



Department of
the Premier and Cabinet



Annual 22 Report 23

Leading a connected
WA Government



Produced and published by

The Department of the Premier and Cabinet

Principal address:

Dumas House
2 Havelock Street
West Perth WA 6005

Postal address:

Locked Bag 3001
West Perth WA 6872

Telephone:

(08) 6552 5000

Fax:

(08) 6552 5001

Email:

admin@dpc.wa.gov.au

Website:

dpc.wa.gov.au

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Acknowledgement of Country

The Government of Western Australia acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders both past, present and emerging.

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The Department of the Premier and Cabinet

Statement of compliance

For the year ended 30 June 2023

Hon Roger Cook BA GradDipBus MBA MLA

Premier; Minister for State and Industry Development, Jobs and Trade; Public Sector Management; Federal-State Relations.

In accordance with section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to the Parliament, the Annual Report for the Department of the Premier and Cabinet for the financial year ended 30 June 2023.

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



Emily Roper PSM
Director General





Director General's foreword

As I reflect on the past 12 months, I am proud of the way the Department worked together and across the sector to deliver value to the Government and the Western Australian community.

As the central agency which takes the lead on priority policy issues requiring a whole-of-Government perspective, we look at the whole picture, to help ensure government policy benefits Western Australia's community, economy and environment.

Our achievements throughout the year come from using our expertise to help tackle the big issues impacting Western Australia, collaborating with other agencies, and working with partners in industry and the community to deliver the best outcomes for the people of our State.

They include the ongoing implementation of the Just Transition framework in Collie, a key part of work to decarbonise our economy. This initiative supports workers, industries, and communities, by investing to attract major projects and bring new and emerging industries to town and provide a viable and ongoing pipeline of local work, helping the move away from carbon-intensive industries.

In November 2022, the Resources Community Investment Initiative was launched to facilitate investment from industry in our resource-rich state to support infrastructure development and enhancement so that all Western Australians benefit. Projects already identified include the Aboriginal Cultural Centre, Perth Zoo Master Plan, remote Aboriginal Communities Fund, and Perth Concert Hall redevelopment.

Throughout the year, we continued to support the Premier's attendance and involvement at eight National Cabinet meetings in 2022-23. Our work included leading the development of high-quality policy advice on a range of important Federal-State issues that impact us all, from health to housing, and energy to early childhood education and care.

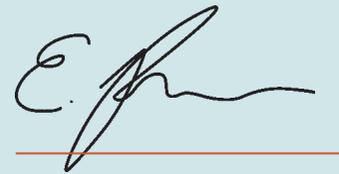
I take pride in the way that we collaborated to reach a historic milestone in the Tjiwarl Native Title Settlement, which commenced in May. Working alongside the community, listening and designing the terms helped provide certainty for the Tjiwarl people, the State Government and industry in how tenure, heritage and environment is managed within the determination area. This is a hallmark of the WA Government's partnership approach to reach agreement without relying on the court's involvement.

In addition, our Office of Digital Government continued to deliver the WA Government's vision for digital reform, helping to create a secure, sustainable, and inclusive digital future for WA. The team also works to lead and support improvements to cyber security resilience across the Western Australian public sector. Finally, the team is responsible for the administration of the Digital Capability Fund, which since 2021 has allocated more than \$830 million dollars to digital transformation initiatives across the WA Government.

In May, when the Hon Mark McGowan resigned as Premier for Western Australia and Member for Rockingham, our agency worked quickly to manage the transition to welcome our new Premier, the Hon Roger Cook MLA, and support the reconstitution of the Ministry. The smooth transition reflected the experience and commitment of our teams delivering support to Executive Government.

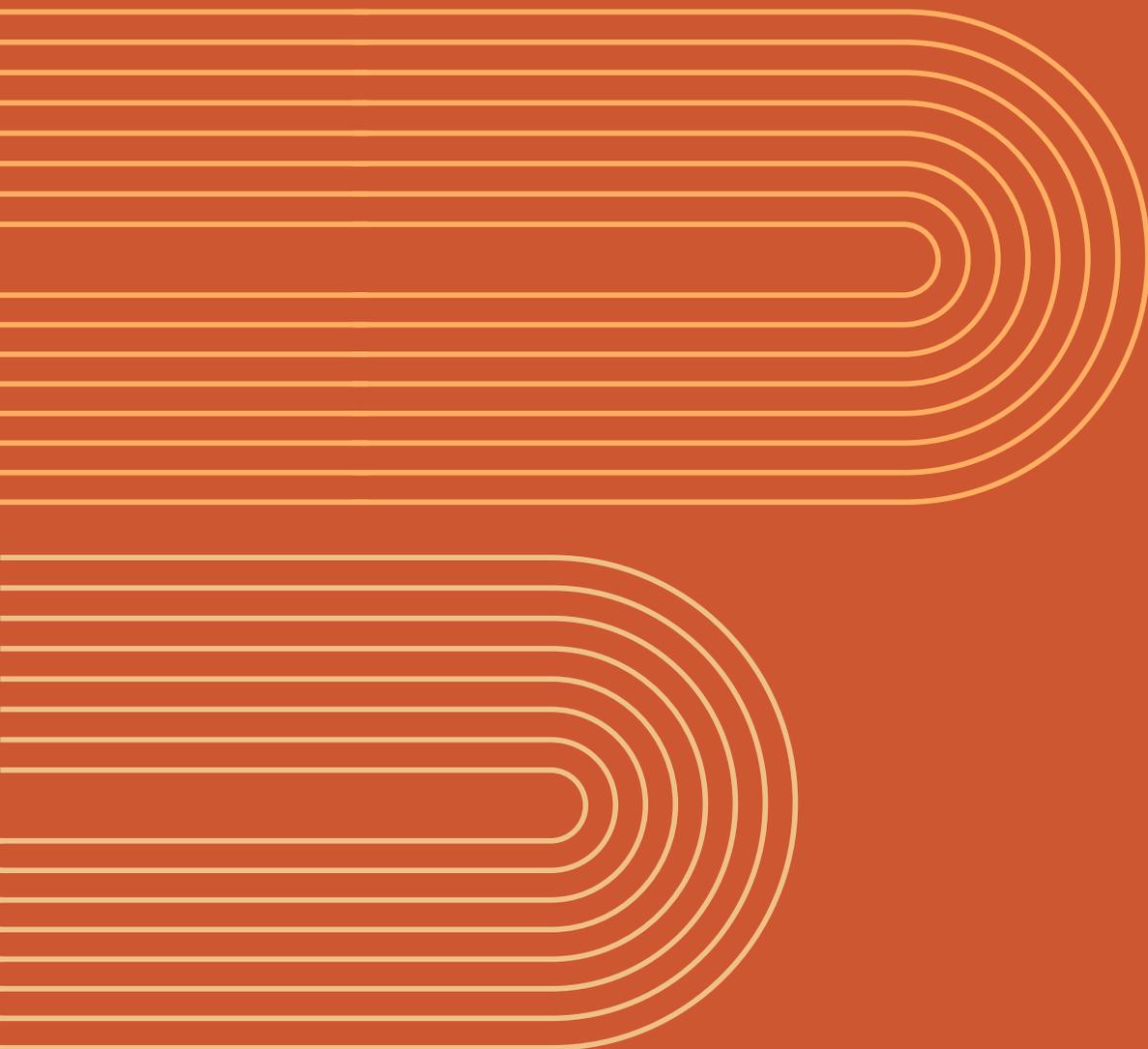
We also developed a new Strategic Plan for the Department for 2023 to 2026, outlining our vision of a connected government that delivers a brighter future for Western Australians, and our values of Leadership, Connection and Impact which underpin how we work.

Our Department has a responsibility to ensure we lead and collaborate effectively, to achieve whole-of-Government priorities and have a positive impact for individuals, families and communities across our State. This report shows just some of the ways we have done this, leading the public sector, and supporting the Government in its services to the community.



Emily Roper PSM
Director General
Department of the Premier and Cabinet





About us



Who we are

We lead the public sector in providing whole-of-Government policy advice and deliver services that support the Premier, Cabinet and Government to serve the Western Australian community.

Enabling legislation

The Department of the Premier and Cabinet was established in 2001 under the *Public Sector Management Act 1994*.

Responsible Ministers

The Department reports to the Premier, the **Hon Roger Cook BA GradDipBus MBA MLA**, in his capacity as Premier; Minister for State and Industry Development, Jobs and Trade; Public Sector Management; Federal-State Relations.

The Department also supports the **Hon Stephen Dawson MLC** in his role as Minister for Innovation and the Digital Economy (formerly Minister for Innovation and ICT) and the **Hon Dr Tony Buti BPE(Hons) DipEd MIR LLB(Hons) DPhil MLA** as Minister for Aboriginal Affairs.

Prior to 8 June 2023, the Department reported to former Premier, the **Hon Mark McGowan BA LLB MLA** in his capacity as Premier; Treasurer; Minister for Public Sector Management; Federal-State Relations.



Our priorities 2022-2023

Supporting and advising the Premier and Cabinet

To provide policy advice, support and leadership on strategic and whole-of-Government matters to deliver on economic and social priorities, and high-quality services to support the administration of Government.

Driving digital transformation

To support the Minister for Innovation and the Digital Economy through the delivery of digital government services.

Supporting Aboriginal economic and social development

To support the Minister for Aboriginal Affairs by providing advice, leadership, coordination, policy development and project delivery in the Aboriginal affairs portfolio, including the negotiation and implementation of native title agreements.

Working with the Australian Government

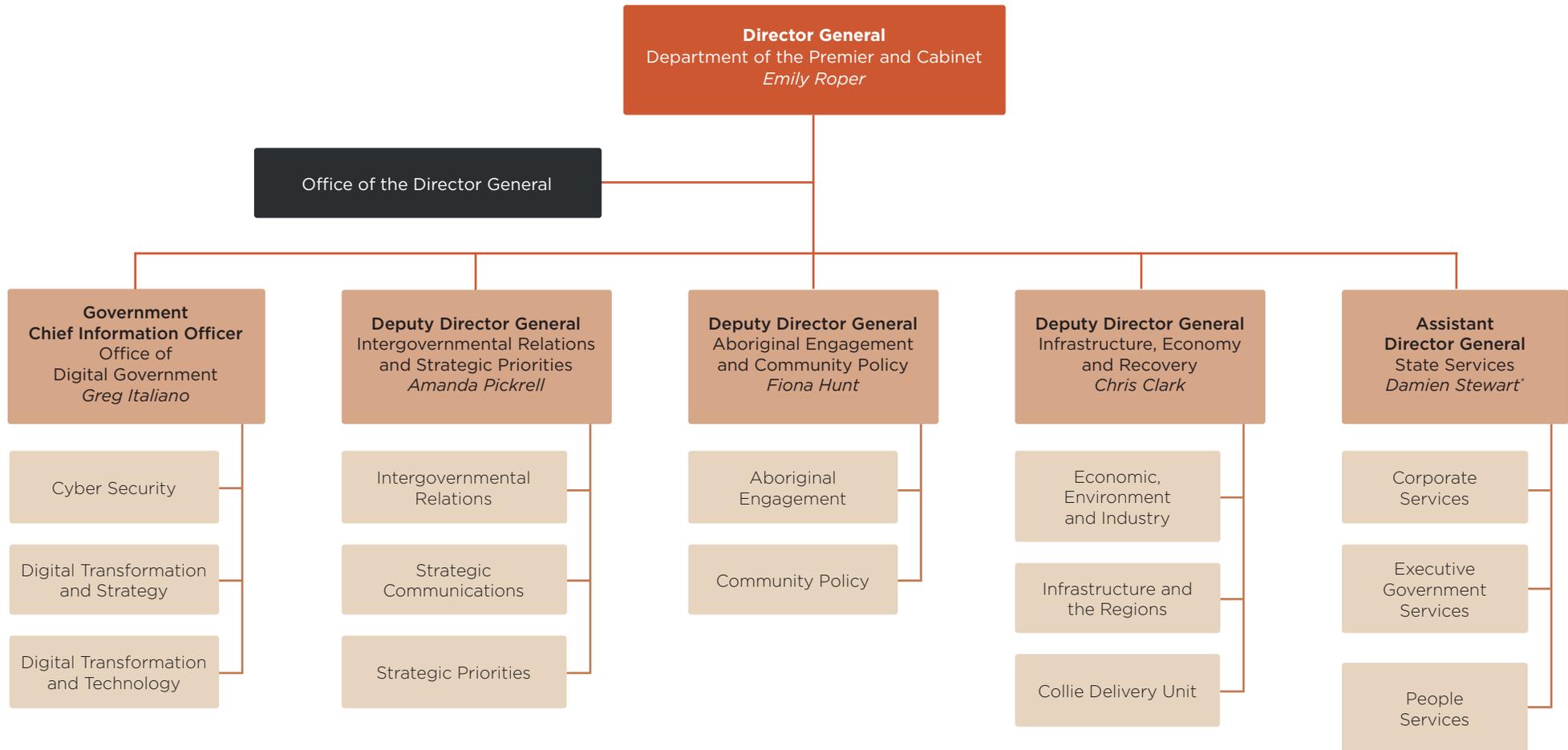
To strategically engage with state agencies, non-government stakeholders and other jurisdictions to advocate for the State's interests and advise the Premier, Cabinet and senior officials on Federal-State relations.



The Department of the Premier and Cabinet

Organisational structure

for the year ending 30 June 2023



Notes on the organisational chart

* Elizabeth Fells was acting Executive Director State Services until 16 September 2022. Damien Stewart was Executive Director State Services from 19 September 2022.

Our organisational structure

The Department is comprised of the following five divisions:

Intergovernmental Relations and Strategic Priorities

Our Intergovernmental Relations and Strategic Priorities Division consists of three directorates – Intergovernmental Relations, Strategic Communications and Strategic Priorities.

The Division is responsible for:

- » leading the WA Government's engagement with the Australian Government, and states and territories, including providing advice to support the Premier's participation in National Cabinet.
- » leading policy development and collaborating across agencies to deliver projects on key government priorities.
- » providing strategic advice and support for government policy relating to the State's security and emergency response recovery.
- » managing arrangements with the Australian Government for WA to provide services to the Indian Ocean Territories.
- » providing whole-of-Government strategic communications on key government priorities.



Aboriginal Engagement and Community Policy

Our Aboriginal Engagement and Community Policy Division consists of two directorates – Aboriginal Engagement and Community Policy.

The Division is responsible for:

- » providing policy advice on Aboriginal affairs to embed strategic whole-of-Government approaches to engage with Aboriginal people and communities.
- » driving systemic change across Government to improve the economic, health, social and cultural wellbeing of Aboriginal people and communities in WA.
- » leading native title and land-based negotiations and coordination across relevant public sector agencies to resolve claims and leverage community defined opportunities.
- » implementing native title agreements and settlements.
- » leading engagement with Aboriginal community leaders to build effective relationships, delivering co-design policy and program outcomes.
- » providing advice and coordinating the development of cross-government policies on social policy matters, with a focus on long-term social challenges, at-risk cohorts and strategic social priorities.

Infrastructure, Economy and Recovery

Our Infrastructure, Economy and Recovery Division consists of three directorates – Infrastructure and the Regions, Economic, Environment and Industry and the Collie Delivery Unit.

The Division is responsible for:

- » providing strategic advice and support for government policy initiatives relating to the State's economy, infrastructure projects and the environment.
- » leading the delivery of the WA Government's commitments in Collie, including the implementation of the Collie Just Transition Plan and supporting Collie's economic and social adjustment as it transitions away from coal-fired energy generation.
- » providing strategic advice and oversight regarding the WA Government's decarbonisation program and projects.
- » implementing the Resources Community Investment Initiative, a major partnership between the WA Government and the resources sector to facilitate investment in iconic state infrastructure projects and community initiatives across WA.

Office of Digital Government

Our Office of Digital Government is comprised of three directorates – Cyber Security, Digital Transformation and Strategy, and Digital Transformation and Technology.

The Division is responsible for:

- » leading and coordinating digital transformation across government to improve service delivery and reduce regulatory burden for Western Australian people and businesses.
- » leading and coordinating whole-of-Government cyber security efforts to protect the WA Government's information, assets and service delivery from cyber threats.
- » delivering digital and data analytics services and advice across the public sector.
- » providing guidance and direction to agencies on how to accelerate their digital transformation.
- » developing and building whole-of-Government digital platforms, architectures and frameworks.
- » progressing priority initiatives, such as the WA Government's commitment to introducing Privacy and Responsible Information Sharing legislation for WA and investigating strategies to reduce the digital divide.
- » reporting on digital initiatives that are delivered under the *Digital Strategy for the Western Australian Government 2021-2025*, as part of the WA Government's Digital Strategy Roadmaps.

State Services

Our State Services Division comprises of three directorates – Corporate Services, Executive Government Services and People Services.

The Division is responsible for:

- » providing strategic advice and coordination to support delivery of the Government's legislative and Parliamentary agenda.
- » supporting the functions of Executive Council, Executive Government and Cabinet.
- » delivering executive services to the Premier, Ministers and Ministerial Office staff, Members of Parliament and Parliamentary Electorate Office staff.
- » supporting the Premier's key events and ceremonial occasions and coordinating foreign visits to WA.
- » supporting the Department's broader role through services including corporate governance, audit and risk, finance, human resource management, organisational development, payroll, information and communication technology, information management, civics education, and media support services to the Department, Ministers and the sector.

Our leadership team

Emily Roper PSM

Director General

Emily Roper commenced in the role of Director General in May 2021.

As the head of the Department, Emily is responsible for leading the public sector in providing whole-of-Government advice and support to the Premier and Cabinet in their service of the Western Australian community.

Emily has held various leadership positions in both state and Australian governments, with experience spanning a 24-year period across a range of areas including national security, intelligence, and reform. Prior to this role, Emily was the Deputy Director General of Intergovernmental Relations and COVID-19 in the Department, responsible for leading engagement with the Australian and other state and territory governments and supporting WA's COVID-19 pandemic response. Emily has also held the Deputy Director General, Policy and Reform position with the Department, overseeing Aboriginal, social, economic and environment policy, as well as the Government's public sector reform program.

Emily is a graduate of Murdoch University with a Bachelor of Arts (Honours) majoring in Psychology.

In 2023, Emily was awarded a Public Service Medal for outstanding public service through leadership and management in response to the COVID-19 pandemic.



Amanda Pickrell PSM

Deputy Director General

Intergovernmental Relations and Strategic Priorities

Amanda is responsible for leading engagement with the Australian and other state and territory governments, state security and emergency management policy and responding to current or emerging priority policy issues.

Amanda's experience spans both federal and state public sectors, with experience covering environment, education, international relations, national security, defence, innovation and economic development.

Amanda holds a Bachelor of Arts (Political Science/Asian Studies) and a Masters in International Affairs.

In 2023, Amanda was awarded a Public Service Medal for outstanding public service through leadership and management in response to the COVID-19 pandemic.



Fiona Hunt

Deputy Director General Aboriginal Engagement and Community Policy

Fiona Hunt joined the Department in June 2021 to lead the Aboriginal Engagement and Community Policy Division.

Prior to this role, Fiona held senior leadership positions in the Department of Justice, Department of Education and the Department of Health. Fiona has overseen system-wide governance and integrity reforms at the Departments of Justice and Education, and has been responsible for delivering organisational governance, professional standards and assurance and risk services.

Fiona is a graduate of the University of Western Australia and holds a Bachelor of Health Sciences (Honours) majoring in Population Health.



Chris Clark

Deputy Director General Infrastructure, Economy and Recovery

Chris Clark joined the Department as Deputy Director General in April 2022, bringing over 30 years of experience in the public sector. In this role, Chris is responsible for providing strategic policy advice to Government on several key priorities including the Collie Just Transition and Resources Community Investment Initiative, as well as energy transition, economic development and working with government and industry to oversee the development and delivery of infrastructure projects.

Prior to this, Chris was the Deputy Director General, Resources and Project Facilitation at the Department of Jobs, Tourism, Science and Innovation.

Chris holds a Bachelor of Arts and a Graduate Diploma in Business.



Greg Italiano

**Government Chief Information Officer
Office of Digital Government**

Greg Italiano was appointed Government Chief Information Officer in December 2018, and is responsible for leading the Office of Digital Government and its delivery of services across the Western Australian community.

Greg brings more than 19 years of public sector experience to the position and has previously held senior executive roles in the Western Australian Police Force, the Department of Health, the Department of Justice and the Department of Treasury.

Greg has a Bachelor of Business and a Bachelor of Arts (Honours) in Politics and Government and is an alumnus of both the Australian and New Zealand School of Government Executive Fellows Program and the Massachusetts Institute of Technology Executive Program Digital Business Strategy: Harnessing Our Digital Future.



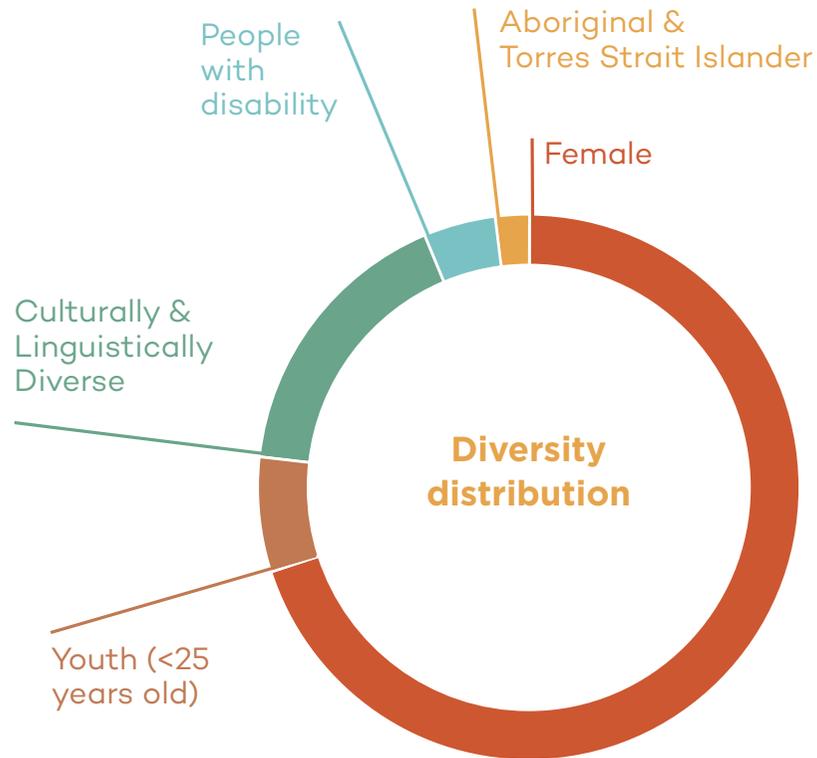
Damien Stewart

**Assistant Director General
State Services**

Damien Stewart joined the Department in September 2022 to lead the State Services Division in providing strategic support and advice across Executive Government Services, Corporate Services and People Services.

Prior to this role, Damien worked for the Department of Education as the Executive Director, Workforce. Damien has over 30 years' experience in the State's public sector across several government agencies, including executive positions at the Department for Child Protection and Family Support, the Department of the Premier and Cabinet and the Department of Corrective Services.

Our people



Information on employees who identify as Culturally and Linguistically Diverse, People with Disability and Aboriginal & Torres Strait Islanders is collected through a survey to staff – disclosure is voluntary.

Diversity distribution

| Diversity Group | Representation |
|-------------------------------------|----------------|
| Female | 62.0% |
| Youth (<25 years old) | 6.2% |
| Culturally & Linguistically Diverse | 14.9% |
| People with Disability | 3.7% |
| Aboriginal & Torres Strait Islander | 1.8% |

Age distribution

| Diversity Group | Number of employees | % of all DPC employees |
|-----------------|---------------------|------------------------|
| <25 years old | 44 | 6.2% |
| 25-34 | 214 | 30.2% |
| 35-44 | 184 | 26.0% |
| 45-54 | 136 | 19.2% |
| 55-64 | 107 | 15.1% |
| >64 years old | 23 | 3.2% |

Employment and industrial relations

| Employee profile | 2022 | 2023 |
|-----------------------|---------------|--------------|
| Full-time permanent | 303 | 341 |
| Full-time contract | 198 | 217 |
| Part-time (FTE basis) | 49.2 | 53.1 |
| On secondment | 30.4 | 33.2 |
| Total | 583.62 | 638.5 |

Administered legislation

The following is a list of the Acts of Parliament that are the responsibility of the Premier and are administered by the Department.

Alteration of Statutory Designations Act 1974
Armorial Bearings Protection Act 1979
Constitution Act 1889
Constitution Acts Amendment Act 1899
COVID-19 Response and Economic Recovery Omnibus Act 2020
Daylight Saving Act 2006
Deputy Governor's Powers Act 1911
Discharged Servicemen's Badges Act 1967
Election of Senators Act 1903
Indian Ocean Territories (Administration of Laws) Act 1992
Machinery of Government (Miscellaneous Amendments) Act 2006
Members of Parliament (Financial Interests) Act 1992
Ministers' Titles Act 1925
Mutual Recognition (Western Australia) Act 2020
Noongar (Koorah, Nitja, Boordahwan) (Past, Present, Future) Recognition Act 2016

Parliamentary and Electorate Staff (Employment) Act 1992
Parliamentary Papers Act 1891
Parliamentary Privileges Act 1891
Public Sector Management Act 1994 (Part 4 only; remainder of Act administered by the Premier principally assisted by the Public Sector Commission)
Returned Servicemen's Badges Act 1953
Royal Commission (Custody of Records) Act 1992
Royal Commission into Commercial Activities of Government Act 1992
Royal Commissions Act 1968
Royal Powers Act 1953
Royal Style and Titles Act 1947
Standard Time Act 2005
State Flag Act 2006
Succession to the Crown Act 2015
Taxation (Staff Arrangements) Act 1969
Terrorism (Commonwealth Powers) Act 2002
Trans-Tasman Mutual Recognition (Western Australia) Act 2007
Western Australia Day (Renaming) Act 2012

Other key legislation impacting our operations include:

Corruption, Crime and Misconduct Act 2003
Disability Services Act 1993
Electoral Act 1907
Equal Opportunity Act 1984
Financial Management Act 2006
Freedom of Information Act 1992
Industrial Relations Act 1979
Minimum Conditions of Employment Act 1993
Parliamentary Commissioner Act 1971
Procurement Act 2020
Public and Bank Holidays Act 1972
Public Interest Disclosure Act 2003
Public Sector Management Act 1994
Salaries and Allowances Act 1975
State Records Act 2000
Work Health and Safety Act 2020
Workers' Compensation and Injury Management Act 1981

The following Act of Parliament is the responsibility of the Minister for Aboriginal Affairs and is administered by the Department.

Aboriginal Affairs Planning Authority Act 1972



Performance and operations

2

Supporting and advising the Premier and Cabinet

To provide policy advice, support and leadership on strategic and whole-of-Government matters to deliver on economic and social priorities, and high-quality services to support the administration of Government.



Being prepared for the future

In 2022-23, our Department continued to play a central role in supporting the State's ongoing COVID-19 response and recovery by coordinating the independent Review of Western Australia's COVID-19 Management and Response.

The Review was undertaken between February and June 2023 by an independent panel which comprised of the Hon John Day, Emeritus Professor Margaret Seares AO, and Dr Michael Schaper.

Our Department supported the independent panel to conduct 19 interviews with senior decision makers, hold nine workshops with business, community and government stakeholders and review almost 900 submissions from organisations and members of the public. We also oversaw an analysis of key economic, social and health indicators in relation to WA's performance during the pandemic to help inform the Review.

Building lasting legacies

On 22 November 2022, the WA Government announced the Resources Community Investment Initiative (RCII), a state-first, to facilitate investment in state infrastructure projects and community and social initiatives across WA. The RCII was announced with initial commitments totalling \$750 million from founding partners BHP, Chevron Australia, Hancock Prospecting, Rio Tinto, Roy Hill and Atlas Iron Mineral Resources and Woodside Energy.

Our Department led the implementation of the project, with funds matched to a pipeline of projects that will be delivered in the coming years. Initial projects include the Aboriginal Cultural Centre, Perth Zoo Master Plan, Remote Aboriginal Communities Fund, Perth Concert Hall redevelopment, expansion of Ronald McDonald House and additional contributions to Telethon. Companies can nominate additional projects, for example that assist with energy decarbonisation or improve education and training, health and Aboriginal wellbeing.

Collie's Just Transition powered ahead

Our Department coordinated the delivery of the Collie Transition Package – a \$547.4 million investment to support future jobs in the region. This included leading cross-government efforts to support the transitioning workforce and attracting new industries that will continue to position Collie as a leading industrial hub in Australia.

In conjunction with the Department of Jobs, Tourism, Science and Innovation, we coordinated the \$200 million Collie Industrial Transition Fund which welcomed expressions of interest from major projects and emerging industries that could use Collie's transitioning workforce. The Fund targets green manufacturing and minerals processing, future clean energy and energy intensive industries.

We also played a key role in coordinating the cross-government efforts behind some of the major industry attraction achievements. This included the establishment of International Graphite's new micronising and graphite foil manufacturing facility in Collie, and Quantum Filtration Medium's plans to build a new manufacturing plant in the region to supercharge production of its in-demand water treatment systems.

We chaired the Just Transition Working Group and coordinated efforts to further diversify Collie's economy and position the town as a leading industrial hub with new opportunities to the workforce and community.

Supporting the Department of Biodiversity, Conservation and Attractions, we also contributed to the \$5.8 million transformation of Lake Kepwari, and the opening of the spectacular 367 metre walkway across the iconic Wellington Dam mega-mural. Data from the Collie Visitor Centre indicates that new tourism offerings helped initiate a 73% increase in visitors to Collie from 2019 to 2022.



Supporting Communities Forum

Working in partnership with the WA Government and the community services sector, our Department continued to assist the Supporting Communities Forum.

Membership includes 10 Directors General and Commissioners from WA Government agencies and 13 senior leaders from the community services sector who come together to support the delivery of quality services and better outcomes for vulnerable Western Australians. In 2022-23, the Forum contributed to shaping and progressing several policy and reform initiatives, including, but not limited to the National Principles for Child Safety and the State Commissioning Strategy for Community Services.

In June 2023, the WA Government extended the term of the Forum by an additional six months until 31 December 2023.

Reconstitution of the Ministry

Following the resignation of the Premier, the Hon Mark McGowan MLA in June 2023, our Department provided timely support to enable the reconstitution of the Ministry and the continuation of the administration of Government.

Our Department provided strategic advice and assistance to the Premier and Cabinet through the management of its 17 Ministerial offices, coordinating the smooth transition of Ministers and staff to new offices after the reconstitution. Cabinet and sub-committee meetings arranged by our Department enabled the new Premier, the Hon Roger Cook MLA, and Ministers to continue deliberating and determining the legislative and executive policy of the Government.

Supporting Members of Parliament and Ministerial offices

Our Department supported Members of Parliament and their staff to effectively conduct their parliamentary and electorate duties. This included providing advice on the Parliamentary Travel and Study Allowance, and responsibilities under the new Work Safety and Health legislation.

We continued to advise and provide support services to Ministerial offices to ensure the Premier and Cabinet are supported in serving the Western Australian community.

The Ministerial Support Unit (MSU) maintained the Ministerial Air Charter Service, enabling Ministers to access regional and remote areas across the State to fulfil their portfolio responsibilities and connect with the community in these locations.

Official visits and events

Our Protocol and State Events unit coordinated numerous foreign visits to Western Australia and delivered a range of events and initiatives on behalf of the Premier during the 2022-23 period. These included:

- » the Guest of Government visit by the Prime Minister of Japan.
- » a signing ceremony and lunch honouring the visit by the Party Secretary of Sichuan Province, China.
- » the swearing-in of the 34th Governor of Western Australia.
- » memorial events commemorating the 20th Anniversary of the Bali Bombings.
- » a reception for the Greek Presidential Guard.
- » Community Cabinet events in the Kimberley, South West and the Mid-West.
- » diplomatic introductory visits and associated hospitality for foreign Heads of Mission, from 28 nations.
- » the WA Government's involvement in observances relating to the demise of the Sovereign, Her Majesty Queen Elizabeth II and the Coronation of His Majesty King Charles III.





Building a diverse and inclusive workplace

Based on the WA Multicultural Policy Framework, our Department continued working towards the outcomes in our Multicultural Plan 2021-23. It includes initiatives such as increasing cultural competency skills, coordinating multicultural events and addressing racism and discrimination. The Multicultural Plan also focuses on our Department's public-facing interactions with people from culturally and linguistically diverse backgrounds, including COVID-19 communications and consultations on social policy matters through the Supporting Communities Forum.



Building tomorrow's workforce

Our Department continued to develop and support young people in the workforce, through:

- » the Graduate Development Program, which enables graduates to gain experiences across the Department's key policy areas. Five graduates completed the 2022 program and five graduates commenced the 2023 program.
- » the launch of the Interagency Data Science Graduate Program, the first of its kind in the WA public sector, which saw the appointment of nine junior data scientists.
- » hosting and supporting trainees to complete their Certificate III in Government, as part of the Public Sector Commission's Solid Futures Aboriginal Traineeship Program for 2023.
- » working with University House as part of their University of Western Australia Aboriginal Internship Pilot Program, providing interns with exposure to meaningful projects and mentorship opportunities, hosting a trainee as part of the School Based Traineeship Program from early 2023 and supporting their completion of a Certificate II in Government.



Reconciliation Action Plan

In October 2022, our Department's reconciliation journey reached a significant milestone with the launch of our Reconciliation Action Plan (RAP) – Reflect.

Our RAP was developed in consultation with two other central government agencies – the Department of Treasury and the Public Sector Commission. Input from various working groups and stakeholders ensured that our RAP deliverables aligned with the Department's future work programs. Through our RAP, we continue to advance reconciliation and build better relations with Aboriginal and Torres Strait Islander people and communities.

Our Department's ongoing commitment to reconciliation sees continued collaboration with the Public Sector Commission, Department of Treasury and Reconciliation WA in the creation of the first centralised State Government RAP Reconciliation Industry Network Group (RING). The State Government RAP RING will work on shared initiatives to strengthen and enhance each agency's RAPs and achieve greater outcomes together.

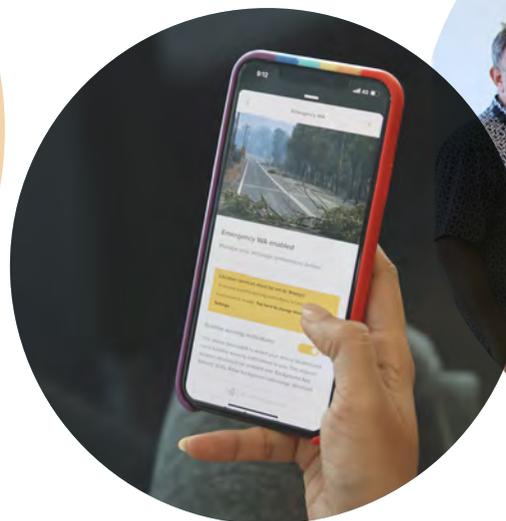
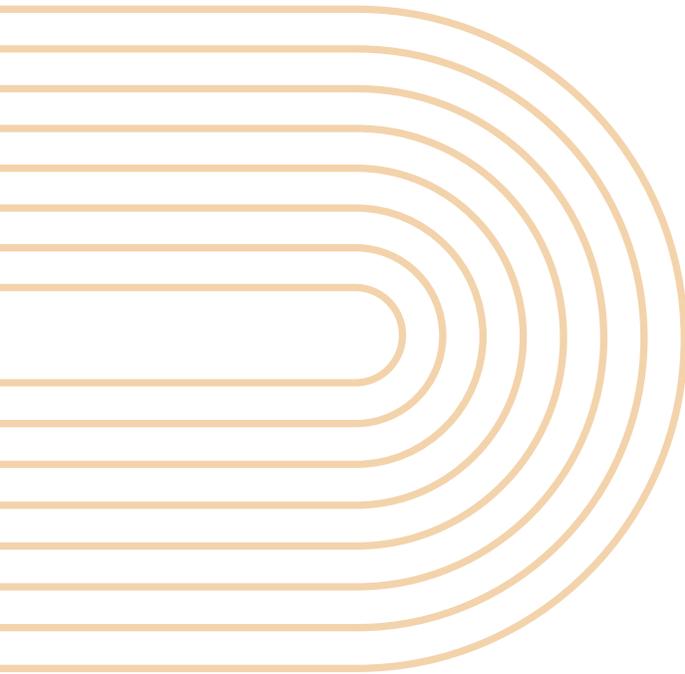


Driving digital transformation

To support the Minister for Innovation and the Digital Economy through the delivery of digital government services.

ServiceWA app – An Australian first bushfire warning notification service

In December 2022, our Department through the Office of Digital Government (DGOV) and in collaboration with the Department of Fire and Emergency Services, launched a first of its kind emergency bushfire warning notification system in the ServiceWA app. This important feature issues bushfire warnings and notifications to people quickly and efficiently, allowing users to take action in response to a bushfire threat.





Digital Inclusion in WA Blueprint launched

Our Department launched the Digital Inclusion in WA Blueprint (Blueprint) in December 2022 to lead the whole-of-Government policy development on digital inclusion.

Developed in collaboration with key public sector agencies, industry partners and community service organisations, the Blueprint is guiding a WA Government-led strategy to improve digital inclusion outcomes for Western Australians.

The Blueprint is accompanied by the Blueprint Implementation Program, which includes 16 initiatives the WA Government is progressing to address the barriers of connectivity, affordability, skills and design.

The WA Government has also committed to the Blueprint Partnership Framework, to facilitate collaboration among the community services sector, industry, government and the community. This includes the Digital Inclusion Accord and Leadership Forum. Our Department will continue to progress these mechanisms and partnerships to enhance digital inclusion outcomes in WA.



Strengthening the WA Government's cyber security capability

In 2022-23, our Department's Cyber Security Unit (CSU) increased its efforts to build and support the WA Government's ability to protect its information, assets and services from cyber threats.

The WA Government's Cyber Security Policy provided direction for the public sector in managing its digital security risks. The response to the policy has shown the strong commitment agencies have towards maturing their capabilities and improving cyber security. The CSU also launched a whole-of-Government Vulnerability Assessment and Scanning Service, enabling participating public sector entities to identify potential exploitable vulnerabilities within their public facing and internal systems. This centralised service provides a cost-effective mechanism to identify vulnerabilities across the sector and facilitate mitigation programs.

Our Cyber Security Operations Centre (SOC), within DGoV, continued to provide visibility of threats against agency networks, improving the Government's ability to coordinate, detect and respond. As of June 2023, 69 agencies were connected to the SOC, providing centralised visibility over their networks.

As part of the ongoing investment to enhance cyber security, the WA Government entered a partnership with the national identity and cyber support service IDCARE in 2022, to provide a 24/7 incident response capability and specialist case management service to support community members impacted by cyber security incidents.



Increasing the WA Government's ICT capability

DGov managed programs for students and graduates to ensure the public sector has the skills and expertise required to address the future ICT workforce needs of government.

The Work Integrated Learning (WIL) program partnered with WA universities and TAFEs to provide students with work experience within the Cyber Security Unit. In 2022-23, 13 students joined the WIL program, where they had the opportunity to work on agency engagements and gain Microsoft fundamental certificates.

In 2022-23, DGov launched the WA public sector's first Interagency Data Science Graduate Program and appointed nine junior data scientists. The program was established to address the data skills gap in the WA public sector and was co-designed and implemented by the Departments of Communities, Planning, Lands and Heritage, Health and the WA Police Force. Graduates were placed at the forefront of the State's most innovative data projects, building knowledge and skills across three agencies and helping improve the lives of Western Australians.



Supporting Aboriginal economic and social development

To support the Minister for Aboriginal Affairs by providing advice, leadership, coordination, policy development and project delivery in the Aboriginal affairs portfolio, including the negotiation and implementation of native title agreements.





Native title agreement-making

In supporting the WA Government's commitment to resolving native title matters by agreement, our Department led and coordinated efforts to bring five native title claims to determination in 2022-23.

This brings the total number of native title determinations in Western Australia to 137, which means approximately 87% of the State is now subject to a determination of native title. Our Department is continuing to work on resolving 33 active native title claims, and transitioning to an environment focused on building sector capacity and agreement-making.

In May 2023, our staff travelled to the remote Purnululu National Park in the East Kimberley to attend the ceremonial Federal Court sitting for the Purnululu and Gajangana Jaru native title determination. This historic occasion marked the resolution of one of the oldest native title claims in Australia (originally filed in 1994) and is the second agreement under section 47C of the *Native Title Act 1993* entered into by the WA Government.

Tjiwarl Palyakuwa (Agreement) Indigenous Land Use Agreement

Our Department played a key role in reaching a historic native title compensation settlement between the WA Government and the Tjiwarl Aboriginal Corporation on behalf of the Tjiwarl Native Title Holders in the northern Goldfields region.

The Tjiwarl Palyakuwa (Agreement) Indigenous Land Use Agreement includes a comprehensive package of benefits that compensates Tjiwarl Native Title Holders.

Among other key benefits, the Agreement supports the recognition and protection of Tjiwarl peoples' language, culture, heritage, history, and indigenous cultural and intellectual property. The Agreement also has a strong focus on economic empowerment for future generations.





Building on the strength of the Aboriginal Community Controlled Organisation (ACCO) sector

Our Department committed to supporting WA's ACCO sector through the establishment of a peak body – the Council of Aboriginal Services Western Australia (CASWA). In 2023, the WA Government committed \$5.7 million over four years to fund CASWA's operation. The funding will support ACCOs from all social services sectors across WA to build their capacity, and enable CASWA to provide independent policy advice on behalf of its members and partner with the WA Government on key initiatives to implement the Aboriginal Empowerment Strategy and Closing the Gap commitments.

In October 2022, our Department partnered with Lotterywest to develop and launch the ACCO Sector Strengthening Grants program. This program awarded \$3.4 million to 16 ACCOs across four Closing the Gap national priority sectors; health, housing, disability, and early childhood care and development. The funds will help deliver new and innovative models of service, strategic planning, purchasing IT equipment, training and workforce initiatives.



Aboriginal Affairs Coordinating Committee

Our Department continued to engage with and support the functions of the Aboriginal Affairs Coordinating Committee (AACC) and the Aboriginal Advisory Council of Western Australia.

The AACC is chaired by the Department's Director General and members include the co-chairs of the Aboriginal Advisory Council of Western Australia, the Under Treasurer and Directors General of the Departments of Health, Education and Communities. The AACC also invites the participation of other persons who have special knowledge, experience or responsibility in relation to Aboriginal affairs.

A key achievement in 2022-23 was the establishment of a governance framework to strengthen coordination across agencies and ensure the WA Government meets its commitments under the National Agreement on Closing the Gap (the National Agreement), and Native Title compensation matters. This framework supports the development of WA's updated Implementation Plan for the National Agreement.

The AACC also provided strategic coordination and oversight of other initiatives and programs within the WA Government's Aboriginal Affairs agenda, such as the Aboriginal Empowerment Strategy.

Financial provisions relating to the AACC and the Aboriginal Advisory Council of Western Australia are available in the Department of Planning, Lands and Heritage's Annual Report under the Aboriginal Affairs Planning Authority section.



Aboriginal Advisory Council

The Aboriginal Advisory Council of Western Australia provided advice to the WA Government on a range of policy matters relating to Aboriginal people to ensure better social, economic, health and cultural outcomes.

Peer-nominated and ministerially endorsed, Council members are Aboriginal leaders chosen to reflect a diversity of regions, organisation types, areas of expertise and genders. These appointments present a significant step forward to developing a more inclusive and contemporary engagement partnership between Aboriginal people and the WA Government.

Three new Council members were announced in July 2022 - Mr Preston Thomas, Mr Fabian Tucker and Ms Rowena Leslie.

The Council is the WA Government's strategic partner on the implementation of the National Agreement on Closing the Gap in WA, and continued to provide advice and guidance to our Department on the State's Implementation Plans and reporting requirements.

In 2022, the Council brought together Aboriginal Advisory Groups from across the WA public sector for the first Culture at the Heart Workshop, recognising the role these groups play in reshaping the way Government works, through genuine partnership, shared decision-making and Aboriginal-led solutions.





Working with the Australian Government

To strategically engage with state agencies, non-government stakeholders and other jurisdictions to advocate for the State's interests and advise the Premier, Cabinet and senior officials on Federal-State relations.

Federal-State Relations

Our focus in 2022-23 was driving collaboration across government on key priority areas and strengthening relationships to achieve better outcomes for WA. This included proactively engaging with the Commonwealth on its significant reform agenda, including climate, energy and decarbonisation, health, environmental reform and defence industry development.

We engaged with the Australian Government and jurisdictions on various policy, funding and reporting matters to:

- » secure optimal policy and funding outcomes for WA, arising from the 2022 Federal election and Federal budgets.
- » lead WA's contribution to National Cabinet priorities including health system reform, skills and migration and housing.
- » support lead agencies in negotiating major funding agreements, including the National Disability Insurance Scheme, National Housing and Homelessness Agreement, National Skills Agreement and National School Reform Agreement.
- » support the free movement of goods and services between WA and New Zealand, by continuing Trans-Tasman Mutual Recognition arrangements.

The Office of State Security and Emergency Management

The Office of State Security and Emergency Management supports WA's involvement in national security and emergency management policy, including national counter-terrorism arrangements. Over the past year, the Department has co-chaired the Australia-New Zealand Counter-Terrorism Committee with the Australian Government. In the aftermath of the Kimberley floods in January 2023, our Department worked closely with other agencies to support recovery efforts.

Indian Ocean Territories

Our Department managed arrangements with the Commonwealth Government for WA to provide services to the Indian Ocean Territories. During 2022-23, we coordinated the negotiation of five agreements between the Australian Government and WA Government agencies. WA Government agencies delivered services to the value of approximately \$47 million to the Territories on behalf of the Australian Government.

Disclosures and legal compliance

3



Boards and committees

Corporate governance committees

The Department's Corporate Governance Framework includes mechanisms for the management and operation of the Department in achieving organisational goals. It details governance practice and the measures in place for staff to meet their governance responsibilities. The Framework is critical in maintaining high standards of corporate governance and fostering a culture that values ethical behaviour, integrity and respect to protect internal and external stakeholders' interests at all times.

The following internal corporate governance committees support decision-making in the Department.

Corporate Executive Committee

The Corporate Executive Committee (CorpEx) drives the strategic objectives of the Department and ensures accountable corporate performance aligned with those objectives. CorpEx met and maintained oversight of the Department's budget and operations throughout the reporting period.

Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) provides the Director General with independent assurance and advice on the Department's risk, control and compliance frameworks. This applies to both financial and non-financial operations.

The ARMC is responsible and accountable to the Director General for the exercise of its responsibilities and has no decision-making powers except those delegated to it by the Director General. Oversight and monitoring of the risk and control environments continued to occur via the ARMC during the reporting period.



| Position Title | Member Name | Type of Remuneration | Period of Membership | Term of Appointment | Rate | Gross Remuneration for the Financial Year |
|----------------|-----------------|----------------------|-------------------------------|---------------------|----------|---|
| Chair | Peter Wilson | Annual Rate | 1 Jul 2022 – 30 June 2023 | 3 Years | \$24,750 | \$16,875 |
| Member | Kathlene Oliver | N/A | 1 Jul 2022 – 30 June 2023 | 3 Years | N/A | \$0 |
| Member | Judith Stewart | N/A | 1 Jul 2022 – 30 June 2023 | 3 Years | N/A | \$0 |
| Member | James Lim | N/A | 1 Jul 2022 – 30 June 2023 | 3 Years | N/A | \$0 |
| Member | Fiona Hunt | N/A | 1 Jul 2022 – 30 June 2023 | 3 Years | N/A | \$0 |
| Member | Chris Clark | N/A | 1 Jul 2022 – 30 June 2023 | 3 Years | N/A | \$0 |
| Member | Greg Italiano | N/A | 1 Jul 2022 – 21 November 2022 | 3 Years | N/A | \$0 |





Supporting Communities Forum

The Supporting Communities Forum is an initiative to build a collaborative partnership between the WA Government and the community services sector. This acknowledges the key role played by the sector in contributing to economic growth, employment and community wellbeing, particularly for vulnerable Western Australians.

The WA Government extended the Forum by six months from 1 January 2023 to 30 June 2023.

Membership to the Forum, including any associated remuneration, is detailed below.

| Position Title | Member Name | Type of Remuneration | Period of Membership | Term of Appointment | Rate | Gross Remuneration for the Financial Year |
|----------------|-----------------|----------------------|--------------------------|---------------------|------------------------------------|---|
| Co-Chair | Michelle Scott | Annual Fee | 1 Jul 2022 – 30 Jun 2023 | 4 Years | \$31,750 | \$31,750 |
| Co-Chair | Jodi Cant | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | \$0 | \$0 |
| Deputy Chair | Kate George | Sitting Fee | 1 Jul 2022 – 30 Jun 2023 | 4 Years | \$680 per day \$442 per 1/2 day | \$0* |
| Member | Louise Giolitto | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Dan Minchin | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Tricia Murray | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |

| Position Title | Member Name | Type of Remuneration | Period of Membership | Term of Appointment | Rate | Gross Remuneration for the Financial Year |
|----------------|---------------------|----------------------|--------------------------|---------------------|------|---|
| Member | Julie Waylen | N/A | 1 Jul 2022 – 31 Dec 2022 | 3 Years | N/A | \$0 |
| Member | Sandy McKiernan | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Debra Zanella | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Felicite Black | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Justine Colyer | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Emma Jarvis | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Melissa Perry | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Denver D’Cruz | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Kelda Oppermann | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Mike Rowe | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Adam Tomison | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Lisa Rodgers | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | David Russell-Weisz | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Emily Roper | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Jennifer McGrath** | N/A | 1 Jul 2022 – 31 Oct 2022 | 3 Years | N/A | \$0 |
| Member | Lindsay Hale** | N/A | 1 Nov 2022 – 30 Jun 2023 | 1 Years | N/A | \$0 |
| Member | Lanie Chopping | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Ralph Addis | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |
| Member | Sharyn O’Neill | N/A | 1 Jul 2022 – 30 Jun 2023 | 4 Years | N/A | \$0 |

* Kate George was entitled to a sitting fee but chose not to claim it.

** Jennifer McGrath resigned as Commissioner at the end of October 2022. Lindsay Hale was acting Commissioner until 30 June 2023.

Freedom of Information

The Department assisted the public to access available documents it holds at the lowest possible cost. In 2022-23, 65 new valid Freedom of Information (FOI) applications were received. Of these, three applications were withdrawn by the applicant. A further six applications were carried over from the previous year.

The table below provides a breakdown of the Department's FOI applications that were finalised during this period. A more comprehensive breakdown of the Department's statistics is provided in the Information Commissioner of Western Australia's Annual Report.

Additionally, the Department continued to assist and provide advice to Ministerial offices on the processing of 98 FOI applications.

Summary of Applications

| Applications | Total |
|-------------------------|-----------|
| Carried Over | 6 |
| Received | 65 |
| Total | 71 |
| - Total Finalised | 52 |
| - Refused to deal with* | 0 |
| - Transferred | 0 |
| - Carried Forward | 19 |

* *Freedom of Information Act 1992, s20* – applicants are advised if the Department refuses to deal with an application.

Outcome of Applications

| | Total | Personal Information | Non-Personal Information |
|-----------------------------|-----------|----------------------|--------------------------|
| Full Access | 9 | 5 | 4 |
| Edited Access | 15 | 0 | 15 |
| Deferred Access | 1 | 0 | 1 |
| Section 26 Refused Access** | 18 | 2 | 16 |
| Access Refused | 6 | 0 | 6 |
| Withdrawn | 3 | 0 | 3 |
| Total Decisions | 52 | 7 | 45 |

** *Freedom of Information Act 1992, s26* – applicants are advised if documents cannot be found or do not exist.

Other legal requirements

Personal use of Credit Cards

The following personal expenditure incurred on Government Purchasing Cards is disclosed in compliance with Treasurer's Instruction 321.

| Detail | 2022-23 |
|--|------------|
| The number of instances the Western Australian Government Purchasing Card has been used for personal purposes | 39 |
| The aggregate amount of personal use expenditure for the reporting period | \$2,441.03 |
| The aggregate amount of personal use expenditure settled by a due date | \$1,161.03 |
| The aggregate amount of personal use expenditure settled after the date | \$1,280.00 |
| The aggregate amount of personal use expenditure outstanding at the end of the reporting period | - |
| The number of referrals for disciplinary action instigated by the notifiable authority during the reporting period | - |

Compliance with the Electoral Act 1907

In accordance with section 175ZE of the *Electoral Act 1907*, the agency incurred the following expenditure in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations. Total expenditure for 2022-23 was \$11,364,362.

Summary of expenditure by Organisation Class 2022-23

| Organisation Category | Expenditure |
|--|---------------------|
| Advertising Agencies | \$1,207,656 |
| Market Research Organisations | - |
| Polling Organisations | - |
| Direct Mail Organisations | - |
| Media Advertising Agencies | \$10,156,676 |
| Total Expenditure under section 175ZE | \$11,364,332 |

Detail of Expenditure by Organisation Class 2022-23

| RECIPIENT | |
|---------------------------------------|--------------------|
| Advertising Agencies | |
| Ammo Marketing | \$1,416 |
| Big Head Digital | \$1,880 |
| Hatchd Group Pty Ltd | \$90,290 |
| Limbo Images | \$1,000 |
| Marketforce | \$1,050 |
| Nani Creative | \$27,709 |
| Norlap Creative | \$52,167 |
| RARE Creativethinking | \$790,587 |
| Scott Print | \$2,766 |
| Sandbox Productions | \$35,813 |
| The Brand Agency | \$177,431 |
| We Printwell Pty Ltd | \$3,649 |
| Wunderman Thompson Pty Ltd | \$21,900 |
| Sub-Total Advertising Agencies | \$1,207,656 |

| | |
|--|------------|
| Market Research Organisations | |
| Nil | \$0 |
| Sub-Total Market Research Organisations | \$0 |
| Polling Organisations | |
| Nil | \$0 |
| Sub-Total Polling Organisations | \$0 |
| Direct Mail Organisations | |
| Nil | \$0 |
| Sub-Total Direct Mail Organisations | \$0 |

| | |
|--|---------------------|
| Media Advertising Agencies | |
| Advance Press (2013) Pty Ltd | 3,230 |
| Carat Australia Media Services Pty Limited | \$3,500,489 |
| Collie Community Publishing Pty Ltd | \$1,818 |
| Collie Community Radio | \$337 |
| Initiative Media Australia Pty Ltd | \$6,622,014 |
| Meta Advertisement | \$330 |
| Post Newspapers Pty Ltd | \$4,791 |
| Telstra | \$23,024 |
| West Australian Newspapers Limited | \$642 |
| Sub-Total Media Advertising Agencies | \$10,156,676 |
| GRAND TOTAL EXPENDITURE UNDER SECTION 175ZE | \$11,364,332 |

Compliance with the Public Sector Management Act 1994

The Department reported one breach of its Code of Conduct, which was managed in accordance with the Department's policies and procedures.

Compliance with the Disability Services Act 1993

The Department reports annually on progress with its Disability Access and Inclusion Plan (DAIP) and the information used by the Minister for Disability Services to report to Parliament. The Department complies with the requirements of the plan.

Compliance with the State Records Act 2000

Section 19 of the *State Records Act 2000* requires all agencies to have an approved Record Keeping Plan (RKP) that must be complied with by the organisation and its officers.

The Department's RKP was approved in 2018. The plan covers records of the Department, the Office of the Premier, the Cabinet, the Executive Council and all Ministers.

Officers of the Department, the Office of the Premier, the Cabinet, the Executive Council and all Ministers receive training to support compliance with the *State Records Act 2000*.



In accordance with State Records Commission Standard 2, Principle 6 the following compliance information is provided:

| State Records Commission Requirements | Department Compliance Action |
|--|---|
| Whether the efficiency and effectiveness of the organisation's record keeping systems have been evaluated, or if not when such evaluation is proposed. | The Department has an approved and current Record Keeping Program (RKP). RKPs have been prepared and will be signed by all Ministers and the Parliamentary Secretary of the Cabinet. The next RKP review is due December 2023. |
| The nature and extent of the record keeping training program conducted by, or for, the organisation. | <p>All staff are required to complete online records awareness training (RAT) to provide them with a sound understanding of record keeping roles and responsibilities. Additional training tools include fact sheets, advice, training manuals and videos.</p> <p>A compliant records system captures electronic records; this year 963 people used the system, and 370 records system training sessions were arranged.</p> |
| Whether the efficiency and effectiveness of the record keeping training program has been reviewed or alternatively when this is planned to be done. | <p>95 people completed the online RAT course following recruitment.</p> <p>A review of the module has been undertaken to rework and update information for the rollout of a new learning management system in 2023.</p> |
| Assurance that the organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's Record Keeping Plan. | <p>The Department's online induction program covers archives and record keeping responsibilities.</p> <p>The Department requires all staff to attend Accountable and Ethical Decision Making training which is based around the Department's Code of Conduct. This training covers record keeping.</p> <p>All support materials are on the intranet for staff.</p> |



Occupational Safety, Health and Injury Management

The Department, through the Corporate Executive, is committed to providing a healthy, safe and accident-free workplace for all its employees, contractors and visitors by complying with the *Work Health and Safety Act 2020* and the *Workers' Compensation and Injury Management Act 1981*.

The Department's Work Health and Safety (WHS) Committee is the formal mechanism for consultation on WHS matters between employees and the Corporate Executive. The Committee comprises of employee and management representatives, and meets to discuss and resolve safety and health issues, and review objectives, plans and procedures in line with the Department's WHS Management Plan.

The Department is committed to continuous review and improvement of workplace health and safety.

| | 2020-21 | 2021-22 | 2022-23 | Target | Comments |
|---|---------|---------|---------|--------------------------------------|---|
| Number of fatalities | 0 | 0 | 0 | 0 | Target achieved |
| Lost time injury and disease incidence rate | 0.50% | 0% | 0.23% | 0 or 10% reduction in incidence rate | Two lost time to injury and disease incidents in 2022-23 |
| Lost time injury and severity rate | 0.40% | 0% | 100% | 0 or 10% reduction in incidence rate | |
| Percentage of injured workers returned to work within 13 weeks | 100% | N/A | 0 | Greater than or equal to 80% | |
| Percentage of injured workers returned to work within 26 weeks | N/A | N/A | 0 | Greater than or equal to 80% | |
| Percentage of managers trained in occupational safety, health and injury management responsibilities, including refresher training within 3 years | 40.85% | 55% | 26.72% | Greater than or equal to 80% | Ongoing update and implementation of the learning management system, staff movement and a major review of work health and safety system and processes has resulted in a lower percentage of training completion for the financial year. Department wide safety training for leaders scheduled for October 2023. |

Audited financial statements

4





Auditor General

INDEPENDENT AUDITOR'S REPORT

2023

Department of the Premier and Cabinet

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the Department of the Premier and Cabinet (Department) which comprise:

- the Statement of Financial Position at 30 June 2023, 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 2023 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, 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 the Premier and Cabinet for the year ended 30 June 2023 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 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

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Department of the Premier and Cabinet. 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 the State's financial reporting framework (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Department of the Premier and Cabinet 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 the State's financial reporting framework during the year ended 30 June 2023.

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 Engagement 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 the Premier and Cabinet for the year ended 30 June 2023. 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 the Premier and Cabinet are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2023.

Matter of significance

The Department received a direction from the Treasurer under section 61(1)(b) of the *Financial Management Act 2006*, that it is not required to report key efficiency indicators for the following services for the year ended 30 June 2023, as well as subsequent financial years:

- Government Policy Management – Whole of Government
- Government Policy Management – Aboriginal Affairs
- Government Policy Management – ICT

The exemption was approved on the basis that it is impractical to develop efficiency indicators for these services that meet the Treasurer's Instructions requirement of being relevant and appropriate. Consequently, this indicator has not been reported. My opinion is not modified in respect of this matter.

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 controls as the Director General determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

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

Auditor General's 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 management 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 ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management 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 2023, 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

The auditor's report relates to the financial statements and key performance indicators of the Department of the Premier and Cabinet for the year ended 30 June 2023 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.



Caroline Spencer
Auditor General for Western Australia
Perth, Western Australia
8 September 2023

Department of the Premier and Cabinet

Certification of Financial Statements

for the reporting period ended 30 June 2023

The accompanying financial statements of the Department of the Premier and Cabinet 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 ending 30 June 2023 and the financial position as at 30 June 2023.

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



André Brender-A-Brandis
Chief Finance Officer

08 September 2023



Emily Roper
Accountable Authority

08 September 2023

Department of the Premier and Cabinet

Statement of Comprehensive Income

for the year ended 30 June 2023

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|-------------------|----------------|----------------|
| COST OF SERVICES | | | |
| Expenses | | | |
| Employee benefits expenses | 2.1 (a) | 114,132 | 101,748 |
| Supplies and services | 2.3 | 50,481 | 51,747 |
| Depreciation and amortisation expenses | 4.1.1, 4.2, 4.3.1 | 2,441 | 2,416 |
| Finance costs | 6.2 | 41 | 32 |
| Accommodation expenses | 2.3 | 20,016 | 19,454 |
| Grants and subsidies | 2.2 | 25,666 | 24,819 |
| Loss on disposal of non-current assets | 2.4 | 13 | 27 |
| Perth Casino Royal Commission expenditure | 2.3 | - | 13,003 |
| Other expenses | 2.3 | 6,587 | 3,582 |
| Total cost of services | | 219,377 | 216,828 |
| INCOME | | | |
| Sale of goods | 3.2 | 73 | 50 |
| Commonwealth grants | 3.3 | 612 | 1,199 |
| Other income | 3.4 | 202 | 200 |
| Total income | | 887 | 1,449 |
| Net Cost of Services | | 218,490 | 215,379 |

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--|-------|-----------------|----------------|
| Income from State Government | | | |
| Service appropriation | 3.1 | 184,585 | 181,331 |
| Perth Casino Royal Commission appropriation | 3.1 | - | 12,946 |
| Income from other public sector entities | 3.1 | 1,568 | 15,444 |
| Resources received | 3.1 | 6,434 | 7,914 |
| Royalties for Regions Fund | 3.1 | 789 | 861 |
| Total income from State Government | | 193,376 | 218,496 |
| Surplus/ (deficit) for the period | | (25,114) | 3,117 |
| Total comprehensive income/ (loss) for the period | | (25,114) | 3,117 |

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

Department of the Premier and Cabinet

Statement of Financial Position

as at 30 June 2023

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--------------------------------------|-------|----------------|----------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 6.1 | 37,678 | 42,515 |
| Restricted cash and cash equivalents | 6.1 | 11,929 | 15,833 |
| Receivables | 5.1 | 6,076 | 4,535 |
| Amounts receivable for services | 5.2 | 11,513 | 13,310 |
| Other current assets | 5.3 | 3,735 | 3,513 |
| Total Current Assets | | 70,931 | 79,706 |
| Non-Current Assets | | | |
| Restricted cash and cash equivalents | 6.1 | 2,874 | 2,206 |
| Amounts receivable for services | 5.2 | 28,672 | 24,342 |
| Property, plant and equipment | 4.1 | 5,383 | 5,471 |
| Right-of-use assets | 4.2 | 679 | 617 |
| Intangible assets | 4.3 | 645 | 303 |
| Total Non-Current Assets | | 38,253 | 32,939 |
| Total Assets | | 109,184 | 112,645 |

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--------------------------------------|--------|----------------|----------------|
| LIABILITIES | | | |
| Current Liabilities | | | |
| Payables | 5.4 | 14,246 | 13,527 |
| Employee related provisions | 2.1(b) | 21,567 | 18,919 |
| Lease liabilities | 6.2 | 265 | 257 |
| Other liabilities | 5.5 | 272 | - |
| Total Current Liabilities | | 36,350 | 32,703 |
| Non-Current Liabilities | | | |
| Lease liabilities | 6.2 | 438 | 376 |
| Employee related provisions | 2.1(b) | 4,128 | 4,839 |
| Other liabilities | 5.5 | 29 | - |
| Total Non-Current Liabilities | | 4,595 | 5,215 |
| Total Liabilities | | 40,945 | 37,918 |
| NET ASSETS | | 68,239 | 74,727 |
| EQUITY | | | |
| Contributed equity | | 66,970 | 48,344 |
| Accumulated surplus | | 1,269 | 26,383 |
| TOTAL EQUITY | | 68,239 | 74,727 |

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

Department of the Premier and Cabinet

Statement of Changes in Equity

for the year ended 30 June 2023

| | Notes | Contributed equity \$'000 | Accumulated surplus \$'000 | Total equity \$'000 |
|---|-------|------------------------------|-------------------------------|------------------------|
| Balance at 1 July 2021 | | 38,161 | 23,266 | 61,427 |
| Surplus | | - | 3,117 | 3,117 |
| Transactions with owners in their capacity as owners: | | | | |
| Capital appropriation | | 10,183 | - | 10,183 |
| Total | | 10,183 | 3,117 | 13,300 |
| Balance at 30 June 2022 | | 48,344 | 26,383 | 74,727 |
| Balance at 1 July 2022 | | 48,344 | 26,383 | 74,727 |
| Surplus / (Deficit) | | - | (25,114) | (25,114) |
| Transactions with owners in their capacity as owners: | | | | |
| Capital appropriation | | 18,626 | - | 18,626 |
| Total | | 18,626 | (25,114) | (6,488) |
| Balance at 30 June 2023 | | 66,970 | 1,269 | 68,239 |

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

Department of the Premier and Cabinet

Statement of Cash Flows

for the year ended 30 June 2023

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| CASH FLOWS FROM STATE GOVERNMENT | | |
| Service appropriation | 181,970 | 179,057 |
| Capital appropriation | 18,626 | 10,183 |
| Perth Casino Royal Commission appropriation | - | 12,946 |
| Funds from other public sector entities | 1,722 | 15,835 |
| Holding account drawdown | 81 | 81 |
| Royalties for Regions Fund | 789 | 861 |
| Net cash provided by State Government | 203,188 | 218,963 |
| <i>Utilised as follows:</i> | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Payments | | |
| Employee benefits | (112,602) | (99,075) |
| Supplies and services | (46,562) | (42,829) |
| Finance costs | (41) | (32) |
| Accommodation | (18,892) | (19,398) |
| Grants and subsidies | (21,261) | (25,049) |
| GST payments on purchases | (8,999) | (8,661) |
| Perth Casino Royal Commission expenditure | - | (14,013) |
| Other payments | (10,307) | (3,256) |
| Receipts | | |
| Other income | 203 | 187 |
| Sales of goods | 7 | 14 |

| | 2023 \$'000 | 2022 \$'000 |
|---|------------------|------------------|
| Commonwealth grants | 612 | 1,204 |
| GST receipts on sales | 114 | 217 |
| GST receipts from taxation authority | 8,392 | 8,557 |
| Other receipts | 280 | 144 |
| Net cash provided by/ (used in) operating activities | (209,056) | (201,990) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments | | |
| Purchase of non-current assets | (1,820) | (1,476) |
| Net cash used by/ (used in) investing activities | (1,820) | (1,476) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payments | | |
| Principal elements of lease payments | (385) | (359) |
| Net cash used by/ (used in) financing activities | (385) | (359) |
| Net increase in cash and cash equivalents | (8,073) | 15,138 |
| Cash and cash equivalents at the beginning of period | 60,554 | 45,416 |
| Cash and cash equivalents at the end of the period | 52,481 | 60,554 |

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

Department of the Premier and Cabinet

Administered Income and Expenses

for the year ended 30 June 2023

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| INCOME FROM ADMINISTERED ITEMS | | |
| Income | | |
| Administered appropriation: | | |
| South West Native Title Settlement | 68,655 | 63,398 |
| Yamatji Nation Indigenous Land Use Agreement | 14,295 | 10,420 |
| Gibson Desert Nature Reserve Compensation Agreement | 205 | 200 |
| Other ^(a) | 5,000 | - |
| Griffin Coal Mining Company Financial Assistance Agreement | 34,499 | - |
| Tjiwarl Native Title Settlement | 21,455 | - |
| Total administered income | 144,109 | 74,018 |
| Expenses | | |
| Grants and subsidies: | | |
| Other ^(a) | 5,000 | - |
| Griffin Coal Mining Company Financial Assistance Agreement | 23,151 | - |
| Tjiwarl Native Title Settlement | 24,065 | - |
| Interest Expense: | | |
| South West Native Title Settlement | 19,330 | 19,452 |
| Yamatji Nation Indigenous Land Use Agreement | 9,221 | 8,714 |
| Gibson Desert Nature Reserve Compensation Agreement | 30 | 32 |
| Revaluation of Native Title Agreements: ^(b) | | |
| South West Native Title Settlement | 39,774 | 35,390 |
| Yamatji Nation Indigenous Land Use Agreement | 18,893 | 29,084 |
| Gibson Desert Nature Reserve Compensation Agreement | 126 | 1,525 |
| Total administered expenses | 139,590 | 94,197 |

(a) Includes items subject to finalising confidential commercial arrangements, and/or ongoing negotiations and mediated settlements involving the State.

(b) This relates to the remeasurement of the liabilities in respect of CPI and the discount rate applied.

Department of the Premier and Cabinet

Administered assets and liabilities

As at 30 June 2023

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| ADMINISTERED ASSETS | | |
| Current assets | | |
| Cash at Bank - Griffin Coal Mining Company Financial Assistance Agreement | 11,348 | - |
| Cash at Bank - Yamatji Nation Indigenous Land Use Agreement | 788 | - |
| Cash at Bank - Gibson Desert Nature Reserve Compensation Agreement | 20 | - |
| Total current assets | 12,156 | - |
| TOTAL ADMINISTERED ASSETS | 12,156 | - |
| ADMINISTERED LIABILITIES | | |
| Current liabilities | | |
| Provisions - South West Native Title Settlement | 69,630 | 63,833 |
| Provisions - Yamatji Nation Indigenous Land Use Agreement | 19,195 | 12,532 |
| Provisions - Gibson Desert Nature Reserve Compensation Agreement | 203 | 198 |
| Provisions - Tjiwarl Native Title Settlement | 2,610 | - |
| Total current liabilities | 91,638 | 76,563 |
| Non-current liabilities | | |
| Provisions - South West Native Title Settlement | 548,168 | 563,515 |
| Provisions - Yamatji Nation Indigenous Land Use Agreement | 335,046 | 327,103 |
| Provisions - Gibson Desert Nature Reserve Compensation Agreement | 1,125 | 1,159 |
| Total non-current liabilities | 884,339 | 891,777 |
| TOTAL ADMINISTERED LIABILITIES | 975,977 | 968,340 |

Further explanation of variances is contained in note 9.2 "Explanatory statement for administered Items.

Department of the Premier and Cabinet

Notes to the Financial Statements

1. Basis of preparation

The Department of the Premier and Cabinet (The Department) is a WA 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 Accountable Authority of the Department on 08 September 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; and
- 4) Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

The FMA and 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 Agency 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

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, as designated as contributions by owners (at the time of, or prior to, transfer) 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:

- Property, Plant and Equipment reconciliations;
- Intangible Asset reconciliations; and
- Right-of-Use Asset 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

Expense 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 | 2023 \$'000 | 2022 \$'000 |
|------------------------------|---------|----------------|----------------|
| Employee benefits expenses | 2.1 (a) | 114,132 | 101,748 |
| Employee related provisions | 2.1 (b) | 25,695 | 23,758 |
| Grants and subsidies | 2.2 | 25,666 | 24,819 |
| Other expenditure | 2.3 | 77,084 | 87,786 |
| Losses on disposal of assets | 2.4 | 13 | 27 |

2.1 (a) Employee benefits expenses

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Employee benefits | 102,611 | 91,850 |
| Termination benefits | 905 | 698 |
| Superannuation - defined contribution plans | 10,616 | 9,200 |
| Total employee benefits expenses | 114,132 | 101,748 |
| Add: AASB 16 Non-monetary benefits (not included in employee benefits expense) | 434 | 398 |
| Less: Employee contributions (per the statement of comprehensive income) | (194) | (181) |
| Net employee benefits | 114,372 | 101,965 |

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

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.

Superannuation

The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the Gold State Super (concurrent contributions), the West State Super, the Government Employees Superannuation Board schemes, or other superannuation funds.

AASB 16 Non-monetary benefits

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

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.

2.1 (b) Employee related provisions

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

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| CURRENT | | |
| Employee benefits provisions: | | |
| Annual leave | 11,594 | 11,068 |
| Long service leave | 9,883 | 7,790 |
| | 21,477 | 18,858 |
| Other provisions: | | |
| Employment on-costs | 90 | 61 |
| Total current employee related provisions | 21,567 | 18,919 |
| NON-CURRENT | | |
| Employee benefits provisions: | | |
| Long service leave | 4,111 | 4,824 |
| Other provisions: | | |
| Employment on-costs | 17 | 15 |
| Total non-current employee related provisions | 4,128 | 4,839 |
| Total employee related provisions | 25,695 | 23,758 |

Annual leave liabilities:

Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated as 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:

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.

Employment on costs:

These 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 2.3 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Department's 'Employee benefits expenses'. The related liability is included in 'Employment on-costs provision'.

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Employment on-cost provision: | | |
| Carrying amount at start of the period | 76 | 70 |
| Additional provisions recognised | 31 | 6 |
| Carrying amount at end of the period | 107 | 76 |

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.

2.2 Grants and subsidies

| | 2023 \$'000 | 2022 \$'000 |
|-----------------------------------|----------------|----------------|
| Recurrent | | |
| Subsidies and community grants | 5,159 | 3,393 |
| Government agency grants | 9,024 | 10,963 |
| Telethon donation | 11,000 | 10,000 |
| Other external grants | 483 | 463 |
| Total grants and subsidies | 25,666 | 24,819 |

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.

2.3 Other Expenditure

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Supplies and services | | |
| Professional services | 19,164 | 28,764 |
| Aircraft operating costs | 6,227 | 6,008 |
| Travel | 3,500 | 1,868 |
| Communications | 2,119 | 1,736 |
| Consumables | 1,939 | 3,130 |
| Lease of motor vehicles | 329 | 237 |
| Security | 198 | 289 |
| Advertising | 10,184 | 18,197 |
| Systems development and maintenance | 5,738 | 2,856 |
| Other administration costs | 1,083 | 1,276 |
| Sub-total supplies and services | 50,481 | 64,361 |
| Less Perth Casino Royal Commission supplies and services ^(c) | - | (12,614) |
| Total supplies and services | 50,481 | 51,747 |
| Accommodation Expenses | | |
| Office rentals | | |
| Department of Finance | 5,522 | 5,466 |
| Other ^(a) | 13,651 | 13,363 |
| Repairs and maintenance | 350 | 529 |
| Contract - cleaning services | 493 | 481 |
| Sub-total accommodation expenses | 20,016 | 19,839 |
| Less Perth Casino Royal Commission accommodation expenses ^(c) | - | (385) |
| Total accommodation expenses | 20,016 | 19,454 |

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Other expenses | | |
| Other staff costs | 961 | 1,003 |
| Computer software licenses | 5,051 | 2,207 |
| Employment on-cost ^(b) | 283 | 153 |
| Audit Fees - Internal/External | 292 | 223 |
| Sub-total other expenses | 6,587 | 3,586 |
| Less Perth Casino Royal Commission other expenses ^(c) | - | (4) |
| Total other expenses | 6,587 | 3,582 |
| Sub-total Other Expenditure | 77,084 | 74,783 |
| Sub-total Perth Casino Royal Commission | - | 13,003 |
| Total Other Expenditure | 77,084 | 87,786 |

(a) Contracts for Dumas House and Parliamentary Electorate Offices are with the Department of Finance Building Management and Works through Jones Lang Lasalle (WA) Pty Ltd as agents.

(b) Includes workers' compensation insurance.

(c) The expenditure of the Perth Casino Royal Commission was separately disclosed as its administrative functions were governed under the *Royal Commissions Act 1968*. The Department was only providing services to support the Perth Casino Royal Commission, which was concluded in March 2022.

Supplies and services

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

Accommodation expenses

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. They include:

- i) Short-term leases with a lease term of 12 months or less;
- ii) Low-value leases with an underlying value of \$5,000 or less; and
- iii) Variable lease payments, recognised in the period in which the event or condition that triggers those payments occurs.

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

Other expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. Other staff costs include training and staff development.

Employee on-cost

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 2.1(b) 'Employee related provisions'. Superannuation

contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

Expected credit losses

Expected credit loss 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 for more details.

2.4 Losses on disposal of non-current assets

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Net proceeds from disposal of non-current assets | | |
| Right-of-use assets | 5 | 61 |
| Carrying amount of non-current assets disposed | | |
| Right-of-use assets | (5) | (60) |
| Office establishment | - | 1 |
| Office equipment | (13) | (27) |
| Net losses on disposal | (13) | (27) |

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).

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 | 2023 \$'000 | 2022 \$'000 |
|---------------------------------------|-------|----------------|----------------|
| Income from State Government | 3.1 | 193,376 | 218,496 |
| Sale of goods | 3.2 | 73 | 50 |
| Commonwealth grants and contributions | 3.3 | 612 | 1,199 |
| Other income | 3.4 | 202 | 200 |

3.1 Income from State Government

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Appropriation received during the period: | | |
| Service appropriations | 184,585 | 181,331 |
| Appropriation for the Perth Casino Royal Commission | - | 12,946 |
| Total service appropriation received | 184,585 | 194,277 |
| Income received from other public sector entities during the period: | | |
| Sale of goods from Government Gazette publishing | 758 | 1,039 |
| Other revenue (expenditure recoup) | 510 | 1,230 |
| Grants and subsidies | 300 | 13,175 |
| Total Income received from other public sector entities | 1,568 | 15,444 |

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Resources received from other public sector entities during the period | | |
| Services received free of charge: | | |
| Department of Finance - lease administration services and depreciation on fit-outs | 1,298 | 4,057 |
| Department of Justice - legal services | - | 525 |
| State Solicitor's Office - legal services | 4,932 | 3,323 |
| Department of Education - communication representatives for COVID-19 pandemic unit | 1 | - |
| Department of Primary Industries and Regional Development - support the Department in its obligations under applicable legislation | 30 | - |
| Department of Planning, Lands and Heritage - Provision of SAPPR public map viewer and Inquiry Access | 10 | 8 |
| Lotterywest | 152 | - |
| Landgate - Land dealings, land information, valuation services and other product | 8 | - |
| Department of Water and Environmental Regulation - Director General representation at committee meeting | 3 | 1 |
| Total resources received | 6,434 | 7,914 |
| Royalties for Regions Fund: | | |
| - Regional Community Services Account | 789 | 861 |
| Total Royalties for Regions Fund | 789 | 861 |
| Total income from State Government | 193,376 | 218,496 |

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 Department 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 is 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 Department receives the funds.

Grants and subsidies are recognised as grant income upon receipt during the year from Department of Health (COVID-19 communication and WA Health funding health awareness campaigns) and Department of Jobs, Tourism, Science and Innovation (Cyber Security Cooperative Research Centre).

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

Regional Community Services Account is sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas and are recognised as revenue when the 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.

Department of the Premier and Cabinet

Summary of Consolidated Account Appropriations

for the year ended 30 June 2023

| | 2023 Budget Estimate \$'000 | 2023 Supplementary Funding \$'000 | 2023 Revised Budget \$'000 | 2023 Actual \$'000 | 2023 Variance \$'000 |
|---|--------------------------------------|--|-------------------------------------|--------------------------|----------------------------|
| Delivery of Services | | | | | |
| Item 5 Net amount appropriated to deliver services | 167,857 | 15,160 | 183,017 | 183,010 | (7) |
| Section 25 Transfer of service appropriation | - | - | - | - | - |
| Amount Authorised by Other Statutes: | | | | | |
| - <i>Salaries and Allowances Act 1975</i> | 1,575 | - | 1,575 | 1,575 | - |
| Total appropriations provided to deliver services | 169,432 | 15,160 | 184,592 | 184,585 | (7) |
| Capital | | | | | |
| Item 95 Capital Appropriation | 569 | - | 569 | 569 | - |
| Item 116 Capital Appropriation | - | - | - | - | - |
| Administered Transactions | | | | | |
| Item 6 Administered grants, subsidies and other transfer payments | 79,039 | 65,070 | 144,109 | 144,109 | - |
| Total Administered transactions | 79,039 | 65,070 | 144,109 | 144,109 | - |
| Grand Total | 249,040 | 80,230 | 329,270 | 329,263 | (7) |

Note 9 'Explanatory Statement' provides details of significant variations between estimates and actual results for 30 June 2023.

3.2 Sale of Goods

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Sale of goods from the Government Gazette Publishing | 73 | 50 |

Revenue is recognised at a point-in-time for the sale of goods from the Government Gazette Publishing. The performance obligations are satisfied when services have been provided.

3.3 Commonwealth grants and contributions

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Indian Ocean Territories ^(a) | 612 | 599 |
| Perth City Deal Perth Aboriginal Cultural Centre ^(b) | - | 600 |
| Total Commonwealth grants contributions | 612 | 1,199 |

- (a) The funding received from the Commonwealth Department of Infrastructure, Transport, Regional Development and Communications for Indian Ocean Territories is to fund the salaries and on-costs for a State Coordinator and an Administrative Officer. The arrangement between the Department and the Commonwealth Government requires the Department to:
- protect the State's legal, financial and political interests;
 - provide a first point of contact in Indian Ocean Territories (IOT) matters for State Agencies; and to
 - facilitate the Commonwealth Government's objective of comparability of rights, standards and services in the IOT consistent with those of Western Australia.
- (b) Grant revenue received for a pre-feasibility study of an Aboriginal Cultural Centre in Western Australia. This funding was transferred to the Department of Local Government, Sport and Cultural Industries who will lead the delivery of the business case and future planning stages of the Aboriginal Cultural Centre in partnership with the Department of Finance.

Recurrent grants are recognised as income when the grants are receivable. Capital grants are recognised as income when the Department achieves milestones specified in the grant agreement.

3.4 Other income

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Contributions by eligible officers to the Government's Vehicle Schemes | 194 | 181 |
| Services provided to other agencies | 5 | 5 |
| Recoups | - | 2 |
| Miscellaneous funding | 3 | 12 |
| Total other revenue | 202 | 200 |

Other income is recognised as income at fair value when services have been provided and the Department gains control over the resulting economic benefit.

4 Key Assets

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 | 2023 \$'000 | 2022 \$'000 |
|-------------------------------|-------|----------------|----------------|
| Property, plant and equipment | 4.1 | 5,383 | 5,471 |
| Right-of-use assets | 4.2 | 679 | 617 |
| Intangible assets | 4.3 | 645 | 303 |

4.1 Property, plant and equipment

| Year ended 30 June 2023 | Computer Hardware \$'000 | Furniture and Fittings \$'000 | Aircraft \$'000 | Office Equipment \$'000 | Office Establishment \$'000 | Total \$'000 |
|---|--------------------------------|-------------------------------------|--------------------|-------------------------------|-----------------------------------|-----------------|
| 1 July 2022 | | | | | | |
| Gross carrying amount | 2,286 | 120 | 5,833 | 932 | 11,596 | 20,767 |
| Accumulated Depreciation | (2,284) | (107) | (2,531) | (573) | (9,801) | (15,296) |
| Carrying amount at start of the period | 2 | 13 | 3,302 | 359 | 1,795 | 5,471 |
| Additions | 13 | 13 | 103 | 70 | 1,561 | 1,760 |
| Disposals | - | - | - | (13) | - | (13) |
| Depreciation | (3) | (3) | (732) | (102) | (995) | (1,835) |
| Carrying amount at 30 June 2023 | 12 | 23 | 2,673 | 314 | 2,361 | 5,383 |
| Gross carrying amount | 2,299 | 133 | 5,936 | 945 | 12,821 | 22,134 |
| Accumulated Depreciation | (2,287) | (110) | (3,263) | (631) | (10,460) | (16,751) |



Initial recognition

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

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

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

The Department does not hold land, buildings or infrastructure assets. As such, items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses.

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.



4.1.1 Depreciation and impairment

Charge for the period

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Depreciation | | |
| Computer hardware | 3 | 2 |
| Furniture and fittings | 3 | 3 |
| Aircraft | 732 | 726 |
| Office equipment | 102 | 112 |
| Office establishment | 995 | 923 |
| Total depreciation for the period | 1,835 | 1,766 |

As at 30 June 2023 there were no indications of impairment to property, plant and equipment.

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.

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 |
|------------------------|--------------|
| Computer hardware | 3 years |
| Furniture and fittings | 10 years |
| Aircraft | 8 years |
| Office equipment | 5 years |
| Office establishment | 4 - 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.

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 to the extent that the impairment loss does not exceed the amount in the revaluation surplus for the class of asset.

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

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

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify 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 Right-of-use assets

| | Vehicles \$'000 |
|--|----------------------------|
| Carry amount at beginning of period | 617 |
| Additions | 461 |
| Disposals | (5) |
| Depreciation | (394) |
| Net carrying amount as at end of period | 679 |

The Department has leases for vehicles and offices. The lease contracts are typically made for fixed periods of 1-10 years with an option to renew after that date.

The Department has also entered into a Memorandum of Understanding Agreements 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.

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 Department recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

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

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 4.1.1.

4.3 Intangible assets

| | Computer Software \$'000 |
|---|---|
| Year ended 30 June 2023 | |
| 1 July 2022 | |
| Gross carrying amount | 3,065 |
| Accumulated amortisation | (2,762) |
| Carrying amount at start of period | 303 |
| Additions | 554 |
| Amortisation expense | (212) |
| Carrying amount at end of period | 645 |

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition.

Acquired and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria of AASB 138 *Intangible Assets* (as noted above) are capitalised.

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

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset, and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefit;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Costs incurred in the research phase of a project are immediately expensed.

Website costs

Website costs are expensed when incurred unless they directly relate to the acquisition or development of an intangible asset. In this instance they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a website that can be reliably measured, are capitalised to the extent that they represent probable future economic benefits.

Computer software

Software that is an integral part of the related hardware is recognised as part of the tangible asset. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year 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.

4.3.1 Amortisation and impairment

Amortisation

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 life for software is 3-5 years.

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Charge for the period | | |
| Computer software amortisation | 212 | 284 |
| Total amortisation for the period | 212 | 284 |

The Department held no goodwill or intangible assets with an indefinite useful life during the reporting period and at reporting date there were no intangible assets not yet available for use.

Impairment

Intangible assets with indefinite useful lives are tested for impairment annually or when an indication of impairment is identified. As at 30 June 2023 there were no indications of impairment to intangible assets.

The policy in connection with testing for impairment is outlined in Note 4.1.1.

There were no indications of impairment of property, plant and equipment, and intangible assets at 30 June 2023.

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 | 2023 \$'000 | 2022 \$'000 |
|---------------------------------|-------|----------------|----------------|
| Receivables | 5.1 | 6,076 | 4,535 |
| Amounts receivable for services | 5.2 | 40,185 | 37,652 |
| Other current assets | 5.3 | 3,735 | 3,513 |
| Payables | 5.4 | 14,246 | 13,527 |
| Other Liabilities | 5.5 | 301 | - |

5.1 Receivables

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Current | | |
| Trade receivables | 4,670 | 3,437 |
| Allowance for impairment of receivables | (13) | (13) |
| GST receivable | 1,419 | 1,111 |
| Total current receivables | 6,076 | 4,535 |

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.

The Department recognises a loss allowance for expected credit losses (ECLs) on a receivable not held at fair value through profit or loss. The ECLs based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate. Individual receivables are written off when there are no reasonable expectations of recovering the contractual cash flows.

5.2 Amounts receivable for services (Holding Account)

| | 2023 \$'000 | 2022 \$'000 |
|-------------------------------------|----------------|----------------|
| Current | 11,513 | 13,310 |
| Non-current | 28,672 | 24,342 |
| Balance at end of the period | 40,185 | 37,652 |

Amounts receivable for services represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Amounts receivable for services are financial assets at amortised cost, and are not considered impaired (i.e. there is no expected credit loss of the Holding Account).

5.3 Other current assets

| | 2023 \$'000 | 2022 \$'000 |
|-----------------------------------|----------------|----------------|
| Prepayments | 3,735 | 3,513 |
| Total other current assets | 3,735 | 3,513 |

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.

5.4 Payables

| | 2023 \$'000 | 2022 \$'000 |
|-----------------------|----------------|----------------|
| Current | | |
| Trade payables | 5,812 | 4,887 |
| Payable to Treasury | - | 2,092 |
| Accrued salaries | 2,771 | 1,809 |
| Accrued expenses | 5,421 | 4,530 |
| FBT Liabilities | 242 | 209 |
| Total payables | 14,246 | 13,527 |

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 after the reporting period. The Department considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (see Note 6.1 'Cash and Cash Equivalents') consists of amounts paid annually, from Department appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

5.5 Other Liabilities

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Current | | |
| Income in Advance | 252 | - |
| Office accommodation liability | 20 | - |
| | 272 | - |
| Non-current | | |
| Office accommodation liability | 29 | - |
| Closing balance at the end of the period | 301 | - |

6. Financing

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

| | Notes |
|---------------------------|-------|
| Cash and cash equivalents | 6.1 |
| Lease liabilities | 6.2 |
| Finance costs | 6.2 |

6.1 Cash and Cash equivalents

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Cash and cash equivalents | 37,678 | 42,515 |
| Restricted cash and cash equivalents | 14,803 | 18,039 |
| Balance at end of period | 52,481 | 60,554 |
| Restricted cash and cash equivalents | | |
| Current | | |
| Land and Equity Fund | 4,182 | 4,976 |
| Mineral Incentive Special Purpose Account (Note 8.5) | 7,216 | 7,366 |
| Royalties for Regions | 531 | 1,399 |
| Payable to Treasury | - | 2,092 |
| | 11,929 | 15,833 |
| Non-current | | |
| Accrued salaries suspense account ^(a) | 2,874 | 2,206 |

(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 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.

The accrued salaries suspense account consists of amounts paid annually into a Treasurer's special purpose account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

6.2 Lease Liabilities

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| No later than one year | 265 | 257 |
| Later than one year and not later than five years | 429 | 374 |
| Later than five years | 9 | 2 |
| | 703 | 633 |
| Current | 265 | 257 |
| Non-current | 438 | 376 |
| Total lease liabilities | 703 | 633 |

Initial measurement

At the commencement date of the lease, the Department recognises lease liabilities measured at the present value of lease payments to be made over the lease term. 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; and
- » 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).

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.

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

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

This section should be read in conjunction with Note 4.2.

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Lease expenses recognised in the Statement of Comprehensive Income | | |
| Lease interest expense | 41 | 32 |
| Total lease expense | 41 | 32 |

Variable lease payments that are not included in the measurement of the lease liability are recognised in the period in which the event or condition that triggers those payments occurs.

7 Financial instruments and contingencies

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

| | Notes |
|-----------------------------------|-------|
| Financial Instruments | 7.1 |
| Contingent liabilities and assets | 7.2 |
| Commitments | 7.3 |

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 date are:

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Financial Assets | | |
| Cash and cash equivalents | 52,481 | 60,554 |
| Financial assets at amortised cost ^(a) | 44,842 | 41,076 |
| Total financial assets | 97,323 | 101,630 |
| Financial Liabilities | | |
| Financial liabilities at amortised cost ^(b) | 11,233 | 11,509 |
| Total financial liabilities | 11,233 | 11,509 |

(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 and contingent assets

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 liabilities

The Department has several contingent liabilities at 30 June 2023 relating to compensation obligations under the *Native Title Act 1993* (Cth) (NTA).

The Western Australian (WA) Government has a compensation obligation under the NTA, for acts which have extinguished or impacted native title rights. The WA Government is committed to resolving its compensation obligation under the NTA through genuine and collaborative negotiation with native title holding groups, and is also responding to native title compensation claims lodged in the Federal Court.

There are two native title compensation claims currently before the Federal Court. One is the subject of Federal Court mediation and likely to be resolved during the 2023/24 financial year. The other matter is progressing through Federal Court litigation. It is not expected to resolve during the 2023/24 financial year.

There are also five other matters at various stages of negotiation outside of the Federal Court process. In these matters, agreement in principle has not yet been reached, and the total amount of the potential packages has not yet been finalised. Some have been the subject of Government decisions, and others are at preliminary stages of negotiations. As above, there is a significant risk to the progress of these negotiations if the potential liability was publicly disclosed in advance of any potential agreement being reached.

Given the sensitivities of these matters, and the likely prejudice to the negotiations, the full extent of the contingent liabilities are not disclosed.

The Commonwealth's *Native Title Act 1993*, as amended, creates a potential liability for all jurisdictions for compensation for the loss or impairment of Native Title rights and interests that occurred after 31 October 1975. There are currently 30 Native Title claimant applications, and 138 Native Title determinations in Western Australia.

7.2.2 Contingent assets

There were no contingent assets at 30 June 2023 or 30 June 2022.

7.3 Commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Within 1 year | 985 | - |
| Later than 1 year and not later than 5 years | - | - |
| Later than 5 years | - | - |
| | 985 | - |

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 |
| Initial application of Australian Accounting Standards | 8.2 |
| Key management personnel | 8.3 |
| Related party transactions | 8.4 |
| Special purpose accounts | 8.5 |
| Remuneration of auditors | 8.6 |
| Supplementary financial information | 8.7 |

8.1 Events occurring after the end of the reporting period

There were no significant events affecting the operations of the Department of the Premier and Cabinet after the reporting period.

8.2 Initial application of Australian Accounting Standards

There was no material impact from the initial application of an Australian Accounting Standard during the year.

8.3 Key management personnel

The Department has determined key management personnel to include the responsible Cabinet Ministers and senior officers of the Department. However, 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:

| | 2023 | 2022 |
|--|---------------|---------------|
| Compensation Band (\$) | | |
| 50,001 – 100,000 | - | 1 |
| 200,001 – 250,000 | 1 | 1 |
| 250,001 – 300,000 | 1 | 2 |
| 300,001 – 350,000 | 1 | - |
| 350,001 – 400,000 | 1 | 1 |
| 400,001 – 450,000 | 1 | - |
| 500,001 – 550,000 | - | 1 |
| 550,001 – 600,000 | 1 | - |
| | 2023 | 2022 |
| | \$'000 | \$'000 |
| Total Compensation of Senior Officers | 2,197 | 1,715 |

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

For the purpose of this note the Department has determined senior officers to include only those from Tier one and Tier two. Prior year comparatives have been restated accordingly.

8.4 Related party transactions

The Department is a wholly owned public sector entity that is controlled by 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 agencies 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 related parties

Outside of normal citizen type transactions with the Agency, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities. (2022: \$6.6 million)

8.5 Special purpose accounts

Browse LNG Precinct Project Agreement Native Title Beneficiaries' Interest Bearing Trust Account

The purpose of this account is to hold \$30 million, being the State's contribution of \$10 million to the Economic Development Fund and \$20 million to the Indigenous Housing Fund pursuant to the Browse LNG Precinct Project Agreement. This account is an interest bearing account.

| | 2023 \$'000 | 2022 \$'000 |
|---------------------------------------|----------------|----------------|
| Balance at the start of the year | - | 35,431 |
| Receipts | 45 | 125 |
| Payments | (45) | (35,556) |
| Balance at the end of the year | - | - |

The account was set up in December 2013.

Beverley Land Agreement - Ballardong People Claim Group

The purpose of this account is to hold funds received pursuant to the Beverley Land Agreement for the Ballardong native title claimants until such time that the South West Settlement Indigenous Land Use Agreement becomes operational.

| | 2023 \$'000 | 2022 \$'000 |
|---------------------------------------|----------------|----------------|
| Balance at the start of the year | 16 | 9 |
| Receipts | - | 7 |
| Payments | (16) | - |
| Balance at the end of the year | - | 16 |

The account was set up in January 2018.

Native Title Holder Incentive for Mineral Exploration and Land Access Account

The purpose of this account is to hold funds for the provision of a financial incentive to Native Title holders who are prepared to endorse a Government Indigenous Land Use Agreement (the Agreement) for the purpose of expediting procedure for the grant of exploration and prospecting licences and low impact activities in areas where native title rights are recognised.

| | 2023 \$'000 | 2022 \$'000 |
|---------------------------------------|------------------------|------------------------|
| Balance at the start of the year | 7,366 | 7,434 |
| Receipts: Appropriations | 25 | 25 |
| Payments | (175) | (93) |
| Balance at the end of the year | 7,216 | 7,366 |

The account was set up in September 2012.

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:

| | 2023 \$'000 | 2022 \$'000 |
|--|------------------------|------------------------|
| Auditing the accounts, financial statements, controls and performance indicators | 200 | 179 |



8.7 Supplementary financial information

(a) Write-offs

During the financial year Nil was written-off under the authority of section 48 of the FMA (2022: Nil).

(b) Losses through theft, defaults and other causes

There were no losses through theft, defaults and other causes during the year (2022: Nil).

(c) Forgiveness of debts

There were no forgiveness (or waiver) of debts by the Department during the year (2022: Nil).

(d) Gifts of public property

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Gifts of public property provided by the Department | 7 | 3 |
| | 7 | 3 |

9 Explanatory statement

This section explains variations in the financial performance of the Department.

| | Notes |
|---|-------|
| Explanatory statement for controlled operations | 9.1 |
| Explanatory statement for administered items | 9.2 |

9.1 Explanatory statement for controlled operations

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

All variances between annual estimates (original budget) and actual results for 2023, and between the actual results for 2023 and 2022 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 of the estimate for the Statement of Comprehensive Income and Statement of Cash Flows (\$2.025 million), and
- Total Assets of the estimate for the Statement of Financial Position (\$0.835 million).

9.1.1 Statement of comprehensive income variances

| | Variance Note | Estimate 2023 \$'000 | Actual 2023 \$'000 | Actual 2022 \$'000 | Variance between actual and estimate \$'000 | Variance between actual results for 2023 and 2022 \$'000 |
|---|---------------|-------------------------|-----------------------|-----------------------|--|---|
| Expenses | | | | | | |
| Employee benefits expense | 1 | 113,357 | 114,132 | 101,748 | 775 | 12,384 |
| Supplies and services | | 49,563 | 50,481 | 51,747 | 918 | (1,266) |
| Depreciation and amortisation expense | | 2,918 | 2,441 | 2,416 | (477) | 25 |
| Finance costs | | 47 | 41 | 32 | (6) | 9 |
| Accommodation expenses | | 19,659 | 20,016 | 19,454 | 357 | 562 |
| Grants and subsidies | A | 15,177 | 25,666 | 24,819 | 10,489 | 847 |
| Loss on disposal of non-current assets | | - | 13 | 27 | 13 | (14) |
| Perth Casino Royal Commission expenditure | 2 | - | - | 13,003 | - | (13,003) |
| Other expenses | B, 3 | 1,818 | 6,587 | 3,582 | 4,769 | 3,005 |
| Total Cost of Services | | 202,539 | 219,377 | 216,828 | 16,838 | 2,549 |
| Income | | | | | | |
| Sales | | 476 | 73 | 50 | (403) | 23 |
| Other revenue | | 323 | 202 | 200 | (121) | 2 |
| Commonwealth Government grants and contributions | | 510 | 612 | 1,199 | 102 | (587) |
| Total income other than income from State Government | | 1,309 | 887 | 1,449 | (422) | (562) |
| Net Cost of Services | | 201,230 | 218,490 | 215,379 | 17,260 | 3,111 |

9.1.1 Statement of comprehensive income variances (contd)

| | Note | Estimate 2023 \$'000 | Actual 2023 \$'000 | Actual 2022 \$'000 | Variance between actual and estimate \$'000 | Variance between actual results for 2023 and 2022 \$'000 |
|--|------|----------------------------|--------------------------|--------------------------|--|---|
| Income from State Government | | | | | | |
| Service appropriation | | 169,432 | 184,585 | 181,331 | 15,153 | 3,254 |
| Perth Casino Royal Commission appropriation | 4 | - | - | 12,946 | - | (12,946) |
| Income from other public sector entities | 5 | 1,784 | 1,568 | 15,444 | (216) | (13,876) |
| Services received free of charge | | 7,300 | 6,434 | 7,914 | (866) | (1,480) |
| Royalties for Regions Fund | | 2,753 | 789 | 861 | (1,964) | (72) |
| Digital Capability Fund | C | 15,384 | - | - | (15,384) | - |
| Total income from State Government | | 196,653 | 193,376 | 218,496 | (3,277) | (25,120) |
| (Deficit)/surplus for the period | | (4,577) | (25,114) | 3,117 | (20,537) | (28,231) |
| Total comprehensive income for the period | | (4,577) | (25,114) | 3,117 | (20,537) | (28,231) |

Major estimate and actual (2023) variance narratives

- A. Grants and subsidies are \$10.489 million (69%) higher than the budget estimate primarily due to increased contributions to the annual Telethon appeal and Ex-Tropical Cyclone Ellie disaster recovery payments.
- B. Other Expenses are \$4.769 million (262%) higher than the budget estimate due to increased computer software licences.
- C. New funding through the Digital Capability Funds of \$15.384 million was received during 2022-23 for; Accelerating Citizen Centric Digital Services, Cyber Security Capability, eInvoicing Pilot, ServiceWA Application Support Program and Whole of Government Data Linkage and Analytics.

Major actual (2023) and comparative (2022) variance narratives

1. Employee benefits expense is \$12.384 million (12%) higher than the prior year due to salary escalation and the Cost of Living Payments during 2022-23, an increased revaluation of employee leave provision and increase in Department FTE.
2. Actual Expenditure on the Perth Casino Royal Commission was \$13.003 million, and this project expenditure ceased during 2021-22. Expenditure was not incurred during 2022-23.
3. Other Expenses were \$3.005 million (84%) higher than 2021-22 due to increased computer software licences.
4. Funding to undertake the Perth Casino Royal Commission was \$12.946 million for 2021-22, and this project ceased during the same year. Expenditure was not budgeted for or incurred during 2022-23.
5. Income from other public sector entities was lower than the prior year by \$13.876 million (90%). This is mainly due to funds received from the Department of Health for the COVID-19 vaccination campaign as well as contributions received for the ServiceWA project from other departments.



9.1.2 Statement of financial position variances

| | Variance Note | Estimate 2023 \$'000 | Actual 2023 \$'000 | Actual 2022 \$'000 | Variance between actual and estimate \$'000 | Variance between actual results for 2023 and 2022 \$'000 |
|--------------------------------------|---------------|-------------------------|-----------------------|-----------------------|--|---|
| Assets | | | | | | |
| Current Assets | | | | | | |
| Cash and cash equivalents | | 12,148 | 37,678 | 42,515 | 25,530 | (4,837) |
| Restricted cash and cash equivalents | | 15,146 | 11,929 | 15,833 | (3,217) | (3,904) |
| Receivables | | 2,303 | 6,076 | 4,535 | 3,773 | 1,541 |
| Amounts receivable for services | | 11,099 | 11,513 | 13,310 | 414 | (1,797) |
| Other current assets | | 4,374 | 3,735 | 3,513 | (639) | 222 |
| Total current assets | | 45,070 | 70,931 | 79,706 | 25,861 | (8,775) |
| Non-current assets | | | | | | |
| Restricted cash and cash equivalents | | 2,347 | 2,874 | 2,206 | 527 | 668 |
| Amounts receivable for services | | 29,494 | 28,672 | 24,342 | (822) | 4,330 |
| Property, plant and equipment | D | 6,593 | 5,383 | 5,471 | (1,210) | (88) |
| Right-of-use assets | | - | 679 | 617 | 679 | 62 |
| Intangible assets | | - | 645 | 303 | 645 | 342 |
| Total non-current assets | | 38,434 | 38,253 | 32,939 | (181) | 5,314 |
| TOTAL ASSETS | | 83,504 | 109,184 | 112,645 | 25,680 | (3,461) |

9.1.2 Statement of financial position variances (contd)

| | Variance Note | Estimate 2023 \$'000 | Actual 2023 \$'000 | Actual 2022 \$'000 | Variance between actual and estimate \$'000 | Variance between actual results for 2023 and 2022 \$'000 |
|--------------------------------------|---------------|----------------------|--------------------|--------------------|---|--|
| Liabilities | | | | | | |
| Current liabilities | | | | | | |
| Payables | | 8,478 | 14,246 | 13,527 | 5,768 | 719 |
| Provisions | E, 6 | 19,361 | 21,567 | 18,919 | 2,206 | 2,648 |
| Lease liabilities | | 365 | 265 | 257 | (100) | 8 |
| Other liabilities | | - | 272 | - | 272 | 272 |
| Total current liabilities | | 28,204 | 36,350 | 32,703 | 8,146 | 3,647 |
| Non-current liabilities | | | | | | |
| Lease liabilities | | 504 | 438 | 376 | (66) | 62 |
| Provisions | | 4,569 | 4,128 | 4,839 | (441) | (711) |
| Other liabilities | | - | 29 | - | 29 | 29 |
| Total non-current liabilities | | 5,073 | 4,595 | 5,215 | (478) | (620) |
| TOTAL LIABILITIES | | 33,277 | 40,945 | 37,918 | 7,668 | 3,027 |
| NET ASSETS | | 50,227 | 68,239 | 74,727 | 18,012 | (6,488) |
| Equity | | | | | | |
| Contributed equity | | 42,212 | 66,970 | 48,344 | 24,758 | 18,626 |
| Accumulated surplus/(deficit) | | 8,015 | 1,269 | 26,383 | (6,746) | (25,114) |
| TOTAL EQUITY | | 50,227 | 68,239 | 74,727 | 18,012 | (6,488) |

Major estimate and actual (2023) variance narratives

- D. Property, plant and equipment was \$1.210 million (18%) lower than the budget estimate due to lower electorate office fit-outs and aircraft capital works.
- E. Current Provisions are \$2.206 million (11%) higher for employee entitlement benefits than the budget estimate due to salary escalation and the Cost of Living Payments during 2022-23, an increased revaluation of employee leave provision and increase in Department FTE.

Major actual (2023) and comparative (2022) variance narratives

- 6. Current Provisions are \$2.648 million (14%) higher for employee entitlement benefits than the prior year due to salary escalation and the Cost of Living Payment during 2022-23, an increased revaluation of employee leave provision and increase in Department FTE.

9.1.3 Statement of cash flows variances

| | Variance Note | Estimate 2023 \$'000 | Actual 2023 \$'000 | Actual 2022 \$'000 | Variance between actual and estimate \$'000 | Variance between actual results for 2023 and 2022 \$'000 |
|--|---------------|----------------------|--------------------|--------------------|---|--|
| CASH FLOWS FROM STATE GOVERNMENT | | | | | | |
| Service appropriation | | 166,409 | 181,970 | 179,057 | 15,561 | 2,913 |
| Perth Casino Royal Commission appropriation | 7 | - | - | 12,946 | - | (12,946) |
| Funds from other public sector entities | F, 8 | 17,168 | 1,722 | 15,835 | (15,446) | (14,113) |
| Capital appropriation | G, 9 | 569 | 18,626 | 10,183 | 18,057 | 8,443 |
| Holding account drawdowns | | 81 | 81 | 81 | - | - |
| Royalties for regions fund | | 2,753 | 789 | 861 | (1,964) | (72) |
| Net cash provided by State Government | | 186,980 | 203,188 | 218,963 | 16,208 | (15,775) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| Payments | | | | | | |
| Employee benefits | 10 | (113,357) | (112,602) | (99,075) | 755 | (13,527) |
| Supplies and services | | (43,360) | (46,562) | (42,829) | (3,202) | (3,733) |
| Finance costs | | (47) | (41) | (32) | 6 | (9) |
| Accommodation | | (18,692) | (18,892) | (19,398) | (200) | 506 |
| Grants and subsidies | H, 11 | (15,177) | (21,261) | (25,049) | (6,084) | 3,788 |
| GST payments on purchases | I | (6,161) | (8,999) | (8,661) | (2,838) | (338) |
| Perth Casino Royal Commission expenditure | 12 | - | - | (14,013) | - | 14,013 |
| Other payments | J, 13 | (1,668) | (10,307) | (3,256) | (8,639) | (7,051) |

9.1.3 Statement of cash flows variances (contd)

| | Variance Note | Estimate 2023 \$'000 | Actual 2023 \$'000 | Actual 2022 \$'000 | Variance between actual and estimate \$'000 | Variance between actual results for 2023 and 2022 \$'000 |
|---|---------------|----------------------|--------------------|--------------------|---|--|
| Receipts | | | | | | |
| Other revenue | | - | 203 | 187 | 203 | 16 |
| Sales | | 456 | 7 | 14 | (449) | (7) |
| Commonwealth grants and contributions | | 510 | 612 | 1,204 | 102 | (592) |
| GST receipts of sales | | - | 114 | 217 | 114 | (103) |
| GST receipts from taxation authority | K | 6,161 | 8,392 | 8,557 | 2,231 | (165) |
| Other receipts | | 323 | 280 | 144 | (43) | 136 |
| Net cash used in operating activities | | (191,012) | (209,056) | (201,990) | (18,044) | (7,066) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| Payments | | | | | | |
| Purchase of non-current assets | | (761) | (1,820) | (1,476) | (1,059) | (344) |
| Net cash used in investing activities | | (761) | (1,820) | (1,476) | (1,059) | (344) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| Payments | | | | | | |
| Principal elements of lease payments | | (358) | (385) | (359) | (27) | (26) |
| Net cash used in financing activities | | (358) | (385) | (359) | (27) | (26) |
| Net increase/(decrease) in cash and cash equivalents | | (5,151) | (8,073) | 15,138 | (2,922) | (23,211) |
| Cash and cash equivalents at the beginning of period | | 34,792 | 60,554 | 45,416 | 25,762 | 15,138 |
| Cash and Cash Equivalents at the end of period | | 29,641 | 52,481 | 60,554 | 22,840 | (8,073) |

Major estimate and actual (2023) variance narratives

- F Funding received from other public sector entities was \$15.446 million (90%) lower than budget estimate due to reduced funding received for COVID-19 campaign.
- G. Funding is \$18.057 million higher (3,173%) higher than the budget estimate due to funding for the Digital Economy Project through the Digital Capability Fund.
- H. Grants and subsidies payments were \$6.084 million (40%) higher than the budget estimate primarily due to increased contributions to the annual Telethon appeal and ex-tropical Cyclone Ellie and Associated Flooding.
- I. GST payments on purchase were \$2.838 million (46%) higher due to increased expenditure on taxable supplies and services paid during 2022-23.
- J. Other payments are \$8.639 million (518%) higher than the budget estimate due to increased computer software licences and return of excess administered funds to Treasury.
- K. GST receipts from the Australian Taxation Office have increased by \$2.231 million (36%) against the budget estimate due to increased expenditure on creditable acquisitions during 2022-23.

Major actual (2023) and comparative (2022) variance narratives:

- 7. Funding received to undertake the Perth Casino Royal Commission was \$12.946 million for 2021-22, and this project ceased during the same year. Expenditure was not incurred during 2022-23.
- 8. Funding received from other public sector entities was \$14.113 million (89%) lower than prior year due to reduced funding received for COVID-19 campaign.
- 9. Funding is \$8.443 million (83%) higher than prior year due to an increase funding to the Digital Capability Fund for Cyber Security Capability.
- 10. Employee benefits paid is \$13.527 million (14%) higher than the prior year due to salary escalation and the Cost of Living Payment during 2022-23, an increased revaluation of employee leave provision and increase in Department FTE.
- 11. Grants and subsidies payments were \$3.788 million (15%) lower than 2021-22 primarily due to the Red Cross Appeal Fund for the floods in New South Wales and Queensland and other community grants.
- 12. Perth Casino Royal Commission payments total \$14.013 million in 2021-22. This project expenditure ceased during 2021-22. Expenditure was not budgeted for or incurred during 2022-23.
- 13. Other payments were \$7.051 million (217%) higher than 2021-22 due to increased computer software licences and return of excess administered appropriation to Treasury.

9.2 Explanatory statement for administered items

This explanatory section explains variations in the financial performance of the Department undertaking transactions as an agent of the government, as detailed in the administered schedules.

| | Notes |
|--|--------------|
| Contingent liabilities | 9.2.1 |
| Explanatory statement for administered items | 9.2.2 |

South West Native Title Settlement

The South West Native Title Settlement is a landmark Native Title agreement, negotiated between the Noongar people and the Western Australian Government. The Settlement is a significant step towards self-determination and includes six Indigenous Land Use Agreements (ILUAs). The Settlement is the most comprehensive of its kind in Australia to date. The Settlement involves around 30,000 Noongar people and covers approximately 200,000 km² of the State's south west region. Legal challenges to the Settlement were dismissed by the High Court in November 2020 and the six ILUAs came into effect in late February 2021.

The Settlement package is a long-term investment in the Noongar people and will provide sustainable assets and options for developing Noongar interests, including opportunities for the State Government to work in partnership with the Noongar people to elevate economic, social and community outcomes.

Yamatji Nation Indigenous Land Use Agreement

The Yamatji Nation Indigenous Land Use Agreement settles Native Title claims over 48,000 km² of land and water in the Geraldton region. The Agreement was finalised in April 2021.

The Agreement aims to build a sustainable economic foundation, focuses on Aboriginal empowerment and recognition, and includes a broad range of benefits including a cash component, economic development package, heritage agreements, land transfers, jointly managed conservation estate and robust governance framework.

Gibson Desert Nature Reserve Compensation Agreement

The Gibson Desert Nature Reserve Compensation and Lurrtjurrulu Palakitjalu Settlement Agreement covers an area of approximately 18,900 square kilometres in central Western Australia. The Agreement resolves the WA Government's liability arising from the extinguishment of native title by the creation of the reserve and was finalised on 29 October 2020.

The settlement package includes annual payments to the Warnpurru Aboriginal Corporation and to support joint management activities over the reserve, providing meaningful work and training opportunities for the Traditional Owners, the renaming of the area to the Pila Nature Reserve and the recognition of native title rights and interests over the Reserve.

Griffin Coal Mining Company Financial Assistance Agreement

Griffin Coal is financially stressed, a Receiver and Liquidator have been appointed. Griffin Coal supplied 60% coal for the requirements of South32's Worsley Refinery (the remaining requirements are sourced from Premier Coal); and the total supply of the privately owned Bluewaters Power Station that provides substantial capacity in the South West Interconnected System (SWIS).

The State Government entered into a Financial Assistance Agreement with Griffin Coal in January 2023. \$7.3 million was drawn down by Griffin's receivers and managers under this Agreement. The Agreement was subsequently amended so as to allow for the provision of funding to support continued mining operation for the period 1 March to 30 June 2023. Under this amended Agreement, Griffin Coal's receivers and managers were able to seek funding to cover any shortfall between production costs and coal sales revenue. Government provided \$15.9 million of funding for this purpose to June 2023.

Payments to secure generation capacity from coal fired electricity generation facilities in the South West Interconnected System are expected to continue in to 2023-24 and potentially longer. Under the Process Agreement, future payments are at the discretion of the State and are not quantifiable at this time.

Tjiwarl Palyakuwa (Agreement)

The Tjiwarl Palyakuwa (Agreement) is an Indigenous land use agreement between the Western Australian Government and Tjiwarl Aboriginal Corporation (Tjiwarl AC) (on behalf of the Tjiwarl native title holders) that resolves the State's native title compensation liability in the Tjiwarl native title determination area.

The Agreement provides the Tjiwarl people with a package of benefits designed to support the cultural, social and economic aspirations of the Tjiwarl people, including monetary compensation of \$25.574 million, land estate, joint management, mining and heritage processes, partnership and other non-monetary commitments.

9.2.1 Contingent Liabilities

South West Native Title Settlement

Under the South West Settlement Indigenous Land Use Agreement, a State-managed Noongar Land Fund of up to a maximum of \$46.85 million (of which \$5.249 million has been included as a payable in Administered Liabilities) will, subject to meeting certain conditions, be used over 10 years to meet the Settlement's land, joint management and heritage objectives through the development of effective partnerships between the Noongar Regional Corporations and the State's key land/heritage agencies.

Yamatji Nation Indigenous Land Use Agreement

Under the Yamatji Nation Indigenous Land Use Agreement the State has agreed to provide the Trustee of the Charitable Trust on behalf of the Yamatji Nation, with an annual payment calculated as a percentage of rent received from mining tenements with the Agreement Area, for a period of 10 years between 1 July 2022 and 30 June 2032, to meet the Settlement's economic development objectives. It is estimated that total payments will approximate \$8.64 million.

All the above items were considered to not meet the definition of a liability on the basis that the government maintains discretion with regards to disbursement of these funds.

9.2.2 Explanatory statement for administered items

All variances between annual estimates and actual results for 2023, and between the actual results for 2023 and 2022 are shown below. Narratives are provided for key major variances which vary by more than 10% from their comparative and that the variation is more than 1% of the dollar aggregate of the prior year's Total Administered Income (\$0.74 million).

| | Variance Note | Estimate 2023 \$'000 | Actual 2023 \$'000 | Actual 2022 \$'000 | Variance between actual and estimate \$'000 | Variance between actual results for 2023 and 2022 \$'000 |
|--|---------------|----------------------|--------------------|--------------------|---|--|
| INCOME FROM ADMINISTERED ITEMS | | | | | | |
| Income | | | | | | |
| Administered appropriation: | | | | | | |
| South West Native Title Settlement | | 70,742 | 68,655 | 63,398 | (2,087) | 5,257 |
| Yamatji Nation Indigenous Land Use Agreement | 1 | 13,711 | 14,295 | 10,420 | 584 | 3,875 |
| Gibson Desert Nature Reserve Compensation Agreement | | 186 | 205 | 200 | 19 | 5 |
| Other ^(a) | A,2 | - | 5,000 | - | 5,000 | 5,000 |
| Griffin Coal Mining Company Financial Assistance Agreement | B,3 | - | 34,499 | - | 34,499 | 34,499 |
| Tjiwarl Native Title Settlement | C, 4 | - | 21,455 | - | 21,455 | 21,455 |
| Total administered income | | 84,639 | 144,109 | 74,018 | 59,470 | 70,091 |

| | Variance Note | Estimate 2023 \$'000 | Actual 2023 \$'000 | Actual 2022 \$'000 | Variance between actual and estimate \$'000 | Variance between actual results for 2023 and 2022 \$'000 |
|--|---------------|----------------------|--------------------|--------------------|---|--|
| Expenses | | | | | | |
| Grants and subsidies: | | | | | | |
| Other ^(a) | D, 5 | - | 5,000 | - | 5,000 | 5,000 |
| Griffin Coal Mining Company Financial Assistance Agreement | E, 6 | - | 23,151 | - | 23,151 | 23,151 |
| Tjiwarl Native Title Settlement | F, 7 | - | 24,065 | - | 24,065 | 24,065 |
| Interest expense: | | | | | | |
| South West Native Title Settlement | G | 23,236 | 19,330 | 19,452 | (3,906) | (122) |
| Yamatji Nation Indigenous Land Use Agreement | | 9,551 | 9,221 | 8,714 | (330) | 507 |
| Gibson Desert Nature Reserve Compensation Agreement | | 28 | 30 | 32 | 2 | (2) |
| Revaluation of Native Title Agreements: | | | | | | |
| South West Native Title Settlement | G, 8 | - | 39,774 | 35,390 | 39,774 | 4,384 |
| Yamatji Nation Indigenous Land Use Agreement | H, 9 | - | 18,893 | 29,084 | 18,893 | (10,191) |
| Gibson Desert Nature Reserve Compensation Agreement | 10 | - | 126 | 1,525 | 126 | (1,399) |
| Total administered expenses | | 32,815 | 139,590 | 94,197 | 106,775 | 45,393 |

(a) Includes items subject to finalising confidential commercial arrangements, and/or ongoing negotiations and mediated settlements involving the State.

Major estimate and actual (2023) variance narratives:

- A. Includes items subject to finalising confidential commercial arrangements, and/or ongoing negotiations and mediated settlements involving the State.
- B. Griffin Coal Mining Company Financial Assistance Agreement is \$34.499 million higher than estimate due to a Variation Agreement being executed with Griffin's receivers and managers to ensure energy security for Western Australia and greater certainty for the Collie workforce and community.
- C. Revenue is higher than estimate (\$21.455 million) due to the Tjiwarl Aboriginal Corporation entering into the Tjiwarl Palyakuwa Agreement, an Indigenous Land Use Agreement in the northern Goldfields region of Western Australia, during 2022-23.
- D. Includes items subject to finalising confidential commercial arrangements, and/or ongoing negotiations and mediated settlements involving the State.
- E. Griffin Coal Mining Company Financial Assistance Agreement is \$23.151 million higher than estimate due to a Variation Agreement being executed with Griffin's receivers and managers to ensure energy security for Western Australia and greater certainty for the Collie workforce and community.
- F. Expenditure Tjiwarl Native Title Settlement is higher than estimate (\$24.065 million) due to the Tjiwarl Aboriginal Corporation entering into the Tjiwarl Palyakuwa Agreement, an Indigenous Land Use Agreement in the northern Goldfields region of Western Australia, during 2022-23.

- G. The South West Native Title Settlement net variance of \$35.868 million (\$39.774 million increase and \$3.906 million decrease) relates to the remeasurement of the administered liabilities in respect to CPI and the discount rate applied.
- H. Variance of \$18.893 million relates to the remeasurement of the administered liabilities in respect of CPI and the discount rate applied.

Major actual (2023) and comparative (2022) variance narratives:

1. The Yamatji Nation Indigenous Land Use Agreement actual income is higher than prior year by \$3.875 million (37%) as this reflects funding to administer cash outflows for the native title arrangement. Actual expenditure represents the additional grants and subsidies during the current year as well as the interest expense.
2. Includes items subject to finalising confidential commercial arrangements, and/or ongoing negotiations and mediated settlements involving the State.
3. Griffin Coal Mining Company Financial Assistance Agreement is \$34.499 million higher the 2021-22 year due to a Variation Agreement being executed with Griffin's receivers and managers to ensure energy security for Western Australia and greater certainty for the Collie workforce and community.
4. Revenue is higher than 2021-22 (\$21.455 million) due to the Tjiwarl Aboriginal Corporation entering into the Tjiwarl Palyakuwa Agreement, an Indigenous Land Use Agreement in the northern Goldfields region of Western Australia, during 2022-23.

5. Includes items subject to finalising confidential commercial arrangements, and/or ongoing negotiations and mediated settlements involving the State.
6. Griffin Coal Mining Company Financial Assistance Agreement expenditure is \$23.151 million higher the 2021-22 year due to a Variation Agreement being executed with Griffin's receivers and managers to ensure energy security for Western Australia and greater certainty for the Collie workforce and community.
7. Expenditure for the Tjiwarl Native Title Settlement is higher than 2021-22 (\$24.065 million) due to the Tjiwarl Aboriginal Corporation entering into the Tjiwarl Palyakuwa Agreement, an Indigenous Land Use Agreement in the northern Goldfields region of Western Australia, during 2022-23.
8. The South West Native Title Settlement variance of \$4.384 million relates to the remeasurement of the administered liabilities in respect to CPI and the discount rate applied.
9. Expenditure variance of \$10.191 million from prior year in relations to Yamatji Nation Indigenous Land Use Agreement relates to the remeasurement of the administered liabilities in respect to CPI and the discount rate applied.
10. Actual expenditure for Gibson Desert Nature Reserve Compensation Agreement is lower by \$1.399 million compared to the prior year, as the Gibson Desert Nature Reserve Compensation Settlement has been reclassified from Department Controlled to Department Administered in 2021-22 to keep the treatment consistent with other Native Title Settlement items. Amounts relating to this item have been re-stated and recognised initially as Administered expenditure for 2020-21.



Key performance indicators

5



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 the Premier and Cabinet's performance, and fairly represent the performance of the Department of the Premier and Cabinet for the financial year ended 30 June 2023.



Emily Roper
Accountable Authority
08 September 2023



Performance Indicators

The Department's Outcome Based Management (OBM) structure consists of three agency-level outcomes, and six agency-level services, which are:

Outcomes

1. Executive Government, Leader of the Opposition Party, Leader of the Non-Government Party and Members of Parliament receive appropriate support.
2. The Premier and Ministers receive high quality, rigorous and timely policy advice.
3. Supporting the Royal Commission to inquire into and report on the affairs of Crown Casino Perth.

Services

1. Administration of Executive Government Services
2. Administration of Parliamentary Support
3. Government Policy Management – Whole-of-Government
4. Government Policy Management – Aboriginal Affairs
5. Government Policy Management – Information and Communications Technology
6. Supporting the Royal Commission to inquire into and report on the affairs of Crown Casino Perth.

Key Effectiveness Indicators

Outcome 1 - Executive Government, Leader of the Opposition Party, Leader of the Non-Government Party and Members of Parliament receive appropriate support

1.1 Targets for support services are met or exceeded

This indicator reports support services (email correspondence, Ministerial merit panels, air charter requests and monthly Ministerial reports) provided by the Department to Executive Government (Premier and Ministers), Leaders of the Opposition parties and Members of Parliament. To measure the extent to which the Department delivers appropriate support to these groups, the timeliness of these services is measured. All services measured are of equal rank, with all results for the performance indicators averaged to determine the total result.

1.2 Service recipients' confirmation that services provided enable the obligations of Executive Government and Members of Parliament to be met

This indicator reports the satisfaction levels of Executive Government, Leaders of the Opposition parties, Members of Parliament and their staff for corporate services delivered by the Department that enable them to meet their Parliamentary obligations.

Outcome 1 – Annual Comparison

| | 2020 Actual | 2021 Actual | 2022 Actual | 2023 Target | 2023 Actual |
|---|----------------|----------------|----------------|----------------|----------------|
| 1.1 Targets for support services are met or exceeded | 100% | 99% | 99% | 99% | 99% |
| 1.2 Service recipients' confirmation that services provided enable the obligations of Executive Government and MPs to be met. | 3.9 | 3.8 | 3.9 | 4.0 | 4.0 |



Outcome 2 - The Premier and Ministers receive high quality, rigorous and timely policy advice

This indicator reports the satisfaction levels of the Premier and Ministers for policy services delivered by the Department.

Outcome 2 – Annual Comparison

| | 2020 Actual | 2021 Actual | 2022 Actual | 2023 Target | 2023 Actual |
|---|----------------|----------------|----------------|----------------|----------------|
| 2.1 Service recipients' confirmation that high quality and timely policy advice is provided | 3.4 | 3.2 | 3.5 | 3.0 | 3.7 |

Outcome 3 - Supporting the Royal Commission to inquire into and report on the affairs of Crown Casino Perth

There is no key effectiveness indicator to measure the support of the Royal Commission to inquire into and report on the affairs of Crown Casino Perth

Due to the short-term nature and discrete scope of work, it is not feasible to periodically report key effectiveness indicators linked to the Royal Commission.

As a result, no data or measurements are recorded or reported.



Key Efficiency Indicators

Service 1 - Administration of Executive Government Services

1.1 Average operating cost of Ministerial Offices (including the Premier), the Leader of the Opposition Party and the Leader of the Non-Government Party.

The purpose of this indicator is to highlight the operating cost per Ministerial Office, the Leader of the Opposition Party and the Leader of the Non-Government Party offices and seek to measure the efficiency of the costs associated with administering each office.

The Department is responsible for the administration of salaries, office accommodation and air charter related expenditure for Ministerial Offices.

This indicator reports the average operational expense for each Ministerial Office (but also includes the Leader of the Opposition and Leader of the Non-Government offices) plus a proportion of the cost of corporate support allocated on an FTE basis.

1.2 The average cost of support provided to Ministerial Offices (including the Premier), the Leader of the Opposition Party and the Leader of the Non-Government Party.

The purpose of this indicator is to highlight the central administrative support cost per Ministerial Office and seek to measure the efficiency of the costs associated with administering each Ministerial Office.

The Department is responsible for providing central administration to Ministerial Offices, which includes executive transport, media monitoring, cabinet secretariat and state ceremonial events.

This indicator reports the average operational expense for each Ministerial Office (but also includes the Leader of the Opposition and Leader of the Non-Government offices) plus a proportion of the cost of corporate support allocated on an FTE basis.

Service 1 – Annual Comparison

| | 2020 | 2021 | 2022 | 2023 | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Actual (\$'000) | Actual (\$'000) | Actual (\$'000) | Target (\$'000) | Actual (\$'000) |
| 1.1 Targets for support services are met or exceeded | 2,856 | 3,053 | 3,156 | 3,206 | 3,372 |
| 1.2 Service recipients' confirmation that services provided enable the obligations of Executive Government and MPs to be met. | 522 | 662 | 625 | 580 | 578 |



Service 2 – Administration of Parliamentary Support

The Department is responsible for the provision of administrative support to Members of Parliament.

2.1 Average cost of entitlements per Member of Parliament

This indicator has been designed to measure the Department's ability to efficiently administer costs of entitlements per Member of Parliament.

The Department is responsible for the administration of entitlements to Members of Parliament and former Premiers in accordance with the Salaries and Allowances Tribunal. Entitlements include parliamentary electorate office staff, office accommodation and associated costs, as well as intra-state electorate travel for regional Members of Parliament.

This indicator reports the average cost of entitlements per Member of Parliament.

2.2 Average cost of support provided per Member of Parliament

This indicator has been designed to measure the Department's central administrative costs to support Members of Parliament including expenses associated with the salaries and related costs for the Government Whip.

The indicator reports the average cost of support provided per Member of Parliament.

Service 2 – Annual Comparison

| | 2020 | 2021 | 2022 | 2023 | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Actual (\$'000) | Actual (\$'000) | Actual (\$'000) | Target (\$'000) | Actual (\$'000) |
| 2.1 Average cost of Entitlements per Member of Parliament | 351 | 365 | 349 | 368 | 360 |
| 2.2 Average cost of Support Provided per Member of Parliament | 21 | 27 | 30 | 27 | 32 |

Service 3 – 5

The Department is not required to report on key efficiency indicators for the following services in the annual report under section 61 (1) (b) of the *Financial Management Act 2006* with respect to the 2022-23 financial year or any subsequent financial year:

- » Service 3: Government Policy Management – Whole of Government
- » Service 4: Government Policy Management – Aboriginal Affairs
- » Service 5: Government Policy Management – ICT

The direction was issued as in its role as a central agency, and as the Department provides policy focused services to Government, the Department’s key efficiency indicators do not help users to assess its performance in a meaningful manner.

Service 3 – Government Policy Management – Whole-of-Government

3.1 Average cost to deliver policy advice per applicable Full Time Equivalent

The purpose of this indicator is to identify the average cost to deliver policy advice services.

This indicator reports the average cost to deliver policy advice per applicable FTE and is calculated by dividing the total cost to deliver policy advice by the number of FTEs in the general Policy Management area including corporate support.

Service 3 – Annual Comparison

| | 2020 | 2021 | 2022 | 2023 |
|--|-----------------|-----------------|-----------------|------------------------------|
| | Actual (\$'000) | Actual (\$'000) | Actual (\$'000) | Target (\$'000) |
| 3.1 The average cost to deliver whole-of-government policy advice per applicable FTE | 223 | 246 | 352 | 328 |
| | | | | Actual ¹ (\$'000) |
| | | | | N/A |

1 In line with a direction received under section 61(1)(b) of the *Financial Management Act 2006* (FMA), the Department is no longer required to report this key efficiency indicator.

Service 4 – Government Policy Management – Aboriginal Affairs

4.1 Average cost to deliver policy advice per applicable Full Time Equivalent

The purpose of this indicator is to identify the average cost to deliver policy advice for Aboriginal affairs.

This indicator reports the average cost to deliver policy advice per applicable FTE and is calculated by dividing the total cost to deliver policy advice by the number of FTEs involved in Aboriginal affairs including corporate support.

Service 4 – Annual Comparison

| | 2020 | 2021 | 2022 | 2023 | |
|--|--------------------|--------------------|--------------------|--------------------|---------------------------------|
| | Actual (\$'000) | Actual (\$'000) | Actual (\$'000) | Target (\$'000) | Actual ¹ (\$'000) |
| 4.1 The average cost to deliver Aboriginal affairs policy advice per applicable FTE. | 300 | 309 | 271 | 328 | N/A |

1 In line with a direction received under section 61(1)(b) of the FMA, the Department is no longer required to report this key efficiency indicator.

Service 5 – Government Policy Management – Information and Communications Technology

5.1 Average cost to deliver policy advice per applicable Full Time Equivalent

The purpose of this indicator is to identify the average cost to deliver policy advice for Innovation and ICT.

This indicator reports the average cost to deliver policy advice per applicable FTE and is calculated by dividing the total cost to deliver policy advice by the number of FTEs in the Office of Digital Government including corporate support.

Service 5 – Annual Comparison

| | 2020 | 2021 | 2022 | 2023 | |
|--|--------------------|--------------------|--------------------|--------------------|---------------------------------|
| | Actual (\$'000) | Actual (\$'000) | Actual (\$'000) | Target (\$'000) | Actual ² (\$'000) |
| 5.1 Average cost to deliver information and communications technology policy advice per applicable FTE | 211 | 233 | 257 | 272 | N/A |

2 In line with a direction received under section 61(1)(b) of the FMA, the Department is no longer required to report this key efficiency indicator.

Service 6 – Supporting the Royal Commission to inquire into and report on the affairs of Crown Casino Perth.

There is no key efficiency indicator to measure the support of the Royal Commission to inquire into and report on the affairs of Crown Casino Perth

Due to the short-term nature and discrete scope of work, it is not feasible to periodically report key effectiveness indicators linked to the Royal Commission.

As a result, no data or measurements are recorded or reported.





