respect of women in our community.
- Flu vaccinations were offered to all staff, accessed either at their workplace or from their local participating pharmacy.





Department staff promoting the State Government's 16 Days in WA campaign.

Family and domestic violence

The Department recognises that staff can sometimes face difficult situations in their personal life, including family and domestic violence. To support our staff the Department has reviewed its Family and Domestic Violence Policy and Procedure and provided refresher training to its cohort of Family and Domestic Violence Contact Officers. The Department also has measures in place to ensure that staff are supported with easily accessible and confidential systems. For 16 days, from late November to early December, the Department joined other Western Australian organisations in a Statewide campaign to end violence against women.

COVID-19

To minimise the spread of COVID-19 within the Department, the Crisis Management Team established an Incident Response Team to manage positive cases among staff. As the Department of Health scaled back contact tracing efforts, the Department utilised our trained contact tracers to undertake internal contact tracing of staff who tested positive. This effort aimed to identify high risk contacts within the Department, and to advise those contacts to take various actions to minimise further spread.

By 30 June 2022, 40 per cent of the Department's staff had tested positive for COVID-19 at least once. Despite this, the highest number of active cases on any given day did not have a significant impact on business continuity.

Disclosures

Ministerial directives

No Ministerial directives were received during the financial year.

Disclosure of contracts by senior officers

Our Department has a robust overarching *Conflict of Interest Policy and Procedure* which embeds conflict of interest declaration and management into all business activity. In 2021-22, other than normal contracts of employment of service, no senior officers had any conflicts of interests relevant to existing or proposed contracts with the Department.

Staff participating in the evaluation of a tender are required to complete a conflict of interest declaration prior to that evaluation occurring. The Evaluation Panel chairperson, in consultation with the Procurement Services team, is responsible for ensuring conflicts of interest are appropriately managed. Where an interest is declared after a contract has been awarded, the Department's Conflict of Interest Policy applies and that staff member and their manager will report, register, and manage the conflict in accordance with the policy.

Pricing policies

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

Major capital projects

In accordance with *Treasurer's Instruction 903(13) (ii)*, the Department and the WAPC identifies the following major capital works projects that remain ongoing at the end of the financial year:

Project name	Expected year of completion	Estimated remaining cost to complete as at 30 June 2022 (\$'000)	Estimated total cost of project (\$'000)
Accommodation refurbishment and sustainability initiatives	2025-26	2,005	7,053
Asset replacement ICT	2025-26	1,734	18,848
ICT infrastructure	2025-26	4,700	31,809
Fremantle Prison conservation	2025-26	8,922	8,922
Aboriginal Cultural Heritage Act Implementation	2022-23	3,830	3,830
State Planning System	2022-23	7,141	7,141
Ascot Kilns preservation works (WAPC project)	2023-24	9,934	10,201

Unauthorised use of credit cards

The Department's officers hold corporate credit cards where their position warrants use of this facility. Each cardholder is reminded regularly of their obligations under the *Department's Purchasing Card Policy*. In 2021-22, there were 27 instances where cardholders used their corporate credit card for payments of items not for official use. These were investigated by the Chief Finance Officer, who noted for each instance that the nature of the expenditure was characteristic of an honest mistake, provided advice and worked to ensure prompt settlement of the personal use amount.

Number of instances a purchasing card has been used for personal purpose	27
Aggregate amount of personal use expenditure for the reporting period	\$1,704
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	\$334
Aggregate amount of personal use expenditure settled after the due date (after 5 working days)	\$1,352
Aggregate amount of personal use expenditure outstanding at balance date	\$18
Number of referrals for disciplinary action instigated by the Department	Nil

Expenditure on advertising, marketing research, polling and direct mail

In accordance with section 175ZE of the *Electoral Act 1907*, the Department incurred the following expenditure in advertising, market research, polling, and direct mail. Total expenditure for 2021-22 was \$576,299 with most advertising related to statutory requirements or to support land sales, leasing opportunities and consultation opportunities.

Compliance with public sector standards and ethical codes

The Department's Code of Conduct and its mandatory training modules in accountable and ethical decision-making and cultural awareness reinforce compliance requirements for new and existing employees. The training includes practical examples related to our business.

During 2021-22, the Department continued to run its Management Foundation program to ensure employees are able to meet the human resource standards of Western Australia's public sector and enhance their leadership and management capabilities.

The Department also continued to focus on managing conflicts of interest effectively. The *Conflict of Interest Policy and Procedure* contains measures that can be embedded into everyday business operations and promote a culture where conflicts of interest are widely understood. Discussion of conflicts of interest is part of our organisation's culture and individual responsibility and accountability is regularly reinforced by all levels of management to maintain a high level of transparency.

Expenditure	Organisation	Amount (\$)	Total (\$)
Advertising agencies	N/A	N/A	N/A
Market research organisations	N/A	N/A	N/A
Polling organisations	N/A	N/A	N/A
Direct mail organisations	N/A	N/A	N/A
Media advertising organisations	Initiative Media Australia Pty Ltd	\$479,196	\$576,299
	Wanderlust Communications	\$33,544	
	Other	\$63,559	

Recordkeeping Plan

The Department is committed to implementing best practice record keeping processes and systems. In accordance with section 19 of the *State Records Act 2000*, the Department has an approved Recordkeeping Plan effective until 2023. Work has already commenced on preparing the next plan which will take the Department through to 2028.

During 2021-22, the Department successfully moved its divisions onto a single Electronic Document and Records Management System (EDRMS) which is facilitating enhanced information sharing and better access to records for more efficient and effective decision-making. Consolidating and enhancing business processes within the EDRMS, alongside implementing better ways to use the information the Department produces, is key to ensuring maximum value is being obtained from our information assets.

New staff are given access to training in recordkeeping and the Department's EDRMS during the onboarding process. The Department's induction program includes:

- compliance requirements and relevant legislation
- recordkeeping roles, responsibilities, processes and practices.

The online recordkeeping awareness training course is mandatory for all staff upon commencement, and refresher training is undertaken every two years. The training modules provide staff with information about their recordkeeping roles and responsibilities as well as compliance updates. In 2021-22, 91 per cent of required staff completed the Record Keeping Awareness training. Training for the EDRMS is also available through an online course or monthly facilitated sessions that give staff an opportunity to advance their knowledge and improve their usage of the system.

Specialist staff are available to provide recordkeeping advice to staff 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 can be tailored for presentation to different business units.

The Business Information Services team monitors EDRMS usage and provides ongoing, customised support to each division. Recordkeeping policies, procedures and user guides are also available to all staff via our intranet and within the EDRMS.



Financial Statements

A number of Whiteman Park's 600 volunteers celebrated National Volunteer Week in May 2022.



Department of Planning,
Lands and Heritage

Department of Planning, Lands and Heritage

Financials and Performance Indicators



Auditor General

INDEPENDENT AUDITOR'S REPORT
2022

Department of Planning, Lands and Heritage

To the Parliament of Western Australia

Report on the audit of the financial statements

Qualified Opinion

I have audited the financial statements of the Department of Planning, Lands and Heritage (Department) which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Administered schedules comprising the Administered assets and liabilities at 30 June 2022 and the Administered income and expenses by service for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, 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 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for qualified opinion

Other revenue – Administered Income and Expenses schedule

Within the Administered income and expenses schedule for the year ended 30 June 2022 is an unreconciled movement in land of \$259.568 million disclosed as other income. Management were unable to reconcile this amount in order to determine the appropriate recognition and classification for the year ended 30 June 2022. I was unable to confirm other income by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to other income stated as \$259.568 million in the Administered income and expenses schedule.

Land at fair value – Administered Assets and Liabilities Schedule

Within the Administered assets and liabilities schedule as at 30 June 2022, management were unable to substantiate the existence of all administered land. This was due to inadequate controls over administered land, as some land was subject to a Management Order and therefore should not be recognised. I was unable to confirm administered land by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to administered land stated as \$2.747 billion in the Administered assets and liabilities schedule.

Page 1 of 5

7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500

Responsibilities of the Director General for the financial statements

The Director General is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it 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 entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- 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 responsibilities 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. 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.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Qualified 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 Director General are those policies and procedures established 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).

In my opinion, in all material respects, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, 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 2022.

Basis for Qualified Opinion

Implementation of controls over acquisition and disposal of administered land

I identified significant weaknesses in the implementation of controls over the annual reconciliation of administered land as well as the recording of acquisitions and disposals of administered land. These weaknesses could result in inaccuracies in the administered land records and thereby in administered financial information as errors and/or fraud may not be detected.

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 were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an 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 in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance 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 audit of 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 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and 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 2022.

The Director General's responsibilities 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 Department 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 responsibilities

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 entity'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.

Other information

The Director General is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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 2022 included in the annual report 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, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. 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 contact the entity to confirm the information contained in the website version.



Sandra Labuschagne
Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
16 March 2023

Certification of financial statements

For the reporting period ended 30 June 2022

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 2022 and the financial position as at 30 June 2022.

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



Anthony Kannis
Director General

Department of Planning, Lands and Heritage
16 March 2023



Maurice Hanrahan
Chief Finance Officer

Department of Planning, Lands and Heritage
16 March 2023

Statement of comprehensive income

For the year ended 30 June 2022

	Notes	2022 \$000	2021 \$000
Cost of services			
Expenses			
Employee benefits expenses	2.1	100,523	95,411
Supplies and services	2.4	36,894	38,184
Depreciation and amortisation expense	4.1(a), 4.2(a), 4.3(a)	2,303	3,499
Finance costs	6.3	17	16
Accommodation expenses	2.4	8,308	8,133
Grants and subsidies	2.3	13,015	10,413
Cost of sales	3.3	67	54
Other expenses	2.4	18,472	23,790
Total cost of services		179,599	179,500
Income			
User charges and fees	3.2	3,548	3,119
Sales	3.3	1,829	1,521
Commonwealth grants and contributions	3.4	610	1,986
Grants and subsidies	3.5	875	-
Other income	3.6	5,057	3,647
Total Income		11,919	10,273
Net cost of services		167,680	169,227
Income from State Government	3.1		
Service appropriation		105,859	114,960
Income received from other public sector entities		51,029	48,014
Services received free of charge		10,572	10,374
Royalties for Regions Fund		5,826	4,482
Total income from State Government		173,286	177,830
Surplus for the period		5,606	8,603
Other comprehensive (loss)/income			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	8.8	(51,899)	3,412
Total other comprehensive (loss)/income		(51,899)	3,412
Total comprehensive (loss)/income for the period		(46,293)	12,015

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

Statement of financial position

As at 30 June 2022

	Notes	2022 \$000	2021 \$000
Assets			
Current Assets			
Cash and cash equivalents	6.1	62,478	53,361
Restricted cash and cash equivalents	6.1	2,640	2,991
Inventories	3.3	80	87
Receivables	5.1	6,895	8,568
Other current assets	5.3	4,150	3,870
Total Current Assets		76,243	68,877
Non-Current Assets			
Restricted cash and cash equivalents	6.1	2,052	1,627
Amounts receivable for services	5.2	46,391	41,554
Property, plant and equipment	4.1	288,867	337,916
Right-of-use assets	4.3	912	887
Intangible assets	4.2	5,004	4,939
Total Non-Current Assets		343,226	386,923
Total Assets		419,469	455,800
Liabilities			
Current Liabilities			
Payables	5.4	7,303	3,042
Lease liabilities	6.2	253	156
Employee related provisions	2.2	21,513	19,921
Other current liabilities	5.5	2,482	1,454
Provisions	5.6	1,302	1,302
Total Current Liabilities		32,853	25,875
Non-Current Liabilities			
Lease liabilities	6.2	730	792
Employee related provisions	2.2	4,796	3,453
Total Non-Current Liabilities		5,526	4,245
Total Liabilities		38,379	30,120
Net Assets		381,090	425,680
Equity			
Contributed equity	8.8	237,673	235,970
Reserves	8.8	149,221	201,120
Accumulated deficit		(5,804)	(11,410)
Total Equity		381,090	425,680

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 2022

	Notes	Contributed Equity \$000	Reserves \$000	Accumulated deficit \$000	Total equity \$000
Balance at 1 July 2020		228,118	197,708	(20,013)	405,813
Surplus		-	-	8,603	8,603
Other comprehensive income		-	3,412	-	3,412
Total comprehensive income for the period		-	3,412	8,603	12,015
Transactions with owners in their capacity as owners:					
Capital appropriations		7,852	-	-	7,852
Total		7,852	-	-	7,852
Balance at 30 June 2021		235,970	201,120	(11,410)	425,680
Balance at 1 July 2021		235,970	201,120	(11,410)	425,680
Surplus		-	-	5,606	5,606
Other comprehensive income		-	(51,899)	-	(51,899)
Total comprehensive income/(loss) for the period		-	(51,899)	5,606	(46,293)
Transactions with owners in their capacity as owners:					
Capital appropriations		2,373	-	-	2,373
Distributions to owners		(670)	-	-	(670)
Total		1,703	-	-	1,703
Balance at 30 June 2022	8.8	237,673	149,221	(5,804)	381,090

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 2022

Notes	2022 \$000	2021 \$000
Cash flows from the State Government		
Service appropriation	101,022	109,582
Capital appropriations	2,373	7,852
Funds from other public sector entities	52,885	48,903
Holding account drawdown	-	562
Royalties for Regions Fund	5,826	4,482
Net cash provided by State Government	162,106	171,381
Utilised as follows:		
Cash flows from operating activities		
Payments		
Employee benefits	(97,924)	(92,791)
Supplies and services	(26,135)	(35,041)
Finance costs	(17)	(23)
Accommodation	(7,619)	(7,402)
Grants and subsidies	(12,934)	(10,336)
GST payments on purchases	(5,910)	(5,799)
Other payments	(15,344)	(21,486)
Receipts		
Sales of goods and services	1,829	194
User charges and fees	4,512	3,987
Commonwealth grants and contributions	610	1,986
GST receipts on sales	1,076	895
GST receipts from taxation authority	4,758	4,865
Other receipts	5,260	4,764
Net cash (used in) operating activities	(147,838)	(156,187)
Cash flows from investing activities		
Payments		
Purchase of non-current assets	(4,746)	(4,447)
Net cash (used in) investing activities	(4,746)	(4,447)
Cash flows from financing activities		
Payments		
Lease repayments	(331)	(307)
Net cash (used in) financing activities	(331)	(307)
Net (decrease) in cash and cash equivalents	9,191	10,440
Cash and cash equivalents at the beginning of the period	57,979	47,539
Cash and cash equivalents at the end of the period	67,170	57,979

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

Administered Schedules

Administered income and expenses

For the year ended 30 June 2022

	2022 \$000	2021 \$000
Income		
For transfer:		
Sale of land ^(a)	52,005	19,664
Rent revenue	22,197	19,136
Reserve transfers ^(b)	69,223	134,444
Other income ^(d)	259,568	-
Other revenue	1,155	10,138
Total administered income	404,149	183,382
Expenses		
Employee expenses	586	716
Revaluation decrement	194,925	24,984
Depreciation	3,451	3,558
Cost of goods sold ^(a)	108,797	80,451
Payments to Consolidated Account ^(c)	77,650	41,468
Reserve transfers ^(b)	13,681	98,522
Other expenses	1,600	30,581
Total administered expenses	400,690	280,280
Net loss	(56,792)	(60,787)

^(a) Sale of administered Crown land and buildings is reported as a net loss on disposal of fixed assets as outlined below:

	2022 \$000	2021 \$000
Proceeds from disposal of land	52,005	19,664
Cost of disposal of land (at fair value less cost to sell)	(108,797)	(79,131)
Cost of disposal of buildings	-	(1,320)
Net loss	(56,792)	(60,787)

^(b) Transfer of reserves to/from government, local government and corporations under management orders.

^(c) This reflects Crown land lease and sale proceeds that were transferred to the State Government Consolidated Accounts during the year.

^(d) Other income primarily represents the adjustment to account for the incorrect recognition of management orders. A Management Order is a statutory right to manage and control Crown land in accordance with the Management Order granted under the Land Administration Act 1997 (LAA). They place reserves in trust with management bodies on behalf of the public and do not constitute an interest in the land.

Administered assets and liabilities

As at 30 June 2022

	2022	2021
	\$000	\$000
Current Assets		
Cash and cash equivalents	31,643	30,284
Receivables	2,212	22,338
Total Administered Current Assets	33,855	52,622
Non-Current Assets		
Land at fair value ^(a)	2,747,346	2,741,018
Buildings at fair value	5,801	2,933
Infrastructure at cost (less accumulated depreciation)	112,556	115,933
Easements at cost	18,550	18,550
Total Administered Non-Current Assets	2,884,253	2,878,434
TOTAL ADMINISTERED ASSETS	2,918,108	2,931,056
Current Liabilities		
Payables	4,243	2,267
Contract liabilities	2,429	17,800
Employee provisions	75	119
Other liabilities	3,579	4,267
Other provisions ^(b)	3,451	4,690
Total Administered Current Liabilities	13,777	29,143
Non-Current Liabilities		
Employee provisions	30	-
Other provisions ^(b)	38,550	39,188
Total Administered Non-Current Liabilities	38,580	39,188
TOTAL ADMINISTERED LIABILITIES	52,357	68,331

^(a) 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 2022.

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.

^(b) Other Provisions relates to Native Title, Contaminated sites and provision for amounts payable to other state government entities for land transactions.

Notes to the financial statements

1. Basis of preparation

The Department of Planning, Lands and Heritage (Department or DPLH) is a Western Australia Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Department 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 the Department on 16 March 2023.

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 (TIs)*
- 3) Australian Accounting Standards (AASs) - Simplified Disclosures
- 4) Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied

The FMA and the TIs take precedence over AASs. Several AASs are modified by the TIs 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).

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the Department as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

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.

Administered items

The Department administers, but does not control, certain activities and functions for and on behalf of Government that do not contribute to the Department's services or objectives. It does not have discretion over how it utilises the transactions in pursuing its own objectives.

Transactions relating to the administered activities are not recognised as the Department's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Administered income and expenses', and 'Administered assets and liabilities'.

The accrual basis of accounting and applicable AASs have been adopted.

Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- 1) Property, Plant and Equipment reconciliations;
- 2) Intangible Asset reconciliations; and
- 3) Right-of-Use Asset reconciliations.

Comparative amounts are reclassified unless the reclassification is impracticable.

Certain comparative figures have been reclassified to conform with the presentation adopted for the current period and if considered significant DPLH will separately disclose:

- the nature of the reclassification
- the amount of each item or class of items that is reclassified
- the reason for the reclassification.

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.

2 Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Department'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 Department in achieving its objectives and the relevant notes are:

	Notes	2022 \$000	2021 \$000
Employee benefits expenses	2.1	100,523	95,411
Employee related provisions	2.2	26,309	23,374
Grants and subsidies	2.3	13,015	10,413
Other expenditure	2.4	63,674	70,107

2.1 Employee benefits expenses

	2022 \$000	2021 \$000
Short-term employee benefits ^(a)	89,988	86,250
Termination benefits	1,210	745
Superannuation - defined contribution plans ^(b)	9,325	8,416
Total employee benefits expenses	100,523	95,411
Add: AASB 16 Non-monetary benefits (not included in employee benefits expense)	380	395
Less: Employee contributions	(69)	-
Net employee benefits	100,834	95,806

(a) **Employee benefits** include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

Termination benefits are 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 Department 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.

(b) **Superannuation** is the amount recognised in profit or loss of the Statement of comprehensive income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, other GESB schemes or other superannuation funds.

AASB 16 non-monetary benefits are non-monetary employee benefits, predominantly relating to the provision of vehicle and housing benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

Employee contributions are contributions made to the Department by employees towards employee benefits that have been provided by the Department. This includes both AASB 16 and non-AASB 16 employee contributions.

2.2 Employee related provisions

	2022 \$000	2021 \$000
Current		
<u>Employee benefits provisions</u>		
Annual leave	10,067	8,741
Long service leave	9,274	9,316
Deferred salary scheme	94	39
	19,435	18,096
<u>Other provisions</u>		
Employment on-costs	2,078	1,825
Total current employee related provisions	21,513	19,921
Non-current		
<u>Employee benefits provisions</u>		
Long service leave	4,285	3,139
<u>Other provisions</u>		
Employment on-costs	511	314
Total non-current employee related provisions	4,796	3,453
Total employee related provisions	26,309	23,374

Provision is made for benefits accruing to employees in respect of 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.

Annual leave liabilities are classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

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.

Long service leave liabilities are unconditional long service leave provisions are classified as current liabilities as the Department 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 Department has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as the Department 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.

Deferred salary scheme liabilities are classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

Employment on-costs involve settlements of annual and long service leave liabilities which 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 premiums, 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 2.4' and are not included as part of the Department's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2022 \$000	2021 \$000
Employment on-costs provision		
Carrying amount at start of period	2,139	1,932
Additional provisions recognised	450	207
Carrying amount at end of period	2,589	2,139

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 Department'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.

2.3 Grants and subsidies

	2022 \$000	2021 \$000
<u>Recurrent</u>		
Government agencies	10,158	7,640
Local Government	1,000	400
Community grants	492	527
Non-government organisations	1,284	1,280
Other	81	566
Total grants and subsidies	13,015	10,413

Transactions in which the Department provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant or subsidy expenses'. These payments or transfers are recognised at fair value at the time of the transaction and are recognised as an expense in the reporting period in which they are paid. 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.

2.4 Other expenditure

	2022 \$000	2021 \$000
Supplies and services		
Advertising and public relations	526	554
Minor equipment purchases	278	155
Leases and hire charges ^(a)	246	86
Travel and passenger transport	511	437
Communications	837	782
Consultants and contractors	30,023	31,912
Insurance	848	892
Utilities expenses	1,040	1,187
Supplies and services - other	2,585	2,179
Total supplies and services expenses	36,894	38,184
Accommodation expenses		
Office rental ^(b)	7,974	7,851
Repairs and maintenance	9	22
Cleaning	325	260
Total accommodation expenses	8,308	8,133

Other expenses		
Compensation payments - Native Title	3,731	10,681
Repairs and maintenance	13,075	11,397
Other employee expenses ^(a)	756	478
Expected credit losses expense	13	-
Write-off other assets	51	16
Revaluation decrement	-	816
Net gain/loss on disposal of non-current assets	50	6
Other	796	396
Total other expenses	18,472	23,790
Total other expenditure	63,674	70,107

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.

Office rental is expensed as incurred as Memorandum of Understanding Agreements between the Department and the Department of Finance for the leasing of office accommodation contain significant substitution rights.

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

Repairs, maintenance and cleaning costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

Expected credit losses is recognised for movement in allowance for impairment of trade receivables. Please refer to note 5.1. Movement in the allowance for impairment of trade 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 2.2 Employee related provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

^(a) The Department has leased a number of right-of-use assets from the Government Regional Officer Housing (\$52k) and Motor Vehicle (\$41k), that has been reclassified to Note 3.6 Other Income for FY20/21.

^(b) Included within Lease rentals are short-term and low value leases of up to \$5,000. This excludes leases with another wholly-owned public sector entity lessor agency. Refer to note 4.1 for aggregate short-term and low value leases expense.

3 Our funding sources

How we obtain our funding

This section provides additional information about how the Department obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Department and the relevant notes are:

	Notes	2022 \$000	2021 \$000
Income from State Government	3.1	173,286	177,830
User charges and fees	3.2	3,548	3,119
Trading profit	3.3	1,762	1,467
Commonwealth grants and contributions	3.4	610	1,986
Grants and subsidies	3.5	875	-
Other Income	3.6	5,057	3,647

3.1 Income from State Government

	2022 \$000	2021 \$000
Appropriation received during the period:		
Service appropriation	105,859	114,960
Total service appropriation received	105,859	114,960
Services received free of charge from other State government agencies during the period:		
Landgate - land data and aerial imagery	6,870	6,721
State Solicitor's Office - legal services	2,152	2,298
Department of Finance - accommodation services	680	727
Department of Transport - technical reviews	26	100
Department of Health - review and plan assessments	330	327
Main Roads WA - planning and technical services	178	175
Department of Primary Industries and Regional Development - spatial data	-	17
Department of Water and Environmental Regulation - grand water data	336	9
Total services received	10,572	10,374
Royalties for Regions Fund:		
Regional Community Services Account ^(a)	5,826	4,482
Total Royalties for Regions Fund	5,826	4,482
Income received from other public sector entities:		
Recoupable expense and fees for services rendered ^(b)	46,818	48,014
WAPC ^(c)	4,211	-
Total income received from other public sector entities	51,029	48,014
Total income from State Government	173,286	177,830

Service Appropriations are recognised as income at the fair value of consideration received in the period in which the Department gains control of the appropriated funds. The Agency gains control of the appropriated funds at the time those funds are deposited in the bank account or credited to the holding account held at Treasury.

Income from other public sector entities are recognised as income when the Department has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the Agency receives the funds.

Services received from other public sector entities is recognised as income equivalent to the fair value of assets received, or the fair value of services received that can be reliably determined and which would have been purchased if not donated.

(a) The Regional Community Services Accounts are sub-funds 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 income when the Department receives the funds. The Department has assessed Royalties for Regions agreements and concludes that they are not within the scope of AASB 15 as they do not meet the 'sufficiently specific' criterion.

(b) The Department provides various services to the Western Australian Planning Commission (WAPC) on an annual and ongoing basis in exchange for funding agreed in accordance with the Published Budget of the Department and WAPC. Revenue is recognised when it can be reliably measured.

(c) The Department received \$4.211m of contribution from Western Australian Planning Commission (WAPC) for various projects such as Planning Reform (\$1.3m), State Design Review Panel (\$760k) and Major Projects Facilitation (\$2.15m).

Summary of consolidated account appropriations

For the year ended 30 June 2022

	2022 Estimate \$000	2022 Actual \$000	Variance \$000	2021 Estimate \$000	2021 Actual \$000	Variance \$000
Delivery of Services						
Item 85 Net amount appropriated to deliver services	105,455	105,455	-	114,730	114,559	(171)
Section 25 Transfer of service appropriation	-	-	-	-	-	-
Amount Authorised by Other Statutes						
- Salaries and Allowances Act 1975	404	404	-	401	401	-
Total appropriations provided to deliver services	105,859	105,859	-	115,131	114,960	(171)
Capital						
Item 147 Capital appropriations	2,373	2,373	-	9,891	7,852	(2,039)
GRAND TOTAL	108,232	108,232	-	125,022	122,812	(2,210)

3.2 User charges and fees

	2022 \$000	2021 \$000
Fees	3,397	2,956
User charges	151	163
Total User Fees and Charges	3,548	3,119

Revenue is recognised at the transaction price when the Department transfers control of the services to customers. Revenue is recognised for the major activities as follows:

Revenue is recognised at a point-in-time for Development Assessment Panel applications and Crown licence option fees. The performance obligations for these user fees and charges are satisfied when services have been provided.

3.3 Trading profit

	2022 \$000	2021 \$000
Sales	1,829	1,521
Cost of Sales:		
Opening Inventory	87	83
Purchases	60	58
Total	147	141
Closing Inventory	80	87
Cost of Goods Sold	67	54
Trading Profit	1,762	1,467
Closing Inventory comprises:		
Current Inventories		
Finished goods		
At cost	80	87
Total current inventories	80	87
Total Inventories	80	87

Sales

Revenue is recognised at the transaction price when the Department transfers control of the goods to customers.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate for each class or 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.

3.4 Commonwealth grants and contributions

	2022	2021
	\$000	\$000
Commonwealth contributions:		
- Indian Ocean Territories ^(a)	420	294
- Department of Industry, Science, Energy and Resources ^(b)	190	135
- Department of Agriculture, Water and Environment ^(c)	-	1,557
Total Commonwealth contributions	610	1,986

^(a) Land use planning services and crown land administration for the Cocos Keeling Islands.

^(b) The grant is to improve conservation, preservation and access to the National Heritage List for the Fremantle Prison and other heritage sites.

^(c) The grant is for works at the Fremantle Prison.

3.5 Grants and subsidies

	2022	2021
	\$000	\$000
Recurrent grants - other government agencies		
- MetroNet - High Wycombe and Redcliffe Precinct ^(a)	875	-
Total grants and subsidies	875	-

(a) Funding is to manage the delivery of a connector road at High Wycombe and extend Central Avenue in Redcliffe.

For non-reciprocal grants, the Department recognises revenue when the grant is receivable at its fair value as and when its fair value can be reliably measured.

The grants have been recognised in their entirety upon receipt as the only condition applying to its use is how it can be expended and it is not subject to performance measures in terms of service delivery.

3.6 Other income

	2022	2021
	\$000	\$000
Pastoral land rent ^(a)	3,994	2,806
Other ^(b)	994	841
Employee Contributions ^(c)	69	-
Total other income	5,057	3,647

Other income is recognised at the transaction price when the Department transfers control of the services to customers. Other income is recognised for the major activities as follows:

^(a) Pastoral land rental rates are set by the Valuer General's Office and are reviewed every 5 years in line with the requirements of the *Land Administration Act 1997*.

^(b) Includes recoups of expenditure, bank interest, royalties, other revenues.

^(c) Income received by the Department from subleasing of right-of-use assets relates to lease payments received from operating leases. The Department has leased a number of right-of-use assets from the Government Regional Officer Housing (GROH), which it subleases out to employees at a subsidised rate. Information on the Department's leasing arrangements with GROH can be found in note 2.1.

4 Key assets

Assets the Department utilises for economic benefit or service potential.

This section includes information regarding the key assets the Department 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:

	Notes	2022	2021
		\$000	\$000
Property, plant and equipment	4.1	288,867	337,916
Intangibles	4.2	5,004	4,939
Right-of-use assets	4.3	912	887
Total key assets		294,783	343,742

4.1 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.

Year ended 30 June 2022	Land	Buildings	Computer and Office Equipment	Furniture and Fittings	Work in Progress	Total
	\$000	\$000	\$000	\$000	\$000	\$000
1 July 2021						
Gross carrying amount	310,789	22,475	3,992	267	3,616	341,139
Accumulated depreciation	-	-	(3,075)	(148)	-	(3,223)
Carrying amount at start of period	310,789	22,475	917	119	3,616	337,916
Additions	1,075	-	-	-	2,678	3,753
Disposals	(670)	-	(13)	(43)	-	(726)
Transfer to fixed assets	-	-	572	565	(1,137)	-
Transfer from intangible assets	-	-	-	-	432	432
Revaluation increments/(decrements)	(53,365)	1,466	-	-	-	(51,899)
Depreciation	-	(2)	(545)	(62)	-	(609)
Carrying amount at 30 June 2022	257,829	23,939	931	579	5,589	288,867
30 June 2022						
Gross carrying amount	257,829	23,941	4,551	789	5,589	292,699
Accumulated depreciation	-	(2)	(3,620)	(210)	-	(3,832)

Initial recognition

Items of property, plant and equipment, 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 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).

Subsequent measurement

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

- land; and
- buildings.

Land is carried at fair value.

Buildings 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 2021 by Landgate. The valuations were performed during the year ended 30 June 2022 and recognised at 30 June 2022.

In undertaking the revaluation, fair value of land was determined by reference to market values: \$209,665,300 (2021: \$260,590,000). For the remaining balance of land, fair value was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land).

Fair value of all buildings was determined on the basis of current replacement cost.

4.1 (a) Depreciation and impairment

	2022	2021
	\$000	\$000
Charge for the period		
Depreciation		
Buildings	2	242
Computer equipment	545	995
Furniture and fittings	62	37
Total depreciation for the period	609	1,274

As at 30 June 2022, there were no indications of impairment to property, plant and equipment.

All surplus assets at 30 June 2022 have either been classified as assets held for sale or have been written-off.

Please refer to note 4.2 (a) for guidance in relation to the impairment assessment that has been performed for intangible assets.

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 Department is a not-for-profit Department, 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.

The Department shall measure the right-of-use assets at cost less any accumulated depreciation and any accumulated impairment losses. The Department shall apply AASB 136 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

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 exception to this rule includes assets held for sale and land.

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	40 to 100 years
Software ^(a)	2 to 5 years
Computer hardware	3 to 5 years
Office and other equipment	5 to 10 years
Furniture and fittings	6 to 10 years
Heritage or Culture	Not apply

^(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 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.

4.2 Intangible assets

Year ended 30 June 2022

1 July 2021

	Computer Software \$000	Work in Progress \$000	Total \$000
Gross carrying amount	14,811	1,154	15,965
Accumulated amortisation	(11,026)	-	(11,026)
Carrying amount at start of period	3,785	1,154	4,939
Additions	-	1,828	1,828
Transfer of work in progress	891	(891)	-
Transfer to property, plant and equipment	-	(432)	(432)
Amortisation expense	(1,331)	-	(1,331)
Carrying amount at 30 June 2022	3,345	1,659	5,004

30 June 2022

Gross carrying amount	15,702	1,659	17,361
Accumulated amortisation	(12,357)	-	(12,357)
Total Carrying amount at 30 June 2022	3,345	1,659	5,004

Initial recognition

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets at a minimum of \$5,000 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.

4.2 (a) Amortisation and impairment

	2022 \$000	2021 \$000
Charge for the period		
Computer software	1,331	1,846
Total amortisation expense	1,331	1,846

As at 30 June 2022, there were no indications of impairment of intangible assets. The Department held no goodwill or intangible assets with an indefinite useful life during the reporting period.

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 Department 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 indefinite 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 4.1 (a) Depreciation and impairment.

4.3 Right-of-use assets

	2022 \$000	2021 \$000
Right-of-use assets		
Buildings	470	504
Vehicles	442	383
	912	887

The Department has leases for vehicles, and residential housing. The Department subleases residential housing to employees at a subsidised rate. The Department recognises lease payments from operating leases as income on a straight-line basis over the term of the lease.

The Department has also entered into a Memorandum of Understanding Agreements with the Department Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

Initial recognition

At the commencement date of the lease, the Department recognises right-of-use assets and a corresponding lease liability for most leases. The right-of-use assets are measured at cost comprising of:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.2 Lease liabilities.

The Department has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Department at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 4.1 (a).

4.3 (a) Depreciation charge of right-of-use assets

	2022	2021
	\$000	\$000
Right-of-use assets		
Buildings	155	162
Vehicles	208	217
Total right-of-use asset depreciation	363	379

The total cash outflow for leases in 2022 was \$331,000 (2021: \$307,000).

As at 30 June 2022 there were no indications of impairment of right-of-use assets.

The Department has also entered into Memorandum of Understanding Agreements (MOU) with the Department of Finance for the leasing of office accommodation. These are not recognised under AASB 16 because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

5 Other assets and liabilities

This section sets out those assets and liabilities that arose from the Department's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2022	2021
		\$000	\$000
Receivables	5.1	6,895	8,568
Amounts receivable for services	5.2	46,391	41,554
Other current assets	5.3	4,150	3,870
Payables	5.4	7,303	3,042
Other liabilities	5.5	2,482	1,454
Provisions	5.6	1,302	1,302

5.1 Receivables

	2022	2021
	\$000	\$000
Current		
Trade receivables	6,205	7,944
Allowance for impairment of receivables	(119)	(105)
GST receivable	799	721
	6,885	8,560
Loans and advances:		
Other debtors	10	8
	10	8
Total current	6,895	8,568
Total receivables at end of period	6,895	8,568

The Department 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. Includes \$5M (2021: \$4.50M) receivable from the Western Australian Planning Commission for services provided under the Service Level Agreement.

5.2 Amounts receivable for services (Holding Account)

	2022	2021
	\$000	\$000
Non-current	46,391	41,554
Total amounts receivable for services at end of period	46,391	41,554

Amounts receivable for services represent the non-cash component of service appropriations and are considered not impaired (i.e. there is no expected credit loss of the holding account). It is restricted in that it can only be used for asset replacement or payment of leave liability.

The Department 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.

5.3 Other assets

	2022	2021
	\$000	\$000
Current		
Prepayments	3,960	2,791
Accrued income	190	4
Unsettled land and building purchases	-	1,075
Total other assets at end of period	4,150	3,870

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.

5.4 Payables

	2022	2021
	\$000	\$000
Current		
Trade payables	832	53
Accrued expenses	4,625	1,528
Accrued salaries	1,846	1,461
Total current payables	7,303	3,042

Payables are recognised at the amounts payable when the Department 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 Department considers the carrying amount of accrued salaries to be equivalent to its fair value.

5.5 Other liabilities

	2022	2021
	\$000	\$000
Current		
Unearned revenue ^(a)	1,012	44
Other current liabilities ^(b)	625	565
Receipts on account ^(c)	845	845
Total other liabilities	2,482	1,454

^(a) Unearned revenue includes rental income received in advance.

^(b) Other current liabilities includes Pastoral lease rental accrual.

^(c) Receipts on account includes deposits received in advance.

5.6 Provisions

	2022	2021
	\$000	\$000
Current		
Compensation payments	1,302	1,302
Total provisions at end of period	1,302	1,302

5.6.1 Provisions

Under the *Land Administration Act 1997 (LAA)* the Department has a legal or constructive obligation to compensate on discontinuation of existing pastoral lease.

A provision for compensation is recognised when:

- there is a present obligation where continuing lease expires and is not further continued;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

The provision for future compensation costs is determined by the Valuer-General to be the market value on the date of expiry of any lawful improvements existing on the land under the lease. Future compensation costs are reviewed annually and any changes in the determination are reflected in the present value of the remediation provision at each reporting date.

6 Financing

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

	Notes	2022 \$000	2021 \$000
Cash and cash equivalents	6.1	67,170	57,979
Leases	6.2	983	948
Finance costs	6.3	17	16

6.1 Cash and cash equivalents

	2022 \$000	2021 \$000
Cash and cash equivalents	62,478	53,361
Restricted cash and cash equivalents:		
- Indian Ocean Territories Service Level Agreement	620	566
- Kalumburu Roads	227	227
- Remote Indigenous Housing West Kimberley Tripartite Forum	150	150
- Royalties for Regions - Northern Planning Program	431	431
- Wittenoom Relocation Trust Account	1,212	1,617
- Accrued salaries suspense account ^(a)	2,052	1,627
Total cash and cash equivalents at end of period	67,170	57,979

^(a) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non-current for 10 out of 11 years.

For the purpose of the statement of cash flows, cash and cash equivalents (and restricted cash and cash equivalents) 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.

6.2 Lease liabilities

	2022 \$000	2021 \$000
Current	253	156
Non-current	730	792
Total lease liabilities	983	948

The Department measures a lease liability, at the commencement date, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Department uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by the Department as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects the Department exercising an option to terminate the lease.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Department if the lease is reasonably certain to be extended (or not terminated).

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Department in profit or loss in the period in which the condition that triggers those payment occurs.

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

6.3 Finance costs

	2022 \$000	2021 \$000
Finance costs		
Lease interest expense	17	16
Total finance costs expensed	17	16

'Finance costs' includes the interest component of lease liability repayments.

7 Financial instruments and contingencies

This note sets out the key risk management policies and measurement techniques of the Department.

	Notes	2022 \$000	2021 \$000
Financial instruments	7.1	112,354	104,338
Contingent liabilities	7.2	10,075	39,400

7.1 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:

	2022 \$000	2021 \$000
Financial assets		
Cash and cash equivalents	62,478	53,361
Restricted cash and cash equivalents	4,692	4,618
Financial assets at amortised cost ^(a)	52,487	49,401
Total financial assets	119,657	107,380
Financial liabilities		
Financial liabilities at amortised cost ^(b)	7,303	3,042
Total financial liability	7,303	3,042

^(a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

^(b) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

7.2 Contingent liabilities

Contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate. Contingent liabilities are presented inclusive of GST receivable or payable respectively.

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

Litigations in progress	10,075	39,400
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8 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	8.1
Key management personnel	8.2
Related party transactions	8.3
Related bodies	8.4
Affiliated bodies	8.5
Special purpose accounts	8.6
Remuneration of auditors	8.7
Equity	8.8
Supplementary financial information	8.9
Explanatory statement	8.10
Restatement of prior period comparatives due to error	8.11

8.1 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.

8.2 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 (\$)			2022	2021
390,001	to	400,000	-	1
230,001	to	300,000	2	2
220,001	to	230,000	1	2
210,001	to	220,000	2	1
200,001	to	210,000	1	-
190,001	to	200,000	1	-
170,001	to	180,000	-	1
110,001	to	140,000	1	-
80,001	to	90,000	1	1
			9	8
			2022	2021
			\$000	\$000
			1,770	1,781

Total compensation of senior officers

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

8.3 Related party transactions

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

Related parties of the Department 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).

Material transactions with other related parties

Outside of normal citizen type transactions with the Department, 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.

Significant transactions with Government related entities

In conducting its activities, the Department 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 :

	Notes
Grants and subsidies received from State and other entities	2.3
Other expenses including accommodation with the Department of Finance	2.4
Service appropriation including insurance payments from the Insurance Commission	3.1
Remuneration of services provided by the Auditor General.	8.7
Capital appropriation	8.8

8.4 Related bodies

The Department had no related bodies during the financial year 2021-22 and 2020-21.

8.5 Affiliated bodies

The Department had no affiliated bodies during the financial year 2021-22 and 2020-21.

8.6 Special purpose accounts

Wittenoom Relocation Trust Account ^(a)

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.

	2022	2021
	\$000	\$000
Balance at start of period	1,617	1,617
Payments	(405)	-
Balance at end of period	1,212	1,617

Indian Ocean Territories Service Level Agreement ^(b)

The purpose of the agreement is to provide crown land management and planning services.

Balance at start of period	565	606
Receipts	420	294
Payments	(365)	(335)
Balance at end of period	620	565

Dampier to Bunbury Natural Gas Pipeline Corridor Trust Account (Administered) ^(c)

The purpose of this account is to hold fund received pursuant to section 45(2) of the Dampier to Bunbury Pipeline Act 1997 for application in accordance with section 45(5) of that Act.

Balance at start of period	24,334	25,765
Receipts	2,976	91
Payments	(1,551)	(1,522)
Balance at end of period	25,759	24,334

^(a) Established under section 16(1)(d) of FMA.

^(b) Commonwealth Service Level Agreement

^(c) Established under section 16(1)(b) of FMA.

8.7 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2022	2021
	\$000	\$000
Auditing the accounts, financial statements, controls and key performance indicators	389	352

8.8 Equity

Contributed equity

Balance at start of period	235,970	228,118
<i>Contributions by owners</i>		
Capital appropriation	2,373	7,852
Total contributions by owners	2,373	7,852
<i>Distributions to owners</i>		
Land	(670)	-
Total distributions to owners	(670)	-
Balance at end of period	237,673	235,970

Asset revaluation surplus

Balance at start of period	201,120	197,708
Land	(53,365)	3,412
Buildings	1,466	-
Total asset revaluation surplus at end of period	149,221	201,120

8.9 Supplementary financial information

(a) Write-offs

During the financial year, \$90,670 (2021: \$422,000) was written off the Department's books under the authority of:

The accountable authority	91	30
The Minister	-	392
Total write-offs	91	422

(b) Losses through theft, defaults and other causes

During 2021-22 and 2020-21 the Department did not report any losses due to theft, defaults and other causes.

(c) Gifts of public property

There were no gifts of public property provided by the Department during the financial year 2021-22 and 2020-21.

8.10 Explanatory statements for controlled operations

This explanatory section explains variations in the financial performance of the department undertaking transactions under its own control, as represented by the primary financial statements.

All variances between estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key variations selected from observed major variances which are greater than 10% and 1% of Total Cost of Services for either the lower of the budget or prior period actual for the Statements of Comprehensive Income and Statement of Cash Flows, and are greater than 10% and 1% of Total Assets for either the lower of the budget or prior period actual for the Statement of Financial Position.

8.10.1 Statement of Comprehensive Income Variances

	Variance	Estimate	Actual	Variance between		
				Actual	estimate and actual	actual results for 2022 and 2021
Note	2022	2022	2021			
	\$000	\$000	\$000	\$000	\$000	
Expenses						
Employee benefits expense		101,401	100,523	95,411	(878)	5,112
Supplies and services	1	63,106	36,894	38,184	(26,212)	(1,290)
Depreciation and amortisation expense	2	4,837	2,303	3,499	(2,534)	(1,196)
Finance costs		29	17	16	(12)	1
Accommodation expenses	3	10,337	8,308	8,133	(2,029)	175
Grants and subsidies	4, A	16,834	13,015	10,413	(3,619)	2,602
Cost of sales		-	67	54	67	13
Other expenses	5, B	11,672	18,472	23,790	6,800	(5,318)
Total cost of services		208,016	179,599	179,500	(28,417)	99
Income						
User charges and fees		2,717	3,548	3,119	831	429
Sales		2,380	1,829	1,521	(551)	308
Commonwealth grants and contributions		126	610	1,986	484	(1,376)
Grants and subsidies		-	875	-	875	875
Other income	6	7,880	5,057	3,647	(2,823)	1,410
Total Income		13,103	11,919	10,273	(1,184)	1,646
Total income other than income from State Government		13,103	11,919	10,273	(1,184)	1,646
Net cost of services		194,913	167,680	169,227	(27,233)	(1,547)
Income from State Government						
Service appropriation		105,859	105,859	114,960	-	(9,101)
Income received from other public sector entities		56,311	51,029	48,014	(5,282)	3,015
Services received free of charge		11,245	10,572	10,374	(673)	198
Royalties for Regions Fund		6,242	5,826	4,482	(416)	1,344
Total income from State Government		179,657	173,286	177,830	(6,371)	(4,544)
Surplus/(deficit) for the period		(15,256)	5,606	8,603	20,862	(2,997)
Other comprehensive income/ (Losses)						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus		-	(51,899)	3,412	(51,899)	(55,311)
Total other comprehensive income/(loss)		-	(51,899)	3,412	(51,899)	(55,311)
Total comprehensive income/(loss) for the period		(15,256)	(46,293)	12,015	(31,037)	(58,308)

Major Estimate and Actual (2022) Variance Narratives

1. Supplies and services expenses are lower than budget estimate by \$26.21 million (42%) mainly due to delayed projects as a result of unavoidable factors including the implication of COVID-19 restrictions, difficulties in engaging contractors due to a highly competitive consultancy market and the management of risks associated with the new Work Health and Safety Act 2020.

2. Depreciation and amortisation expenses are lower than budget estimate by \$2.53 million (52%) mainly due to a change in the application of the depreciation to heritage building assets and the cessation of depreciation for computer hardware which have reached the end of useful life.

3. Accommodation expenses are lower than budget estimate by \$2.03 million (20%) mainly due to a reduction in office accommodation space requirements following the Department's transition to Activity Based Working (ABW) arrangements.

4. Grants and subsidies expenses are lower than budget estimate by \$3.62 million (22%) mainly due to the reclassification of the Wittenoom Townsite Closure and the Anketell Indigenous Land Use Agreement payments from grants and subsidies in estimate to other expenses in actual.

5. Other expenses are higher than budget estimate by \$6.8 million (58%) mainly due to an increase in various payments including compensation costs and items noted in Note 2.4.

6. Other income is lower than budget estimate by \$2.82 million (36%) mainly due to a reduction in pastoral lease land rental income following revised valuations by the Valuer General.

Major Actual (2022) and Comparative (2021) Variance Narratives

A. Grants and subsidies expense have increased by \$2.6 million (25%) due to an increase in Coastal Erosion Hotspots (CoastWA) grants.

B. Other expenses have decreased by \$5.37 million (23%) mainly due to a decrease in Native Title compensation payments from 2020-21.

8.10.2 Statement of financial position variances

Variance	Estimate	Actual	Actual	Variance between		
				estimate and actual	actual results for 2022 and 2021	
Note	2022	2022	2021			
	\$000	\$000	\$000	\$000	\$000	
Assets						
Current Assets						
Cash and cash equivalents		29,269	62,478	53,361	33,209	9,117
Restricted cash and cash equivalents		3,032	2,640	2,991	(392)	(351)
Inventories		-	80	87	80	(7)
Receivables		6,100	6,895	8,568	795	(1,673)
Other current assets		2,118	4,150	3,870	2,032	280
Total Current Assets		40,519	76,243	68,877	35,724	7,366
Non-Current Assets						
Restricted cash and cash equivalents		1,900	2,052	1,627	152	425
Amounts receivable for services		46,391	46,391	41,554	-	4,837
Property, plant and equipment	7, C	340,248	288,867	337,916	(51,381)	(49,049)
Right-of-use assets		-	912	887	912	25
Intangible assets		2,341	5,004	4,939	2,663	65
Total Non-Current Assets		390,880	343,226	386,923	(47,654)	(43,697)
Total Assets		431,399	419,469	455,800	(11,930)	(36,331)
Liabilities						
Current Liabilities						
Payables		69	7,303	3,042	7,234	4,261
Lease liabilities		317	253	156	(64)	97
Employee related provisions		20,515	21,513	19,921	998	1,592
Other current liabilities		4,247	2,482	1,454	(1,765)	1,028
Provisions		-	1,302	1,302	1,302	-
Total Current Liabilities		25,148	32,853	25,875	7,705	6,978
Non-Current Liabilities						
Lease liabilities		475	730	792	255	(62)
Employee related provisions		3,940	4,796	3,453	856	1,343
Total Non-Current Liabilities		4,415	5,526	4,245	1,111	1,281
Total Liabilities		29,563	38,379	30,120	8,816	8,259
Net Assets		401,836	381,090	425,680	(20,746)	(44,590)
Equity						
Contributed equity		235,181	237,673	235,970	2,492	1,703
Reserves		197,708	149,221	201,120	(48,487)	(51,899)
Accumulated surplus/(deficit)		(31,053)	(5,804)	(11,410)	25,249	5,606
Total Equity		401,836	381,090	425,680	(20,746)	(44,590)

Major Estimate and Actual (2022) Variance Narratives

7. Property, plant and equipment is lower than budget estimate by \$51.38 million (15%) mainly due to a revaluation of pastoral land by the Valuer General.

Major Actual (2022) and Comparative (2021) Variance Narratives

C. Property, plant and equipment has decreased by \$49.05 million (15%) mainly due to a revaluation of pastoral land by the Valuer General.

8.10.3 Statement of Cash Flows Variances

Variance	Estimate	Actual	Actual	Variance between estimate and actual 2021	Variance between actual results for 2022 and 2021
Note	2022 \$000	2022 \$000	2021 \$000	\$000	\$000
Cash flows from the State Government					
Service appropriation	101,022	101,022	109,582	-	(8,560)
Capital appropriations	D 2,373	2,373	7,852	-	(5,479)
Funds from other public sector entities	56,311	52,885	48,903	(3,426)	3,982
Holding account drawdown	-	-	562	-	(562)
Royalties for Regions Fund	6,242	5,826	4,482	(416)	1,344
Net cash provided by State Government	165,948	162,106	171,381	(3,842)	(9,275)
Cash flows from operating activities					
Payments					
Employee benefits	(100,373)	(97,924)	(92,791)	2,449	(5,133)
Supplies and services	8, E (52,441)	(26,135)	(35,041)	26,306	8,906
Finance costs	(29)	(17)	(23)	12	6
Accommodation	9 (9,740)	(7,619)	(7,402)	2,121	(217)
Grants and subsidies	10, F (16,634)	(12,934)	(10,336)	3,700	(2,598)
GST payments on purchases	(6,240)	(5,910)	(5,799)	330	(111)
GST payments to taxation authority	-	-	-	-	-
Other payments	11, G (11,624)	(15,344)	(21,486)	(3,720)	6,142
Receipts					
Sales of goods and services	3,233	1,829	194	(1,404)	1,635
User charges and fees	2,717	4,512	3,987	1,795	525
Commonwealth grants and contributions	126	610	1,986	484	(1,376)
GST receipts on sales	12 6,233	1,076	895	(5,157)	181
GST receipts from taxation authority	13 -	4,758	4,865	4,758	(107)
Other receipts	7,035	5,260	4,764	(1,775)	496
Net cash provided by / (used in) operating activities	(177,737)	(147,838)	(156,187)	29,899	8,349
Cash flows from investing activities					
Payments					
Purchase of non-current assets	14 (8,536)	(4,746)	(4,447)	3,790	(299)
Net cash provided by / (used in) investing activities	(8,536)	(4,746)	(4,447)	3,790	(299)
Cash flows from financing activities					
Payments					
Lease repayments	(326)	(331)	(307)	(5)	(24)
Net cash provided by / (used in) financing activities	(326)	(331)	(307)	(5)	(24)
Net increase/(decrease) in cash and cash equivalents	(20,651)	9,191	10,440	29,842	(1,249)
Cash and cash equivalents at the beginning of the period	54,852	57,979	47,539	3,127	10,440
Cash and cash equivalents at the end of the period	34,201	67,170	57,979	32,969	9,191

Major Estimate and Actual (2022) Variance Narratives

- Supplies and services payments are lower than budget estimate by \$26.31 million (50%) mainly due to delayed projects as a result of unavoidable factors including the implication of COVID-19 restrictions, difficulties in engaging contractors due to a highly competitive consultancy market and the management of risks associated with the new Work Health and Safety Act 2020.
- Accommodation payments are lower than budget estimate by \$2.12 million (22%) mainly due to a reduction in office accommodation space requirements following the Department's transition to Activity Based Working (ABW) arrangements.
- Grants and subsidies payments are lower than budget estimate by \$3.7 million (22%) mainly due to the reclassification of the Wittenoom Townsite Closure and the Anketell Indigenous Land Use Agreement payment from grants and subsidies in estimate to other payments in actual.
- Other payments are higher than budget estimate by \$3.72 million (32%) mainly due to an increase in various payments including compensation costs and items noted in Note 2.4.
- GST Receipts on sales are lower than budget estimate by \$5.16 million (83%) due to a reduction in GST applicable receipts.
- GST receipts from taxation authority are higher than budget by \$4.76 million (100%) due to GST payments on purchases being in excess of GST receipts on sales.
- Purchase of non-current assets are lower than budget estimate by \$3.79 million (44%) mainly due to delays in capital works projects as a result of the difficulties in engaging contractors due to a highly competitive consultancy market and delays in purchasing fixed assets due to supply chain issues. These project expenditures have been carried forward into 2022-23.

Major Actual (2022) and Comparative (2021) Variance Narratives

- Capital appropriations has decreased by \$5.48 million (70%) mainly due to the use of internal funds to undertake capital works reducing the requirement to seek further funding.
- Supplies and services payments have decreased by \$8.91 million (25%) mainly due to delayed projects as a result of unavoidable factors including the implication of COVID-19 restrictions, difficulties in engaging contractors due to a highly competitive consultancy market and the management of risks associated with the new Work Health and Safety Act 2020.
- Grants and subsidies payments have increased by \$2.6 million (25%) due to an increase in Coastal Erosion Hotspots (CoastWA) grants.
- Other payments have decreased by \$6.14 million (29%) mainly due to a decrease in Native Title compensation payments from 2020-21.

9 Administered disclosures

This section sets out all of the statutory disclosures regarding the financial performance of the Department.

Explanatory statement for administered items	9.1
Contingent liabilities	9.2

9.1 Disclosure of administered income and expenses

All variances between annual estimates and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances, which are greater than 10% and 1% of estimated Total Administered Income (\$727k).

Variance	Estimate	Actual	Actual	Variance between estimate and actual	Variance between actual results for 2022 and 2021
Note	2022 \$000	2022 \$000	2021 \$000	\$000	\$000
Income					
For transfer:					
1, A	33,000	52,005	19,664	19,005	32,341
2, B	18,609	22,197	19,136	3,588	3,061
3, C	19,550	69,223	134,444	49,673	(65,221)
4, D	1,569	1,155	10,138	(414)	(8,983)
11, J	-	259,568	-	259,568	259,568
Total administered income	72,728	404,148	183,382	331,420	220,767
Expenses					
5, E	-	194,925	24,984	194,925	169,941
6	1,567	3,451	3,558	1,884	(107)
7, F	-	108,797	80,451	108,797	28,346
8, G	49,737	77,650	41,468	27,913	36,182
9, H	19,550	13,681	98,522	(5,869)	(84,841)
10, I	3,277	1,600	30,581	(1,677)	(28,981)
Total administered expenses	75,096	400,690	280,280	325,594	120,410

Major Estimate and Actual (2022) Variance Narratives

- Sale of land is higher than budget estimate by \$19.00 million (58%) due to the sale of some key high value land parcels such as Reserve Street Carpark and Midland Square.
- Rent revenue is higher than budget estimate by \$3.59 million (19%) mainly due to higher than expected rent collected from Crown land leases.
- Reserve transfers is higher than budget estimate by \$49.67 million (254%) mainly due to reserves Crown land transferred from state government department, local government or incorporated community groups to the Department when the management orders are removed. Given the nature of these transactions, accurate estimates are not able to be predetermined.
- Other revenue is lower than budget estimate by \$0.41 million (26%) mainly due to reversal of provision that related to land transfers during the year as part of the South West Native Title Settlement. Given the nature of these transactions, accurate estimates are not able to be predetermined.
- The revaluation decrement is higher than budget estimate by \$194.93 million (100%). The revaluation process is based on values provided by the Valuer General's valuation and will change year on year based on their assessment.
- Depreciation is higher than budget estimate by \$1.88 million (120%) mainly due to an underestimated stat for the value of the asset holdings
- Cost of goods sold is higher than budget estimate by \$108.80 million (100%) which reflects the value of assets sold and includes the sale of land assets at peppercorn rates between State Government agencies. Given the nature of these transactions, accurate estimates are not able to be predetermined
- Payment to Consolidated Account are higher than budget estimate by \$27.91 million (56%) mainly due to higher sale of land than anticipated during the financial year.
- Reserve transfers are lower than budget estimate by \$5.87 million (30%). Reserve transfers are driven by the transfer of Crown land to state government department, local government or incorporated community groups from the Department when management orders are issued. Given the nature of these transactions, accurate estimates are not able to be predetermined.
- Other expenses are lower than budget estimate by \$1.68 million (51%) mainly due to delays in Phase 2 of the Dampier to Bunbury Natural Gas Pipeline corridor widening which is undergoing environmental assessments and consultation.
- Other income primarily represents the adjustment to account for the incorrect recognition of management orders and was unbudgeted. A Management Order is a statutory right to manage and control Crown land in accordance with the Management Order granted under the Land Administration Act 1997 (LAA). They place reserves in trust with management bodies on behalf of the public and do not constitute an interest in the land.

Major Actual (2022) and Comparative (2021) Variance Narratives

- A. Sale of land increased by \$32.34 million (164%) mainly due to significant sales of the Reserve Street Carpark and Midland Square.
- B. Rent revenue increased by \$3.06 million (16%) mainly due to market rent reviews resulting higher rent.
- C. Reserve transfers decreased by \$65.2 million (49%) due to reserves Crown land transferred from state government department, local government or incorporated community groups to the Department when the management orders are removed which vary year to year.
- D. Other revenue decreased by \$8.98 million (89%) mainly due to the receipt of one-off funding for Native Title compensation in 2020-21.
- E. Revaluation decrement increased by \$169.94 million (680%). The revaluation process is based on values provided by the Valuer General's valuation and will change year on year based on their assessment.
- F. Cost of goods sold increased by \$28.35 million (35%) and reflects the value of assets sold. Sales and cost of goods sold vary each year based on individual asset sold.
- G. Payments to Consolidated Account increased by \$36.18 million (87%) due to higher sale of land in the year.
- H. The reserves transfer has decreased by \$84.84 million (96%). Reserve transfers are driven by the transfer of Crown land to state government department, local government or incorporated community groups from the Department when management orders are issued. Given the nature of these transactions the transfers balance will fluctuate year on year.
- I. Other expenses decreased by \$28.98 million (95%) due to provisions created for remediation costs relating to sites classified as contaminated and requiring remediation under the Contaminated Sites Act 2003, and future land transfers as part of the outgoing benefits package of the South West Native Title and Yamatji Nation Indigenous Land Use Agreements in 2020-21.
- J. Other income primarily represents the adjustment to account for the incorrect recognition of management orders and was unbudgeted. A Management Order is a statutory right to manage and control Crown land in accordance with the Management Order granted under the Land Administration Act 1997 (LAA). They place reserves in trust with management bodies on behalf of the public and do not constitute an interest in the land.

9.2 Contingent liabilities**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 NTA.

Up to 318,887 hectares of land are committed to be transferred under the Yamatji Nation Indigenous Land Use Agreement and South West Native Title Settlement arrangements. Due to insufficient information on land selection, land transfer timeframe, as well as the market value of the land (AASB 137 paras 10), it is not feasible to be quantified as a provision. The South West Native Title Settlement may be settled in land held currently by either DPLH administered and Aboriginal Affairs Planning Authority.

Contaminated sites

Under the Contaminated Sites Act 2003 (CSA), the Department 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. The Department is required to recognise a contingent liability in respect of a site where:

- The site has been classified contaminated – remediation required (CRR) under the Act, and remediation costs cannot be reliably estimated;
- The site has been classified possibly contaminated – investigation required (PC-IR) under the Act, and investigation costs cannot be reliably estimated.

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

DWER approved a reporting program for the Department under section 12 of the CSA for the systematic identification, inspection, reporting and treatment of suspected contaminated sites on Crown land. Under the section 12 program (revised in 2018), there is a requirement for State Land Officers to inspect 30 suspected contaminated sites on unmanaged Crown land per year.

A new contaminated sites management system (CSMS) was initially implemented in December 2019, with the most recent release implemented in April 2021. The CSMS is able to assess the probability of contamination on Crown land and track the progression of desk checks, inspections and investigations for known or suspected contaminated sites. The CSMS identified 'sites' based on single parcel identification numbers (PINS), so there may be several 'sites' within one larger unmanaged reserve (UMR) or unallocated crown land (UCL) parcel of land.

Following an initial Geographic Information System-based Multi-Criteria Analysis (MCA) process completed in 2019, approximately 35,000 (34,680) sites on unmanaged crown land were identified as representing a potential contamination risk. These lots all required an initial desktop-based review (Desk Check). The Desk Check identifies sites which require Contaminated Sites inspections by State Land Officers. In 2021-2022, a total of 37 sites were inspected.

Following the site inspection, the Department determines whether the site requires further investigation and subsequent reporting to DWER as a suspected or known contaminated site.

Dependent on availability of funding, the Department then engages qualified environmental consultants and contaminated sites auditors to undertake contaminated sites investigations and remediation works as required. The extent of the Department's liability can only be quantified as DWER progressively classifies sites under the program. Over time investigation will be required on each of the sites to clarify whether remediation is required.

The Department recognises provisional liabilities in respect of a site where:

- The site has been classified as possibly contaminated - investigation required or contaminated - remediation required under the Act;
- The Department is responsible for the site under the Act; and
- A reliable estimate can be made of the costs of investigation/remediation of the site.

The Wittenoom area is affected by asbestos contamination derived from historical mining activities. The Wittenoom Asbestos Management Area (WAMA) covers an area of 46,840 hectares of land and has been classified by DWER in 2008 as a contaminated site. Given the extent of contamination in and around Wittenoom and the sheer size of the site at 46,840 hectares, it is extremely unlikely that the entire WAMA site can be fully remediated and any efforts to achieve partial remediation would require significant investment. The Department's position is that 'Contaminated, Remediation Required' for Wittenoom (161 sites), there is no definitive final remediation outcome or liability confirmed in terms of the Department's action and the potential for other liable parties to be involved and contribute towards remediation. The Department's view is that a possible obligation will be raised only when the outcome of remediation action is confirmed and no reliable estimate can be made for these sites and therefore a contingent liability should be disclosed as opposed to a provision.

During the 2021-2022 financial year, ten (10) sites require remediation or other management and have been classified by DWER as 'contaminated – remediation required'. Provisional liability costs for these sites have been provided.

Remediation costs (2022): \$5,230,000

An additional 24 sites are classified 'contaminated – remediation required' and are considered unmanaged Crown land sites based on land tenure, however it has been determined that the Department is not responsible under the CSA in respect of those sites. The Department has not recognised provisional liabilities for these sites. In addition, 3,578 sites have been classified by DWER as 'possibly contaminated - investigation required' and require formal investigation. The Department has not recognised any provisional liabilities for these sites as these costs cannot be reliably estimated.

Key Performance Indicators

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 financial year ended 30 June 2022.



Anthony Kannis
Director General
 Department of Planning, Lands and Heritage
 16 March 2023

The Department's desired outcome and key performance indicators

For the year ended 30 June 2022

Relationship to Government Goals

The Department is responsible for planning and managing land and heritage for all Western Australians – now and into the future. Through the desired outcomes and services listed below, the Department contributes to the State Government's goal for "Growing Our Communities: Protecting our environment with thriving suburbs and regions".

Government Goal	Desired Outcomes	Services
Growing Our Communities Protecting our environment with thriving suburbs and regions	An effective planning system that supports the development of communities in Western Australia.	1. Planning services
	An effective system for the administration of Crown land and the Aboriginal Lands Trust estate.	2. Land administration services
	An effective system for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations.	3. Historical heritage services 4. Aboriginal heritage management

The key effectiveness indicators that follow provide information on how well the activities of the Department have contributed to the delivery of its services on the achievement of the desired outcomes. Results are comparable with performance in previous years (where available) and targets published in the Budget Papers. The key efficiency indicators measure the relationship between the services delivered and the resources used to produce the service.

Outcome and Key Effectiveness Indicators

DPLH Desired Outcome

An effective planning system that supports the development of communities in Western Australia.

Effectiveness Indicator

Percentage of applications determined within the statutory timeframe

Various officers in the Department have the delegated authority to determine subdivision and development applications, or endorse deposited and strata plans, on behalf of the WAPC.

Subdivision is the division of land into separate lots, but can also include the amalgamation of several lots into a larger lot. For this measure, subdivisions include green title and survey strata subdivisions. 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. Development applications detail the proposed development of land. Subdivision applications, deposited and strata plans, and development applications are all determined or endorsed within strategic, legislative and policy frameworks that support the sustainable development of well-planned communities in Western Australia.

The timely determination of applications is also important in supporting the construction industry and the delivery of housing in suitable locations. In response to Government COVID-19 stimulus measures in 2020, the Department saw a significant increase in applications, up to a doubling of historic averages. The Department aimed to manage this increase within the statutory timeframe to effectively support the COVID-19 stimulus measures for the construction industry.

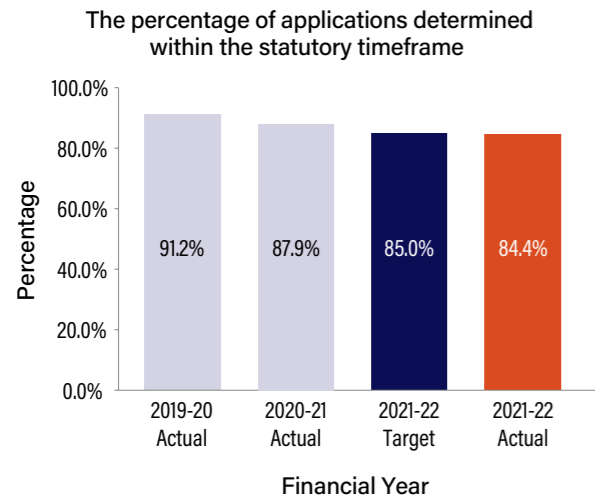
This KPI demonstrates the Department's effectiveness in:

- determining subdivision applications within the statutory timeframe, which is currently 90 days, or a longer period with an applicant's written agreement;
- reviewing and endorsing deposited and strata plans within the statutory timeframe, which is currently 30 days or a longer period with an applicant's written agreement. This KPI excludes built strata plans that local governments determine under delegated authority; and
- determining region scheme development applications within the statutory timeframe, which is currently:
 - 60 days for the metropolitan region or a longer period with an applicant's written agreement; and
 - 90 days for the Greater Bunbury and Peel regions or a longer period with an applicant's written agreement.

In 2021-22, the Department:

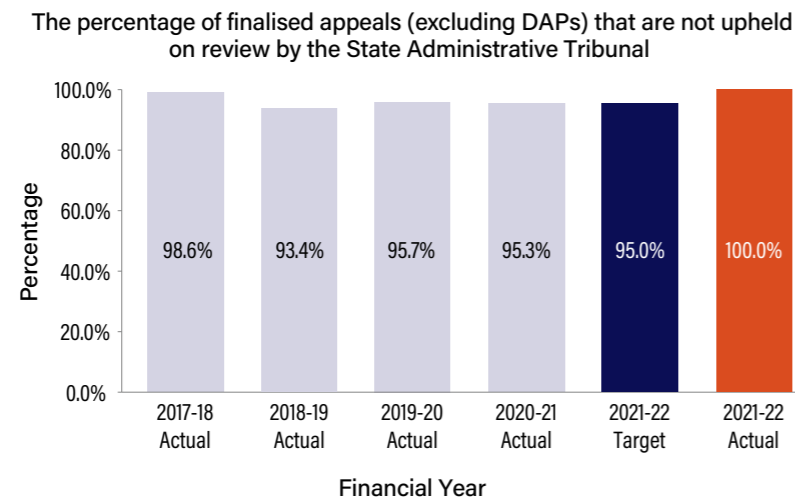
- determined 79.4 per cent of subdivision applications within the statutory timeframe;
- endorsed 93.8 per cent of deposited and strata plans within the statutory timeframe; and
- determined 64.7 per cent of development applications within the statutory timeframe.

The following graph shows the combined result for 2021-22.



Effectiveness Indicator
Percentage of finalised appeals (excluding Development Assessment Panels (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 the Department makes on behalf of the WAPC, as well as, decisions that the WAPC makes. The percentage of appeals that are finalised in favour of the decisions made by the Department and/or the WAPC (for example, not upheld) on review by the State Administrative Tribunal (SAT) provides an indication of how effective the Department applies planning policies in making those decisions under delegated authority or formulating recommendations to the WAPC. Where the Department or WAPC fails to effectively apply policies in decision making, as evidenced in a SAT decision to uphold an appeal, both developers and subsequent land purchasers may incur additional costs.

This KPI excludes appeals relating to DAP applications as a DAP makes a determination under delegated authority. While the Department provides administrative support for each DAP, the decision made by a DAP is independent of the Department and the WAPC.

Explanation for significant variance

In 2021-22, the SAT reviewed 44 appeals against decisions made by the Department, and they did not uphold any of these appeals.

Effectiveness Indicator
Percentage of Local Planning Scheme amendments processed by the Department under delegated authority and submitted to the Minister within the statutory timeframe (Basic 42 days, Standard 60 days, Complex 90 days)

The Department processes local planning scheme amendments and submits to the WAPC for recommendation to the Minister within strategic, legislative and policy frameworks that support the sustainable development of well-planned communities in Western Australia. Local planning schemes outline how Government plans to use and develop land, 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 the Minister approves a longer period, the Department (through the WAPC) must consider the amendment, make any recommendations to the Minister, and submit the documents and recommendations to the Minister:

- within 90 days for complex Local Planning Scheme amendments in accordance with regulation 45 of the Planning and Development (Local Planning Scheme) Regulations 2015 (the Regulations);
- within 60 days for standard Local Planning Scheme amendments in accordance with regulation 55 of the Regulations; and
- within 42 days for basic Local Planning Scheme amendments in accordance with regulation 60 of the Regulations.

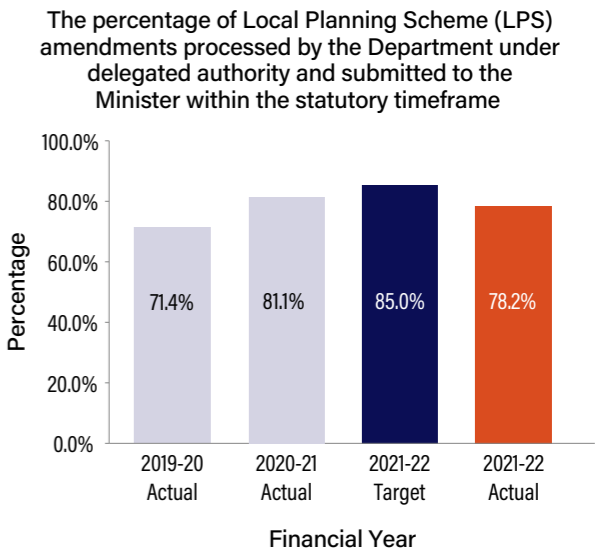
In 2021-22, the Department processed 15 basic, 86 standard and 23 complex LPS amendments.

From 15 February 2021, changes to the Planning and Development (Local Planning Schemes) Regulations 2015 came into effect. The changes added additional days to the statutory timeframe for those applications

the Department processes over excluded holiday periods, namely:

- the period commencing on 25 December in a year and ending on the next 1 January; and
- a period of 7 days commencing on Good Friday in a year.

Because the changes only came into effect from 15 February 2021, for 2020-21, the changes only applied to applications processed over the Easter holiday period. However, for 2021-22, the changes applied to applications processed over both the Easter and Christmas holiday periods. Consequently, the calculation of the 2020-21 and 2021-22 result will not be entirely comparable to those of previous years.



Explanation for significant variance

The variance between the 2021-22 actual and target was due mainly to a combination of:

- an 11.7 per cent increase in the number of applications received compared to 2020-21;
- the greater complexity of applications as the land that is now being developed is highly likely to be constrained with competing considerations including, but not limited to, large Government projects, environmental values, servicing delays and bushfire risk; and
- lack of automated systems to manage requests for extensions, which results in significant manual monitoring/file management of applications.

Effectiveness Indicator
Percentage of DAP applications determined within the statutory timeframe

In 2011, the Government established the DAP system under the Planning and Development (Development Assessment Panels) Regulations 2011. As a key component of planning in Western Australia, the intent of DAPs is to enhance planning expertise in decision-making by improving the balance between technical advice and local knowledge. The Department provides coordination and secretariat services to each DAP, while local government authorities (LGAs) host the meetings and take minutes.

A DAP determines development applications within strategic, legislative and policy frameworks that support the development of well-planned communities in Western Australia. Under the 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 or region planning scheme. The Regulations state that DAP applications cannot be determined by local government or the Western Australian Planning Commission.

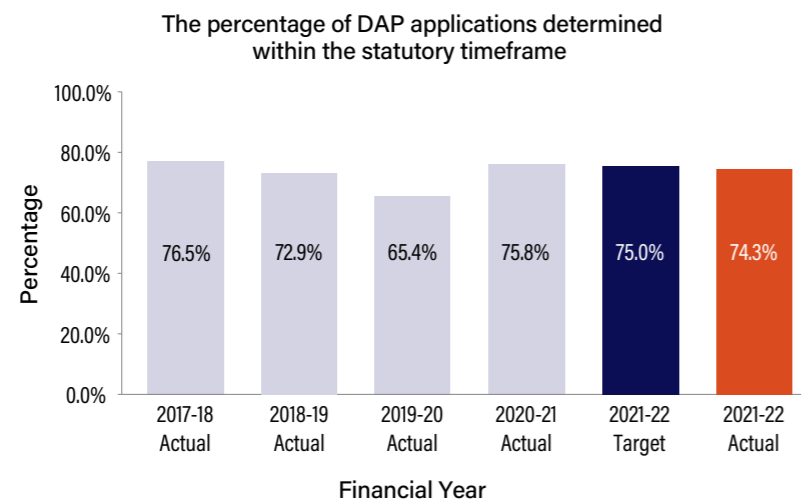
Under the Regulations, a DAP, unless otherwise agreed to in writing between the applicant and responsible authority, is to make a decision within no more than 60 days after receipt of an application, or 90 days if the proposal is subject to public advertising. The overall process from the receipt of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

In April 2020, as part of the Government’s COVID-19 response, LGAs stopped hosting DAP meetings. To keep the DAP process operating, the Department assumed responsibility for hosting the meetings via video conference and taking minutes. This arrangement continued throughout 2021-22 when LGAs have been unable to host meetings.

During 2021-22, the five DAPs determined a total of 257 applications (26 applications more than 2020-21).

DAP applications were subject to the same Planning and Development (Local Planning Schemes) Regulations 2015 changes from February 2021, to add additional days to the statutory timeframes and exclude holiday periods.

These changes applied only partially in the 2020-21 reporting period compared with applications processed over all holiday periods in 2021-22, making the two periods not directly comparable.

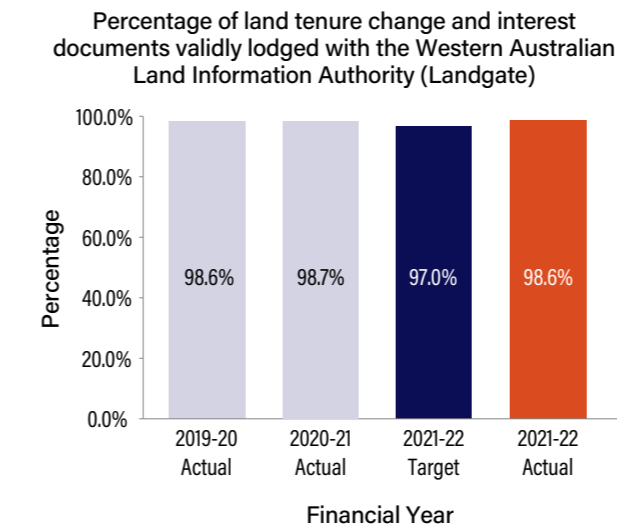


DPLH Desired Outcome
An effective system for the administration of Crown land and the Aboriginal Lands Trust estate

Effectiveness Indicator
Percentage of land tenure change and interest documents validly lodged with the Western Australian Land Information Authority (Landgate)

The Department lodges approximately 2,500 documents with Landgate each year including applications for new titles, reserve creations, conveyance and amalgamations, easements, leases, road closures and transfers of land. The lodgement of documents to finalise transactions follows significant negotiation and document preparation processes. The accuracy of documents is imperative to the legal validity of the transactions, and any requisitions received from Landgate due to document errors result in additional fees and time delays.

This KPI demonstrates the importance of the Department validly lodging documents for registration, free of errors, to meet agreed timeframes and to provide security of land tenure.

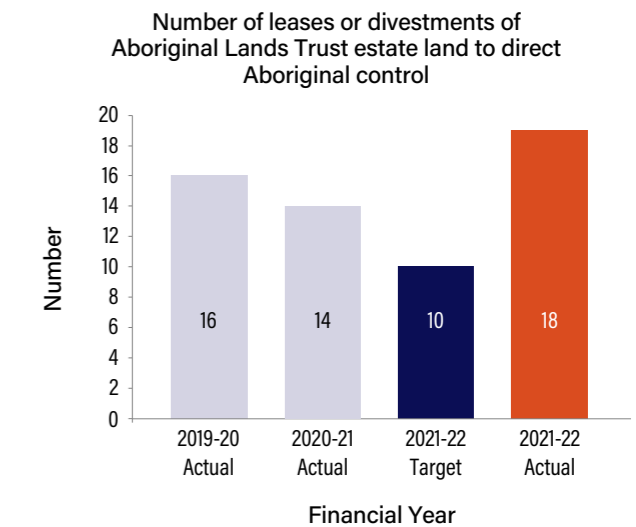


Effectiveness Indicator
Number of leases or divestments of Aboriginal Lands Trust estate land to direct Aboriginal control

Divestment and transfer of ALT estate land to Aboriginal people is a priority for the State Government, and a key focus of the Aboriginal land management service. Therefore, an effective system for the administration of the ALT estate relies on increasing Aboriginal control and management of land.

On 5 December 2017, the Minister for Aboriginal Affairs noted the ALT priority divestment list, which identifies 139 properties that the State has either agreed to divest or would prioritise towards divestment. The ALT has approved 71 properties for divestment, while Treasury has provided funding for the Department to legally transfer 33 properties over the next four years.

This indicator relates to the number of leases or divestments of ALT estate land during the financial year, which leads to improved social, economic and cultural outcomes for Aboriginal people.



Explanation for significant variance

The variance between the 2021-22 actual and target is due mainly to the commencement of the South-West Native Title Settlement (SWS), the appointment of the Trustee of the Noongar Boodja Trust and the incorporation of the Noongar Boodja Land Sub (the landholding body) shortly before the commencement of the 2021-22 financial year. There are 60 ALT properties in the South-West Settlement Agreement areas. The appointment of the Trustee and incorporation of the landholding body triggered a request for the divestment of 11 properties.

The variance between the 2021-22 actual and 2020-21 actual is due mainly to the commencement of the SWS resulting in the divestment of 11 properties. The 2021-22 actual was also higher due to factors including increased stakeholder engagement as travel restrictions relating to COVID-19 subsided, and the finalisation of divestment processes commenced in the previous year. Ongoing engagement with Native Title holders, leaseholders and other Aboriginal stakeholders over the last few years allowed the Department to exceed the target of 10, with 14 properties divested in the 2020-21 year, located across four regions – East Kimberley, West Kimberley, Goldfields and the Murchison Gascoyne.

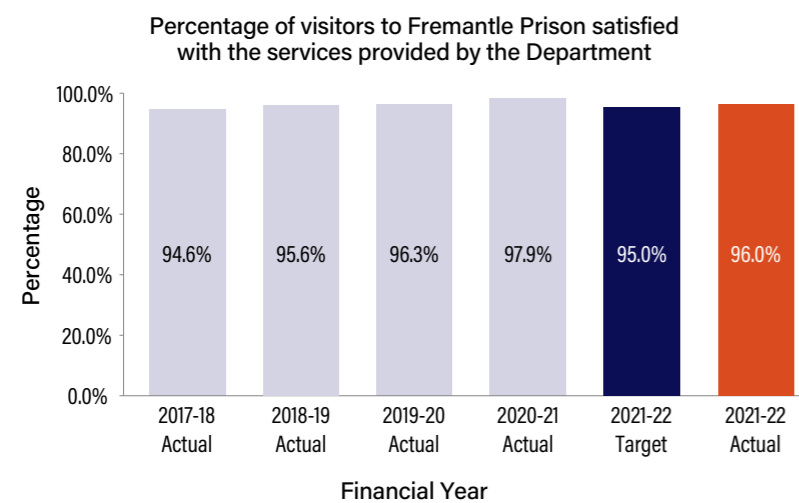
DPLH Desired Outcome
An effective system for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations

Effectiveness Indicator
Percentage of visitors to Fremantle Prison satisfied with the services provided by the Department

Fremantle Prison is one of Western Australia's most fascinating and significant cultural attractions. The Prison became the first building in Western Australia to be included on the World Heritage list. Its inscription in 2010 was part of a serial nomination with 10 other Australian Convict Sites. Under the guidance of the Heritage Council of Western Australia, 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.

The Department measures this KPI by surveying visitors to determine their satisfaction with the Department's delivery of heritage education and appreciation activities at the Prison. Impacts from COVID-19 saw a significant reduction in international and interstate visitor numbers at the Prison since March 2020.

In 2021-22, 546 visitors completed surveys, from a total of 92,684 visitors, providing a confidence level of 95 per cent and a margin of error of ±4.18 per cent.



Effectiveness Indicator
Percentage of statutory approvals delivered to the Aboriginal Cultural Material Committee within set timeframes

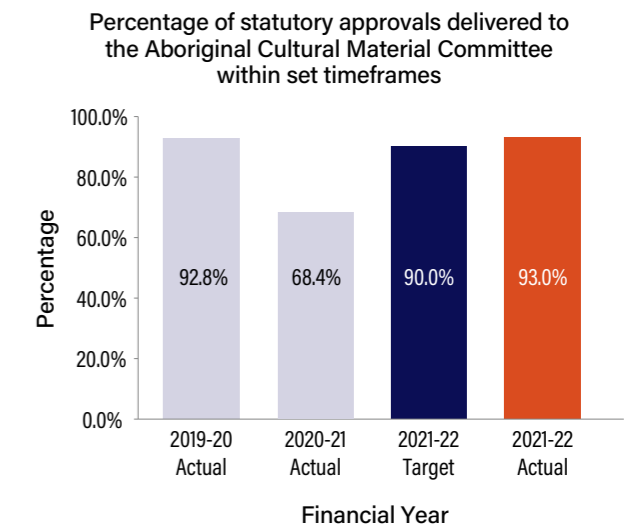
The Department manages Western Australia's Aboriginal heritage under the *Aboriginal Heritage Act 1972* (the Act). The Act provides protection for all places and objects in Western Australia that are important to Aboriginal people because of connections to their culture. On behalf of the community, the Aboriginal Cultural Material Committee (ACMC) works under the Act to evaluate the importance of places and objects of Aboriginal importance.

The Department supports the ACMC in:

- evaluating and recording traditional Aboriginal lore related to places and objects;
- processing and assessing statutory applications including registration of sites and objects; and
- processing applications to excavate Aboriginal sites and consent to certain use.

An effective and efficient heritage system relates to the timely processing of statutory applications under the Act. Accordingly, the Department aims to deliver applications pursuant to s 18 of the Act to the ACMC within no more than 40 working days from receipt of the application.

Applicants use s 18 notices to seek the consent of the Minister for Aboriginal Affairs to impact a site. The Department processes s 18 notices received from land users and collates all relevant information for the ACMC's consideration. The ACMC makes a recommendation to the Minister whether to approve a notice. The performance of the s 18 application process is a high priority, 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 effectiveness in delivering Aboriginal heritage services.



Explanation for significant variance

The variance between the 2021-22 actual and 2020-21 actual is due mainly to 2020-21 containing two postponed meetings (January and June) that significantly impacted the processing days for all s 18 notices to be considered at these meetings. 2020-21 represents an outlier year. The 2021-22 result is better compared with the 2019-20 result, and both are within target.

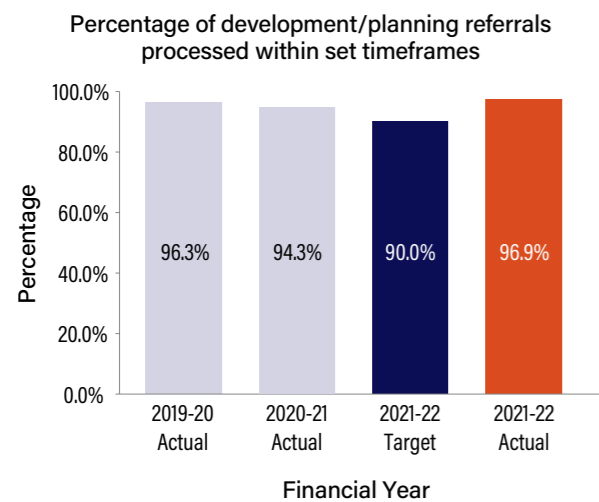
Effectiveness Indicator
Percentage of development/planning referrals processed within set timeframes

The Department supports the Heritage Council in carrying out its statutory functions by undertaking day-to-day operations, projects and service delivery (under delegation as required). This includes providing advice on development applications relating to places in the State Register of Heritage Places to ensure retention of their heritage values. The Department considers an effective and efficient system is one where management of applications, processes and practices are in accordance with statutory obligations, and completed in a timely manner.

This indicator demonstrates the Department's effectiveness in assessing referrals through planning or development processes within set timeframes, ensuring conservation of cultural heritage places in Western Australia. The timeframes are:

- 42 days for development referrals in accordance with regulation 42(2) of the Heritage Regulations 2019; and
- 60 days for planning referrals as set by the Department.

In 2021-22, the Department processed 699 development referrals and 37 planning referrals.



Explanation for significant variance

The variance between the 2021-22 actual and target was due mainly to an 18.34 per cent decrease in the number of applications processed by the Department in 2021-22, with 871 processed in 2020-21 compared with 736 in 2021-22.

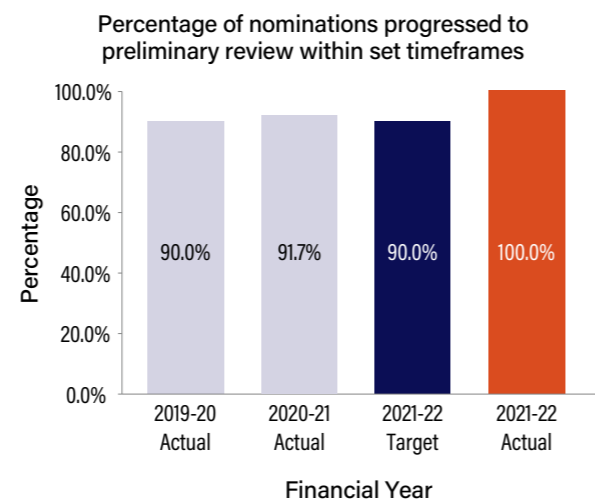
Effectiveness Indicator
Percentage of nominations progressed to preliminary review within set timeframes

The Department supports the Heritage Council in carrying out its statutory functions by undertaking day-to-day operations, projects and service delivery (under delegation as required) including coordinating the assessment and registration of heritage places.

This indicator demonstrates the Department's effectiveness in progressing a heritage nomination to a preliminary review for decision by the Heritage Council. The State Heritage Register is a statutory list of places that represent the story of Western Australia's history and development.

The timely progression of nominated places to the Heritage Council for consideration for inclusion in the State Heritage Register helps ensure the recognition and conservation of cultural heritage places in Western Australia.

In 2021-22, the Department received eight nominations, and progressed all eight nominated places to the Heritage Council for consideration within the statutory timeframe of 60 days.



Explanation for significant variance

The target for 2021-22 was based on two years of data and was conservatively set due to potential COVID-19 impacts, however that was not realised.

The variance between the 2021-22 actual and 2020-21 actual was due mainly to the processing of only eight nominations in 2021-22 compared with 12 in 2020-21, with one 2020-21 nomination taking longer than 60 days. Consequently, with such a small number of nominations, any outlier would have a significant impact on the overall result.

DPLH Services
Service 1
Planning services

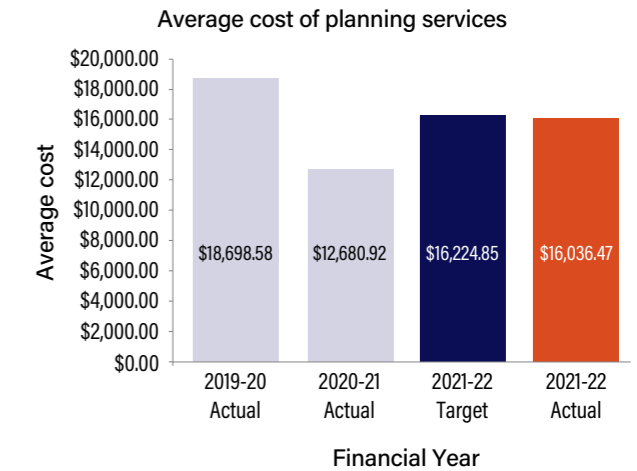
Efficiency Indicator
Average cost of planning services

The Department's expenditure on planning services covers a wide range of activities that impact on the entire population of Western Australia. These are set out in the functions of the WAPC under the *Planning and Development Act 2005*, and include:

- State Planning Strategy;
- regional and sub-regional planning strategies and frameworks;
- State planning policies;
- coordination of infrastructure priorities;
- processing and determination of statutory applications such as subdivision applications, deposited plans, development applications, local planning schemes, and local planning scheme amendments; and
- general advice and assistance to stakeholders, landowners and their agents, on a range of issues, including local government development matters.

Statutory applications are determined within strategic, legislative and policy frameworks that support the sustainable development of well-planned communities in Western Australia.

This KPI measures the cost of planning services divided by the number of statutory applications processed and determined by the Department during the year.



Explanation for significant variance

In 2020, the Government announced a COVID-19 stimulus package to provide home builder grants. This announcement, along with legislative amendments to cut red tape and support job-creating projects, resulted in a 41 per cent increase in statutory applications processed by the Department in 2020-21. The increase in the number of statutory applications significantly reduced the average cost of planning services in 2020-21. In 2021-22, as the effect of the stimulus package diminished, the number of statutory applications processed by the Department reduced by 20.4 per cent over the previous financial year. This reduction in the number of statutory applications significantly increased the average cost of planning services in 2021-22.

Service 2 Land administration services

Efficiency Indicator

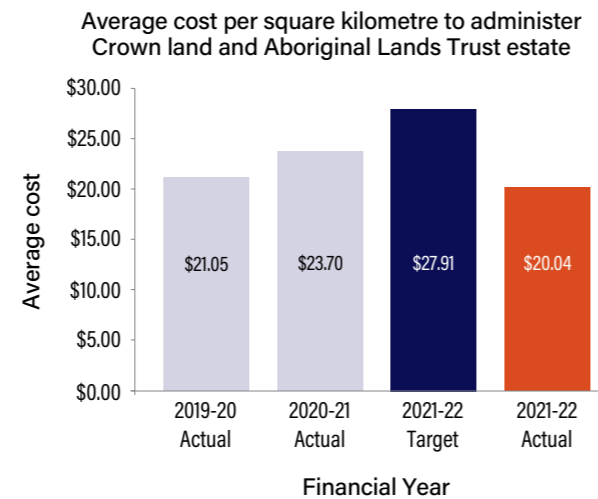
Average cost per square kilometre to administer Crown land and Aboriginal Lands Trust estate

The Department has a responsibility to ensure that Crown land and the Aboriginal Lands Trust estate land is being utilised to its full potential and is managed effectively. The Department must also ensure that leases are compliant with lease terms and that regular rent reviews are being actioned according to lease conditions.

This KPI captures the total cost of services for the administration of Crown land and the Aboriginal land services, which includes the service delivery associated with the administration of the following tenure:

- Aboriginal lands;
- pastoral leases (non-Aboriginal);
- other leases (non-Aboriginal);
- managed reserves;
- unmanaged reserves; and
- miscellaneous Crown land.

The total cost of service includes a corporate overhead allocation, policy development and advice, business process development, administration and delivery of major projects.



Explanation for significant variance

The variance between the 2021-22 actual and both the 2021-22 target and 2020-21 actual was due mainly to underspending of \$18.8 million in ringfenced projects resulting from procurement and COVID-19 related delays, and a reduction in corporate overheads of \$0.6 million.

Service 3 Historical heritage services

Efficiency Indicator

Average cost of historical heritage services

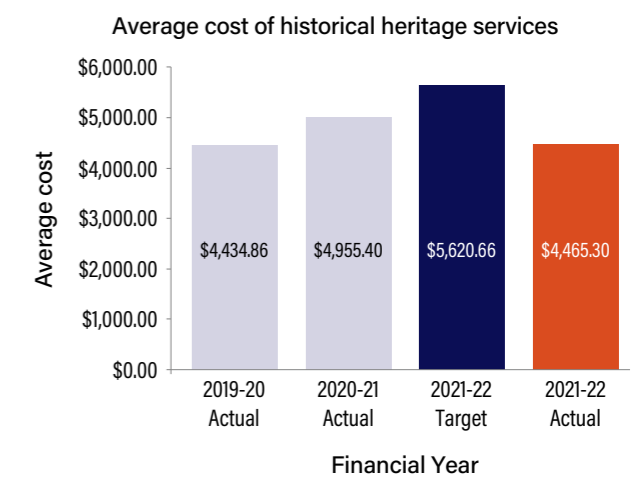
The Department assists the Heritage Council with various activities, including:

- managing the State Register of Heritage Places;
- development and planning referrals;
- heritage agreements;
- feasibility and disposal strategy projects;
- preliminary reviews;
- assessments and registration activities;
- conservation/protection orders;
- coordination of events and awards; and
- administration of grant funding.

This KPI measures the cost of historical heritage services by the number of services undertaken in each of the activities listed above. These services include:

- promotion of a sustainable future for places under management through an integrated development framework; and
- promotion of heritage success stories and engagement with the State's heritage through media, publications, tourism and interpretation.

The total cost of service for the historical heritage services excludes the costs allocated to services at Fremantle Prison and the heritage services delivered under the *Aboriginal Heritage Act 1972*. The total cost of service includes a corporate overhead allocation, policy development and advice, business process development, administration and delivery of major projects.



Explanation for significant variance

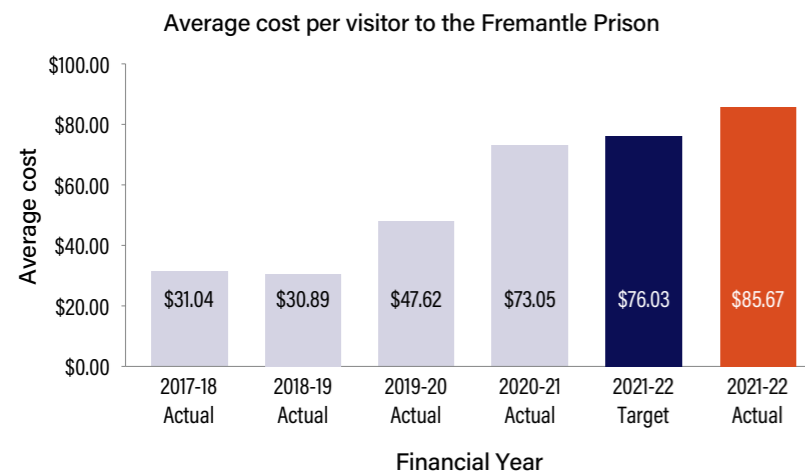
The variance between the 2021-22 actual and target was due mainly to operational costs falling 11.9 per cent lower than budget because of procurement and COVID-19 related delays of \$0.5 million, and corporate overhead expenses of \$0.4 million. In addition, historical heritage services undertaken in 2021-22 were 10.9 per cent greater than anticipated. The increase in services undertaken also contributed to the variance between the 2021-22 and 2020-21 actual results.

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 cost of administering the Fremantle Prison in relation to the visitors who benefit from these services.



Explanation for significant variance

The variance between the 2021-22 actual and both the 2021-22 target and 2020-21 actual was due mainly to an increase in the cost of service as a result of the Fremantle Prison Conservation and Activation project which was approved as part of the Mid-Year Review, along with a 7.8 per cent decrease in the number of visitors to the Prison in 2021-22 due to the impact of COVID-19.

**Service 4
Aboriginal heritage management**

Efficiency Indicator

Average cost of Aboriginal heritage management services

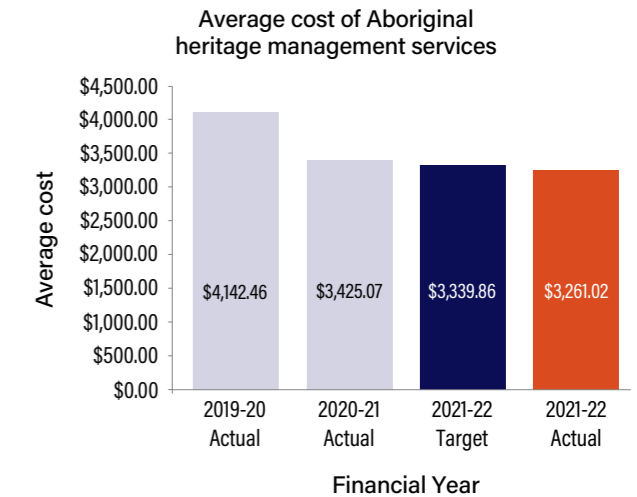
The Department is responsible for administering the *Aboriginal Heritage Act 1972*. The service outputs that are measured in this include:

- statutory applications under sections 16 and 18 of the *Aboriginal Heritage Act 1972*, and regulation 10 of the Aboriginal Heritage Regulations 1974;
- site assessments and audits;
- provision of Aboriginal heritage advice;
- repatriation of Aboriginal objects/ancestral remains;
- coordination of events and workshops; and
- administration of grant funding.

This KPI captures the total cost of services for the Aboriginal heritage management services, and excludes heritage services delivered under the *Heritage Act 2018*. These services include:

- provision of support for the Aboriginal Cultural Material Committee;
- provision of advice on matters relating to Aboriginal heritage;
- processing of statutory approvals under the *Aboriginal Heritage Act 1972*; and
- administration of the Register of Places and Objects.

The total cost of service includes a corporate overhead allocation, policy development and advice, business process development, administration and delivery of major projects.



Explanation for significant variance

The variance between the 2021-22 and 2020-21 actual results was due mainly to a 20.5 per cent increase in the number of Aboriginal heritage management services undertaken by the Department in 2021-22. This can largely be attributed to an industry shift in seeking advice before submitting statutory applications, and a significant increase in stakeholder engagement activity due to consultation on the Aboriginal Cultural Heritage Bill 2020 and the *Aboriginal Cultural Heritage Act 2021* co-design process.



Western Australian Planning Commission

Financials and Performance Indicators



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Western Australian Planning Commission

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Western Australian Planning Commission (Commission) which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

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 Western Australian Planning Commission for the year ended 30 June 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), 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 believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Restatement of Comparative Balances

I draw attention to Note 8.11 of the financial report which states that the amounts reported in the previously issued 30 June 2021 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

Page 1 of 5

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Responsibilities of the Board of Management for the financial statements

The Board of Management is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it 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 Board of Management is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

Auditor's responsibilities 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. 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.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Western Australian Planning Commission. The controls exercised by the Board of Management are those policies and procedures established 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).

In my opinion, in all material respects, the controls exercised by the Western Australian Planning Commission 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 2022.

The Board of Management's responsibilities

The Board of Management 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 were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an 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 in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance 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 audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Western Australian Planning Commission for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and 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 Western Australian Planning Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2022.

The Board of Management's responsibilities for the key performance indicators

The Board of Management 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 Board of Management 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 Board of Management 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 responsibilities

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 entity'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 financial statements, 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.

Other information

The Board of Management are responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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 Western Australian Planning Commission for the year ended 30 June 2022 included in the annual report on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. 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 contact the entity to confirm the information contained in the website version.



Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
16 March 2023

Certification of financial statements

For the reporting period ended 30 June 2022

The accompanying financial statements of the Western Australian Planning Commission 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 2022 and the financial position as at 30 June 2022.

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



David Caddy
Chairman
Western Australian Planning Commission
14 March 2023



Maurice Hanrahan
Chief Finance Officer
Western Australian Planning Commission
14 March 2023

Statement of comprehensive income

For the year ended 30 June 2022

		2022	2021
	Notes	\$000	Restated * \$000
COST OF SERVICES			
Expenses			
Supplies and services	2.1	34,846	38,775
Depreciation and amortisation expense	4.1(a), 4.2(a)	4,202	3,604
Committee / board fees	2.2	307	570
Grants and subsidies	2.3	8,819	2,219
Revaluation (increment) /decrement	2.5	7,950	34,941
Impairment losses for land	2.6	29,035	31,485
Other expenses	2.4	14,560	14,040
Total cost of services		99,719	125,634
Income			
Rental revenue	3.2	7,239	6,265
User charges and fees	3.3	14,674	18,698
Interest revenue	3.4	2,180	1,470
Other income	3.5	1,941	543
Total income		26,034	26,976
Net cost of services		73,685	98,658
Income from State Government			
Service appropriation	3.1	110,381	90,594
Services received free of charge		209	223
Income from other public sector entities		755	-
Total income from State Government		111,345	90,817
Surplus/(Deficit) for the period		37,660	(7,841)
Other comprehensive income			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	8.8	1,016	1,188
Total other comprehensive income		1,016	1,188
Total comprehensive income/(loss) for the period		38,676	(6,653)

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

*30 June 2021 figures have been restated for prior period corrections - Refer to Note 8.11.

Statement of financial position

As at 30 June 2022

	Notes	2022 \$000	2021 Restated * \$000	1 Jul 2020 Restated * \$000
ASSETS				
Current Assets				
Cash and cash equivalents	6.1	24,146	10,798	9,640
Restricted cash and cash equivalents	6.1	397,929	449,214	439,570
Receivables	5.1	8,260	5,347	5,593
Other current assets	5.2	56,343	30,980	32,357
Non-current assets classified as held for sale	8.7	6,162	14,509	10,537
Total Current Assets		492,840	510,848	497,697
Non-Current Assets				
Amounts receivable for services	5.3	7,019	6,640	6,259
Infrastructure, property, plant and equipment	4.1	569,083	526,294	549,576
Intangible assets	4.2	35,801	36,111	28,917
Total Non-Current Assets		611,903	569,045	584,752
TOTAL ASSETS		1,104,743	1,079,893	1,082,449
LIABILITIES				
Current Liabilities				
Payables	5.4	4,803	5,009	5,701
Other current liabilities	5.5	8,605	22,068	8,257
Contract liabilities	5.6	3,805	8,915	11,647
Total Current Liabilities		17,213	35,992	25,605
TOTAL LIABILITIES		17,213	35,992	25,605
NET ASSETS		1,087,530	1,043,901	1,056,844
EQUITY				
Contributed equity	8.8	4,953	-	-
Reserves	8.8	45,855	44,839	43,651
Accumulated surplus	8.8	1,036,722	999,062	1,013,193
TOTAL EQUITY		1,087,530	1,043,901	1,056,844

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

* 30 June 2020 and 30 June 2021 figures have been restated for prior period corrections - Refer to Note 8.11.

Statement of changes in equity

For the year ended 30 June 2022

	Notes	Contributed Equity \$000	Reserves \$000	Accumulated surplus \$000	Total Equity \$000
Balance at 1 July 2020		-	43,651	1,015,641	1,059,292
Correction of prior period error	8.11	-	-	(2,448)	(2,448)
Restated balance at 1 July 2020		-	43,651	1,013,193	1,056,844
Deficit		-	-	(7,841)	(7,841)
Other comprehensive losses	8.8	-	1,188	-	1,188
Total comprehensive income for the period		-	1,188	(7,841)	(6,653)
Transactions with owners in their capacity as owners:					
Capital appropriations	8.8	5,400	-	-	5,400
Distributions to owners	8.8	(5,400)	-	(6,290)	(11,690)
Total		-	-	(6,290)	(6,290)
Restated Balance at 30 June 2021		-	44,839	999,062	1,043,901
Balance at 1 July 2021		-	44,839	999,062	1,043,901
Surplus		-	-	37,660	37,660
Other comprehensive income	8.8	-	1,016	-	1,016
Total comprehensive income for the period		-	1,016	37,660	38,676
Transactions with owners in their capacity as owners:					
Capital appropriations	8.8	5,400	-	-	5,400
Distributions to owners	8.8	(447)	-	-	(447)
Total		4,953	-	-	4,953
Balance at 30 June 2022		4,953	45,855	1,036,722	1,087,530

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

* 30 June 2020 and 30 June 2021 figures have been restated for prior period corrections - refer to note 8.11.

Statement of cash flows

For the year ended 30 June 2022

	Notes	2022 \$000	2021 \$000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		108,779	90,214
Capital appropriations		5,400	5,400
Funds from other public sector entities		755	-
Net cash provided by State Government		114,934	95,614
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Supplies and services		(34,642)	(47,161)
Grants and subsidies		(8,819)	(2,519)
GST payments on purchases		(3,039)	(3,152)
GST payment to taxation authority		(486)	(2,951)
Other payments		(14,660)	(5,969)
Receipts			
Rental received		7,348	6,700
User charges and fees		13,827	17,145
Interest received		1,529	1,726
GST receipts on sales		1,456	3,295
GST receipts from taxation authority		697	4,690
Other receipts		2,670	669
Net cash (used in) operating activities		(34,119)	(27,527)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current assets		13,411	35,376
Purchase of non-current assets		(132,163)	(92,661)
Net cash (used in) investing activities		(118,752)	(57,285)
Net (decrease)/increase in cash and cash equivalents		(37,937)	10,802
Cash and cash equivalents at the beginning of the period		460,012	449,210
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.1	422,075	460,012

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

Notes to the financial statements

1. Basis of preparation

The Western Australian Planning Commission (Commission) is a Western Australian Government entity and is controlled by the State of Western Australia, which is the ultimate parent entity. The Commission 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' in this Annual Report, which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Chairperson of the Commission on 13 March 2023.

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 (TIs)
- 3) Australian Accounting Standards (AASs) - Simplified Disclosures

The FMA and the TIs take precedence over AASs. Several AASs are modified by the TIs 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).

Accounting for Goods and Services Tax (GST)

- (a) amount of GST incurred by the Department as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

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.

Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- 1) Property, Plant and Equipment reconciliations; and
- 2) Intangible Asset reconciliations.

Comparative amounts are reclassified unless the reclassification is impracticable.

Certain comparative figures have been reclassified to conform with the presentation adopted for the current period and if considered significant DPLH will separately disclose:

- the nature of the reclassification
- the amount of each item or class of items that is reclassified
- the reason for the reclassification.

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.

2 Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Commission'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 Commission in achieving its objectives and the relevant notes are:

	Notes	2022 \$000	2021 \$000
Supplies and services	2.1	34,846	38,775
Committee / board fees	2.2	307	570
Grants and subsidies	2.3	8,819	2,219
Other expenses	2.4	14,560	14,040
Revaluation decrement	2.5	7,950	34,941
Impairment losses for land	2.6	29,035	31,485

2.1 Supplies and services

	2022 \$000	2021 \$000
Services provided by Department of Planning, Lands and Heritage - labour	3,460	4,854
Services provided by Department of Planning, Lands and Heritage - other	11,183	11,249
Cleaning / gardening	18,287	20,945
Lease / rental / hire charges	143	272
Advertising and promotion	141	-
Printing	267	174
Utilities	22	28
Communications	753	848
	11	6
	400	261
Supplies and services - other	179	138
Total supplies and services	34,846	38,775

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.

2.2 Committee / board fees

	2022 \$000	2021 \$000
Travel	4	5
Sitting fees	272	469
Superannuation	27	46
Other provisions	4	30
	307	570

Committee / board fees are recognised as an expense in the reporting period in which they are incurred.

2.3 Grants and subsidies

	2022 \$000	2021 \$000
<u>Recurrent</u>		
General government agencies	6,511	300
Non government agencies	1,284	1,555
Local government	814	364
Other	210	-
	8,819	2,219

Transactions in which the Commission 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.

2.4 Other expenses

	2022 \$000	2021 \$000
Licence fees	7	12
Minor equipment purchases	26	32
Other staff costs	62	52
Rates and taxes	855	828
Insurance	233	249
Compensation costs	5,918	5,490
Expected credit losses expense	44	-
Write-off other assets	649	1,003
Repairs and maintenance	6,490	6,125
Other	276	249
	14,560	14,040

Other expenses:

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. They are recognised as an expense in the reporting period in which they are incurred.

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

2.5 Revaluation decrement

	2022 \$000	2021 \$000
Revaluation (increment)/ decrement	7,950	34,941
	7,950	34,941

2.6 Impairment losses for land

	2022 \$000	2021 \$000
Impairment losses for land	29,035	31,485
	29,035	31,485

Impairment losses for land are recognised in the Statement of Comprehensive Income. Where a land asset measured at cost is written-down to recoverable amount, an impairment loss is recognised in profit or loss. Please refer to Note 4.1 (a) for guidance in relation to the impairment assessment.

3 Our funding sources

How we obtain our funding

This section provides additional information about how the Commission obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Commission and the relevant notes are:

	Notes	2022 \$000	2021 \$000
Income from State Government	3.1	111,345	90,817
Rental revenue	3.2	7,239	6,265
User charges and fees	3.3	14,674	18,698
Interest revenue	3.4	2,180	1,470
Other income	3.5	1,941	543

3.1 Income from State Government

	2022 \$000	2021 \$000
Appropriation received during the period:		
- Metropolitan Region Improvement Tax	85,122	84,744
- Service appropriation ^(a)	25,259	5,850
	110,381	90,594

Services received free of charge from other State government agencies during the period:

	2022 \$000	2021 \$000
State Solicitor's Office - Legal services	209	223
Total services received	209	223
Income received from other public sector entities:		
- Future of Fremantle	750	-
- Other	5	-
Total income received from other public sector entities	755	-
Total income from State Government	111,345	90,817

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

Appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account - Note 5.3) comprises the budgeted depreciation expense for the year and any agreed increase in leave liabilities during the year.

Assets or services received free of charge or for nominal cost are recognised as revenue at the fair value of the assets and / or the fair value of those services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

Summary of Consolidated Account Appropriations

	2022 Estimate \$000	2022 Actual \$000	Variance \$000	2021 Estimate \$000	2021 Actual \$000	Variance \$000
Delivery of Services						
Item 86 Net amount appropriated to deliver services	25,259	25,259	-	28,350	5,850	(22,500)
Amount Authorised by Other Statutes						
- Metropolitan Region Improvement Tax Act 1959	83,897	85,122	1,225	86,769	84,744	(2,025)
Total appropriations provided to deliver services	109,156	110,381	1,225	115,119	90,594	(24,525)
Capital						
Item 148 Capital appropriations	5,400	5,400	-	5,400	5,400	-
GRAND TOTAL	114,556	115,781	1,225	120,519	95,994	(24,525)

3.2 Rental revenue

	2022 \$000	2021 \$000
Rental revenue	7,239	6,265
	7,239	6,265

Rental revenue is received on properties leased by the Commission prior to the properties being used for their acquired purpose under the Metropolitan Region Scheme, the Peel Region Scheme and the Greater Bunbury Region Scheme.

Revenue is recognised on a straight line basis in accordance to leasing terms.

3.3 User charges and fees

	2022 \$000	2021 \$000
Subdivision application fees	10,043	12,866
Endorsement fees	45	28
Plan and diagram fees	1,545	1,883
Land reservation certificates	1,361	1,283
Other	1,680	2,638
	14,674	18,698

Revenue is recognised and measured at the fair value of application fees received or receivable and the services are contracted to the Department of Planning, Lands and Heritage for determination.

3.4 Interest revenue

	2022 \$000	2021 \$000
Interest earned on bank deposits	2,180	1,470
	2,180	1,470

Revenue is recognised as the interest accrues.

3.5 Other income

	2022 \$000	2021 \$000
Whiteman Park revenue ^(a)	265	249
Recoup of expenditure	724	639
Other	241	243
	1,230	1,131
Net proceeds from disposal of non-current assets		
Land and Rental Buildings	17,395	33,205
Selling costs of disposal of non-current assets		
Land and Rental Buildings	(53)	(63)
Carrying amount of non-current assets disposed		
Land and Rental Buildings	(16,631)	(33,730)
Net gain/(loss) on disposal of non-current assets	711	(588)
Total other income	1,941	543

(a) Excludes rental revenue on leases held at Whiteman Park which is included within rental revenue (Note 3.2)

Revenue is recognised when it can be reliably measured.

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 Key assets

Assets the Commission utilises for economic benefit or service potential

This section includes information regarding the key assets the Commission 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:

	Notes	2022 \$000	2021 \$000
Infrastructure, property, plant and equipment	4.1	569,083	526,284
Intangibles	4.2	35,801	36,111
Total key assets		604,884	562,405

4.1 Infrastructure, property, plant and equipment

For the year ended 30 June 2022	Land \$000	Rental and Heritage Buildings \$000	Regional Open Space \$000	Infrastructure \$000	Assets under construction \$000	Equipment \$000	Motor vehicles \$000	Total \$000
1 July 2021								
Net carrying amount	454,811	21,481	14,128	10,542	16,331	2,381	497	520,171
Correction of prior period error	5,623	500	-	-	-	-	-	6,123
Carrying amount at start of period	460,434	21,981	14,128	10,542	16,331	2,381	497	526,294
Additions	62,414	711	-	-	1,916	-	-	65,041
Additions - Metronet	-	-	-	-	31,674	-	-	31,674
Capitalised	-	252	-	610	(897)	28	7	-
Revaluation increments / (decrements) through p&l	3,695	-	-	-	-	-	-	3,695
Revaluation increments / (decrements) through reserves	-	1,016	-	-	-	-	-	1,016
Impairment losses ^(a)	(29,035)	-	-	-	-	-	-	(29,035)
Disposals	(15,785)	(508)	-	-	-	-	-	(16,293)
Transfers from held for sale	-	-	-	-	-	-	-	-
Transfers to held for sale	(8,956)	-	-	-	-	-	-	(8,956)
Transfers from/(to) State of WA	(373)	(74)	-	-	-	-	-	(447)
Depreciation	-	(2,243)	(446)	(512)	-	(630)	(75)	(3,906)
Carrying amount at 30 June 2022	472,394	21,135	13,682	10,640	49,024	1,779	429	569,083
30 June 2022								
Gross carrying amount	472,394	21,135	14,571	11,669	49,024	6,425	951	576,169
Accumulated depreciation	-	-	(889)	(1,029)	-	(4,646)	(522)	(7,086)

^(a) Impairment losses are recognised in the Statement of Comprehensive Income. Where an asset measured at cost is written-down to its recoverable amount, an impairment loss is recognised in the profit or loss. Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income.

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 at or no 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).

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

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

- land,
- buildings,
- regional open space; and
- infrastructure.

Land, buildings, infrastructure and regional open space 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 2021 by the Western Australian Land Information Authority (Valuations and Property Analytics). The valuations were performed during the year ended 30 June 2022 and recognised at 30 June 2022.

In undertaking the revaluation, fair value of land was determined by reference to market values: \$142,801,000 (2021: \$80,686,000) and buildings: \$1,689,000 (2021: \$478,000). For the remaining balance of land, fair value was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land).

For the remaining balance, fair value of rental 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). Relevant comparators of land with low level utility are selected by the Western Australian Land Information Authority (Valuation Services).

The fair value of regional open space buildings and infrastructure is assessed every 3 years. Fair value of the regional open space buildings and infrastructure is determined by reference to the depreciated replacement cost (existing use basis) as the assets are specialised and no marketbased evidence of value is available.

Significant assumptions and judgements:

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

Finite useful lives

All infrastructure, 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	10 - 40 years
Regional open space	10 - 40 years
Infrastructure	10 - 40 years
Computer equipment	2 - 5 years
Other equipment	5 - 20 years
Motor vehicles	5 - 10 years

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.

4.1 (a) Depreciation and impairment

	2022 \$000	2021 \$000
Charge for the period		
Depreciation		
Regional open space buildings	446	443
Rental buildings	2,243	2,213
Infrastructure	512	475
Equipment	630	352
Vehicles	75	47
Total depreciation for the period	3,906	3,530

As at 30 June 2022, there were no indications of impairment for all assets other than land acquired.

All surplus assets at 30 June 2022 have either been classified as assets held for sale or have been written-off.

Please refer to Note 4.2(a) for guidance in relation to the impairment assessment that has been performed for intangible assets.

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. Impairment for 2022 was \$29,035k (2021: \$25,412k).

Where land and buildings acquisitions have not been independently valued by the Western Australian Land Information Authority (Valuations and Property Analytics) at the end of the reporting period, the carrying amount of the land and buildings is impaired to reflect the change of use on acquisition.

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 Commission is a not-for-profit entity, unless a specialised asset has been identified as a surplus asset, 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.

4.2 Intangible assets

	2022 \$000	2021 \$000
Caveat interest - at cost	33,727	33,741
Water Licence - at cost	2,444	2,444
Water Licence - accumulated amortisation	(370)	(74)
	35,801	36,111
Reconciliation		
1 July 2021		
Gross carrying amount	36,205	28,937
Accumulated amortisation	(94)	(20)
Carrying amount at start of period	36,111	28,917
Additions	-	10,551
Disposals	(14)	(3,283)
Amortisation expense	(296)	(74)
Carrying amount at 30 June 2022	35,801	36,111

Caveat interest

When a property is reserved for possible future acquisition, the owner may apply under certain circumstances through the provisions of Part 11 of the Planning and Development Act 2005 to sell the property at a lesser price than might reasonably be expected had there been no reservation. If approved, compensation representing the difference is paid to the vendor.

At the time of a compensation payment, the Commission's equity in the property is established on the ratio of compensation paid as a proportion of the unaffected value of the property. If the Commission resumes the property at a later date, the purchase consideration is calculated by deducting the Commission's equity as a percentage of the total valuation at the time of acquisition.

Initial recognition

Caveat interest in excess of \$1 are reported as intangible assets. They are recognised at cost, considered to have an indefinite useful life and are not amortised.

Water Licence are reported as intangible assets and have a finite life. They are recognised at cost less any accumulated amortisation and accumulated impairment loss and considered to have a useful life of up to 10 years.

Subsequent measurement

Caveat Interest - The cost model is applied for subsequent measurement of caveat interest, requiring the asset to be carried at cost. The caveat interests are a purchase of the right to buy should the property owner decide to sell. The amount is tested for impairment each year and no impairment noted for this year.

Water Licence - The cost model is applied for subsequent measurement of water licences, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment loss.

4.2 (a) Amortisation and impairment

	2022 \$000	2021 \$000
Charge for the period		
Water Licence	296	74

As at 30 June, there were no indications of impairment to Water Licences and no impairment identified from the impairment test performed on Caveat Interest.

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 and 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
Water Licence ^(b)	8-10 years

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

^(b) Water Licence amortisation rate had been calculated based on the remaining licence period.

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 4.1 (a).

5 Other assets and liabilities

This section sets out those assets and liabilities that arose from the Commission's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2022 \$000	2021 \$000
Receivables	5.1	8,260	5,347
Other current assets	5.2	56,343	30,980
Amounts receivable for services (Holding Account)	5.3	7,019	6,640
Payables	5.4	4,803	5,009
Other current liabilities	5.5	8,605	22,068
Contract liabilities	5.6	3,805	8,915

5.1 Receivables

	2022 \$000	2021 \$000
Receivables	4,468	4,756
Allowance for impairment of receivables	(396)	(352)
GST receivable	1,836	464
Accrued interest	1,023	372
Other accrued income	1,329	107
Balance at end of period	8,260	5,347

Receivables are initially recognised at their transaction price. The Department holds the receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. The Department recognises a loss allowance for expected credit losses (ECLs) on a receivable through profit or loss. The Commission does not hold any collateral or other credit enhancements as security for receivables.

5.2 Other current assets

	2022 \$000	2021 \$000
Current		
Prepayments	53,633	15,308
Unsettled land and building purchases	2,337	15,334
Unsettled intangibles purchases	32	-
Tenant security bonds	341	338
Balance at end of period	56,343	30,980

Other current 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. Unsettled land and building purchases represents payments made in advance of the transfer of the certificate of title.

5.3 Amounts receivable for services (Holding Account)

	2022	2021
	\$000	\$000
Non-current	7,019	6,640
Balance at end of period	7,019	6,640

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.

Amounts receivable for services are considered not impaired (i.e. there is no expected credit loss of the Holding Account).

The Commission 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.

5.4 Payables

	2022	2021
	\$000	\$000
Current		
Payables	34	-
Accrued expenses	4,789	5,009
Total current	4,803	5,009

Payables are recognised at the amounts payable when the Commission 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.

5.5 Other current liabilities

	2022	2021
	\$000	\$000
Current		
Tenants' bonds ^(a)	340	337
Income in advance ^(b)	604	495
Provision for compensation claim - taking order land ^(c)	7,145	21,026
Deposit in advance	516	210
Total current	8,605	22,068

^(a) Refundable tenant bonds

^(b) Includes monies received from other agencies for rent received in advance.

^(c) When land is acquired under a Taking Order an associated provision for compensation is recognised at the transaction price.

5.6 Contract liabilities

	2022	2021
	\$000	\$000
Current		
Unsettled land and building sales	3,805	8,915
Total current	3,805	8,915

Unsettled land and building sales, represents disposals where cash has been received, that are not settled until a new certificate of title has been issued.

6 Financing

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

	Notes	2022	2021
		\$000	\$000
Cash and cash equivalents	6.1	422,075	460,012
Commitments	6.2	-	70,000

6.1 Cash and cash equivalents

	2022	2021
	\$000	\$000
Cash and cash equivalents		
- Western Australian Planning Commission Account (WAPC Account)	24,144	10,796
- Cash advance	2	2
	24,146	10,798
Restricted cash and cash equivalents:		
- Metropolitan Region Improvement Fund ^(a)	385,020	443,433
- Western Australian Planning Commission Account ^(b)	12,909	5,781
	397,929	449,214
Balance as at end of period	422,075	460,012

^(a) Cash held in the Metropolitan Region Improvement Fund is to be used for defined projects and studies

^(b) Cash held in the Commission Account is to be used for Regional Land Acquisitions, Coastal Zone Management and various other studies.

For the purpose of the statement of cash flows, cash and cash equivalents (and restricted cash and cash equivalents) 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.

6.2 Commitments

	2022	2021
	\$000	\$000
Capital commitments		

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

Within 1 year	-	70,000
	-	70,000

Capital commitments represent expenditure for the Metronet project.

7 Financial instruments and contingencies

This note sets out the key risk management policies and measurement techniques of the Agency.

	Notes	2022	2021
		\$000	\$000
Financial instruments	7.1		
Contingent assets and liabilities	7.2		

7.1 Financial instruments

	2022	2021
	\$000	\$000
Financial assets		
Cash and cash equivalents	422,075	460,012
Financial assets at amortised cost ^(a)	13,443	11,523
Total financial assets	435,517	471,535

^(a) The amount of Financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable)

Financial liabilities

Financial liabilities at amortised cost ^(b)	4,803	5,009
Total financial liabilities	4,803	5,009

^(b) The amount of Financial liabilities at amortised cost excludes GST payable to the ATO (statutory receivable)

7.2 Contingent assets and liabilities

	2022	2021
	\$000	\$000
Contingent assets		
Contingent assets are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at nominal value.		
Contingent assets are presented inclusive of GST receivable or payable respectively.		
The following contingent assets are excluded from the assets included in the financial statements:		
Litigations in progress:	-	265
Contingent liabilities		
Contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at nominal value.		
Contingent liabilities are presented inclusive of GST receivable or payable respectively.		
The following contingent liabilities are excluded from the liabilities included in the financial statements:		
Litigations in progress:	228,400	66,900

Contaminated sites

Under the Contaminated Sites Act 2003 (CSA), the Commission 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.

The Commission is required to recognise a contingent liability in respect of a site where:

- the site has been classified contaminated - remediation required (C-RR) under the Act, and remediation costs cannot be reliably estimated;
- the site has been classified contaminated - restricted use (C-RU) under the Act, and remediation is not required;
- the site has been classified as possibly contaminated - investigation required (PC-IR) under the Act, and investigation costs cannot be reliably estimated.

During the 2021-22 financial year, 2 sites require remediation or other management and have been classified by DWER as 'contaminated - remediation required'. 1 site does not require remediation or other management and has been classified by DWER as 'contaminated - restricted use'. In addition, 9 sites require formal investigation and have been classified by DWER as 'possibly contaminated - investigation required'.

8 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	8.1
Key management personnel	8.2
Related party transactions	8.3
Related bodies	8.4
Affiliated bodies	8.5
Remuneration of auditors	8.6
Non-current assets classified as assets held for sale	8.7
Equity	8.8
Supplementary financial information	8.9
Explanatory statement	8.10
Restatement of prior period comparatives due to error	8.11

8.1 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.

8.2 Key management personnel

The Commission has determined key management personnel to include responsible minister and members of the accountable authority. The Commission 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 members of the accountable authority for the reporting period are presented within the following bands:

Compensation Band (\$)			2022	2021
-	to	10,000 ^(a)	11	10
10,001	to	20,000	4	4
20,001	to	30,000	-	5
30,001	to	40,000	5	-
280,001	to	290,000	-	-
290,001	to	300,000	-	1
300,001	to	400,000	1	-
			<u>21</u>	<u>20</u>

^(a) Includes Nine (9) members (2021: eight (8) members) from other government agencies who did not receive any compensation from the Commission.

Total compensation of key management personnel

Total compensation includes the superannuation expense incurred by the Commission in respect of members of the accountable authority.

2022	2021
\$000	\$000
<u>584</u>	<u>548</u>

8.3 Related party transactions

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

Related parties of the Commission 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).

Material transactions with other related parties

During the year, a company controlled by a commission member provided consultancy services to the DPLH in relation to the drafting of Water Resources SPP guidelines and East Wanneroo DCP Support. The company has been paid \$92k in 2021/2022 and a further \$22k is still to be paid in the future.

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

Significant transactions with Government related entities

In conducting its activities, The Department 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 and considered to be provided at arm's length.

Such transactions include:

	Notes
Supplies and services includes legal fees from the State Solicitors Office amount to \$250k (2021: \$245k) and support services from Department of Planning Land and Heritage	2.1
Grants and subsidies received from State and other entities	2.3
Other income including recoupment of expenses from other agencies	3.5
Amounts receivable for services including transactions with other agencies	5.3
Infrastructure, property, plant and equipment including transfer to State and sales to other agencies	4.1
Other current liabilities includes monies received from other agencies for rent received in advance.	5.5
Remuneration of services provided by the Auditor General.	8.6
Capital Appropriation	8.8

8.4 Related bodies

The Commission had no related bodies during the financial year 2021-22 and 2020-21.

8.5 Affiliated bodies

The Commission had no affiliated bodies during the financial year 2021-22 and 2020-21.

8.6 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

2022	2021
\$000	\$000
<u>98</u>	<u>73</u>

8.7 Non-current assets classified as assets held for sale

The following table represents a summary of assets held for sale:

	2022	2021
	\$000	*Restated \$000
Land	6,162	14,509
Total assets classified as held for sale	<u>6,162</u>	<u>14,509</u>

8.8 Equity

Contributed equity

Balance at start of period

Contributions by owners

Capital appropriation

Total contributions by owners

Distribution to owners

Transfer land to State of WA

Total distribution to owners

Balance at end of period

Asset revaluation surplus

Balance at start of period

Net revaluation increments/(decrements)

Land

Rental and heritage buildings

Regional Open Space Buildings

Infrastructure

Other

Total asset revaluation surplus

Accumulated surplus

Balance at start of period

Correction of prior period error*

Restated balance at start of period

Result for the period

Distribution to owners - Transfer land to State of WA

Total accumulated surplus

Balance at end of period

*30 June 2021 figures have been restated for prior period corrections - refer to Note 8.11

	2022	2021
	\$000	*Restated \$000
Balance at start of period	-	-
Contributions by owners		
Capital appropriation	5,400	5,400
Total contributions by owners	<u>5,400</u>	<u>5,400</u>
Distribution to owners		
Transfer land to State of WA	(447)	(5,400)
Total distribution to owners	<u>(447)</u>	<u>(5,400)</u>
Balance at end of period	<u>4,953</u>	-
Balance at start of period	44,839	43,651
Net revaluation increments/(decrements)		
Land	-	-
Rental and heritage buildings	1,016	1,188
Regional Open Space Buildings	-	-
Infrastructure	-	-
Other	-	-
Total asset revaluation surplus	<u>45,855</u>	<u>44,839</u>
Balance at start of period	999,062	1,015,641
Correction of prior period error*	-	(2,448)
Restated balance at start of period	<u>999,062</u>	<u>1,013,193</u>
Result for the period	37,660	(7,841)
Distribution to owners - Transfer land to State of WA	-	(6,290)
Total accumulated surplus	<u>1,036,722</u>	<u>999,062</u>
Balance at end of period	<u>1,087,530</u>	<u>1,043,901</u>

8.9 Supplementary financial information

(a) Write-offs

During the financial year, \$22k (2021: \$62k) was written off the Commission's books under the authority of:
The accountable authority

	2022	2021
	\$000	\$000
	22	62
	<u>22</u>	<u>62</u>

(b) Losses through theft, defaults and other causes

During 2021-22 and 2020-21 the Commission did not report any losses due to theft, defaults and other causes.

(c) Gifts of public property

There were no gifts of public property provided by the Commission during the financial year 2021-22 and 2020-21.

8.10 Explanatory statement (Controlled Operations)

This explanatory section explains variations in the financial performance of the Commission undertaking transactions under its own control, as represented by the primary financial statements.

All variances between estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key variations selected from observed major variances which are greater than 10% and 1% of Total Cost of Services for either the lower of the budget or prior period actual for the Statements of Comprehensive Income and Statement of Cash Flows, and are greater than 10% and 1% of Total Assets for either the lower of the budget or prior period actual for the Statement of Financial Position

8.10.1 Statement of Comprehensive Income Variances

	Variance	Estimate	Actual	Actual	Variance between estimate and actual	Variance between actual results for 2022 and 2021
Note	2022	2022	2021			
	\$000	\$000	\$000		\$000	\$000
Expenses						
Supplies and services	A	36,564	34,846	38,775	(1,718)	(3,929)
Depreciation expense		3,600	4,202	3,604	602	598
Committee / board fees		392	307	570	(85)	(263)
Grants and subsidies expense	1, B	4,996	8,819	2,219	3,823	6,600
Revaluation (increment) /decrement	2, C	-	7,950	34,941	7,950	(26,991)
Impairment losses for land	3	-	29,035	31,485	29,035	(2,450)
Other expenses	4	33,487	14,560	14,040	(18,927)	520
Total cost of services		79,039	99,719	125,634	20,680	(25,915)
Income						
Rental revenue	D	7,236	7,239	6,265	3	974
User charges and fees	E	14,585	14,674	18,698	89	(4,024)
Interest revenue		2,900	2,180	1,470	(720)	710
Other income	5, F	3,250	1,941	543	(1,309)	1,398
Total income		27,971	26,034	26,976	(1,937)	(942)
NET COST OF SERVICES		51,068	73,685	98,658	22,617	(24,973)
Income from State Government						
Service appropriation	G	109,156	110,381	90,594	1,225	19,787
Services received free of charge		450	209	223	(241)	(14)
Income from other public sector entities		-	755	-	755	755
Total income from State Government		109,606	111,345	90,817	1,739	20,528
SURPLUS/(DEFICIT) FOR THE PERIOD		58,538	37,660	(7,841)	(20,878)	45,501
OTHER COMPREHENSIVE INCOME						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus		-	1,016	1,188	1,016	(172)
Total other comprehensive income		-	1,016	1,188	1,016	(172)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		58,538	38,676	(6,653)	(19,862)	45,329

Major Estimate and Actual (2022) Variance Narratives

- Grants and subsidies expense is higher than budget estimate by \$3.82 million (77%) due to a one-off transfer of funding to the Department of Planning, Lands and Heritage which was classified as other expenses in the budget target.
- Revaluation increment is higher than budget estimate by \$7.95 million (100%) mainly due to movements in land values following the Valuer General's valuation assessment of land held by the Commission. Given the nature of these transactions, estimates cannot be determined.
- Impairment losses for land are higher than budget estimate by \$29.03 million (100%) mainly due to a change of land use of various parcels of Commission's owned land. Given the nature of these transactions, accurate estimates are not able to be predetermined.
- Other expenses are lower than budget estimate by \$18.93 million (57%) mainly due to delays in the disbursement of funds for public infrastructure works with a budget of \$11.9 million, in addition to actual expenditure to other public sector entities classified as grants and subsidies expense.
- Other income are lower than budget estimate by \$1.31 million (40%) mainly due to majority of land sold with proceeds reflecting their fair values (carrying amount) resulting in lower gain on disposal. Given the nature of these transactions, accurate estimates are not able to be predetermined.

Major Actual (2022) and Comparative (2021) Variance Narratives

- Supplies and services decreased by \$3.93 million (10%) mainly due to increase in funding paid to Department of Planning, Lands and Heritage for the assessment and administration of statutory planning applications. The volume of statutory planning applications and associated fees decreased during the year following the end of the Australian Government's HomeBuilder grant and the State's Building Bonus.
- Grants and subsidies expense increased by \$6.6 million (297%) due to a one-off transfer of funding to the Department of Planning, Lands and Heritage and the expansion of the Commission's coastal planning and management program.
- The revaluation decrement decreased by \$26.99 million (77%). The revaluation process is based on values provided by the Valuer General's valuation and will change year on year based on their assessment.
- Rental revenue has increased by \$974 thousand (16%) due to increased demand in a competitive rental market across 2021-22 resulting in a reduction in vacancies.
- User charges and fees decreased by \$4.024 million (22%) mainly due to lower statutory planning application fees collected during the year following the end of the Australian Government's HomeBuilder grant and the State's Building Bonus.
- Other income increased by \$1.4 million (257%) due to gain on disposal of land assets in current year with a loss incurred in the prior year.
- Service appropriation increased by \$19.79 million (22%) due to funding provided for the public infrastructure works and the expansion of the Commission's coastal planning and management program.

8.10.2 Statement of Financial Position Variances

	Variance	Estimate	Actual	Actual	Variance between estimate and actual	Variance between actual results for 2022 and 2021
Note	2022	2022	2021			
	\$000	\$000	\$000		\$000	\$000
ASSETS						
Current Assets						
Cash and cash equivalents		14,145	24,146	10,798	10,001	13,348
Restricted cash and cash equivalents		377,962	397,929	449,214	19,967	(51,285)
Receivables		4,221	8,260	5,347	4,039	2,913
Other current assets	6, H	32,417	56,343	30,980	23,926	25,363
Non-current assets classified as held for sale		6,886	6,162	14,509	(724)	(8,347)
Total Current Assets		435,631	492,840	510,848	57,209	(18,008)
Non-Current Assets						
Amounts receivable for services		7,019	7,019	6,640	-	379
Infrastructure, property, plant and equipment	7	747,397	569,083	526,294	(178,314)	42,789
Intangible assets		28,917	35,801	36,111	6,884	(310)
Total Non-Current Assets		783,333	611,903	569,045	(171,430)	42,858
TOTAL ASSETS		1,218,964	1,104,743	1,079,893	(114,221)	24,850
LIABILITIES						
Current Liabilities						
Payables		1	4,803	5,009	4,802	(206)
Other current liabilities	I	6,398	8,605	22,068	2,207	(13,463)
Contract liabilities		11,647	3,805	8,915	(7,842)	(5,110)
Total Current Liabilities		18,046	17,213	35,992	(833)	(18,779)
TOTAL LIABILITIES		18,046	17,213	35,992	(833)	(18,779)
NET ASSETS		1,200,918	1,087,530	1,043,901	(113,388)	43,629
EQUITY						
Contributed equity		572	4,953	-	4,381	4,953
Reserves		43,651	45,855	44,839	2,204	1,016
Accumulated surplus		1,205,383	1,036,722	999,062	(168,661)	37,660
Other		(48,688)	-	-	48,688	-
TOTAL EQUITY		1,200,918	1,087,530	1,043,901	(113,388)	43,629

Major Estimate and Actual (2022) Variance Narratives

- Other current assets are higher than budget estimates by \$23.93 million (74%) mainly due to the delays in the development works of the METRONET project, resulting in a higher prepayment at year-end.

- Infrastructure, property, plant and equipment are lower than budget estimates by \$176.86 million (24%) mainly due to the unbudgeted land impairment loss due to a change of land use of various parcels of Commission's owned land, deferral of land acquisitions to 2022-23 and lower acquisitions for the METRONET project.

Major Actual (2022) and Comparative (2021) Variance Narratives

- Other current assets increased by \$25.36 million (82%) mainly due to the unutilised prepayment to PTA for the development of METRONET project. \$46.4 million of the \$100 million prepayment has been spent for the development, leaving an unutilised amount of \$53.6 million (2020-21: \$15.3 million).

- Other current liabilities have decreased by \$13.46 million (61%) due to the decrease in the provision for taking orders associated with compulsory acquisitions.

8.10.3 Statement of Cash Flow Variances

	Variance	Estimate	Actual	Actual	Variance between estimate and actual	Variance between actual results for 2022 and 2021
Note		2022	2022	2021		
		\$000	\$000	\$000	\$000	\$000
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation	J	108,776	108,779	90,214	3	18,565
Capital appropriations		5,400	5,400	5,400	-	(0)
Funds from other public sector entities	8	30,000	755	-	(29,245)	755
Net cash provided by State Government		144,176	114,934	95,614	(29,242)	19,320
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Supplies and services	K,17	(45,713)	(34,642)	(47,161)	11,071	12,519
Grants and subsidies	9, L	(4,996)	(8,819)	(2,519)	(3,823)	(6,300)
GST payments on purchases		(3,020)	(3,039)	(3,152)	(19)	113
GST payment to taxation authority	M	(310)	(486)	(2,951)	(176)	2,465
Other payments	10,S	(24,250)	(14,660)	(5,969)	9,590	(8,691)
Receipts						
Rental received		7,236	7,348	6,700	112	648
User charges and fees	N	14,585	13,827	17,145	(758)	(3,318)
Interest received	11	2,900	1,529	1,726	(1,371)	(197)
GST receipts on sales	12, O	310	1,458	3,295	1,146	(1,839)
GST receipts from taxation authority	13, P	3,020	697	4,690	(2,323)	(3,993)
Other receipts	14, Q	750	2,670	669	1,920	2,001
Net cash provided by / (used in) operating activities		(49,488)	(34,119)	(27,527)	15,369	(6,592)
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sale of non-current assets	15, T	20,000	13,411	35,376	(6,589)	(21,965)
Purchase of non-current assets	16, R	(184,327)	(132,163)	(92,661)	52,164	(39,502)
Net cash provided by / (used in) investing activities		(164,327)	(118,752)	(57,285)	45,575	(61,467)
Net increase/(decrease) in cash and cash equivalents		(69,639)	(37,937)	10,802	31,702	(48,739)
Cash and cash equivalents at the beginning of the period		461,746	460,012	449,210	(1,734)	10,802
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		392,107	422,075	460,012	29,969	(37,937)

Major Estimate and Actual (2022) Variance Narratives

8. Funds from other public sector entities are lower than budget estimates by \$29.25 million (97%) mainly due to a planned sale of land to another public sector entity not proceeding during the year.

9. Grants and subsidies expense is higher than budget estimate by \$3.82 million (77%) due to a one-off transfer of funding to the Department of Planning, Lands and Heritage which was classified as other payments in the budget target.

10. Other payments are lower than budget estimate by \$9.59 million (40%) mainly due to delays in the disbursement of funds for public infrastructure works with a budget of \$11.9 million, in addition to actual payment to other public sector entities classified as grants and subsidies.

11. Interest received is lower than budget estimates by \$1.37 million (47%) mainly due to a lower interest rate (average of 0.31%) during the year than estimated (0.5%) and the timing difference in receiving the interest.

12. GST receipts on sales are higher than budget estimates by \$1.15 million (370%) mainly due to higher taxable land sales occurring during the year.

13. GST receipts from taxation authority are lower than budget estimates by \$2.32 million (77%) mainly due to timing difference in receipts from taxation authority.

14. Other receipts are higher than budget estimates by \$1.92million (256%) mainly due to receipt of income in advance relating to land sales.

15. Proceeds from sale of non-current assets are lower than budget estimates by \$6.59 million (33%) and mainly due to the level and value of land sale activities. Given the nature of these transactions, accurate estimates are not able to be predetermined.

16. Purchase of non-current assets are lower than budget estimates by \$52.16 million (28%) mainly due to deferral of land acquisitions to 2022-23.

17. Supplies and services are lower than budget estimates by \$11.07 million (24%) due to lower expected expenditure requirements during the year.

Major Actual (2022) and Comparative (2021) Variance Narratives

J. Service appropriation increased by \$18.56 million (21%) due to funding provided for the public infrastructure works and the expansion of the Commission's coastal planning and management program.

K. Supplies and services decreased by \$12.52 million (24%) mainly due to decrease in funding charter payment to Department of Planning, Lands and Heritage for the assessment and administration of statutory planning applications. The application fees received decreased in the year following the end of the Australian Government's HomeBuilder grant and the State's Building Bonus.

L. Grants and subsidies increased by \$6.3 million (250%) due to a one-off transfer of funding to the Department of Planning, Lands and Heritage and the expansion of the Commission's coastal planning and management program.

M. GST payment to taxation authority decreased by \$2.47 million (84%) mainly due to higher taxable land sales in 2020-21 from the sale of land for Tonkin Highway extension.

N. User charges and fees decreased by \$3.32 million (19%) mainly due to lower statutory planning application fees collected during the year following the end of the Australian Government's HomeBuilder grant and the State's Building Bonus.

O. GST receipts on sales decreased by \$1.84 million (56%) mainly due to higher taxable land sales in 2021 from the sale for Tonkin Highway extension.

P. GST receipts from taxation authority decreased by \$4 million (85%) mainly due to lower taxable land acquisition costs.

Q. Other receipts increased by \$2 million (299%) mainly due to receipt of income in advance relating to land sale, and gain on disposal from land sales.

R. Purchase of non-current assets increased by \$39.50 million (43%) mainly due to payment to Public Transport Authority for the development of METRONET project offset by lower spending in land acquisition.

S. Other payments has decreased by \$8.69 million due to the timing difference in accruals. The profit and loss reflects a movement of \$0.5 million.

T. Proceeds from sale of non-current assets have decrease by \$21.96 (62%) million mainly due to a one-off sale of land for the Tonkin Highway extension in 2020-21

8.11 Restatement of prior period comparatives due to error

During the current period errors were discovered that required adjustment. These are as follows:

1. A receivable of \$1.25m resulting from a land exchange was not recognised in 2017 and resulted in a cumulative understatement of receivables and accumulated surplus from that time to 30 June 2021.

2. A receivable of \$1.5m and corresponding income from the receipt of an 'environmental offset' was not recognised in 2021 and resulted in an understatement of income and receivable as at 30 June 2021.

3. A number of land parcels under taking order were found to be controlled by WAPC, which had not been recorded and were identified. As a result, the opening balances at 1 July 2020 and at 30 June 2021 required adjustment to Infrastructure, Property, Plant & Equipment, Impairment Losses for Land and Other Current Liabilities because it could not be determined when these land parcels would be settled. At 1 July 2020 there was an understatement of Infrastructure, Property, Plant and Equipment of \$3.86m and Other Current Liabilities of \$7.56m. At 30 June 2021, Infrastructure, Property Plant and Equipment was understated by \$6.12m, with Other Current Liabilities understated by \$21.03m and Impairment Losses for Land by \$15.69m. Furthermore the Revaluation decrement was overstated by \$3.7m.

4. During the current period an error was discovered that required an adjustment to Non-Current Assets classified as Held for Sale at 30 June 2021. This was due to the incorrect categorisation of three properties under Non-Current Assets Classified as Held for Sale. This resulted in an overstatement of Non-Current Assets Classified as Held for Sale by \$783k at 30 June 2021.

	Year Ended 30 June 2021 (as previously reported)	Increase/ (Decrease)	Year Ended 30 June 2021 (Restated)
	\$000	\$000	\$000
Statement of Comprehensive Income (Extract)			
Revaluation decrement	38,641	(3,700)	34,941
Impairment losses for land	15,800	15,685	31,485
Total cost of services	113,649	11,985	125,634
User charges and fees	17,198	1,500	18,698
Total income	25,476	1,500	26,976
Net cost of services	88,173	10,485	98,658
Surplus/(Deficit) for the period	2,644	(10,485)	(7,841)
Total comprehensive surplus/(loss) for the period	3,832	(10,485)	(6,653)

	30 June 2021 (as previously reported)	Increase/ (Decrease)	30 June 2021 (Restated)
	\$000	\$000	\$000
Statement of Financial Position (Extract)			
Receivables	2,586	2,751	5,347
Non-current assets classified as held for sale	15,292	(783)	14,509
Infrastructure, property, plant and equipment	520,171	6,123	526,294
Total Assets	1,071,802	8,091	1,079,893
Other current liabilities	1,042	21,026	22,068
Total Liabilities	14,966	21,026	35,992
Net Assets	1,056,836	(12,935)	1,043,901
Accumulated surplus	1,011,997	(12,935)	999,062
Total Equity	1,056,836	(12,935)	1,043,901

	1 July 2020 (as previously reported)	Increase/ (Decrease)	1 July 2020 (Restated)
	\$000	\$000	\$000
Statement of Financial Position (Extract)			
Receivables	4,341	1,252	5,593
Infrastructure, property, plant and equipment	545,719	3,857	549,576
Total Assets	1,077,340	5,109	1,082,449
Other current liabilities	700	7,557	8,257
Total Liabilities	18,048	7,557	25,605
Net Assets	1,059,292	(2,448)	1,056,844
Accumulated surplus	1,015,641	(2,448)	1,013,193
Total Equity	1,059,292	(2,448)	1,056,844

Key Performance Indicators

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 Western Australian Planning Commission's performance, and fairly represent the performance of the Western Australian Planning Commission for the financial year ended 30 June 2022.



David Caddy
Chairman
 Western Australian Planning Commission
 14 March 2023

The WAPC's desired outcome and key performance indicators

For the year ended 30 June 2022

Relationship to Government Goals

The WAPC has Statewide responsibility for urban, rural and regional integrated strategic and statutory land use planning and land development. The WAPC's vision is to create better places to live and work for all Western Australians, while its mission is to ensure that the planning system develops policy and enables planning decisions for the long-term benefit of the Western Australian community.

Through the desired outcome and services listed below, the WAPC contributes to the Government's goal for "Growing Our Communities: Protecting our environment with thriving suburbs and regions".

Government Goal	Desired Outcome	Services
<p>Growing Our Communities</p> <p>Protecting our environment with thriving suburbs and regions</p>	<p>An efficient and effective planning system that promotes the use and development of land in Western Australia</p>	<p>1. Statutory Planning 2. Strategic Planning 3. Asset Management</p>

The key effectiveness indicators that follow provide information on how well the activities of the WAPC contribute to the development of land use planning and land use implementation strategies that guide the State's long-term urban settlement and economic development. Results are comparable with performance in previous years (where available) and targets published in the Budget Papers. The key efficiency indicators measure the relationship between the services delivered and the resources used to produce the service. For example, results present a cost per application or per hectare managed basis for easy comprehension. The efficiency indicators incorporate the cost of each service, and as such, measure the overall efficiency in achieving the desired outcome.

Outcome and Key Effectiveness Indicators

WAPC Desired Outcome

An efficient and effective planning system that promotes the use and development of land in Western Australia

Effectiveness Indicator

The proportion of residential land in the metropolitan area that is capable of multiple dwellings within 400m and 800m of the Capital City, a Strategic Metropolitan Centre, or a Train Station

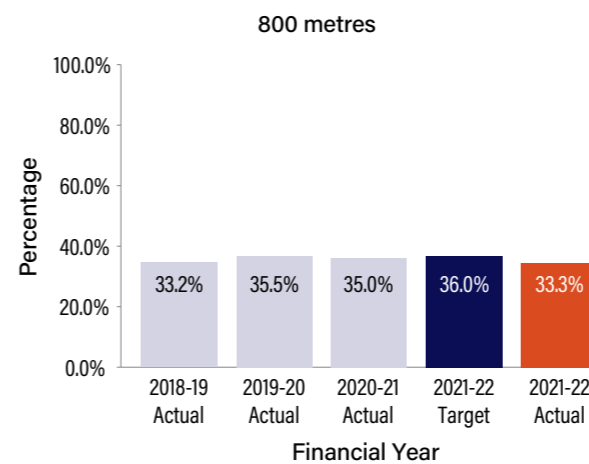
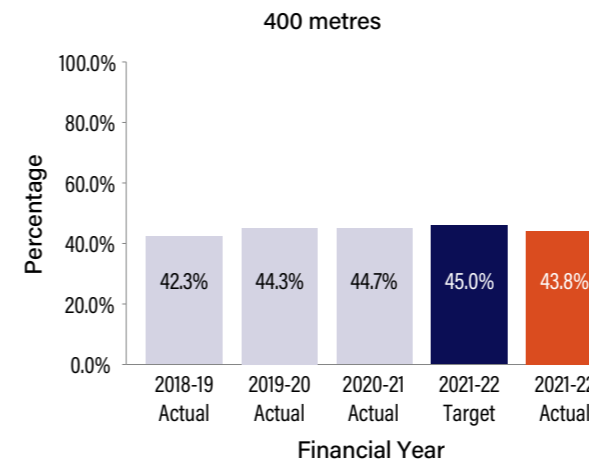
Under the *Planning and Development Act 2005*, the WAPC is responsible for promoting the sustainable use and development of land in Western Australia. *Perth and Peel @3.5million*, a high-level spatial framework and strategic plan for the future growth of the metropolitan Perth and Peel region, recognises the need to plan for land and housing opportunities to accommodate a doubling of the population to 3.5 million. The main objective is to promote a balanced, consolidated development approach that effectively accommodates a larger proportion of new dwellings within existing urban areas. Therefore, one of the WAPC's policy objectives aims to realise more medium to high density residential development in close proximity to activity centres and public transport. This ensures equitable access to infrastructure, and encourages the use of public transport instead of private motor vehicles.

This KPI aligns with the sub-regional planning frameworks which focus on achieving higher densities of employment and residential development in appropriate areas within a predominantly built-up environment while making better use of established infrastructure over the long term. The frameworks build upon the principles of *Directions 2031 and Beyond* and are key instruments in achieving a more consolidated urban form that will reduce dependence on new urban greenfield developments. They provide the strategic spatial framework which will guide local governments in achieving optimal urban consolidation over the long term.

In addition to passenger train stations within the metropolitan area, this KPI covers the Tier 1 and Tier 2 activity centres identified in *Directions 2031 and Beyond*, namely the:

- Perth Capital City (which includes Perth, West Perth, East Perth and Northbridge);
- Strategic Metropolitan Centres (Armadale, Cannington, Fremantle, Joondalup, Mandurah, Morley, Midland, Stirling, and Rockingham).

Most land zoned for residential development would have an allocated residential density code (R-Code). However, the zoning of land is not the only indication of permissible development. Some land does not have an allocated R-Code by a local planning scheme but rather by a structure plan (or equivalent) that has been prepared under the local planning scheme. The calculation of this KPI will exclude emerging Strategic Metropolitan Centres until those centres have at least 1 hectare of commercial floor space.



Effectiveness Indicator

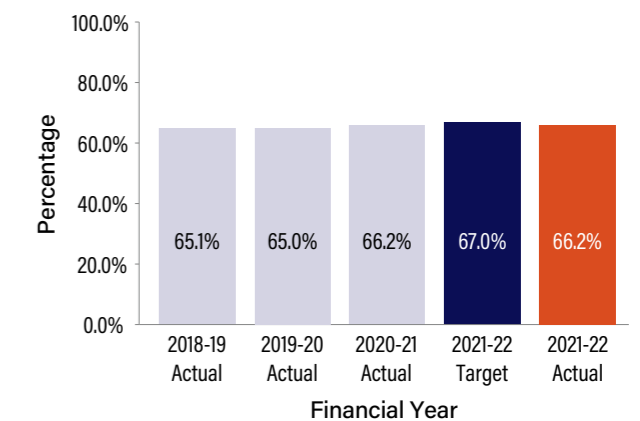
The proportion of residential land that is zoned R40 and above that is within 400m of a Major Regional Centre

Under the *Planning and Development Act 2005*, the WAPC is responsible for promoting the sustainable use and development of land in Western Australia.

This KPI aligns with the Regional Planning and Infrastructure Frameworks which aim to address the future population growth in regional WA in accordance with the Activity Centres Framework and Settlement Hierarchy. The KPI focuses on the major regional centres, which are typically significant centres for population, economic activity and employment. The KPI aligns with policy objectives which aim to realise more medium to high density residential development in close proximity to the major regional centres as this provides efficient access to existing infrastructure.

The KPI covers residential land in proximity to the major regional centres of Albany, Broome, Bunbury, Geraldton, Kalgoorlie, Karratha, and Port Hedland.

The proportion of residential land that is zoned R40 and above that is within 400m of a Major Regional Centre

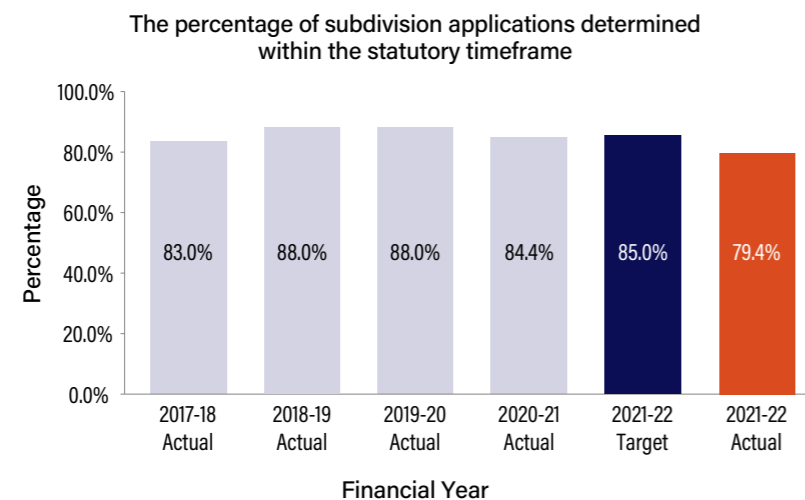


Effectiveness Indicator
The percentage of subdivision applications determined within the statutory timeframe

Subdivision is the division of land into separate lots, or the amalgamation of several lots into a larger lot. For this measure, subdivisions include green title and survey strata subdivisions. Subdivision applications are determined within strategic, legislative and policy frameworks that promote the sustainable use and development of land in Western Australia.

Under delegated authority, officers of the Department of Planning, Lands and Heritage (the Department) determine most subdivision applications on behalf of the WAPC. This KPI demonstrates the WAPC's and the Department's effectiveness in determining subdivision applications within the statutory timeframe. The statutory timeframe is currently 90 days or a longer period that the WAPC and applicant may agree to in writing:

- as specified in s 143(2) of the *Planning and Development Act 2005*.
- as set by s 27(7) of the *Strata Titles Act 1985*, and prescribed by r 20 of the Strata Titles (General) Regulations 2019.



Explanation for significant variance

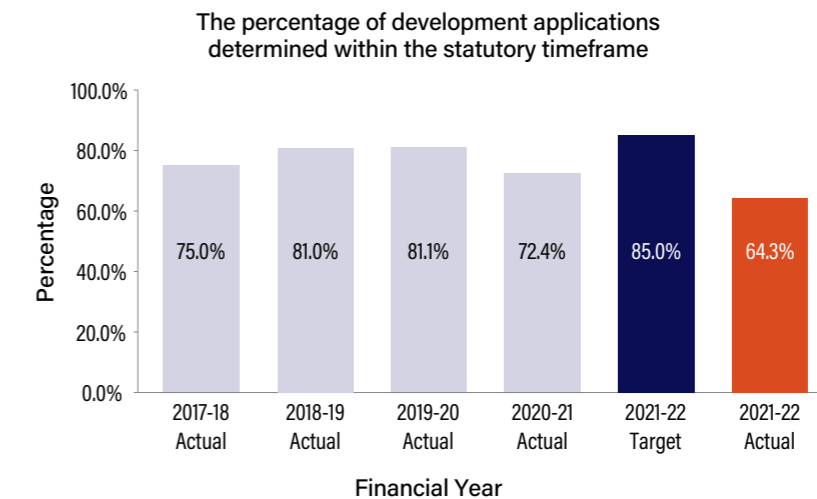
The variance between the 2021-22 actual result and both the 2021-22 target and 2020-21 actual result was due mainly to a combination of:

- the greater complexity of applications that were lodged in the system;
- a reduction in the number of extension requests;
- staffing impacts due to COVID-19; and
- additional statutory tasks for the management of planning schemes.

Effectiveness Indicator
The percentage of development applications determined within the statutory timeframe

Development applications detail the proposed development of land, and these applications are determined within strategic, legislative and policy frameworks that promote the sustainable use and development of land in Western Australia.

Under delegated authority, officers of the Department determine the majority of development applications on behalf of the WAPC. This KPI demonstrates the WAPC's and 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 or within the timeframe agreed in writing between the applicant and the WAPC. 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 and clause 41(2) of the Peel Region Scheme, or within the timeframe agreed in writing between the applicant and the WAPC.



Explanation for significant variance

The variance between the 2021-22 actual result and both the 2021-22 target and 2020-21 actual result was due mainly to a combination of:

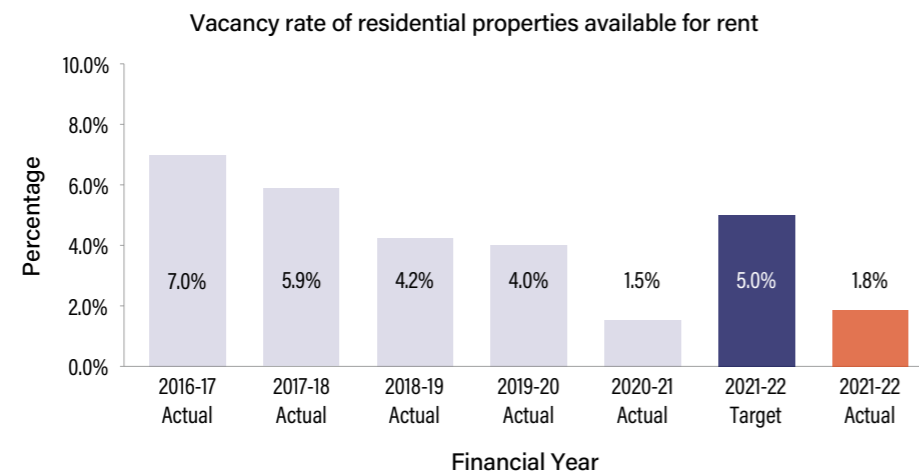
- the greater complexity of applications including more pre-consultations;
- a reduction in the number of extension requests;
- staffing impacts due to COVID-19; and
- additional statutory tasks for the management of planning schemes.

Effectiveness Indicator
Vacancy rate of residential properties available for rent

One of the key functions of the WAPC is to ‘Develop, maintain and manage land that is reserved under a region planning scheme or improvement scheme.’ In 2021-22, the WAPC owned 240 residential properties that were situated on reserved land. The Department managed 227 of these properties while real estate agents managed the remaining properties on behalf of the WAPC. This indicator relates to the 227 properties managed by the Department.

The Department aims to maximise rental income based on high occupancy rates and market rentals. Wherever possible, the Department leases these properties until the land is required for the purpose for which it was reserved.

This KPI reports on the vacancy rate of the residential properties. While market factors will have an impact on performance, the vacancy rate measures the effectiveness of the Department’s management of these properties on behalf of the WAPC.



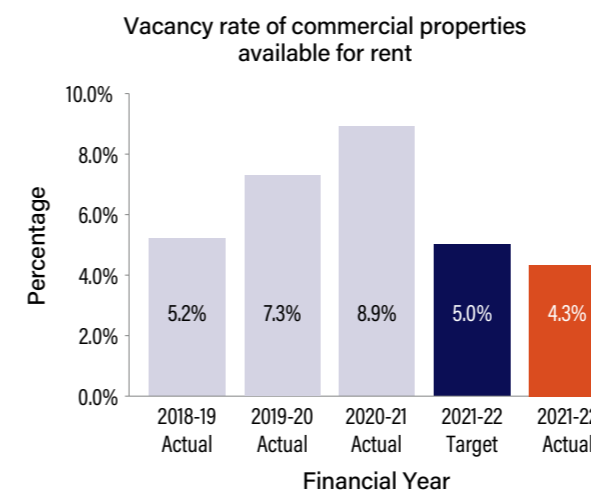
Explanation for significant variance

The variance between the 2021-22 actual and target was due mainly to the residential tenancies COVID-19 response. The measures taken as part of this response included the Residential Rent Relief Grant Scheme which assisted tenants to pay off debts that arose before 1 December 2020 by also enabling them to enter into a payment arrangement. The impact of this scheme continued to keep the vacancy rate for residential properties at a low level in 2021-22.

Effectiveness Indicator
Vacancy rate of commercial properties available for rent

One of the key functions of the WAPC is to ‘Develop, maintain and manage land that is reserved under a region planning scheme or improvement scheme.’ In 2021-22 the WAPC owned and managed 69 commercial properties that were situated on reserved land. The Department managed 68 of these properties while real estate agents managed the remaining property on behalf of the WAPC. This indicator relates to the 68 properties managed by the Department. The Department aims to maximise rental income based on high occupancy rates and market rentals. Wherever possible, the Department leases these properties until the land is required for the purpose for which it was reserved.

This KPI reports on the vacancy rate of the commercial properties. While market factors will have an impact on performance, the vacancy rate measures the effectiveness of the Department’s management of these properties on behalf of the WAPC.



Explanation for significant variance

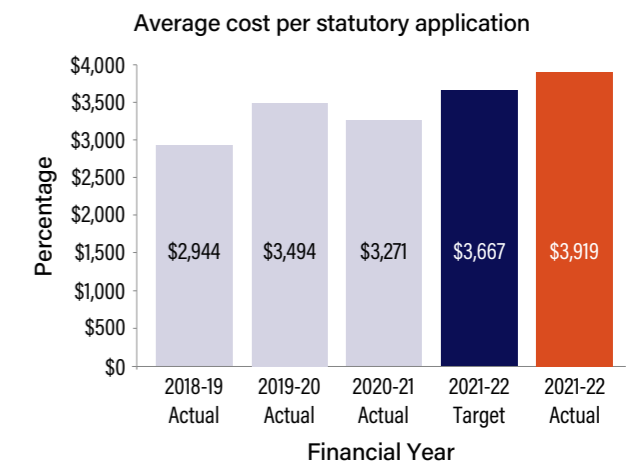
The variance between the 2021-22 actual result and the 2020-21 actual result was mainly due to the Department successfully leasing several properties in Hamilton Hill that had previously been vacant.

WAPC Services
Service 1
Statutory Planning

Efficiency Indicator
Average cost per statutory application

Under delegated authority, officers of the Department determine most statutory applications on behalf of the WAPC. The WAPC receives revenue from subdivision applications and deposited plans, and transfers these monies to the Department to process these applications.

This KPI measures the average cost to the WAPC for the processing of these statutory applications.



Explanation for significant variance

The variance between the 2021-22 actual result and both the 2021-22 target and 2020-21 actual was mainly due to a significant decrease in the number of statutory applications processed in 2021-22.

In 2020, the Government announced a COVID-19 stimulus package in relation to the home builder grants. This announcement, along with legislative amendments to cut red tape and support job-creating projects, resulted in a 41 per cent increase in planning applications processed by the Department in 2020-21. In 2021-22, the Department has experienced a significant decrease in the number of applications received as the effect of the stimulus package returns to normality.

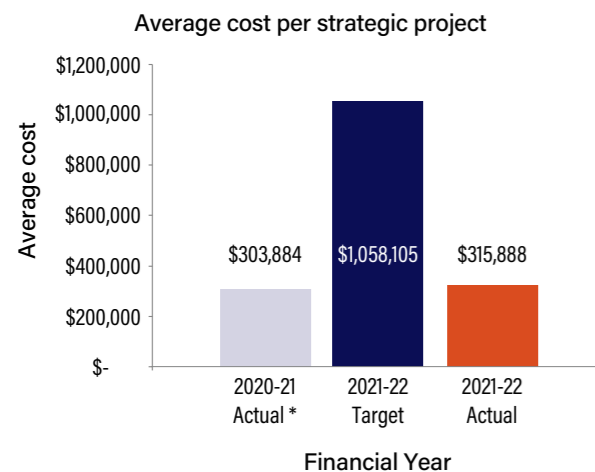
Service 2 Strategic Planning

Efficiency Indicator

Average cost per strategic project

Strategic planning within the WAPC involves the development and advancement of frameworks, strategies and policies that guide the State's long-term development, economic prosperity and environmental management in ways that reflect the aspirations of the Western Australian community.

The WAPC funds the Department to undertake work on its behalf in relation to strategic projects. This new KPI measures the average total cost of service for the strategic projects that the Department undertakes.



* In 2020-21, the actual and target was disclosed in reverse. This has now been corrected.

Explanation for significant variance

The variance between the 2021-22 actual result and target was mainly due to a delay of spending on the Burswood Peninsula infrastructure project of \$11.9 million. This spending was dependent on the development of a suitable infrastructure design; however, COVID-19 and the overheated construction market has impacted the timeframe. The Department will continue to manage the project.

Service 3 Asset Management

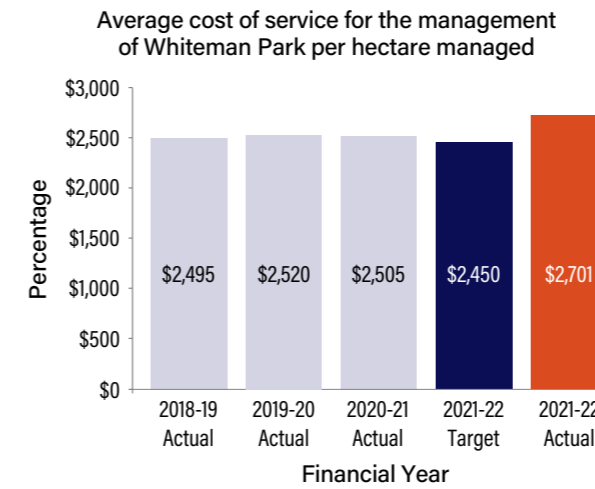
One of the key functions of the WAPC is to 'Develop, maintain and manage land that is reserved under a region planning scheme or improvement scheme.' This includes properties reserved under the Metropolitan, Peel, and Greater Bunbury Region Schemes for primary and other regional roads, parks and recreation, regional open space, special uses including planning control areas and improvement plans, and major land development projects. The resources required to manage each type of property can vary considerably, therefore, the WAPC has separated the asset management efficiency indicators into three KPIs.

Efficiency Indicator

Average cost of service for the management of Whiteman Park per hectare managed

Whiteman Park is a unique recreation and conservation reserve that contains natural bushland and leisure facilities in Perth's northern suburbs. The Metropolitan Region Scheme reserves the parkland for parks and recreation, creating a space for the community. The creation of the parkland also serves to protect the Gnangara Water Mound, a vital source of drinking water for the Perth metropolitan area, and creates a haven for local flora and fauna. Whiteman Park dedicates its vision to the education and conservation of environmental, transport and cultural heritage, including providing visitors with an opportunity to experience a wide range of transport heritage.

In total, employees at Whiteman Park manage approximately 3,760 hectares of reserved land.



Explanation for significant variance

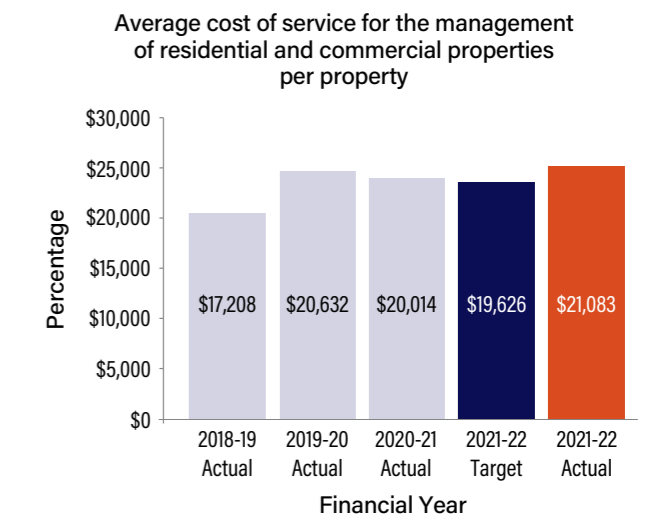
The variance between the 2021-22 actual and both the 2021-22 budget and 2020-21 actual was mainly due to increases in:

- depreciation of about \$348,000; and
- salaries and maintenance of the park and buildings of about \$428,000.

Efficiency Indicator

Average cost of service for the management of residential and commercial properties per property

In 2021-22, the WAPC owned 240 residential and 69 commercial properties on reserved land. The Department managed most of these properties on behalf of the WAPC, while real estate companies managed those properties located in regional Western Australia. This KPI represents the average cost of managing all residential and commercial properties.



Explanation for significant variance

The variance between the 2021-22 actual and both the 2021-22 budget and 2020-21 actual was mainly due to increases in:

- salaries of about \$133,000; and
- operational costs for residential and commercial of about \$226,000.

Efficiency Indicator

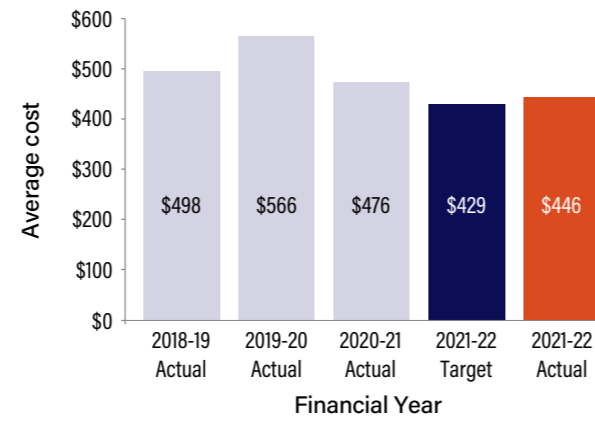
Average cost of service for the management of reserved land (excluding Whiteman Park and Residential and Commercial properties) per hectare managed

One of the key functions of the WAPC is to 'Develop, maintain and manage land that is reserved under a region planning scheme or improvement scheme.' This includes properties reserved under the Metropolitan, Peel, and Greater Bunbury Region Schemes for primary and other regional roads, parks and recreation, regional open space areas, special uses including planning control areas and improvement plans, and major land development projects.

The WAPC currently owns approximately 21,928 hectares of reserved land. Other authorities, including the Department of Biodiversity, Conservation and Attractions, manage approximately 4,888 hectares of this on behalf of the WAPC. The Department of Planning, Lands and Heritage manages the remaining reserved land on behalf of the WAPC.

A significant proportion of the WAPC's expenditure on asset management relates to the management of Whiteman Park, and residential and commercial properties. This KPI represents the average cost of managing other reserved land (excluding Whiteman Park, the residential and commercial properties, and land managed by other authorities), which covers an area of approximately 13,089 hectares.

Average cost of service for the management of reserved land (excluding Whiteman Park and Residential and Commercial properties) per hectare managed



Explanation for significant variance

The variance between the 2021-22 actual and 2020-21 actual was mainly due to the completion of remediation work on a WAPC property in Belmont in 2020-21. The WAPC purchased the Belmont property for parks and recreational purposes in 2001, however, remediation works were needed following a slope failure (landslide). The funding for the works was approved as part of the 2018-19 Mid-Year Review, and a contract was awarded in July 2019.



Aboriginal Affairs Planning Authority

Financials and Performance Indicators



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022

The Aboriginal Affairs Planning Authority

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of The Aboriginal Affairs Planning Authority (Authority) which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

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 Aboriginal Affairs Planning Authority for the year ended 30 June 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), 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 believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Restatement of Comparative Balances

I draw attention to Note 8.10 of the financial report which states that the amounts reported in the previously issued 30 June 2021 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

Page 1 of 5

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Responsibilities of the Director General for the financial statements

The Director General is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it 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 entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

Auditor's responsibilities 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. 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.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by The Aboriginal Affairs Planning Authority. The controls exercised by the Director General are those policies and procedures established 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).

In my opinion, in all material respects, the controls exercised by The Aboriginal Affairs Planning Authority 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 2022.

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 were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an 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 in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance 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 audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of The Aboriginal Affairs Planning Authority for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and 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 Aboriginal Affairs Planning Authority are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2022.

Matter of significance

The Authority received an exemption from the Under Treasurer from reporting the following key performance indicator for the year ended 30 June 2022:

- Percentage of stakeholders who found the Authority's management of the land on behalf of Aboriginal people satisfactory

The exemption was approved due to the difficulty in collecting information from stakeholders resulting from key stakeholders focusing on the emergency response to COVID-19 and ongoing access restrictions to report Aboriginal communities. Consequently, this indicator has not been reported. My opinion is not modified in respect of this matter.

The Authority's responsibilities 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 Authority 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 responsibilities

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 entity'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 report on financial statements, 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.

Other information

The Director General is responsible for the other information. The other information is the information in the Authority's annual report for the year ended 30 June 2022, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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 Aboriginal Affairs Planning Authority for the year ended 30 June 2022 included in the annual report on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. 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 contact the entity to confirm the information contained in the website version.



Patrick Arulsingham
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
13 December 2022

Certification of financial statements

For the reporting period ended 30 June 2022

The accompanying financial statements of the Aboriginal Affairs Planning Authority 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 2022 and the financial position as at 30 June 2022.

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



Anthony Kannis
Director General

Department of Planning, Lands and Heritage

12 December 2022



Jeremy Kwong
A/Chief Finance Officer

Department of Planning, Lands and Heritage

12 December 2022

Statement of comprehensive income

For the year ended 30 June 2022

		2022	2021
	Notes	\$000	Restated *
		\$000	\$000
COST OF SERVICES			
Expenses			
Supplies and services	2.2	4,952	5,416
Depreciation expense	4.1	1,026	1,045
Grants and subsidies	2.1	236	45
Other expenses	2.2	645	7,322
Total cost of services		6,859	13,828
Income			
Other income	3.2	812	680
Total income		812	680
NET COST OF SERVICES		6,047	13,148
Income from State Government			
Services received free of charge	3.1	3,518	3,852
Income received from other public sector entities	3.1	3,538	3,390
Total income from State Government		7,056	7,242
SURPLUS/(DEFICIT) FOR THE PERIOD		1,009	(5,906)
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus	8.7	5,576	931
Total other comprehensive income		5,576	931
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		6,585	(4,975)

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

* See Note 8.10 for restatement due to prior period error.

Statement of financial position

As at 30 June 2022

	Notes	2022 \$000	2021 Restated *	1 Jul 2020 Restated *
ASSETS				
Current Assets				
Cash and cash equivalents	6.1	5,981	3,166	2,260
Restricted cash	6.1	-	136	164
Receivables	5.1	621	988	450
Total Current Assets		6,602	4,290	2,874
Non-Current Assets				
Property (Land and Buildings)	4.1	104,279	103,181	103,037
Total Non-Current Assets		104,279	103,181	103,037
TOTAL ASSETS		110,881	107,471	105,911
LIABILITIES				
Current Liabilities				
Payables	5.2	66	153	139
Other liabilities	5.3	69	-	-
Provisions	5.4	2,190	5,612	600
Total Current Liabilities		2,325	5,765	739
Non-Current Liabilities				
Provisions	5.4	1,866	1,509	-
Total Non-Current Liabilities		1,866	1,509	-
TOTAL LIABILITIES		4,191	7,274	739
NET ASSETS		106,690	100,197	105,172
EQUITY				
Contributed equity	8.7	635	727	727
Reserves (land and Buildings)	8.7	128,360	122,784	121,853
Accumulated deficit		(22,305)	(23,314)	(17,408)
TOTAL EQUITY		106,690	100,197	105,172

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

* See Note 8.10 for restatement due to prior period error.

Statement of changes in equity

For the year ended 30 June 2022

Notes	Contributed Equity \$000	Reserves \$000	Accumulated deficit Restated * \$000	Total equity Restated * \$000
	727	121,853	(17,761)	104,819
Balance at 1 July 2020				
Correction of prior period error	-	-	353	353
Restated balance at 1 July 2020	727	121,853	(17,408)	105,172
Deficit	-	-	(5,906)	(5,906)
Other comprehensive losses	-	931	-	931
Total comprehensive losses for the period	-	931	(5,906)	(4,975)
Transactions with owners in their capacity as owners:				
Capital appropriations	-	-	-	-
Contributions by owners	-	-	-	-
Distributions to owners	-	-	-	-
Total	-	-	-	-
Balance at 30 June 2021	727	122,784	(23,314)	100,197
Balance at 1 July 2021	727	122,784	(23,314)	100,197
Surplus	-	-	1,009	1,009
Other comprehensive income	-	5,576	-	5,576
Total comprehensive losses for the period	-	5,576	1,009	6,585
Transactions with owners in their capacity as owners:				
Capital appropriations	-	-	-	-
Contributions by owners	-	-	-	-
Distribution to owners	(92)	-	-	(92)
Total	(92)	-	-	(92)
Balance at 30 June 2022	635	128,360	(22,305)	106,690

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

* See Note 8.10 for restatement due to prior period error.

Statement of cash flows

For the year ended 30 June 2022

	2022	2021
Notes	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Supplies and services	(1,112)	(978)
Grants and subsidies	(236)	(45)
GST payments on purchases	(202)	(263)
GST payment to taxation authority	(1)	(6)
Other payments	(733)	(1,510)
Receipts		
Grants and contributions	3,538	3,390
GST receipts on sales	36	34
GST receipts from taxation authority	168	189
Other receipts	1,221	67
Net cash provided by operating activities	2,679	878
Net increase in cash and cash equivalents	2,679	878
Cash and cash equivalents at the beginning of the period	3,302	2,424
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5,981	3,302

6.1

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

Notes to the financial statements

1. Basis of preparation

The Aboriginal Affairs Planning Authority (Authority or AAPA) is a Western Australian Government entity and is controlled by the State of Western Australia, which is the ultimate parent entity. The Authority 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' of this Annual Report, which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Director General of the Department of Planning, Lands and Heritage on 12 December 2022.

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 (TIs)*
- 3) *Australian Accounting Standards (AASs) - Simplified Disclosures*
- 4) Where appropriate, those AASs paragraphs applicable for not-for-profit entities have been applied

The FMA and the TIs take precedence over AASs. Several AASs are modified by the TIs 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).

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the Department as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

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.

Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- 1) Property, Plant and Equipment reconciliations

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.

2 Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Authority'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 Authority in achieving its objectives and the relevant notes are:

	Notes	2022 \$000	2021 \$000
Grants and subsidies	2.1	236	45
Other Expenditure	2.2	5,597	12,738

2.1 Grants and subsidies

Reserve management grants	-	45
Land and cultural management grant	236	-
	<u>236</u>	<u>45</u>

Transactions in which the Authority 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.

2.2 Other expenditure

Supplies and services

Services received free of charge from the Department of Planning, Lands and Heritage	3,518	3,852
Consultants and contractors	1,051	1,049
Utilities Expenses	81	164
Other	302	351
Total supplies and services	4,952	5,416

Other expenses

Property repairs and maintenance	297	1,032
Indigenous Land Use Agreement - land transfers ^(a)	207	5,612
Demolition of buildings	114	650
Other (includes audit fees)	27	28
Total other expenses	645	7,322
Total other expenditure	5,597	12,738

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.

The Aboriginal Affairs Planning Authority has no direct staff or systems, all administrative and operational activities are undertaken by the Department of Planning, Lands and Heritage (DPLH) on the Authority's behalf. The expenses shown as services received free of charge from Department of Planning, Lands and Heritage reflect a notional non-cash apportionment of salaries and overheads of DPLH resources applied to activities and business of the Authority.

Other expenses:

All other expenses are recognised as incurred.

^(a) As part of the South West Native Title settlement's indigenous land use agreement, a number of land parcels held by the Authority are committed for transfer to the Noongar Land Estate.

3 Our funding sources

How we obtain our funding

This section provides additional information about how the Authority obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Authority and the relevant notes are:

	Notes	2022 \$000	2021 \$000
Income from State Government	3.1	7,056	7,242
Other income	3.2	812	680

3.1 Income from State Government

Services received free of charge from other State government agencies during the period:

Department of Planning, Lands and Heritage (DPLH)	3,518	3,852
Total services received	3,518	3,852

Income received from other public sector entities during the period:

Income received from other public sector entities - DPLH	3,538	3,390
Total income received from other public sector entities	3,538	3,390

Total income from State Government

	7,056	7,242
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Services received from other public sector entities is recognised as income equivalent to the fair value of assets received, or the fair value of services received that can be reliably determined and which would have been purchased if not donated.

Income from other public sector entities are recognised as income when the Agency has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the Agency receives the funds.

3.2 Other income

Interest revenue	16	14
Royalties received	376	374
Other	420	292
	<u>812</u>	<u>680</u>
Total Other income	812	680

Other revenue is recognised at the transaction price when the Authority transfers control of the services to customers.

Revenue is recognised at a point-in-time for Royalties received. The performance obligations for these revenues are satisfied when services have been provided.

4 Key assets

Assets the Authority utilises for economic benefit or service potential

This section includes information regarding the key assets the Authority 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:

	Notes	2022 \$000	2021 \$000
Property (Land and Buildings)	4.1	104,279	103,181
Total key assets		104,279	103,181

4.1 Property (Land and Buildings)

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

For the year ended 30 June 2022	Notes	Freehold land	Reserves	Pastoral leases	Other leases	Buildings	Total
		\$000	\$000	\$000	\$000	\$000	\$000
Gross carrying amount		14,036	42,621	5,419	83	41,022	103,181
Carrying amount at start of period		14,036	42,621	5,419	83	41,022	103,181
Disposals		(3,630)	(90)	-	-	(89)	(3,809)
Revaluation increments / (decrements)	8.7	1,068	1,785	24	-	3,055	5,933
Depreciation	4.1.1	-	-	-	-	(1,026)	(1,026)
Carrying amount at end of period		11,475	44,316	5,443	83	42,962	104,279
Gross carrying amount		11,475	44,316	5,443	83	42,962	104,279
Accumulated depreciation ^(a)		-	-	-	-	-	-

^(a) Buildings are revalued each year and the accumulated depreciation is written back against the asset value. As a consequence the accumulated depreciation appears lower than may otherwise be expected.

Initial recognition

Items of property, plant and equipment, 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 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).

Subsequent measurement

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

- Freehold land, reserves and leases
- buildings

Freehold land, reserves and leases are carried at fair value.

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

Freehold land, reserves, leases 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.

Freehold land, reserves, leases and buildings were revalued as at 1 July 2021 by the Western Australian Land Information Authority (Valuations and Property Analytics). The valuations were performed during the year ended 30 June 2022 and recognised at 30 June 2022. In undertaking the revaluation, fair value was determined by reference to market values for freehold land, reserves and leases: \$24,874k (2021: \$29,278k) and buildings: \$10,543k (2021: \$10,049k). 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).

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

4.1.1 Depreciation and impairment

Charge for the period

Depreciation

	2022	2021
	\$000	\$000
Buildings	1,026	1,045
Total depreciation for the period	1,026	1,045

Impairment expense recognised for the year end 30 June 2022 was \$Nil (2021: \$Nil).

All surplus assets at 30 June 2022 have either been classified as assets held for sale or have been written-off.

Finite useful lives

Property having a limited useful life is systematically depreciated over its estimated useful life in a manner that reflects the consumption of its 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.

Useful life: years	
Buildings	
Houses	40 years
Sheds and workshops	40 years
Other facilities	40 years

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.

Freehold land, reserves, leases and heritage or culture building are considered to have indefinite lives and not depreciated.

Impairment

Non-financial assets 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 unless offsetting a previous increment held in the reserve.

As the Authority is a not-for-profit entity, 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 Other assets and liabilities

This section sets out those assets and liabilities that arose from the Authority's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2022	2021
		\$000	\$000
Receivables	5.1	621	988
Payables	5.2	66	153
Other liabilities	5.3	69	-
Provisions	5.4	4,056	7,121

5.1 Receivables**Current**

Trade receivables	559	576
Allowance for impairment of receivables	(7)	(12)
GST receivable	69	71
Accrued income	-	353
Total current	621	988

Reconciliation of changes in the allowance for impairment of trade receivables:

Opening balance	(12)	(4)
Expected credit losses expense	5	(8)
Balance at end of period	(7)	(12)

The maximum exposure to credit risk at the end of the reporting period for trade receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table at Note 7.1 'Financial instruments disclosures'

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

Trade 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.

5.2 Payables**Current**

Trade payables	32	29
Accrued expenses	34	124
Total current	66	153

Payables are recognised at the amounts payable when the Authority 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.

5.3 Other liabilities**Current**

Deposit in advance	69	-
Total current	69	-

5.4 Provisions**Current**

Indigenous Land Use Agreement - land transfers ^(a)	2,190	5,612
Balance at end of period	2,190	5,612

Non-Current

Remediation costs	1,866	1,509
Balance at end of period	1,866	1,509

Total provisions

	4,056	7,121
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5.4.1 Provision for remediation

Under the *Contaminated Sites Act 2003* the Authority has a legal or constructive obligation to rehabilitate affected parcels of land.

A provision for remediation is recognised when:

- there is a present obligation where contaminated sites have been identified and classified as 'contaminated - remediation required';
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

^(a) As part of the South West Native Title settlement's indigenous land use agreement, a number of land parcels held by the Authority are committed for transfer to the Noongar Land Estate.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

The provision for future land transfer costs is the best estimate of the fair value of the expenditure required to settle the land transfer obligation at the reporting date. Future land transfer costs are reviewed annually and any changes in the estimate are reflected in the fair value of the land transfers provision at each reporting date.

5.4.2 Movements in provisions

Movements in each class of provisions during the period is set out below.

Remediation costs		
Carrying amount at start of period	1,509	600
Additional/(reversals of) provisions recognised	357	909
Carrying amount at end of period	<u>1,866</u>	<u>1,509</u>
Indigenous Land Use Agreement - land transfers		
Carrying amount at start of period	5,612	-
Land transferred during the year	(3,630)	5,612
Additional/(reversals of) provisions recognised	208	-
Carrying amount at end of period	<u>2,190</u>	<u>5,612</u>

6 Financing

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

	Notes	2022 \$000	2021 \$000
Cash and cash equivalents	6.1	5,981	3,302

6.1 Cash and cash equivalents

6.1.1 Reconciliation of cash

Cash and cash equivalents	5,981	3,166
Restricted Cash	-	136
Balance at end of period	<u>5,981</u>	<u>3,302</u>

7 Financial instruments and contingencies

This note sets out the key risk management policies and measurement techniques of the Agency

	Notes	2022 \$000	2021 \$000
Financial instruments	7.1		
Contingent assets	7.2.1		
Contingent liabilities	7.2.2		

7.1 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		5,981	3,302
Financial assets at amortised cost ^(a)		552	564
Total financial assets		<u>6,533</u>	<u>3,866</u>
Financial liabilities			
Financial liabilities at amortised cost ^(b)		66	153
Total financial liabilities		<u>66</u>	<u>153</u>

(a) The amount of Receivables/Financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable)

(b) The amount of Financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable)

7.2 Contingencies 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 the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1 Contingent assets

The Authority is not aware of any contingent assets (2021: \$Nil).

7.2.2 Contingent liabilities

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

Native title claims

Up to 318,887 hectares of unallocated land are committed to be transferred under the South West Native Title Settlement arrangements. Due to insufficient information on land selection, land transfer timeframe, as well as the market value of the land (AASB 137 paras 10), it is not feasible to be quantified as a provision. The South West Native Title Settlement may be settled in land held currently by either DPLH administered and Aboriginal Affairs Planning Authority.

Contaminated sites

Under the Contaminated Sites Act 2003 (CS Act), the Authority is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the CS Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values.

The Authority is required to recognise a contingent liability in respect of a site where:
- The site has been classified possibly contaminated – investigation required (PC-IR) under the Act, and investigation costs cannot be reliably estimated.

The Authority is required to recognise provisional liabilities in respect of a site where:
- The site has been classified as possibly contaminated - investigation required or contaminated - remediation required under the Act;
- The Authority is responsible for the site under the Act; and
- A reliable estimate can be made of the costs of investigation/remediation of the site.

During the 2021-2022 financial year, two (2) sites have been classified by DWER as 'contaminated – remediation required' and a provision has been raised for the remediation and management of these sites. In addition 53 sites require formal investigation and have been classified by DWER as 'possibly contaminated – investigation required'. A provision has been raised for the initial investigation and potential remediation of these sites.

Refer to Note 5.4 for these provisions.

Insurance

Buildings and contents on land that is owned or under the Aboriginal Land Trust's responsibility covers approximately 10 per cent of the state and due to the size of this land there is limited information on the number and current condition of these fixed assets. An assessment is made on insured values for known property conditions and these properties are now insured at replacement building value or cost to demolish. There is a risk that these buildings will not be fully insured at replacement value however the Authority is continuing to work with RiskCover to address their disclosure requirements. The Authority reviews its insurance requirements on an annual basis.

Water

Previously the Water Corporation brought to the attention of management a contingent liability regarding the supply of water on the Aboriginal Land Trust estate. Outgoing costs on leased or tenanted land is the responsibility of the tenant but if it is not recoverable from the lessee or tenant, this debt (under the Water Corporation's system) generally reverts to the landowner.

Currently invoices of approximately \$1,875,000 (2021: \$1,867,000) issued by the Water Corporation to the Authority remains outstanding as at period end. No provision was raised at 30 June 2022 (2021: \$Nil) as there was no present legal or constructive obligation and management considers an outflow of resources embodying economic benefits is highly improbable.

8 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	8.1
Key management personnel	8.2
Related party transactions	8.3
Related bodies	8.4
Affiliated bodies	8.5
Remuneration of auditors	8.6
Equity	8.7
Supplementary financial information	8.8
Explanatory statement	8.9
Restatement of prior period comparatives due to error	8.10

8.1 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.

8.2 Key management personnel

The Authority has determined key management personnel to include the responsible Minister and members of the Authority. The Authority does not incur expenditures to compensate the responsible Minister 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 members of the Authority for the reporting period are presented within the following bands:

Compensation Band (\$)	2022	2021
0 - 10,000	7	7
	<u>2022</u>	<u>2021</u>
	<u>\$000</u>	<u>\$000</u>
Total compensation of key management personnel	<u>10</u>	<u>11</u>

Total compensation includes the superannuation expense incurred by the Authority in respect of members of the accountable authority.

The Department of Planning, Lands and Heritage (DPLH) provides full administrative support to the Authority. Compensation of members, disclosed above, form part of the services received free of charge from DPLH.

8.3 Related party transactions

The Authority is a wholly owned public sector entity that is controlled by of the State of Western Australia. Related parties of the Authority 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).

Material transactions with other related parties

Outside of normal citizen type transactions with the Authority, 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.

8.4 Related bodies

The Authority had no related bodies during the current or previous financial year.

8.5 Affiliated bodies

The Authority had no affiliated bodies during the current or previous financial year.

8.6 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

28	27
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8.7 Equity

Contributed equity

Balance at start of period	727	727
<i>Contribution by owners</i>		
<i>Transfer of net assets from other agencies</i>		
Land and buildings	-	-
Total contribution by owners	-	-

Distribution to owners

<i>Transfer of net assets to other agencies</i>		
Land and buildings	(92)	-
Total distributions to owners	(92)	-
Balance at end of period	635	727

Asset revaluation surplus

Balance at start of period	122,784	121,853
Net revaluation increments/(decrements)		
Freehold land, reserves and leases	2,878	1,278
Buildings	3,055	562
Provision of Restoration	(357)	(909)
Balance at end of period	128,360	122,784

8.8 Supplementary financial information

(a) Write-offs

During the financial year, \$28,011 (2021: \$0) was written off the Department's books under the authority of:

The accountable authority	28	-
	28	-

(b) Losses through theft, defaults and other causes

No reported losses due to theft, defaults and other causes for the current or previous year.

(c) Gifts of public property

The Authority did not provide any gifts of public property for the current or previous year.

8.9 Explanatory statement

All variances between annual estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and that the variation is more than 1% of the dollar aggregate of:

- * Total Cost of Services for the Statements of comprehensive income and Statement of cash flows, and
- * Total Estimated Assets for the Statement of financial position.

8.9.1 Statement of Comprehensive Income Variances

	Variance	Estimate	Actual	Actual	Variance between estimate and actual	Variance between actual results for 2022 and 2021
	Note	2022	2022	2021		
		\$000	\$000	\$000	\$000	\$000
Expenses						
Supplies and services	1	12,627	4,952	5,416	(7,675)	(464)
Depreciation expense		1,155	1,026	1,045	(129)	(19)
Grants and subsidies	A	175	236	45	61	191
Other expenses	2, B	202	645	7,322	443	(6,677)
Total cost of services		14,159	6,859	13,828	(7,300)	(6,969)
Income						
Other income	3	317	812	680	495	132
Total income		317	812	680	495	132
Total income other than income from State Government		317	812	680	495	132
NET COST OF SERVICES		13,842	6,047	13,148	(7,795)	(7,101)
Income from State Government						
Services received free of charge	4	6,500	3,518	3,852	(2,982)	(334)
Income received from other public sector entities		3,538	3,538	3,390	-	148
Total income from State Government		10,038	7,056	7,242	(2,982)	(186)
SURPLUS/(DEFICIT) FOR THE PERIOD		(3,804)	1,009	(5,906)	4,813	6,915
OTHER COMPREHENSIVE INCOME/(LOSSES)						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus		-	5,576	931	5,576	4,645
Total other comprehensive income/(LOSSES)		-	5,576	931	5,576	4,645
TOTAL COMPREHENSIVE INCOME/(LOSSES) FOR THE PERIOD		(3,804)	6,585	(4,975)	10,389	11,560

Major Estimate and Actual (2022) Variance Narratives

1 Supplies and services are lower than budget estimate by \$7.675 million (61%) mainly due to reduced support costs from the Department of Planning, Lands and Heritage and various Aboriginal Lands Trust (ALT) estate management and divestment activities being on hold due to a combination of extended procurement processes, the management of risks associated with the new Work Health and Safety Act 2020 and access restrictions due to COVID-19.

2. Other expenses are higher than the budget estimate by \$0.443 million (219%) mainly due to higher than expected repairs and maintenance for ALT properties.

3 Other income is higher than the budget estimate by \$0.495 million (156%) mainly due to higher than expected mining royalties received for ALT estates.

4 Services received free of charge income is lower than the budget estimate by \$2.982 million (46%) mainly due to lower than expected support costs from the Department of Planning, Lands and Heritage.

Major Actual (2022) and Comparative (2021) Variance Narratives

A Grants and subsidies expenses have increased by \$0.191 million (424%) mainly due to the deferral of grant payments in 2020-21.

B. Other expenses have decreased by \$6.676 million (91%) mainly due to the single year impact of provisioning for land transfers as part of the South West Native Title ILUA of \$5.6 million in 2020-21. Subsequently there is less provisioning taken up in 2021-22. In addition, there is a reduction in repairs and maintenance payments.

8.9.2 Statement of Financial Position Variances

	Variance	Estimate	Actual	Actual	Variance between estimate and actual	Variance between actual results for 2022 and 2021
	Note	2022	2022	2021		
		\$000	\$000	\$000	\$000	\$000
ASSETS						
Current Assets						
Cash and cash equivalents		448	5,981	3,166	5,533	2,815
Restricted cash and cash equivalents		-	-	136	-	(136)
Receivables		97	621	988	524	(367)
Total Current Assets		545	6,602	4,290	6,057	2,312
Non-Current Assets						
Property (land and buildings)		100,727	104,279	103,181	3,552	1,098
Total Non-Current Assets		100,727	104,279	103,181	3,552	1,098
TOTAL ASSETS		101,272	110,881	107,471	9,609	3,410
LIABILITIES						
Current Liabilities						
Payables		238	66	153	(172)	(87)
Other current liabilities		-	69	-	69	69
Provisions	5, C	139	2,190	5,612	2,051	(3,422)
Total Current Liabilities		377	2,325	5,765	1,948	(3,440)
Non-Current Liabilities						
Provisions	6	600	1,866	1,509	1,266	357
Total Non-Current Liabilities		600	1,866	1,509	1,266	357
TOTAL LIABILITIES		977	4,191	7,274	3,214	(3,083)
NET ASSETS		100,295	106,690	100,197	6,395	6,493
EQUITY						
Contributed equity		727	635	727	(92)	(92)
Reserves		121,853	128,360	122,784	6,507	5,576
Accumulated deficit		(22,285)	(22,305)	(23,314)	(20)	1,009
TOTAL EQUITY		100,295	106,690	100,197	6,395	6,493

Major Estimate and Actual (2022) Variance Narratives

5 Current provisions are higher than budget estimate by \$2.051 million (1,476%) mainly due to land transfers not yet made as part of the South West Native Title ILUA.

6 Non-current provisions are higher than budget estimate by \$1.266 million (211%) mainly due to the recognition of some remediation costs as non-current liabilities.

Major Actual (2022) and Comparative (2021) Variance Narratives

C Current provisions have decreased by \$3.422 million (61%) mainly due to land transfers during the year as part of the South West Native Title Settlement.

8.9.3 Statement of Cash Flows Variances

	Variance	Estimate	Actual	Actual	Variance between estimate and actual	Variance between actual results for 2022 and 2021
	Note	2022	2022	2021		
		\$000	\$000	\$000	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Supplies and services	7	(6,127)	(1,112)	(978)	5,015	(134)
Grants and subsidies	E	(175)	(236)	(45)	(61)	(191)
GST payments on purchases		(119)	(202)	(263)	(83)	61
GST payment to taxation authority		-	(1)	(6)	(1)	5
Other payments	8, F	(99)	(733)	(1,510)	(634)	777
Receipts						
Grants and contributions		3,538	3,538	3,390	-	148
GST receipts on sales		119	36	34	(83)	2
GST receipts from taxation authority	9	-	168	189	168	(21)
Other receipts	10, G	396	1,221	67	825	1,154
Net cash provided/(used in) operating activities		(2,467)	2,679	878	5,146	1,801
Net increase/(decrease) in cash and cash equivalents		(2,467)	2,679	878	5,146	1,801
Cash and cash equivalents at the beginning of the period		2,915	3,302	2,424	387	878
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		448	5,981	3,302	5,533	2,679

Major Estimate and Actual (2022) Variance Narratives

7 Supplies and services are lower than budget estimate by \$5.015 million (82%) mainly due to reduced support costs from the Department of Planning, Lands and Heritage and various Aboriginal Lands Trust (ALT) estate management and divestment activities being on hold due to a combination of extended procurement processes, the management of risks associated with the new Work Health and Safety Act 2020 and access restrictions due to COVID-19.

8 Other payments are higher than budget estimate by \$0.634 million (640%) mainly due to higher than expected repairs and maintenance payments of \$0.6 million.

9 GST receipts from taxation authority are higher than budget estimate by \$0.168 million (100%) mainly due to net GST received being in a receivable position as a result of GST receipts on purchases.

10 Other receipts are higher than the budget estimate by \$0.825 million (208%) mainly due to the collection of mining royalties received for ALT estates owed from previous financial years from the Department of Mines, Industry Regulation and Safety and a contribution from the Pilbara Development Committee for costs incurred by AAPA for remediation works at the Tjalka Boorda indigenous community.

Major Actual (2022) and Comparative (2021) Variance Narratives

E Grants and subsidies expenses have increased by \$0.191 million (424%) mainly due to the deferral of grant payments in 2020-21.

F Other expenses have decreased by \$0.777 million (51%) mainly due to a reduction in repairs and maintenance payments.

G Other receipts have increased by \$1.154 million (1,722%) mainly due to the collection of mining royalties received for ALT estates owed from previous financial years from the Department of Mines, Industry Regulation and Safety and a contribution from the Pilbara Development Committee for costs incurred by AAPA for remediation works at the Tjalka Boorda indigenous community.

8.10 Restatement of prior period comparatives due to error

It was determined that the accounting for royalties received by the Authority was incorrect, resulting in a understatement of receivables and other income for 30 June 2021, as well as an understatement of receivables at 1 July 2020. The impact is summarised below:

	30 June 2021 (as previously reported)	Increase/ (Decrease)	30 June 2021 (Restated)
Statement of Financial Position (Extract)			
Receivables	\$000	\$000	\$000
	614	374	988
Total Assets	107,097	374	107,471
Net Assets	99,823	374	100,197
Accumulated deficit	(23,688)	374	(23,314)
Total Equity	99,823	374	100,197
1 July 2020 (as previously reported)			
Statement of Financial Position (Extract)	\$000	\$000	\$000
Receivables	97	353	450
Total Assets	105,558	353	105,911
Net Assets	104,819	353	105,172
Accumulated deficit	(17,761)	353	(17,408)
Total Equity	104,819	353	105,172
30 June 2021 (as previously reported)			
Statement of Comprehensive Income (Extract)	\$000	\$000	\$000
Other income	659	21	680
Total income	659	21	680
NET COST OF SERVICES	13,169	(21)	13,148
SURPLUS/(DEFICIT) FOR THE PERIOD	(5,927)	21	(5,906)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(4,996)	21	(4,975)

Key Performance Indicators

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 Aboriginal Affairs Planning Authority's performance, and fairly represent the performance of the Aboriginal Affairs Planning Authority for the financial year ended 30 June 2022.



Anthony Kannis
Director General
 Department of Planning, Lands and Heritage
 12 December 2022

The AAPA's desired outcome and key performance indicators

For the year ended 30 June 2022

Relationship to Government Goals

The Aboriginal Affairs Planning Authority (the Authority) contributes to the State Government goal of "Growing Our Communities: Protecting our environment with thriving suburbs and regions".

The desired outcome of the Authority is that the use and management of land held by the Aboriginal Lands Trust (ALT), or for which the ALT is in any manner responsible, accords with the wishes of the Aboriginal inhabitants of the area so far as that can be ascertained and is practicable.

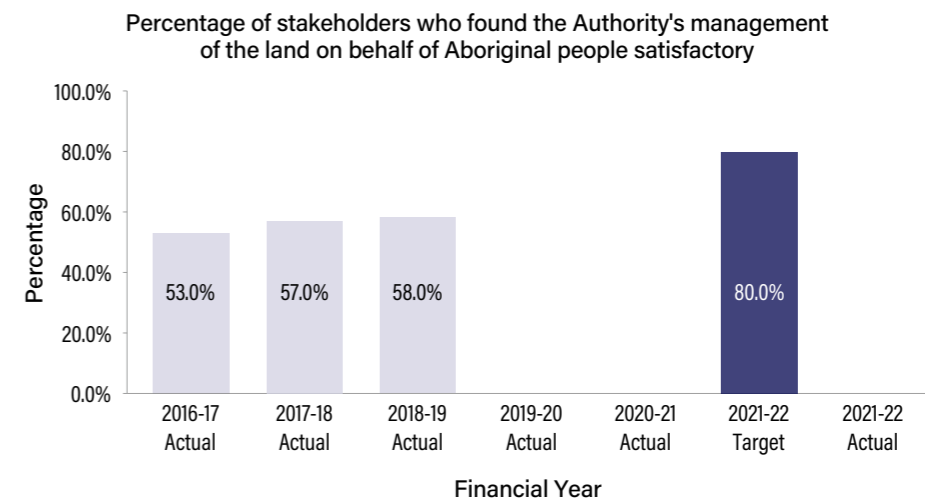
Effectiveness Indicator Percentage of stakeholders who found the Authority's management of the land on behalf of Aboriginal people satisfactory

The Authority measures the effectiveness in achieving its outcome in the context of the use and management of the land held by the Aboriginal Lands Trust (ALT).

To measure this effectiveness the Department of Planning Lands and Heritage (the Department) normally commissions an independent research company to conduct a survey of key stakeholders.

The Department identifies stakeholders as those individuals or organisations that have had substantial interactions with the Department and its services during the reporting period. The independent research company seeks survey responses from direct stakeholders, including other government agencies, key stakeholder committees and key community organisations. The number of survey respondents fluctuates from year to year because of individuals who opt out and those the consultant is unable to contact.

For 2021-22, the Department did not conduct a stakeholder satisfaction survey, and the reason for this is explained below.



Explanation for not reporting this KPI in 2019-20, 2020-21 and 2021-22

Due to the COVID-19 pandemic, many key stakeholders focussed on the emergency response and returned to their remote communities, resulting in lower than usual interactions with the Authority and its services during the reporting period. The Department had limited ability to undertake community engagements due to intrastate travel restrictions and a moratorium on engagement across the ALT estate requested by the Kimberley Land Council, which impacted the Department for a significant portion of 2021-22. Therefore, the Department considered that it would not be appropriate to conduct surveys of key stakeholders, which was likely to produce an insufficient response rate and a result that is not reflective of satisfaction levels comparative to previous years. The Department sought an exemption from reporting this KPI for the 2019-20, 2020-21 and 2021-22 financial years, and the Under Treasurer granted this exemption on 12 May 2020, 28 May 2021 and 18 May 2022 respectively.

Efficiency Indicators Average cost per hectare

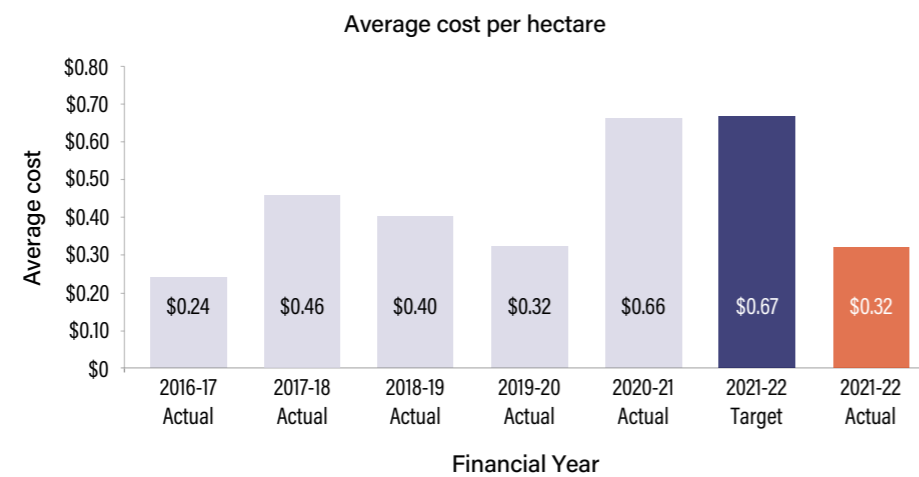
This efficiency indicator measures the average cost (calculated by the adjusted cost of service) per hectare spent managing and maintaining the ALT estate.

Costs include services received free-of-charge from the Department for the administration of the estate and spending on maintenance of the estate.

Explanation for significant variance

The variance between the 2021-22 actual and both the 2021-22 target and 2020-21 actual is due to underspending of \$7.2 million. This was mainly due to the following factors:

- Corporate Costs expenditure was below budget by \$2.9 million in 2021-22 due to savings achieved by DPLH in administering corporate services function on behalf of the AAPA;
- ALT Divestment expenditure was below budget by \$2.4 million due to a combination of COVID-19 related delays and extended procurement processes; and
- ALT Management expenditure was below budget by \$1.7 million due to the impact of COVID-19 delays, extended procurement processes and the management of risks associated with the new *Work Health and Safety Act 2020*.



The Farmers Home Hotel in Northam won the coveted Gerry Gauntlet Award at the 2021 WA Heritage Awards.



HERITAGE
COUNCIL

Heritage Council of Western Australia

Financials and Performance Indicators



Auditor General

INDEPENDENT AUDITOR'S REPORT
2022
Heritage Council of Western Australia

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Heritage Council of Western Australia (Council) which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

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 Heritage Council of Western Australia for the year ended 30 June 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), 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 believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Council Members for the financial statements

The Council Members are responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Page 1 of 5

7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500

In preparing the financial statements, the Council Members are responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Council.

Auditor's responsibilities 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. 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.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Heritage Council of Western Australia. The controls exercised by the Council are those policies and procedures established 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).

In my opinion, in all material respects, the controls exercised by the Heritage Council of Western Australia 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 2022.

The Council Members' responsibilities

The Council Members are 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 were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an 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 in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance 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 audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Heritage Council of Western Australia for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and 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 Heritage Council of Western Australia are relevant and appropriate to assist users to assess the Council's performance and fairly represent indicated performance for the year ended 30 June 2022.

The Council Members' responsibilities for the key performance indicators

The Council Members are 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 Council Members determine 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 Council Members are 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 responsibilities

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 entity'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 report on financial statements, 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.

Other information

The Council Members are responsible for the other information. The other information is the information in the Authority's annual report for the year ended 30 June 2022, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

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 Heritage Council of Western Australia for the year ended 30 June 2022 included in the annual report on the Council's website. The Council's management is responsible for the integrity of the Council's website. This audit does not provide assurance on the integrity of the Council's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. 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 contact the entity to confirm the information contained in the website version.



Patrick Arulsingham
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
30 November 2022

Certification of financial statements

For the reporting period ended 30 June 2022

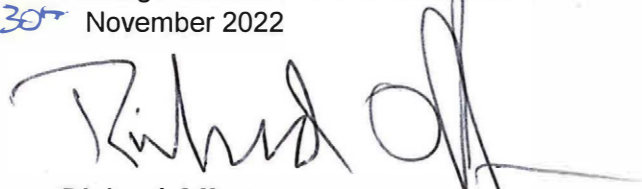
The accompanying financial statements of the Heritage Council of Western Australia have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2022 and the financial position as at 30 June 2022.

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



Hon. John Cowdell AM
Chair

Heritage Council of Western Australia
30 November 2022



Richard Offen
Member

Heritage Council of Western Australia
30 November 2022



Jeremy Kwong
A/Chief Finance Officer

Department of Planning, Lands and Heritage
30 November 2022

Statement of comprehensive income

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
COST OF SERVICES			
Expenses			
Supplies and services	2.2	1,670,782	310,125
Grants and subsidies	2.1	1,347,040	1,106,607
Other expenses	2.2	25,211	20,962
Total cost of services		3,043,033	1,437,694
Income			
Other income	3.2	2,235	33,592
Total income		2,235	33,592
Total income other than income from State Government		2,235	33,592
NET COST OF SERVICES		3,040,798	1,404,102
Income from State Government			
Service appropriation	3.1	1,606,000	1,377,000
Income received from other public sector entities	3.1	470,000	-
Total income from State Government		2,076,000	1,377,000
DEFICIT FOR THE PERIOD		(964,798)	(27,102)
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation surplus		-	-
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(964,798)	(27,102)

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

Statement of financial position

As at 30 June 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5.1	1,087,132	952,912
Restricted cash and cash equivalents	5.1	7,229,944	7,733,214
Receivables	4.1	216,676	3,528
Total Current Assets		8,533,752	8,689,654
TOTAL ASSETS		8,533,752	8,689,654
LIABILITIES			
Current Liabilities			
Payables	4.2	162,966	-
Grants payable	4.3	1,858,077	1,212,147
Total Current Liabilities		2,021,043	1,212,147
TOTAL LIABILITIES		2,021,043	1,212,147
NET ASSETS		6,512,709	7,477,507
EQUITY			
Accumulated surplus		6,512,709	7,477,507
TOTAL EQUITY		6,512,709	7,477,507

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 2022

	Accumulated surplus \$	Total equity \$
Balance at 1 July 2020	7,504,609	7,504,609
Deficit	(27,102)	(27,102)
Other comprehensive income	-	-
Total comprehensive loss for the period	(27,102)	(27,102)
Balance at 30 June 2021	7,477,507	7,477,507
Balance at 1 July 2021	7,477,507	7,477,507
Deficit	(964,798)	(964,798)
Other comprehensive income	-	-
Total comprehensive loss for the period	(964,798)	(964,798)
Balance at 30 June 2022	6,512,709	6,512,709

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 2022

Notes	2022 \$	2021 \$
CASH FLOWS FROM STATE GOVERNMENT		
Service appropriation	1,606,000	1,377,000
Funds from other public sector entities	470,000	-
Net cash provided by State Government	2,076,000	1,377,000
Utilised as follows:		
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Supplies and services	(1,725,325)	(310,108)
Grants and subsidies	(690,069)	(109,968)
GST payments on purchases	(323,716)	(11,912)
GST payments to taxation authority	(14,613)	(3,170)
Other payments	(32,056)	(20,980)
Receipts		
GST receipts on sales	142,108	-
GST receipts from taxation authority	196,386	12,528
Other receipts	2,235	-
Net cash (used in)/provided by operating activities	(2,445,050)	(443,610)
Net (decrease)/increase in cash and cash equivalents	(369,050)	933,390
Cash and cash equivalents at the beginning of the period	8,686,126	7,752,736
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	8,317,076	8,686,126
	5.1	

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

Notes to the financial statements

1. Basis of preparation

The Heritage Council of Western Australia (Heritage Council or HCWA) is a Western Australian Government entity and is controlled by the State of Western Australia, which is the ultimate parent entity. The Heritage Council 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' of this Annual Report, which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Chair of the Heritage Council on 30 November 2022.

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 (TIs)
- 3) Australian Accounting Standards (AASs) - Simplified Disclosures
- 4) Where appropriate, those AASs paragraphs applicable for not-for-profit entities have been applied

The FMA and the TIs take precedence over AASs. Several AASs are modified by the TIs 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 dollar (\$).

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by the Department as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- (b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

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 T1 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements.

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.

2 Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Heritage Council'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 Heritage Council in achieving its objectives and the relevant notes are:

	Notes	2022 \$	2021 \$
Grants and subsidies	2.1	1,347,040	1,106,607
Other expenditure	2.2	1,695,993	331,087

2.1 Grants and subsidies

Heritage Grants Program		1,347,040	1,106,607
		1,347,040	1,106,607

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.

Grant applications are checked and reviewed prior to being recognised as an expense at the date the application was authorised by the Minister. 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.

2.2 Other expenditure

Supplies and Services

Parry Street Precinct Project Costs ^(a)		1,461,315	146,000
Committee sitting fees		189,175	149,341
Superannuation - defined contribution plans		18,918	14,188
Consumables		1,374	596
Total supplies and services		1,670,782	310,125

Other expenses

Other		25,211	20,962
Total other expenses		25,211	20,962
Total other expenditure		1,695,993	331,087

Supplies and services:

Supplies and services are recognised as an expense in the reporting period in which they are incurred. Conservation works are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

The Heritage Council of Western Australia has no direct staff or systems, all administrative and operational activities are undertaken by the Department of Planning, Lands and Heritage (DPLH) on the Council's behalf.

^(a) Project costs for the pre-sale works to prepare eight houses in the Parry Street Precinct on behalf of Department of Communities.

3 Our funding sources

How we obtain our funding

This section provides additional information about how the Heritage Council obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Heritage Council and the relevant notes are:

	Notes	2022 \$	2021 \$
Income from State Government	3.1	2,076,000	1,377,000
Other income	3.2	2,235	33,592

3.1 Income from State Government

Appropriation received during the period:

Service appropriation ^(a)		1,606,000	1,377,000
		1,606,000	1,377,000
Income received from other public sector entities ^(b)		470,000	-
Total income received from other public sector entities		470,000	-
Total income from State Government		2,076,000	1,377,000

^(a) Service appropriations are recognised as income at the fair value in the period in which the Heritage Council gains control of the appropriated funds. The Heritage Council gains control of appropriated funds at the time those funds are deposited to the bank account.

^(b) Income received from other public sector entities are recognised as income when the Heritage Council has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when the Heritage Council receives the funds.

Appropriations fund the net cost of services delivered.

Summary of Consolidated Account Appropriations

	2022 Estimate \$	2022 Actual \$	Variance \$	2022 Actual \$
Delivery of Services				
Item 89 Net amount appropriated to deliver services	1,606,000	1,606,000	-	1,606,000
Total appropriations provided to deliver services	1,606,000	1,606,000	-	1,606,000

3.2 Other income

Annual variation for previous years Heritage Grant Program		2,235	33,592
		2,235	33,592

Other income is recognised at the transaction price when the Council transfers control of the services to customers.

Other income has been recognised in their entirety upon receipt as there are no conditions applying to its use and it is not subject to performance measures in terms of service delivery.

4 Other assets and liabilities

This section sets out those assets and liabilities that arose from the Heritage Council's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2022 \$	2021 \$
Receivables	4.1	216,676	3,528
Payables	4.2	162,966	-
Grants payable	4.3	1,858,077	1,212,147
4.1 Receivables			
Trade receivables		129,028	304
GST receivable		3,058	3,224
Accrued income		84,590	-
		216,676	3,528

The Heritage Council 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.

4.2 Payables

Current

Trade payables	1,786	-
Accrued expenses	161,180	-
Total current	162,966	-
Balance at end of period	162,966	-

Payables are recognised at the amounts payable when the Heritage Council 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.

4.3 Grants Payable

Current

Heritage Grants Program	1,858,077	1,212,147
Total current	1,858,077	1,212,147

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 applications are checked and reviewed prior to being taken up into payables at the date the application was authorised by the Minister. 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.

5 Financing

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

	Notes	2022 \$	2021 \$
Cash and cash equivalents	5.1	8,317,076	8,686,126
5.1 Cash and cash equivalents			
Cash and cash equivalents		1,087,132	952,912
Restricted cash and cash equivalents:			
- Heritage Grants Program ^(a)		1,855,016	1,326,540
- Refund of Heritage Loan Scheme Subsidy Funds ^(b)		384,480	384,480
- Heritage Works Program ^(c)		4,990,448	6,022,194
		7,229,944	7,733,214
Balance at end of period		8,317,076	8,686,126

^(a) Funds restricted for heritage grants awarded to the owners of state listed heritage properties for conservation purposes.

^(b) The Heritage Loan Subsidy Scheme was terminated and the funds have been restricted with the understanding that the proceeds will be added to an existing or be applied to a future program that focuses on regional heritage.

^(c) Funds restricted for future use by the Heritage Works Program.

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.

6 Financial instruments

	Notes	2022 \$	2021 \$
Financial instruments	6.1		

6.1 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:

	2022 \$	2021 \$
Financial assets		
Cash and cash equivalents	1,087,132	952,912
Restricted cash and cash equivalents	7,229,944	7,733,214
Financial assets at amortised cost	129,028	304
Total financial assets	8,446,104	8,686,431
Financial liabilities		
Financial liabilities at amortised cost	2,021,043	1,212,147
Total financial liabilities	2,021,043	1,212,147

7 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	7.1
Key management personnel	7.2
Related party transactions	7.3
Related bodies	7.4
Affiliated bodies	7.5
Remuneration of auditors	7.6
Supplementary financial information	7.7
Contingent assets and liabilities	7.8
Explanatory statement	7.9

7.1 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.

7.2 Key management personnel

The Heritage Council has determined key management personnel to include responsible cabinet ministers and members of the Council. The Council 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 members of the Heritage Council for the reporting period are presented within the following bands:

Compensation Band (\$)	2022	2021
1 - 10,000	1	1
10,001 - 20,000	6	5
20,001 - 30,000	1	2
30,001 - 40,000	2	1
	\$	\$
Total compensation of members	209,896	168,417

Total compensation includes the superannuation expense incurred by the Heritage Council in respect of members.

7.3 Related party transactions

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

Related parties of the Heritage Council include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all members 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);
- the Department of Planning Lands and Heritage (see note 2.2)
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with other related parties

Outside of normal citizen type transactions with the Heritage Council, 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.

7.4 Related bodies

The Heritage Council had no related bodies during the financial year 2021-22 and 2020-21.

7.5 Affiliated bodies

The Heritage Council had no affiliated bodies during the financial year 2021-22 and 2020-21.

7.6 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

	2022	2021
	\$	\$
	15,400	15,000

7.7 Supplementary financial information

(a) Write-offs

During the financial year 2022 nil (2021: nil) was written off from the Heritage Council's receivables register.

(b) Losses through theft, defaults and other causes

There was no loss of public money and public and other property through theft, default and other causes during the financial year 2021-22 and 2020-21.

(c) Gifts of public property

There were no gifts of public property provided by the Heritage Council during the financial year 2021-22 and 2020-21.

7.8 Contingent assets and liabilities

The Heritage Council has no significant contingent liabilities or contingent assets as at 30 June 2022 and 30 June 2021.

7.9 Explanatory statement

All variances between annual estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative that the variation is more than 1% of the dollar aggregate of:

* Total Cost of Services for the Statements of comprehensive income and Statement of cash flows, and

* Total Estimated Assets for the Statement of financial position.

7.9.1 Statement of Comprehensive Income Variances

	Variance	Estimate	Actual	Actual	Variance	Variance
		2022	2022	2021	between	between actual
	Note	\$	\$	\$	estimate	and results for 2022
					and	and 2021
					actual	and 2021
					\$	\$
Expenses						
Supplies and services	A	1,611,000	1,670,782	310,125	59,782	1,360,657
Grants and subsidies	B	1,281,000	1,347,040	1,106,607	66,040	240,433
Other expenses		29,000	25,211	20,962	(3,789)	4,249
Employee benefits	1	32,000	-	-	(32,000)	-
Total cost of services		2,953,000	3,043,033	1,437,694	90,033	1,605,339
Income						
Other income	C	-	2,235	33,592	2,235	(31,357)
Total Income		-	2,235	33,592	2,235	(31,357)
Total income other than income from State Government		-	2,235	33,592	2,235	(31,357)
NET COST OF SERVICES		2,953,000	3,040,798	1,404,102	87,798	1,636,696
Income from State Government						
Service appropriation	D	1,606,000	1,606,000	1,377,000	-	229,000
Income received from other public sector entities	E	470,000	470,000	-	-	470,000
Total income from State Government		2,076,000	2,076,000	1,377,000	-	699,000
SURPLUS/(DEFICIT) FOR THE PERIOD		(877,000)	(964,798)	(27,102)	(87,798)	(937,696)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		(877,000)	(964,798)	(27,102)	(87,798)	(937,696)

Major Estimate and Actual (2022) Variance Narratives

1 Employee benefits are lower than budget estimate by \$0.032 million (100%) mainly due to costs of committee members being recorded as part of other expenses.

Major Actual (2022) and Comparative (2021) Variance Narratives

A Supplies and services expenses have increased by \$1.361 million (439%) mainly due to an increase of WA Recovery Plan deliverable that has commenced additional conservation works on seven houses at the Parry Street Precinct.

B Grants and subsidies expenses have increased by \$0.24 million (22%) mainly due to a carryover of 2020-21 underspent Heritage Grants to 2021-22.

C Other income has decreased by \$0.031 million (93%) mainly due to the lower return of unused grants in 2021-22.

D Service appropriation has increased by \$0.229 million (17%) mainly due to an increase in board members sitting fees.

E Income received from other public sector entities have increased by \$0.47 million (100%) mainly due to the DPLH funding contribution to conservation works on Parry Street Precinct.

7.9.2 Statement of Financial Position Variances

	Variance	Estimate	Actual	Actual	Variance between estimate and actual	Variance between actual results for 2022 and 2021
Note	2022	2022	2021	2021		
	\$	\$	\$	\$	\$	\$
ASSETS						
Current Assets						
Cash and cash equivalents		951,000	1,087,132	952,912	136,132	134,220
Restricted cash and cash equivalents		5,502,000	7,229,944	7,733,214	1,727,944	(503,270)
Receivables		1,000	216,676	3,528	215,676	213,148
Total Current Assets		6,454,000	8,533,752	8,689,654	2,079,752	(155,902)
TOTAL ASSETS		6,454,000	8,533,752	8,689,654	2,079,752	(155,902)
LIABILITIES						
Current Liabilities						
Payables		249,000	162,966	-	(86,034)	162,966
Grants payable	2, F	-	1,858,077	1,212,147	1,858,077	645,930
Total Current Liabilities		249,000	2,021,043	1,212,147	1,772,043	808,896
TOTAL LIABILITIES		249,000	2,021,043	1,212,147	1,772,043	808,896
NET ASSETS		6,205,000	6,512,709	7,477,507	307,709	(964,798)
EQUITY						
Contributed equity		(5,282,000)	-	-	5,282,000	-
Accumulated surplus		11,487,000	6,512,709	7,477,507	(4,974,291)	(964,798)
TOTAL EQUITY		6,205,000	6,512,709	7,477,507	307,709	(964,798)

Major Estimate and Actual (2022) Variance Narratives

2 Grants payable are higher than budget estimate by \$1.858 million (100%) mainly due to the grant recipients for the 2022 Heritage Grants Program (HGP) being announced in April 2022 resulting in a large component of the committed grants unpaid.

Major Actual (2022) and Comparative (2021) Variance Narratives

F Grants Payable has increased by \$0.646 million (53%) mainly due to the grant recipients for the 2022 Heritage Grants Program (HGP) being announced in April 2022 resulting in a large component of the committed grants unpaid.

7.9.3 Statement of Cash Flows Variances

	Variance	Estimate	Actual	Actual	Variance between estimate and actual	Variance between actual results for 2022 and 2021
Note	2022	2022	2021	2021		
	\$	\$	\$	\$	\$	\$
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation	D	1,606,000	1,606,000	1,377,000	-	229,000
Funds from other public sector entities	E	470,000	470,000	-	-	470,000
Net cash provided by State Government		2,076,000	2,076,000	1,377,000	-	699,000
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits	1	(32,000)	-	-	32,000	-
Supplies and services	H	(1,618,000)	(1,725,325)	(310,108)	(107,325)	(1,415,217)
Grants and subsidies	3, I	(1,281,000)	(690,069)	(109,968)	590,931	(580,101)
GST payments on purchases	4, J	-	(323,716)	(11,912)	(323,716)	(311,803)
GST payments to taxation authority	5	-	(14,613)	(3,170)	(14,613)	(11,443)
Other payments		(22,000)	(32,056)	(20,980)	(10,056)	(11,077)
Receipts						
GST receipts on sales	6, K	-	142,108	-	142,108	142,108
GST receipts from taxation authority	5, L	-	196,386	12,528	196,386	183,858
Other receipts		-	2,235	-	2,235	2,235
Net cash provided by / (used in) operating activities		(2,953,000)	(2,445,050)	(443,610)	507,950	(2,001,440)
Net increase/(decrease) in cash and cash equivalents		(877,000)	(369,050)	933,390	507,950	(1,302,440)
Cash and cash equivalents at the beginning of the period		7,330,000	8,686,126	7,752,736	1,356,126	933,390
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		6,453,000	8,317,076	8,686,126	1,864,076	(369,050)

Major Estimate and Actual (2022) Variance Narratives

1 Employee benefits are lower than budget estimate by \$0.032 million (100%) mainly due to costs of committee members being recorded as part of other expenses.

3 Grants and subsidies are lower than budget estimate by \$0.591 million (46%) mainly due to 2021-22 Heritage Grants Program (HGP) announced in April 2022 and expected to be paid in 2022-23.

4 GST payments on purchases are higher than budget estimate by \$0.324 million (100%) mainly due to an increase in the payment of taxable supplies for the Parry Street Precinct Project.

5 Net GST payments to/receipts from taxation authority are higher than budget estimate by \$0.182 million mainly due to an increase in the payment of taxable supplies for the Parry Street project

6 GST receipts on sales are higher than budget estimate by \$0.142 million (100%) mainly due to increment in the receipt of taxable supplies for the Parry Street project as part of cost recoup from Department of Communities.

Major Actual (2022) and Comparative (2021) Variance Narratives

H Supplies and services expenses have increased by \$1.415 million (456%) mainly due to an increase of WA Recovery Plan deliverable that has commenced additional conservation works on seven houses at the Parry Street Precinct.

I Grants and subsidies expenses have increased by \$0.580 million (528%) mainly due to 2020-21 Heritage Grants Program (HGP) was announced in May 2021 and paid in 2021-22.

J GST payments on purchases have increased by \$0.312 million (2,618%) mainly due to an increase in the payment of taxable supplies for the Parry Street Precinct Project.

K GST receipts on sales have increased by \$0.142 million (100%) mainly due to increment in the receipt of taxable supplies for the Parry Street project as part of cost recoup from Department of Communities.

L GST receipts from taxation authority have increased by \$0.184 million (1,468%) mainly due to an increase in the payment of taxable supplies for the Parry Street project.

Key Performance Indicators

Certification of key performance Indicators

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Heritage Council of Western Australia's performance, and fairly represent the performance of the Heritage Council of Western Australia for the financial year ended 30 June 2022.



Hon. John Cowdell AM
Chair
 Heritage Council of Western Australia
 30 November 2022



Richard Offen
Member
 Heritage Council of Western Australia
 30 November 2022

The Heritage Council's desired outcome and key performance indicators

For the year ended 30 June 2022

Relationship to Government Goals

The Heritage Council of Western Australia provides strategic cultural heritage services for the conservation of cultural heritage places in Western Australia for the benefit of present and future generations.

Through the desired outcome and service listed below, the Heritage Council contributes to the State Government's goal for "Growing Our Communities: Protecting our environment with thriving suburbs and regions".

Government Goal	Desired Outcome	Services
Growing Our Communities Protecting our environment with thriving suburbs and regions	Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations	1. Cultural Heritage Conservation Services

To achieve this goal, the Department of Planning, Lands and Heritage (the Department) provides cultural heritage conservation services on behalf of and under the direction of the Heritage Council such as:

- establishing and maintaining a comprehensive heritage register;
- providing conservation advice on development referrals and other relevant matters;
- developing the role of public authorities in conserving and managing heritage places;
- providing financial assistance and other conservation incentives; and
- providing publications, seminars and other promotional activities.

Outcome and Key Effectiveness Indicators

Heritage Council Desired Outcome

Conservation of cultural heritage places in Western Australia, for the benefit of present and future generations.

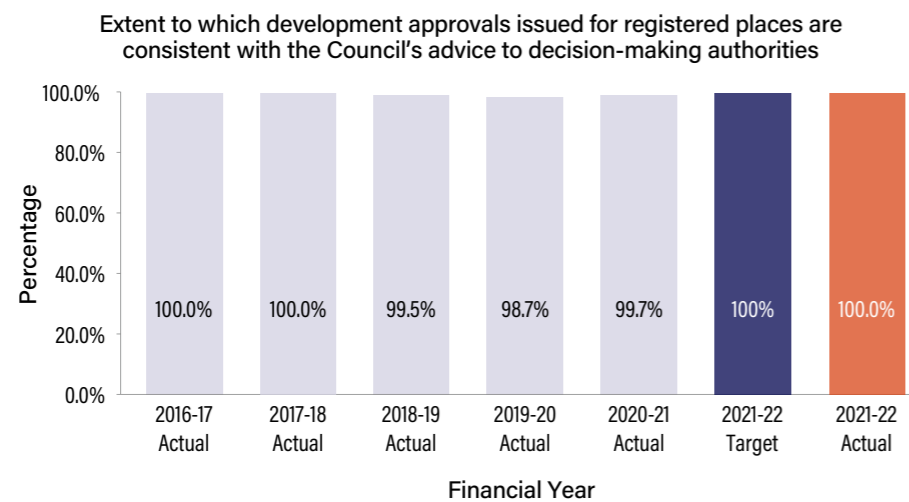
Effectiveness Indicator

Extent to which development approvals issued for registered places are consistent with the Council's advice to decision-making authorities

One of the Heritage Council's functions under the *Heritage Act 2018* is to provide advice to decision-making authorities on development or other proposals that may impact a registered place to ensure preservation of the place's cultural heritage significance.

If a development involves a change to a place listed on the State Register of Heritage Places, the responsible decision maker refers the development proposal to the Heritage Council for advice. On behalf of the Heritage Council, the Department manages development referrals within strategic, legislative and policy frameworks that ensure respect for the cultural heritage significance of the place.

This key performance indicator measures the extent to which the Heritage Council is achieving its desired outcome.

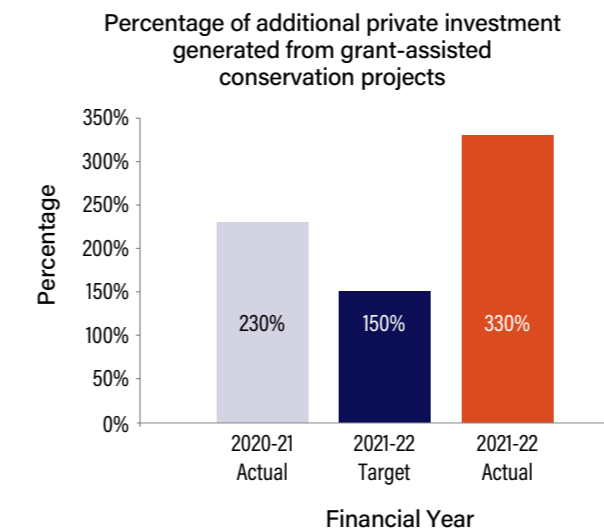


Effectiveness Indicator

Percentage of additional private investment generated from grant-assisted conservation projects

One of the Heritage Council's key objectives is the conservation of Western Australia's heritage places through sound heritage practice, harmonious development, and the realisation of their full potential. To promote this, the Council offers funding through its Heritage Grants Program for best practice conservation, and for projects that engage with community and interpret State Registered places. The Council generally requires grant recipients to contribute an equal or greater amount of their own resources.

This key performance indicator measures the value of resources applied to grant-funded projects by the recipients (including in-kind contributions) as a percentage of the total value of grants provided.



Explanation for variance

The variance between the 2021-22 actual and both the 2021-22 target and 2020-21 actual is due to an increased applicant contribution in 2021-22 where multiple applicants provided more than the minimum 50 per cent required funds, eight of whom provided more than 80 per cent of project funds.

Heritage Council Services

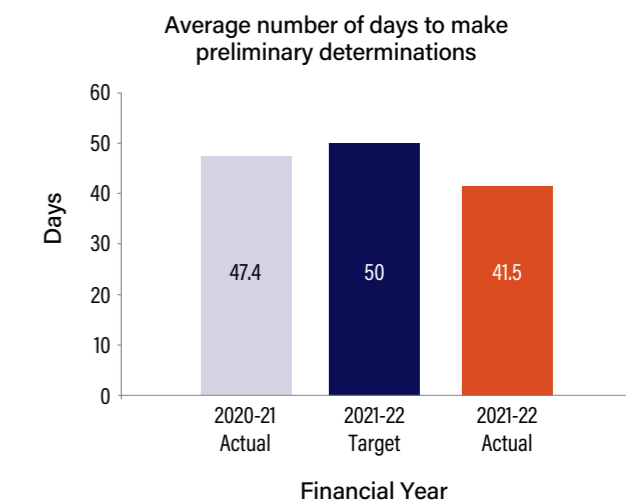
**Service 1
Cultural Heritage
Conservation Services**

Efficiency Indicator

Average number of days to make preliminary determinations

Under s 39 of the *Heritage Act 2018*, the Heritage Council must make a preliminary determination as to whether a nomination for entry in the State Register of Heritage Places warrants review under s 40(1). Under r 30(2) of the Heritage Regulations 2019, the prescribed period is 60 days from the date the Heritage Council receives the nomination.

This key performance indicator measures the Department's efficiency in meeting the new statutory requirement on behalf of the Heritage Council, by calculating the total number of days taken to make all preliminary determinations and dividing this by the total number of determinations made.



Explanation for variance

The variance between the 2021-22 actual and target was due mainly to the Heritage Council resolving only one of the eight nominations after more than 50 days, and two within 30 days. In 2020-21, the Heritage Council determined 12 nominations with eight resolved after more than 50 days and two within 20 days.

Disclaimer

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