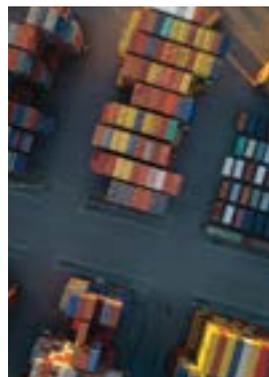
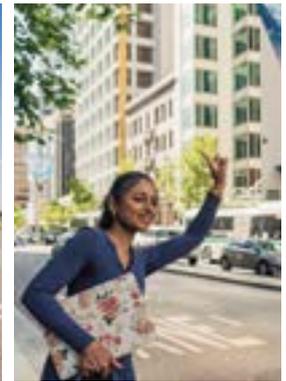




Government of **Western Australia**
Department of **Transport**

ANNUAL REPORT

2021-22



Acknowledgment of Country

The Department of Transport acknowledges the Traditional Custodians of the land throughout Western Australia and pays our respects to Elders both past and present. We acknowledge the members of all Aboriginal communities, their cultures and continuing connection to Country throughout the State.

Within Western Australia, the term Aboriginal is used in reference to Aboriginal and Torres Strait Islander, in recognition that Aboriginal people are the original inhabitants of Western Australia. Aboriginal and Torres Strait Islander may be referred to in the national context.

About this Report

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Cover Image: Family cycling courtesy of Tourism WA.

Statement of Compliance

For the year ended 30 June 2022

To the Hon. Rita Saffioti MLA

Minister for Transport

In accordance with Section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the Annual Report of the Department of Transport for the financial year ended 30 June 2022.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006* and fulfils the Department's reporting obligations under the *Public Sector Management Act 1994*, the *Disability Services Act 1993* and the *Electoral Act 1907*.

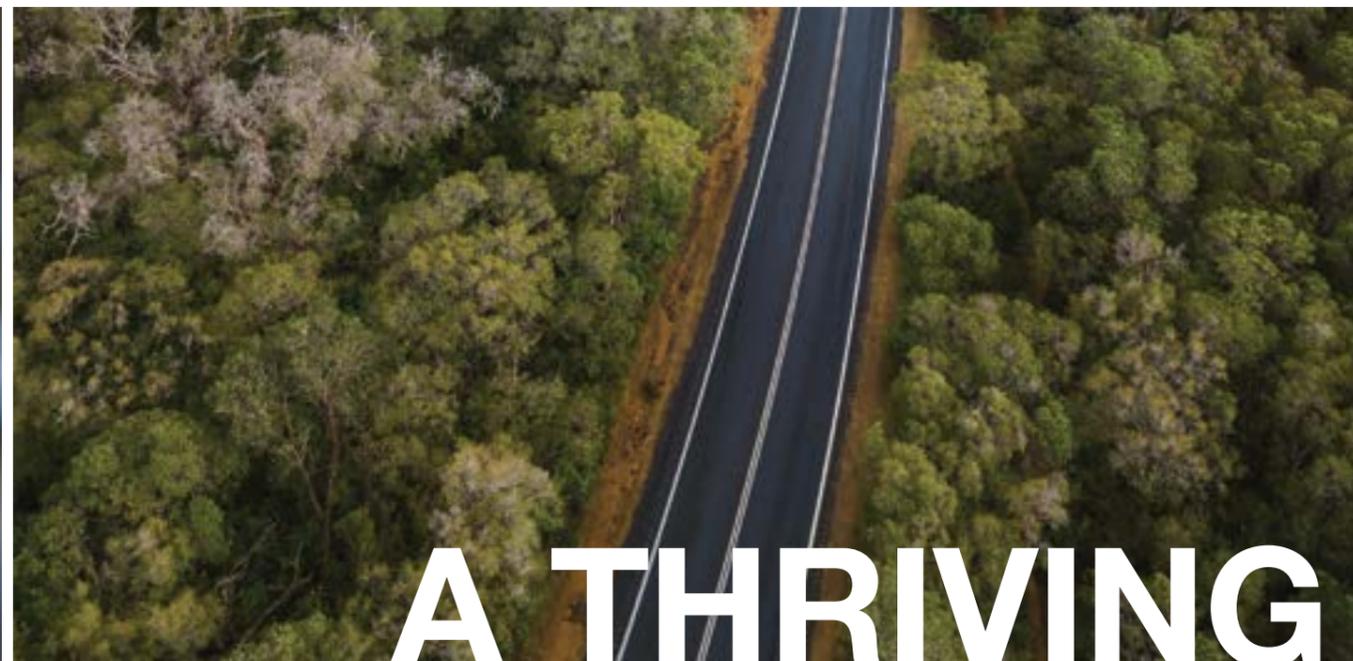


Peter Woronzow

Director General – Transport
20 September 2022



EMPOWERING



A THRIVING



COMMUNITY



About Us

Department of Transport (DoT)

We connect people with goods and services through an intricate system of roads, railways, airports, ports, paths and waterways, and educate and regulate to keep people safe within those networks. We coordinate and prioritise the transport-related infrastructure that allows our economy to grow.

Our Purpose

Empowering a Thriving Community.

Our Strategic Priorities

- » Contemporary Customer Solutions
- » Safe and Effective Transport
- » Sustainable Transport Solutions
- » Capable and Future-Ready Organisation

Our Values

Clear Direction

We set clear direction and have the courage to follow through.

Fresh Thinking

We welcome fresh thinking and better ways of working.

Excellent Service

We work together to deliver excellent service.

Great People

We make things happen through our great people.

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OVERVIEW





“We have worked hard to keep our major infrastructure investment program largely on course despite a volatile operating environment. The Transport Portfolio delivered 98.5 per cent of its 2021–22 Asset Investment Program with a total budget of over \$3.13 billion.”

Peter Woronzow
Director General – Transport

Director General’s Foreword

I am pleased to present the Department of Transport’s Annual Report 2021–22.

Reflecting on the past 12 months, I am especially proud of how the Department and its portfolio partners – Main Roads and the Public Transport Authority – have continued to deliver throughout a challenging period.

There were notable milestones achieved on our major projects, which provide jobs, support the economy, and deliver vital transport infrastructure to keep the state moving.

The transformational METRONET program continued to progress, and this year we celebrated the completion of the Mandurah Station multi-storey car park, the finalisation of upgrade works as part of the Denny Avenue Level Crossing Removal Project and the commencement of works on the Ellenbrook train station.

Work began across our expansive road network which will improve efficiency and safety along some of our state’s most important corridors.

This included Phase 2 of the Stephenson Avenue Extension, the final six kilometres of the Albany Ring Road and the \$386.5 million Great Eastern Highway Bypass Interchanges project.

On the water, we worked collaboratively with project partners on several transformative marine infrastructure projects including stage one of upgrades at the Onslow Community Boating Precinct and, awarded a \$14 million contract to improve jetties at Hillarys and Fremantle.

Of course, transport is more than just assets and infrastructure.

Investment drives jobs and opportunities for all Western Australians and allows us to concentrate our efforts on what is most important to the Department and the Transport Portfolio – putting the needs of our community first. A particular focus has been on enhancing Indigenous wellbeing through increased employment and training opportunities.

The Transport Portfolio is playing a leading role in supporting the State Government’s business and employment targets for Aboriginal and Torres Strait Islander people.

Over the past 12 months, we have invested more than \$102 million in Aboriginal businesses and delivered more than 640,000 hours of employment for Aboriginal people, building the foundation to achieve our commitment of \$700 million worth of contracts and 3.5 million work hours over the next five years.

While many of us take having a driver’s licence for granted, for some it can seem unattainable. We’re proud to be creating change for disadvantaged people with the Driving Access and Equity Program.

Through the program, 12 community-based organisations in the Kimberley and Pilbara have received grants totalling nearly \$3.5 million to deliver initiatives to assist young, disadvantaged people in regional and remote WA obtain their driver’s licence.

As it continues to roll out in more regions, the program will help hundreds gain their driver’s licence, which opens doors to improving access to employment, health care, education and other services.

We place a high priority on environmental protection and sustainability, as demonstrated by the Westport Program’s \$13.5 million partnership with the Western Australian Marine Science Institution, which will help protect the unique environment and fisheries of Cockburn Sound through rigorous environmental planning, assessment and management.

Similar initiatives support the protection of Western Australia’s fragile coastline. In 2021–22, \$4 million in grants was made available to manage and protect the state’s coast; and the government further committed \$33.5 million over the next five years to help address erosion, ensuring Western Australians’ love of spending time on and by the water can continue for many years to come.

COVID-19 has seen a significant shift in the needs, expectations, and travel behaviours of our customers, highlighting more than ever the importance of social connections for our community, and further emphasising our role in connecting people and places.

With airfares being a long-standing concern for regional communities, the much-anticipated Regional Airfare Zone Cap scheme was launched.

The capped airfares will ease the financial burden for regional residents when travelling to and from Perth, helping to keep our vast regional communities connected.

When a once in a 200-year flooding event temporarily closed the critical east-west rail line in January, our dedicated staff from across the portfolio swiftly collaborated with industry, retailers, and other government agencies to ensure the continued supply of essential goods into the state.

On the back of a record 24 million tonne harvest, worth around \$8 billion to WA’s economy, a significant agreement was reached between the State and Federal governments which will see \$200 million invested in the first package of the Agricultural Supply Chain Improvement (ASCI) program to ensure freight infrastructure keeps up with growing demand.

Improving transport across our state is vital for our quality of life and our economy. A significant amount of work has been undertaken across the Transport Portfolio, and there’s plenty more to do, as we remain committed to giving back to our community.

It is a privilege to lead the portfolio and to showcase some of our achievements over the past 12 months. I look forward to another productive year for transport in WA in 2022–23.

Sincerely,

Peter Woronzow
Director General – Transport



“During the 2021–22 reporting period, we adopted our new purpose statement ‘Empowering a Thriving Community’, which is reflective of our community-first approach.”

Iain Cameron
Managing Director
Department of Transport

Managing Director’s Foreword

At the core of what we do is enabling people to participate in activities and access goods and services that enrich their lives – connecting them to family and friends, employment, education, recreation and supporting their community. This has guided our delivery of services and projects across business units, ensuring they meet the needs of customers across all walks of life in our diverse Western Australian community.

Importantly, we have achieved many successes despite the continued impact of COVID-19. This required additional effort and attention from our people to ensure business continuity and provide essential services amidst health and social measures, lockdowns, mandatory vaccinations, and increased community transmission in our workforce.

Through the establishment of our own COVID-19 Response Team, we have played a fundamental role in assisting the state’s COVID-19 recovery and supporting the local economy through continued delivery of vital services and development of critical infrastructure.

In an Australian first, the Regional Airfare Zone Cap scheme was launched by the Premier and Transport Minister in March 2022, ensuring affordable capped airfares for regional residents travelling in and out of Perth.

The Zone Cap plays an important role in connecting our community and ensuring all Western Australians can access services and visit family and friends. An additional flight was also added to the Derby to Broome service to meet increased demand, and the Inter-Regional Network in the Mid-West, Pilbara and Kimberley was expanded with an investment of more than \$4 million.

Through the Driving Access and Equity Program, established in 2021, DoT is helping young and disadvantaged people in regional and remote areas obtain their driver’s licence. The program has provided 12 community-based organisations in the Kimberley and Pilbara with grants totalling nearly \$3.5 million to deliver essential services such as driving instruction, supervision and access to suitable vehicles for obtaining a licence.

Our Maritime teams have worked hard to improve marine safety and develop quality facilities for our community.

Work commenced on major improvements to the jetties at Hillarys and Fremantle after a \$14 million contract was awarded, which was funded through the State Government’s \$5.5 billion COVID-19 WA Recovery Plan.

Construction started on new boat pens in Carnarvon to enable boat owners to have improved ocean access. Boating facilities grants continued to provide for improvements to boating facilities at Onslow in partnership with the Shire of Ashburton, which progressed towards completion this year.

To support more transport options for people of all abilities around the state, the government committed \$1.5 million over four years to expand Wheelchair Accessible Vehicle (WAV) taxi services. I am pleased to see the expansion of this important scheme to encourage the further establishment of WAV taxi services in regional towns and support existing services to meet demand and ensure continuity of service.

DoT has played an important role in supporting activities to secure funding for the first stage of the Agricultural Supply Chain Improvement (ASCI) program. In May, \$200 million in joint federal and state funding was confirmed and we will deliver four key programs that will connect WA’s important agricultural supply chains and ensure our freight infrastructure keeps up with growing demand.

Managing active transport is a continued focus for DoT, with significant expansion of bike riding and walking infrastructure to support continued growth in active lifestyle choices.

Construction of the final link in the Kwinana Freeway Principal Shared Path (PSP) was completed in April 2022, providing 74 kilometres of high quality, safe and uninterrupted shared path between Perth and Mandurah.

In this reporting period, 74 cycling projects across the state shared \$7.6 million in WA Bicycle Network (WABN) grants.

This resulted in DoT partnering with 51 local governments to deliver more than 100 kilometres of new path – an outstanding result.

Taxi reform continued with the removal of the On-demand Passenger Transport Levy 11 months ahead of schedule. The levy, introduced in 2019 to fund the Perth Taxi Plate Buyback Scheme, has created a modern and flexible industry, responsive to the community needs.

The Department’s commitment to upholding the highest standards of integrity continues to be at the core of what we do, and our teams have worked hard to further strengthen and embed our integrity culture during this reporting period by building on our Integrity Strategy Implementation Plan.

Promoting a diverse and inclusive workplace is a key priority for DoT, as well as supporting diversity and access in the broader community, which we have remained committed to through the ongoing implementation of our Disability Access and Inclusion Plan, Multicultural Plan, Workforce Inclusion and Diversity Plan, and Reconciliation Action Plan.

I am impressed by how our people have continued to rise to the challenge, adapt and remain committed to delivering the services and projects that play an important role in supporting our community. I look forward to working with our people and our portfolio partners to continue empowering a thriving community in 2022–23.

Sincerely,

Iain Cameron
Managing Director
Department of Transport

Highlights 2021–22

We invested in regular and affordable air services

\$4m

Investment in the Inter-Regional Network

NEW Flight – Derby to Broome

Distance: 220km
Travel Time: 55min

\$1m

Regional Airports Development Scheme grant funding provided to 17 projects

Read more [page 51](#)

\$19.8m

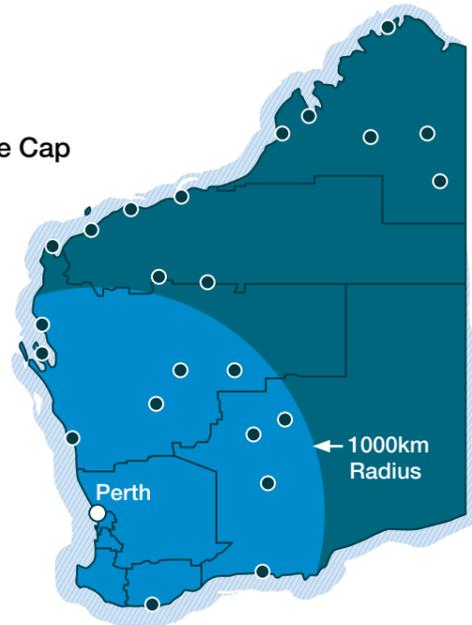
NEW Regional Airfare Zone Cap

Read more [page 37](#)

Airfares*

- **\$199 One Way** < 1000km from Perth
- **\$299 One Way** > 1000km from Perth
- Airport location

* For a one-way flight (both ways) booked as a return flight.



We connected remote communities to our services

2,205

Transactions and assessments

78

Locations

\$3.5m

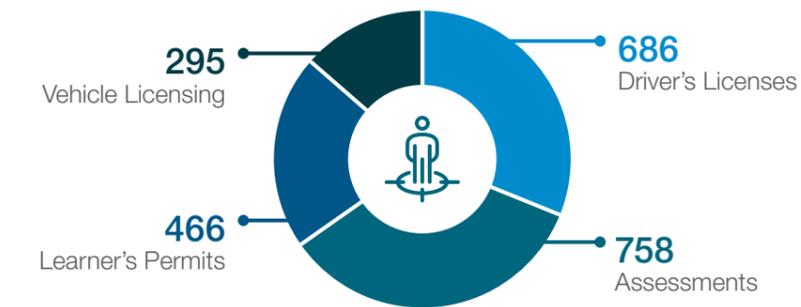
Driving Access and Equity Program grants

to assist

1,000+

Learner drivers across the Kimberley and Pilbara

Read more [page 60](#)



We delivered safe paths and encouraged active transport

\$7.6m

WA Bicycle Network grants funded 74 cycling projects

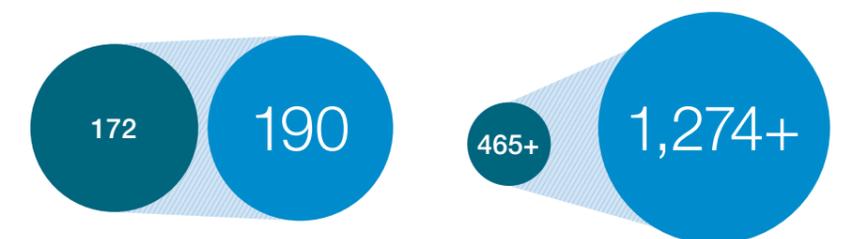
Expanding delivery of the Your Move Schools program

School participation
+9.5% from 2020–21

Activities completed
+64% from 2020–21

100km+

Of new path to be delivered through partnerships with 51 local governments



Read more [page 46](#)

Our business centres provided advice, assessments and support

1.1m+

Transactions and assessments

36

Locations

89%

999,939
Driver and Vehicle Transactions

11%

127,512
Practical Driving Assessments

We were a central contact point during the COVID-19 pandemic

3m+

13 COVID phone calls answered by 120 DoT staff over two years

Read more [page 36](#)

We transformed shoreline destinations

\$78m

Secured for Transforming Bunbury's Waterfront Stage 3

Read more [page 40](#)

\$14m

For improvements on the Fremantle and Hillarys jetties

Read more [page 66](#)

Our customer milestones

1.9m+

Licensed Drivers

1m+

DoT Direct Accounts

287,627

Licensed Skippers

31,885

Passenger Transport Driver authorisations

Management of COVID-19

Impact of COVID-19 on DoT workforce

COVID-19 continued to impact the Department's business functions and services as community transmission of the virus increased following the re-opening of WA's borders to domestic and international travellers in March 2022.

In September 2021, a central COVID-19 team was established to assist the Corporate Executive to ensure: (1) alignment with directions from WA Government; (2) clear direction for employees to minimise uncertainty; (3) keeping employee and customer engagement front of mind; (4) consistent processes to ensure equity and fairness, with enough flexibility in the application of workforce management options to remain agile.

DoT received the Public Health Directions confirming which job positions required a COVID-19 vaccination in December 2022. The Department's business areas had previously identified job positions that were likely to be considered part of the critical workforce as defined by Government policy. These preparations enabled DoT to quickly align with the vaccination mandates with minimal confusion.

DoT ensured compliance with the State Government Mandatory Vaccination Policy with a total of 650 employees being required to be vaccinated. DoT took a values-based approach in line with the organisation's values and culture. This staged approach sought voluntary compliance and offered options in the event an employee did not wish to be vaccinated.

Throughout this period the Corporate Executive met weekly to ensure DoT and its people were fully prepared for the next phase of living with COVID-19 in the community, following the re-opening of the state's borders. This included the development of objectives and a road map to support positive outcomes for DoT, with a strong focus on the safety and wellbeing of employees, continued delivery of essential services to the community and careful management of supply chains for business continuity.

DoT staff were informed of the personal and organisational impacts of COVID-19 with regular communications through briefing sessions and a dedicated COVID-19 hub on the staff intranet, Transporta. Regular transparent communication created clarity and peace of mind for employees and encouraged self-ownership.

At a glance

The number of COVID-19 positive cases recorded by DoT staff reflected that of the wider community.

Approximately 33 per cent of the workforce had COVID-19 in the period up to the end of June 2022. Despite this, only three per cent of the workforce were absent at any point of time.

DoT was able to continue to deliver its business functions to the public with limited disruptions.



Support of the state's response to COVID-19

DoT provided support to the state's contact tracing efforts with 19 staff being released to assist.

Between 4 January and 3 July 2022 when DoT staff were assisting contact tracing, Public Health Operations conducted 180,000 case and close contact interviews, assisted with, and followed up the processing of an additional 60,000 queries from members of the public and community organisations and triaged 919,756 notified cases of COVID-19.

DoT provided critical support for the state's response through the 13COVID phone line, which functioned as a central contact point for questions from the public, and provided the latest advice on lockdowns, border and travel restrictions as well as vaccine information and bookings to concerned Western Australians. 13COVID has been in operation for more than two years and has since taken more than three million calls relating to the State of Emergency.

Staff across the Department were trained to assist remotely with 13COVID, switching between their normal workloads and answering calls during busy periods. At the peak over 120 staff worked in a virtual contact centre.

The Freight, Ports, Aviation and Reform (FPAR) business unit experienced supply chain issues due to the disruption of the east-west freight service, which was exacerbated by flood damage to the Trans-Australian railway line. During this time, the Department provided support to government and industry in formulating solutions to ensure the continued supply of goods to WA. Effective internal management meant that DoT was able to ensure continuity of projects, even with higher than usual levels of absenteeism.

COVID-19 greatly impacted the aviation sector. The focus of the government through COVID-19 was to maintain a minimum service level on regional air routes. Regional airports experienced reduced revenue from landing fees, which led to the Regional Airports Development Scheme (RADS) providing an economic boost to regional economies.

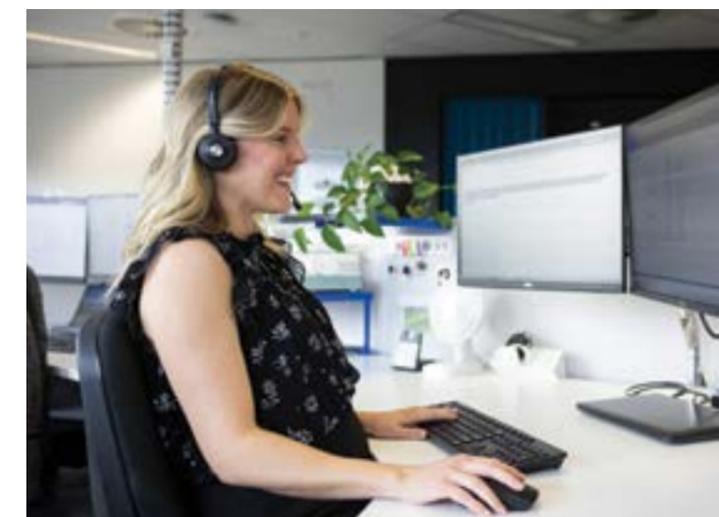
Another area of support provided by DoT was in the extension of the payment due date for the 2021–22 Perth Parking Levy to assist landowners with cashflow management amidst an array of challenges affecting the Perth CBD economy.

The Regional Services Business Unit (RSBU) had relatively minimal interruption to business offerings in 2021–22, with WA's hard border controls providing protection from the spread of COVID-19.

When the mask mandate was removed by the State Government in April 2022, DoT continued to require the wearing of face masks for people completing practical driving assessments. This ensured the safety of employees and the public despite the inability to social distance in the vehicle.

During the period under review the Driver and Vehicle Services (DVS) team managed a significant number of drivers licence transfers to WA, either interstate or from overseas, many potentially related to an increase in migration to the state during the pandemic.

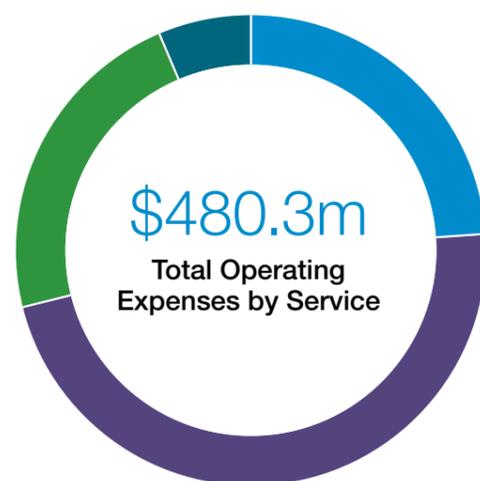
Between July 2021 and June 2022, a total of 23,630 interstate transfers were completed, with the majority being from Queensland, New South Wales and Victoria, where COVID-19 had the greatest impact. During the same period there were 10,540 international licence transfers following a practical driving assessment, and 293 international transfers without an assessment being conducted.



Financial Summary

DoT provides services to numerous stakeholders, clients and customers, aggregated into the following high-level service categories:

- » Strategic Transport Policy and Integrated Planning
- » Driver and Vehicle Services
- » Maritime
- » On-demand Transport



Operating Expenses by Service

Category	\$
● Strategic Transport Policy and Integrated Planning	\$115.9m
● Driver and Vehicle Services	\$229.4m
● Maritime	\$109.4m
● On-demand Transport	\$29.6m
Total	\$480.3m



Assets under Management

Category	\$
● Property, Plant and Equipment	\$150.4m
● Infrastructure	\$259.0m
● Intangible Assets	\$47.6m
● Construction in Progress	\$32.9m
Total	\$489.9m



Operating Income by Category

Category	\$
● User Charges and Fees	\$301.9m
● Sales	\$0.1m
● Grants and Contributions	\$9.0m
● Interest Revenue	\$0.2m
● Other Revenue	\$29.9m
Total	\$341.1m



Administered Revenue

Category	\$
● Motor Vehicle Registrations	\$1,120.4m
● Plate and Transfer Infringements	\$8.5m
● Speed and Red Light Infringements	\$116.0m
● Stamp Duty	\$580.9m
● Third Party Motor Vehicle Insurance Premiums	\$833.4m
● On-demand Transport Levy	\$37.9m
● Other	\$273.0m
Total	\$2.97bn

Operational Structure and Legislation

The Transport Portfolio

DoT is a member of the State Government's Transport Portfolio, which also comprises the Public Transport Authority (PTA), Main Roads, METRONET, the Portfolio Strategic Projects Office (PSPO), the Office of Major Transport Infrastructure Delivery (OMTID) and the Westport program.

Through our diverse and highly skilled teams, DoT takes a leading role in integrating and enhancing coordination of the state's transport operations, regulatory functions and planning and policy development processes.

In November 2021, Peter Woronzow was formally appointed as Director General – Transport, which includes the concurrent roles of Chief Executive Officer of PTA and Commissioner of Main Roads. Peter had been acting in the role since March 2020.

The Department of Transport

DoT delivers a diverse range of specialist transport services to support WA's social and economic prosperity. Our strategic transport planning and policy services, designed with our customers and stakeholders top-of-mind, are delivered through 11 business units overseen by the Department's Managing Director, Iain Cameron.

Changes to the Portfolio and the Department

On-demand Transport and Driver and Vehicle Services integration

Aligned with the Department's strategic priority to become a capable and future-ready organisation, work commenced in 2021 to integrate the On-demand Transport (OdT) and Driver and Vehicle Services (DVS) business units. This required the physical relocation of OdT staff to Tassels Place, Innaloo, as well as an organisational restructure to fit existing staff under the Executive Director, DVS with no reduction in staff numbers. After a range of communications and engagement activities to bring staff along the change journey, OdT staff began working at Tassels Place from 30 May 2022, with changes in reporting lines from 1 July 2022.

Westport Office moves to Stage 3

In Westport Stage 2, the Westport Independent Taskforce recommended Kwinana as the preferred location for the new container terminal. When Westport entered Stage 3, the team integrated into the Department of Transport with its own governance structure and was renamed the Westport Office. In Stage 3, the Westport Office will deliver a business case for the proposed container terminal and associated land-side logistics network. The business plan will provide confidence the development will deliver better trade and economic outcomes, a clear timeline and strategy for transition, and certainty that it is environmentally acceptable.

Enabling Legislation

DoT was established on 1 July 2009, under the *Public Sector Management Act 1994*.

Responsible Minister

Hon. Rita Saffioti MLA, Minister for Transport (from 2017) Ports (from March 2021).

Administered Legislation

On behalf of the Minister for Transport, DoT administers the following Acts:

- » *Air Navigation Act 1937*
- » *Civil Aviation (Carriers' Liability) Act 1961*
- » *Damage by Aircraft Act 1964*
- » *Harbours and Jetties Act 1928*
- » *Jetties Act 1926*
- » *Lights (Navigation Protection) Act 1938*
- » *Marine and Harbours Act 1981*
- » *Marine Navigational Aids Act 1973*
- » *Maritime Fees and Charges (Taxing) Act 1999*
- » *Motor Vehicle Drivers Instructors Act 1963*
- » *Owner-Drivers (Contracts and Disputes) Act 2007*
- » *Perth Parking Management Act 1999*
- » *Perth Parking Management (Consequential Provisions) Act 1999*
- » *Perth Parking Management (Taxing) Act 1999*
- » *Pilots' Limitation of Liability Act 1962*
- » *Pollution of Waters by Oil and Noxious Substances Act 1987*
- » *Rail Safety National Law (WA) Act 2015*
- » *Road Traffic Act 1974*
(only Part 6A concerning vehicle immobilisation and towing from private land)
- » *Road Traffic (Administration) Act 2008*
- » *Road Traffic (Authorisation to Drive) Act 2008*
- » *Road Traffic (Vehicles) Act 2012*
- » *Road Traffic (Vehicles) (Taxing) Act 2008*
- » *Sea-Carriage of Goods Act 1909*
- » *Shipping and Pilotage Act 1967*
- » *Trans-Continental Railway Act 1911*
- » *Transport Co-ordination Act 1966*
- » *Transport (Road Passenger Services) Act 2018*

- » *Western Australian Coastal Shipping Commission Act 1965*
- » *Western Australian Marine Act 1982*
- » *Western Australian Photo Card Act 2014*
- » *Wire and Wire Netting Act 1926*

On behalf of the Minister for Ports, DoT administers the following Acts:

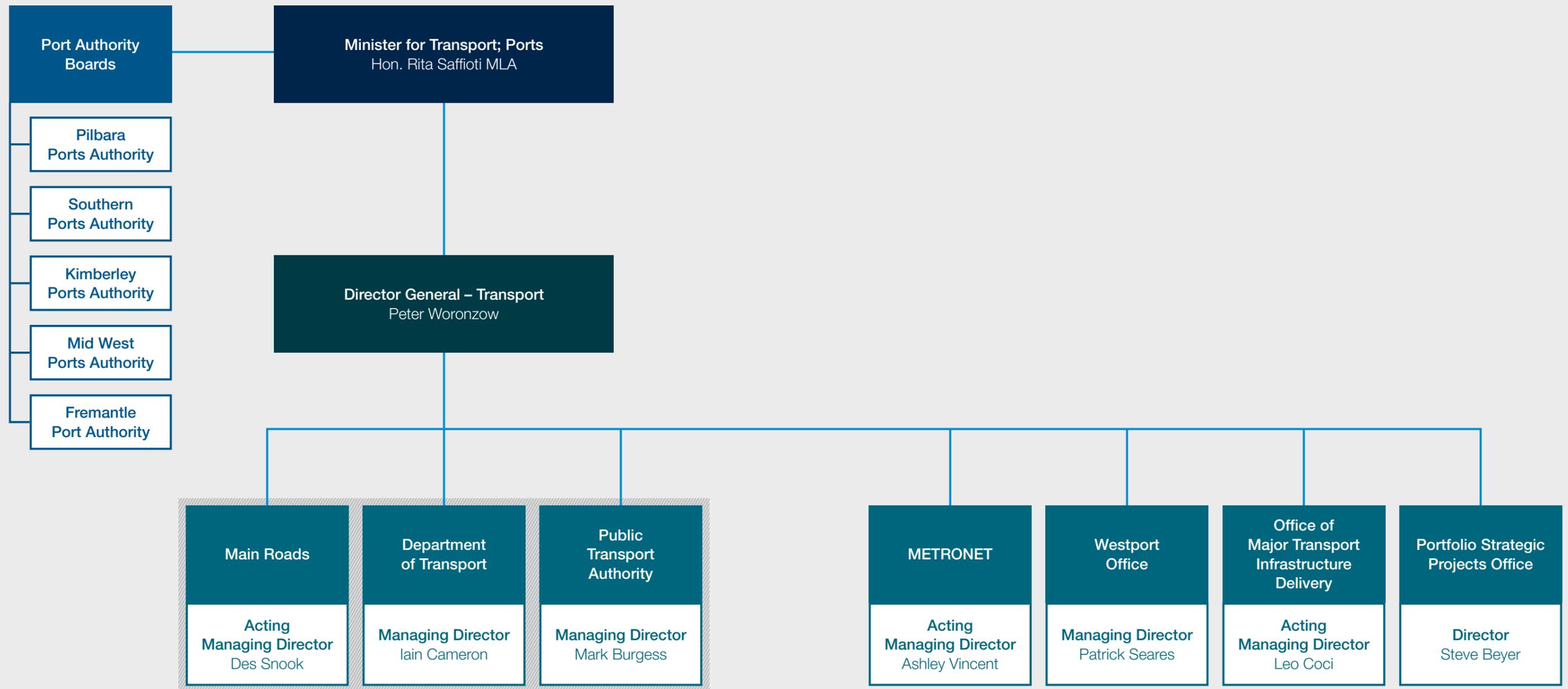
- » *Port Authorities Act 1999*

Other legislation affecting the functions and operation of DoT:

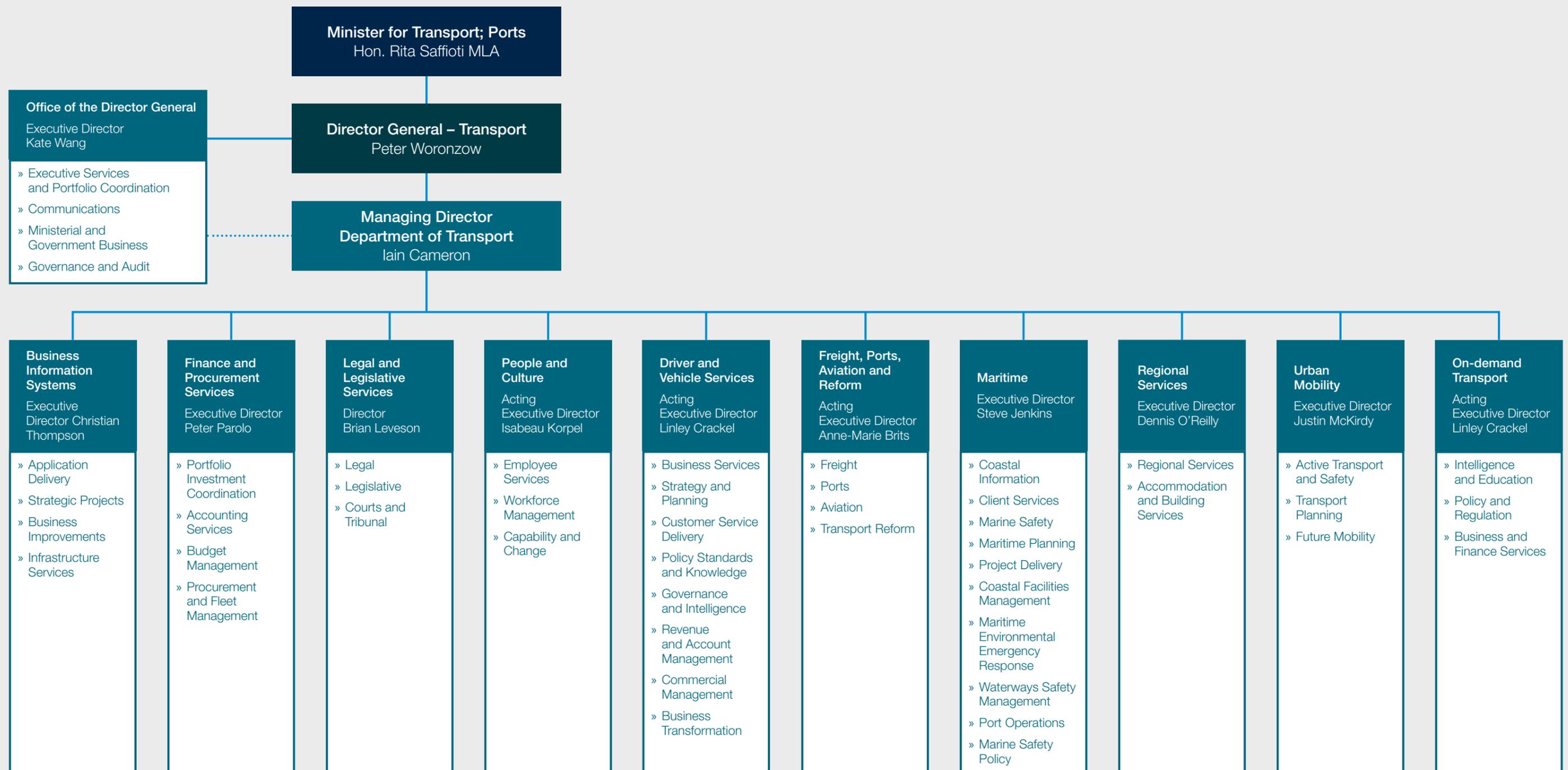
- » *State Records Act 2000*
- » *State Trading Concerns Act 1916*
- » *Criminal Code Act Compilation Act 1913*
- » *Electronic Transactions Act 2011*
- » *Evidence Act 1906*
- » *Financial Management Act 2006*
- » *Freedom of Information Act 1992*
- » *Limitation Act 2005*
- » *Public Sector Management Act 1994*
- » *Disability Services Act 1993*
- » *Equal Opportunity Act 1984*
- » *Industrial Relations Act 1979*
- » *Interpretation Act 1984*
- » *Library Board of Western Australia Act 1951*
- » *Minimum Conditions of Employment Act 1993*
- » *Native Title Act 1993 (Commonwealth)*
- » *Occupational Safety and Health Act 1984*
(replaced by the *Work Health and Safety Act 2020* on 31 March 2022)
- » *Royal Commission (Custody of Records) Act 1992*
- » *Taxation Administration Act 2003*
- » *Procurement Act 2020*

Transport Portfolio

Organisational Structure



Department of Transport Organisational Structure



The unique skills and experience of the DoT Corporate Executive team enhances the delivery of specialist transport services to Western Australians.



Back row, left to right: Anne-Marie Brits, Peter Woronzow, Isabeau Korpel, Steve Jenkins, Dennis O'Reilly, Linley Crackel, Peter Parolo and Justin McKirdy.
Front row, left to right: Iain Cameron, Kate Wang, Brian Leveson and Christian Thompson.

Corporate Executive

Peter Woronzow Director General

Peter was appointed Director General in November 2021 after acting in the role from March 2020. His experience spans more than 40 years during which he has had a significant role in several iconic WA transport projects. Peter is responsible for setting the strategic direction of transport for WA, shaping the development of all major integrated transport plans, and leading implementation of some of the state's most transformational capital projects.

Iain Cameron Managing Director

Over 35 years Iain has achieved results for the community in school/tertiary education, public health, drug strategy, transport, roads and safety. In his role as Managing Director, Iain seeks to achieve outcomes through a focus on people, engagement, values and collaboration for all in thriving communities. Additionally, Iain chairs and contributes to boards and working groups locally, nationally and internationally.

Kate Wang

Executive Director Office of the Director General

Kate has been leading the Communications, Ministerial and Government Business, Governance and Audit and Executive Services activities of the Department since late-2014, ensuring strong coordination and collaboration across the Transport Portfolio. Kate has more than 20 years of State Government experience, having worked in policy and project roles for a range of agencies and Ministerial offices across the portfolios of Transport, Commerce and Education.

Peter Parolo

Executive Director Finance and Procurement Services

Peter is a Fellow of CPA Australia with more than 35 years' financial experience in the private and public sectors. He has experience with financial reporting, management accounting, manufacturing and government accounting. In government, Peter has worked in diverse agencies including Justice, Environment, Water and Transport where he started in the Ports executive role for the transformation program before returning to the Chief Financial Officer role. As Executive Director, he oversees financial accounting, budgeting and strategy, procurement, fleet and leasing, and additional strategic investment planning activities for DoT.

Christian Thompson

Executive Director Business Information Systems

Christian leads the Information Systems team at DoT, providing strategic technology leadership and management to enable DoT to deliver world class licensing solutions for the Western Australian community. Christian has extensive experience managing Information and Communications Technology (ICT) shared services, which he utilises to provide charged services to support 13 internal DoT business units.

Brian Leveson

Director Legal and Legislative Services

Brian has more than 30 years' legal experience and originally practiced as a human rights lawyer in South Africa before emigrating to Australia in 2002. While initially serving as a Ministerial advisor he requalified as a solicitor. Brian has been Director of the Legal and Legislative Services division for over 10 years, during which time the department has played an important role in significant legislative reform initiatives.

Isabeau Korpel

Acting Executive Director People and Culture

With more than 25 years' experience in executive positions within private and public sectors, Isabeau has helped organisations by leading and managing teams within the human resources environment, taking responsibility for culture, organisational development and workforce management. Isabeau is recognised for her contributions to the high-performing, values-led organisation that DoT is today. As Executive Director for People and Culture, she is focused on ensuring that every employee can be their whole self, perform at their best, and feel their actions can make a difference to the community.

Linley Crackel

Acting Executive Director On-demand Transport and Driver and Vehicle Services

Linley has more than 30 years' experience in delivering policy and legislative reform in the Transport and Road Safety portfolios. She is responsible for the continuous improvement and delivery of the state's driver, vehicle and occupational licensing functions to over two million customers. The safety of drivers and vehicles, security of individual identities and providing positive experiences for the Department's customers are the key focus for Linley and the Driver and Vehicle Services business.

Steve Jenkins

Executive Director Maritime

Steve has more than 40 years' experience in the maritime sector and is a key figure in the delivery of marine safety services, along with the planning, delivery and management of infrastructure to meet the needs of the state's fast growing and evolving maritime industry. As Executive Director, Steve leads the Maritime team to deliver marine safety and education, strategic planning, management and maintenance of boating and maritime infrastructure, as well as supporting the management of the Western Australian coastline environment.

Justin McKirdy

Executive Director Urban Mobility

Justin has more than 30 years' experience in road and transport engineering and planning. His experience includes a multitude of transport related roles across local and state government in areas including design, project management, construction, asset management and planning. As Executive Director of Urban Mobility, Justin provides leadership in transport planning to achieve a transport system that is coordinated, safe and efficient and which works for the people of Western Australia.

Anne-Marie Brits

Acting Executive Director Freight, Ports, Aviation and Reform

Anne-Marie leads the Freight, Ports, Aviation and Reform (FPAR) directorate that provides integrated transport strategy, policy, planning and programs to support sustainable freight systems, supply chains, ports and intrastate aviation. FPAR also develops, influences and delivers policy and legislative reform at the state and national level. Anne-Marie worked in socio-economic research, commercial banking and for the Commonwealth Government before joining DoT.

Dennis O'Reilly

Executive Director Regional Services

With more than 20 years' experience as an executive within the public sector, in his current role Dennis delivers an extensive and diverse suite of transport services across the state into regional and remote communities. Dennis leads the Regional Services team, which is at the forefront of service delivery, building partnerships with customers, community, industry and service providers to ensure transport and government services are accessible to all.



AGENCY PERFORMANCE



Outcome Based Management Framework

DoT contributes to the State Government's Goals through the Outcome Based Management Framework as detailed below.

State Government Goals	DoT Outcomes	DoT Services
WA Jobs Plan Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Outcome 1 Integrated transport systems that facilitate economic development.	Service 1 Strategic Transport Policy and Integrated Planning
Safe, Strong and Fair Communities Developing healthy and resilient communities.	Outcome 2 Vehicles and road users that meet established vehicle standards, driver competencies and identity requirements to deliver safe vehicles, safe drivers and secure identities.	Service 2 Driver and Vehicle Services
Growing Our Communities Protecting our environment with thriving suburbs and regions.	Outcome 3 An accessible and safe transport system.	Service 3 Maritime Service 4 On-demand Transport

Changes to the Outcome Based Management Framework

For the 2021–22 reporting period, the following change to DoT's Outcome Based Management Framework was approved by the Department of Treasury in accordance with Treasurer's Instruction 904 as summarised below:

Key Effectiveness Indicator "Percentage of wheelchair accessible vehicle taxi journeys carrying passengers in wheelchairs which meet the waiting time standard", was updated to remove reference to "multi-purpose" and replace with "wheelchair accessible vehicle" to reflect the wording of the Transport (Road Passenger Services) Act 2018.



Collaborative Projects

ServiceWA a success

Delivered by the Departments of Finance, Transport, and the Premier and Cabinet, ServiceWA is a State Government initiative streamlining the delivery of more than 80 face-to-face and online services provided across six agencies: Department of Communities; WA Police; the Department of Justice's Registry of Births, Deaths and Marriages; Department of Primary Industries and Regional Development; Public Transport Authority; and Department of Transport, into a single shopfront.

A ServiceWA pilot site, using the existing DoT Service Centre in Bunbury, has been operating since October 2020.

The ServiceWA delivery model allows for fragmented service transactions across many agencies to be provided in a more unified, efficient, streamlined and cost-effective way.

This includes developing basic system inter-connectivity for the participating agencies, updating and altering the Bunbury centre layout to facilitate the changed service delivery model, hiring additional staff to meet the increased transactional demand, and training all Bunbury staff in the broader range of transactions to be provided.

During its operation in 2021–22, customer and stakeholder feedback confirmed the success of bringing services from multiple agencies together under one roof as part of a customer-centric design that best addresses people's needs.

Due to its growing success and positive customer feedback, the State Government has approved a three-year extension of ServiceWA Bunbury. During this time, consideration will be given to the further expansion of in-centre and online services and/or additional ServiceWA sites.



99%

Of customers are likely to recommend the ServiceWA centre to family, friends and colleagues.

Perth City Deal goes ahead

The Australian and Western Australian Governments, together with the City of Perth, have committed to capitalising on Perth's natural, historical and cultural strengths through a City Deal which will deliver more than \$1.5 billion of investment into Perth's CBD.

Several high priority initiatives have been selected from the Perth Greater CBD Transport Plan to be funded as part of the historic partnership.

The Perth City Deal CBD Transport Plan initiative will involve a \$157 million investment in active transport within the Perth CBD.

In addition to 11 riding and walking infrastructure projects, the initiative includes bus stop accessibility upgrades, a Travel Demand Management Program and the iconic Causeway Pedestrian and Cyclist Bridges across the Swan River.

These projects will significantly improve active and public transport accessibility and safety in the CBD as well as provide a more enjoyable place for people to meet, visit, live and work, adding to the vibrancy of the city.

During 2021–22, DoT and its portfolio partners collaborated with the City of Perth to progress the works, which are expected to create over 700 construction jobs, providing multiple employment opportunities for Western Australians.

In the next financial year, many project milestones will be reached. The Trinity Shared Path opened in July 2022, and the Roe Street Enhancement project is expected to be complete by late-2022.

The flagship project, the Causeway Pedestrian and Cyclist Bridges, will commence construction by the end of 2022. Other projects are at varying levels of development, with design work underway and completion on track.



Updates to schools' participation in Your Move program

During 2021–22 DoT continued working with the Department of Education (DoE) and Department of Finance (DoF) to support a new development approval (DA) condition requiring schools to participate in the Your Move Schools program.

As the delegated authority for the WA Planning Commission, DoF places the Your Move DA condition on new school builds, as well as existing schools receiving new classrooms that have a history of traffic management and car parking challenges.

The inclusion of the condition is designed to encourage school communities to foster a culture of walking, riding and scooting to school to support road safety and healthy behaviour, and to reduce car use, traffic and parking demand.

All three departments have collaborated to create a Your Move DA strategy to administer the condition including dedicated resourcing to service schools with information, advice and support. The implementation of the strategy over the past two years has been a resounding success, with 53 DA schools now registered with the Your Move program.

Your Move significant outcomes

31
Schools achieved program accreditation.

292
Your Move stories posted by schools.

\$61,500
Grant funding to improve active travel infrastructure and skills.

A DoE role was established in 2022, co-located across agencies to support this collaboration and explore opportunities to enhance working together.

The Your Move Schools DA condition and strategy has proven successful with participating schools showing an increase in active trips of 5 per cent in 2021 and an increase of up to 18 per cent with higher levels of program engagement.

13COVID supporting WA's pandemic response

The 13COVID phone line is an integral part of the Western Australian response to the pandemic, functioning as a central contact point for questions from the public.

Success of the line is built on the collaboration between the Department of Transport, WA Police, WA Health, Health Support Services and Office of Digital Government.

The DoT Driver and Vehicle Services (DVS) directorate operates the 13COVID and ServiceWA contact centres on behalf of the State Government.

Whilst 13COVID has been in operation for more than two years providing advice and support for the community relating to the pandemic, DVS was asked to extend this whole of government service to include support for the ServiceWA app in January 2022.

Since its inception, 13COVID has taken more than three million calls relating to the State of Emergency and at its peak employed over 120 staff in a virtual contact centre.

The role of 13COVID has extended over the pandemic to support the easing of restrictions and health directions including answering calls relating to vaccination requirements, the registering of positive Rapid Antigen Tests and isolation requirements.

As WA developed its roadmap out of the pandemic and focused on recovery and the easing of restrictions, the ServiceWA app was developed and DoT was asked to mobilise a new contact centre team to support the app and the whole of government services which would form the current and future functionality of ServiceWA.

Since the beginning of 2022, the ServiceWA app has offered check in and confirmation of vaccination status to support the pandemic recovery.

WA Police has requested the services of DoT in managing 13COVID until the end of 2022.

As a virtual operation, the 13COVID line has allowed DoT to support ongoing employment for vulnerable and immunocompromised staff and other workers throughout the pandemic.



Regional Airfare Zone Cap scheme takes off

The announcement of the Regional Aviation Zone Cap scheme, providing \$199/\$299 fares for regional residents, is the culmination of many years of engagement with airlines and regional communities.

The new scheme is a partnership between the State Government and five airlines: Airnorth, Qantas, Rex Airlines, Skippers Aviation and Virgin, and builds on each of the airlines' resident fare programs by reducing their resident fare prices to the Zone Cap fare of \$199 or \$299.

All airlines within WA require a licence from the State Government. One of the conditions of the licence is that the airlines join with DoT to engage with the local communities to understand their aviation needs. Community workshops undertaken across the state played a significant role in understanding the needs of the community which fed into the development of the Zone Cap.

Zone Cap Fares*
<p>\$199</p> <p>For regional residents living within 1,000km driving distance from Perth.</p>
<p>\$299</p> <p>For regional residents living beyond 1,000km driving distance from Perth.</p>

* For a one-way flight (both ways) booked as a return flight.

Transport secures WA's supply chain

A series of rain events in central South Australia in late January 2022 led to widespread flooding and washaways on the east-west rail line.

The east-west rail service usually carries approximately 6,300 westbound twenty-foot equivalent units (TEU) a week. This interruption primarily led to shortages of processed and frozen foods and groceries, of which 80 per cent are sourced through the interstate rail service. During and after the disruption, industry and government collaborated on alternative supply chain solutions to maintain the delivery of essential goods into WA.

DoT worked with the Transport Portfolio, the Minister's Office, the Commonwealth, and industry to ensure that all parties shared a clear understanding of the issues and risks at hand, solutions being implemented and bottlenecks to their implementation.

Freight, Ports, Aviation, and Reform (FPAR) collated information from different parts of the supply chain, including above and below rail operators, freight forwarders and customers, and compiled a daily brief for the government to enable quick and effective decisions. DoT worked with Main Roads, the Fremantle Port Authority, and Commonwealth Government departments to enable solutions progressed by supply chain operators.

This included the delivery of containers through coastal cargo, the establishment of a road land bridge from South Australia to Kalgoorlie, the approval of temporary permits allowing longer road trains to operate in regional and metropolitan WA, and the prioritisation of certain goods considered essential for the WA economy and community.

DoT also modelled the shortfall of containers that could not be delivered during the rail service interruption to help government better understand the scale and duration of the supply chain disruption.

Building on the lessons learnt from the February 2022 east-west rail disruption, the State and Federal governments have established taskforces to investigate how to best strengthen the resilience of WA's key supply chains for the long-term.

- » DoT is providing secretariat support to the Shipping and Supply Chain Taskforce established by the WA Government to examine the state's shipping industry and supply chains that link WA with the east coast and international customers.
- » DoT has provided a preliminary submission to the Commonwealth's Road and Rail Supply Chain Resilience Review and will continue to work with the Commonwealth to ensure that this review adequately frames WA's supply chain resilience risks and associated mitigation strategies and investments.

The Australian Rail Track Corporation (ARTC) delivered major repair work at 18 sites along 300 kilometres of rail tracks, enabling the rail service to resume on 15 February after 24 days of disruption.

Image courtesy of Arc Infrastructure



Electric vehicle reform package developed

The Western Australian Government is committed to working with all sectors of the economy to achieve net zero greenhouse gas emissions by 2050. The adoption of electric vehicles and other zero and low emission vehicles is fundamental to reducing greenhouse gas emissions in the transport sector. The government is leading by example, encouraging the uptake of electric vehicles.

DoT, the Department of Water and Environmental Regulation and the Department of Treasury worked collaboratively to help develop an electric vehicle reform package.

The reform package also provided \$22.6 million for new charging infrastructure to support not-for-profits and small to medium sized businesses with grants for installation of charging infrastructure, as well as support for local governments, and new charging stations between Norseman and Eucla to ensure Western Australia's electric highway extends to South Australia.

In line with other states, the government also announced that WA will introduce a distance-based road user charge for zero and low emission light vehicles commencing from 1 July 2027. A base rate of 2.5 cents per kilometre for electric and hydrogen vehicles and two cents per kilometre for plug-in hybrid electric vehicles will apply, with both rates indexed to the Consumer Price Index.

The introduction of a distance-based road user charge for zero and low emission light vehicles will ensure all motorists are paying their fair share towards the maintenance and construction of WA roads.

DoT will work alongside other relevant agencies to ensure the reform package and existing WA Government commitments create a sustainable transport system.

Clean Energy Car Fund

\$60m

Fund announced by Western Australian Government on 10 May 2022.

\$36.5m

For up to 10,000 rebates of \$3,500 to Western Australians purchasing a new electric or hydrogen fuel cell vehicle up to a value of \$70,000.



Transforming Bunbury's Waterfront

DoT's Maritime business unit continued to work closely with the South West Development Commission, DevelopmentWA, Southern Ports Authority and the City of Bunbury to deliver the Transforming Bunbury's Waterfront project. The project, overseen by the Transforming Bunbury's Waterfront Steering Committee, aims to create vibrant shorelines for the local community and deliver infrastructure to stimulate marine and tourism industries.

In 2021–22, DoT was allocated \$78 million for Stage 3 over four years to deliver new breakwaters, boat maintenance facilities, services, and boat ramp improvements in Casuarina Boat Harbour and Koombana Bay. The detailed design work is progressing and a contract to upgrade the boat launching facility in Casuarina Harbour was awarded to a local company in May 2022, with works expected to commence in October 2022.

Environmental approvals and land assembly work for the next stages of the project are progressing, with design of civil works expected to commence in late-2022.

Onslow Community Boating Precinct works commence

DoT entered into an agreement with the Shire of Ashburton in 2020–21 to progress delivery of the new Onslow Community Boating Precinct, which will replace the existing boat ramp with a new two-lane boat ramp within a dredged basin.

Since the agreement was initiated, DoT has managed relevant state approvals, the detailed design process and the two-stage public request for tender process, in close collaboration with the Shire. Additional Commonwealth and State funding requests have also been successful, increasing the overall project funding to \$13.36 million, with expenditure from 2020–21 to 2022–23.

A \$9.2 million contract was awarded to WA-based company Ertech in September 2021 for a modified Stage 1 scope of works, which commenced on site in October 2021.

A detailed design for Stage 2 is also nearing completion. A package of final Stage 1 finishing works that will align to the Stage 2 design are expected to commence in late-2022, with completion in early-2023.

The completed project will significantly enhance the local community's recreational boating experience and encourage growth in tourism and charter operations from Onslow.

Progress at Woodman Point Jetty

In 2020, DoT was allocated \$9.69 million to fund the replacement of the Woodman Point Jetty as part of the WA Recovery Plan.

The site's location is complex, with the land located within Woodman Point Regional Park; a Bush Forever site within the City of Cockburn; and the sea-side located on Crown Land. DoT will continue to work closely with the Department of Biodiversity, Conservation and Attractions (DBCA) and the Department of Planning, Lands and Heritage (DPLH) to obtain statutory approvals for the jetty replacement works.

During 2021–22, consultation was undertaken on the three concepts developed by DoT with the project working group to gain feedback from the public, traditional owners and stakeholders.

This consultation has informed the final concept at the existing site, and the project is now proceeding to detailed design and approvals.

Consultation continues with the project working group, which includes representatives from the DBCA, Fremantle Port Authority, City of Cockburn, Recfishwest, and Fishability along with input from a scuba diving representative.

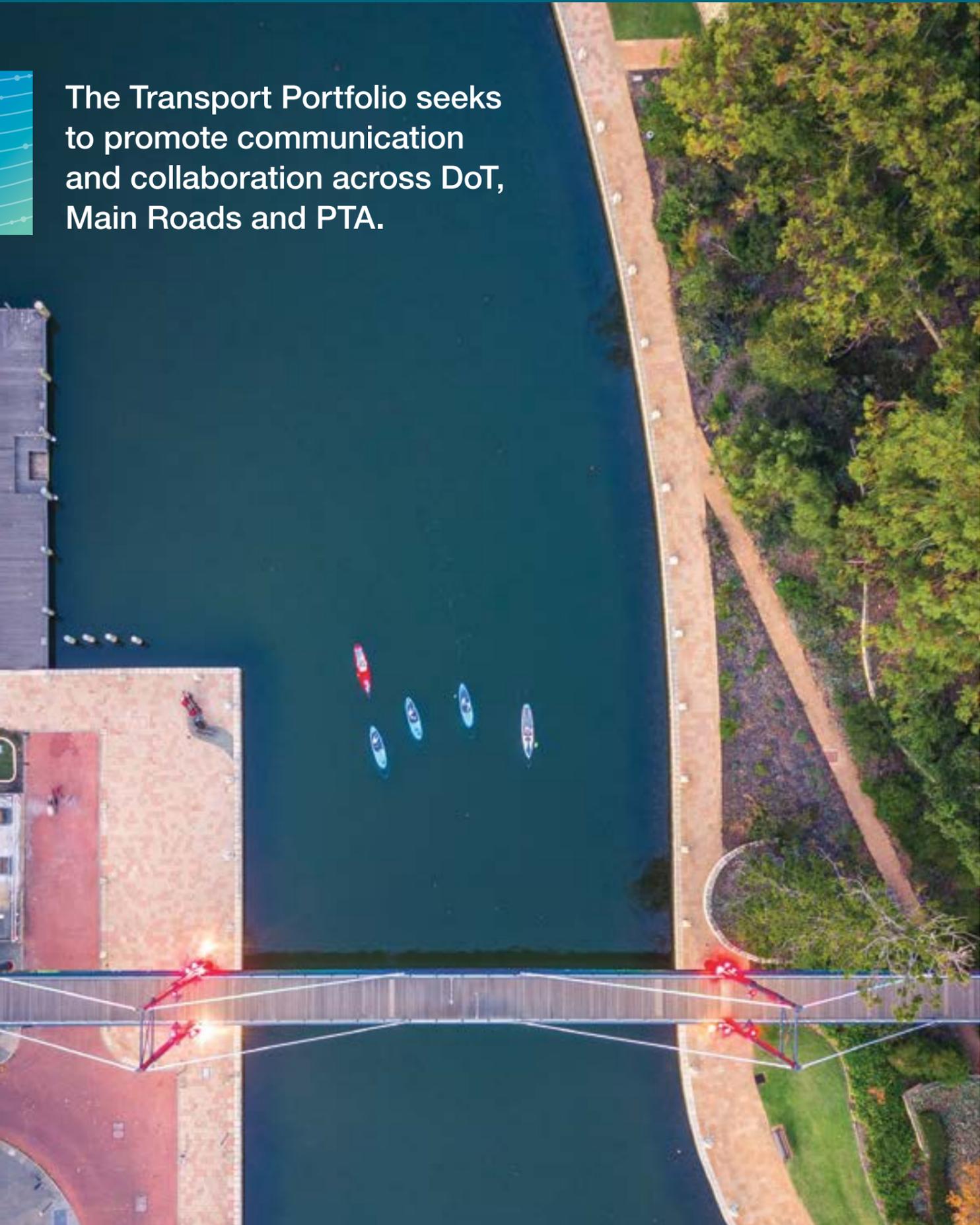
Geotechnical investigation works to inform the detailed design have been completed and specialist multidisciplinary consultants have been engaged to progress the architectural and detailed design phase of the project.

DoT will continue to seek feedback from key stakeholders to ensure the replacement jetty retains and improves usability through this process. Following the detailed design, a construction works contract to replace the jetty will be let through a public tender process.

The Woodman Point Jetty project aims to preserve the popular Perth metropolitan swimming, snorkelling, scuba diving and fishing location as well as recognise the jetty's significant heritage.



The Transport Portfolio seeks to promote communication and collaboration across DoT, Main Roads and PTA.



Transport Portfolio

Establishment of the Portfolio Lands and Property Services (PLPS) branch

A new dedicated Portfolio Lands and Property Services (PLPS) branch established within the Transport Portfolio was announced in May 2022. The branch will provide high-capacity and effective land administration services, commercial leasing activities, and management of corporate buildings and facilities.

Operational from July 2022, the branch brings together a wealth of knowledge and expertise from across the portfolio agencies to support the effective delivery of projects, while enhancing the value of portfolio assets.

The branch aims to work strategically to deliver integrated, best practice services for transport planning and projects as well as optimising outcomes from portfolio land and property assets.

Working under a centralised leadership, PLPS staff from relevant teams across the portfolio will collaborate to create a centre of excellence that enables strategic origination and development of land-related proposals for major Western Australian infrastructure projects.

Transport Portfolio Leadership Development Program

As part of the Transport Portfolio Leadership Development Program, ten participants were chosen from each agency to participate in five days of workshops. Participants were divided into groups to collaborate on a key research project.

The program, which commenced in 2019, was introduced as a means of synergising leadership practices and direction across the Transport Portfolio. It seeks to develop effective leadership, facilitate networking opportunities and promote communication and collaboration across DoT, Main Roads and the Public Transport Authority.



Report on Operations

Delivering the State Government Goals

By enabling effective transport systems, services and policies, DoT plays a vital role in delivering on the following three State Government goals:

WA Jobs Plan

Local manufacturing and production, creating WA jobs and training for the jobs of the future.

DoT delivers Outcome 1: Integrated transport systems that facilitate economic development.

Safe, Strong and Fair Communities

Developing healthy and resilient communities.

DoT delivers Outcome 2: Vehicles and road users that meet established vehicle standards, driver competencies and identity requirements to deliver safe vehicles, safe drivers and secure identities.

Growing Our Communities

Protecting our environment with thriving suburbs and regions.

DoT delivers Outcome 3: An accessible and safe transport system.

DoT's three outcomes are achieved by delivering services, reform and legislation across the following four areas:

1. Strategic Transport Policy and Integrated Planning
2. Driver and Vehicle Services
3. Maritime
4. On-demand Transport

This section of the report provides an overview of how DoT successfully delivered its outcomes and services during 2021–22 to contribute to the State Government's Goals.

It also includes a summary of the results of our key performance indicators (KPI) as well as information on the significant community and customer-focused programs commenced or completed in 2021–22.

DoT is committed to enhancing WA's social and economic prosperity through the delivery of our diverse services that connect people, places and services.



Summary of Results against Performance Targets

Outcome 1: Integrated transport systems that facilitate economic development.

Key Effectiveness Indicators

Percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle Port. Read KPI commentary page 169	2021–22 Target	20.0%
	2021–22 Actual	20.9%
Percentage of regional Local Government Areas (LGAs) that have access to regular public transport (RPT) air services between the LGA and Perth. Read KPI commentary page 169	2021–22 Target	91.4%
	2021–22 Actual	91.4%

Service 1: Strategic Transport Policy and Integrated Planning

Key Efficiency Indicators

Average cost per hour for Strategic Policy Development and Integrated Transport Planning Read KPI commentary page 179	2021–22 Target	\$143.37
	2021–22 Actual	\$120.54

Please note
Target figures as specified in the 2021–22 Budget Statements.



Urban Mobility

Active Transport and Safety Your Move updates

Your Move Canning is DoT's current Your Move communities project designed and delivered in partnership with the City of Canning. This project has a focus on intensive engagement with ten local schools and 4,000 City of Canning residents to support travel behaviour change to more walking, riding, and scooting in the locality.

Your Move Canning aligns with the unprecedented growth in demand for the Your Move Schools program and provides an opportunity to trial new ways of supporting school communities to encourage active transport to and from school.

The project began in 2021–22 allowing recruitment and engagement with schools and the completion of the project's formative research to confirm alignment of participant target areas with school catchments.

From April 2022, residents were invited to take part in the one-on-one telephone coaching service to support travel behaviour change including the provision of a personalised local information pack delivered to homes.

As part of Your Move Canning, the School Connectivity Improvements project has seen comprehensive audits of local routes to school completed for five of the ten participating schools.

Queens Park Primary School has been chosen to receive upgrades to its surrounding local path network to make walking, riding, skating, and scooting to school easy, safe and more fun. These upgrades include a combination of hard infrastructure improvements, student co-designed wayfinding signs and footprint and stop sign stencils on footpaths.

Women's bike education courses, a travel plan for City of Canning staff and Your Move school engagement officers working in schools are all exciting inclusions of the Your Move Canning project that strongly align with the Department's purpose of Empowering a Thriving Community.

Heading into the next financial year, Your Move school engagement officers will continue to work with champion teachers, student teams and parent volunteers in the participating Canning schools until the end of Term 3 in September 2022.

This will result in seven Active Transport Festival incursion days, bike maintenance and education sessions being held at seven schools, and participation in national days celebrating active transport such as Fume Free Fridays and Walk to School Wednesdays.

Coupled with the completion of the residents' service, the school with the most parents opting in to take part in Your Move Canning will be recognised with a Bike Love Festival excursion day in October as part of Bike Month.

Active Travel to School

Over the past year DoT has strengthened its focus on active travel to school by publishing and implementing actions from the Declining Rates of Walking and Cycling to School paper, chairing the interagency Active Travel to School Working Group, drafting and progressing some of the 23 initiatives included in the 10-year Active Travel to School Roadmap and expanding delivery of the Your Move Schools program.

In 2021, 94 schools achieved Your Move program accreditation and 46 schools shared \$207,000 in Connecting Schools Grants to improve bicycle access, wayfinding, bicycle education and end-of-trip facilities.

DoT, the Department of Education and the Department of Finance continued to collaborate to support schools to meet the Your Move Schools development approval condition. 53 of 85 development approval schools are now registered for the program, and 31 of those schools achieved program accreditation in 2021.

Following a successful rollout in 2021, another Super Boost incentive package was delivered to Your Move Schools in Term 2 2022, which included providing bike education sessions to more than 1,000 students, more than 900 bike checks and creation of ten access guides for schools.

DoT will continue coordinating the Active Travel to School Roadmap 2021–30 to provide strategic direction for government agencies and stakeholders to improve the built environment and support school communities to increase walking, bike-riding and scooting to school.

Your Move Schools

190

Schools participated in the program.

1,274+

Activities to promote walking, riding and public transport – almost triple the amount compared with the previous year.



Movement and Place project progresses

The Urban Mobility team is working with Main Roads, the Public Transport Authority, the Department of Planning, Lands and Heritage and consulting with other key stakeholders to develop a Movement and Place Framework for WA.

Movement and Place is a concept that recognises roads and streets have two different and sometimes competing roles – to transport people and goods (movement) and as destinations in their own right (place). The movement and place roles of roads and streets have traditionally been dealt with separately; therefore, complementary outcomes are not always achieved.

Finding an agreed position between the competing roles and taking an integrated transport and land use planning approach to managing streets and roads will help resolve conflicting movement and place-based priorities when planning and designing roads, streets and urban corridors.

The Movement and Place project is being undertaken in three phases. Phase 2, which progressed during 2021–22, included developing a bespoke Movement and Place Framework relevant to the WA planning context and off-line testing of the draft framework in various settings.

The testing component involved two rounds of three tests with numerous refinements made to the draft framework after each round. The project team collaborated with six local governments and numerous State Government agencies.

The test scenarios confirmed the components of the Framework can be applied to analyse roads or streets but highlighted a need to provide clearer guidance on how the draft framework fits with the existing land use and transport planning systems in WA.

A third and final phase of the project is anticipated to commence next financial year. Phase 3 will look at conducting live trials of the framework with the aim of implementing it within the WA Planning System, pending approval.



Work continues on Principal Shared Paths

DoT is committed to making WA a place where bike riding is a safe, connected, convenient and widely accepted form of transport. Due to their versatility, Principal Shared Paths (PSP) are vital to encouraging the community to ride more. The paths can be used for long trips, but they are also suitable for less experienced riders and short trips, as well as for pedestrians.

The expansion of the PSP network is a key action of the Western Australian Bicycle Network (WABN) Plan. The priority PSPs up until 2023 are within a 15 kilometre radius of the Perth CBD, with a particular emphasis along the freeway and railway corridors due to higher demand from commuters. The following progress was made during the 2021–22 reporting period.

Fremantle Railway PSPs

The third stage between Victoria Street Station and North Fremantle Station was completed by September 2021. The fourth stage of the PSP, between North Fremantle Station and the Swan River, which includes a proposed bridge across Tydeman Road and connections both over the Swan River and to the local path network, is in design development.

Construction timelines for the final stage connecting to the Fremantle train station have been aligned with the Swan River Crossing project.

Mitchell Freeway PSP

Construction of the \$23.3 million, 3.7 kilometre PSP between Civic Place in Stirling and Reid Highway in Balcatta commenced in 2021–22 and is due for completion in 2023. It includes an underpass at Karrinyup Road to deliver substantial safety and efficiency improvements.

The project will tie into path works delivered through the Stephenson Avenue project. When complete, the Mitchell Freeway will have a continuous PSP between Perth CBD and Reid Highway.

Kwinana Freeway PSP

The Kwinana Freeway PSP between Cranford Avenue and Leach Highway was completed in April 2022.

The \$16 million project, including 700 metres of PSP and an underpass at Cranford Avenue freeway on-ramp, now provides a continuous and safe 74 kilometre route between Perth CBD and Mandurah.

Armadale Rail Line SPs

Through the PSP expansion program, DoT provided funding to the Town of Victoria Park, City of Gosnells and City of Armadale to close the gaps along the Armadale Line PSP with high-quality shared paths.

eRideables regulatory reforms

Teams from Urban Mobility, Legislative and Legal Services, and Driver and Vehicle Services, collaborated with the Road Safety Commission to enact reforms setting safe speed limits and safety features for Electric Rideable Devices (eRideables) in WA.

eRideables are electric powered devices not capable of travelling faster than 25 kilometres per hour and include e-scooters, electric unicycles, electric skateboards, electric roller-skates, one-wheel electric scooters and hoverboards.

The legislative change included amendments to the *Road Traffic Code 2000* that came into effect on 4 December 2021. These amendments have led to greater consistency with other jurisdictions and ensure the state's road rules keep up with changes in mobility technologies as well as reflecting public expectations of having a range of transport choices to use on public infrastructure.

Growth is observable in the personal use of these devices around Perth following the regulatory changes. Operating e-scooter hire services in Stirling, Rockingham, Bunbury and Esperance also contribute to greater prevalence of eRideables in public areas.

Increased ownership, access to and use of eRideables across WA are leading to a range of issues and impacts. DoT's monitoring activities allow it to evaluate eRideable use within the broader active transport mix and have informed, data-backed discussions with partners focusing on safety and transport choice.

eRideable users interact with pedestrians and cyclists on active transport path facilities and the safety and amenity of all users requires each user to be respectful and to share the available space.



Image courtesy of Victor Popsecu

Aviation

Improvements made to regional airport infrastructure

The Regional Airports Development Scheme (RADS) program provides grant funding to eligible owners and leaseholders of publicly accessible regional airports throughout Western Australia.

DoT administers the RADS grants, providing financial assistance to help improve regional air services through improved airport infrastructure.

A total of \$1 million in RADS grants funding was provided to 17 projects across WA in 2021–22.

In response to the impacts of COVID-19, seven of these projects were awarded an increased RADS funding contribution of 75 per cent, to support capital spending in regional WA. These projects supported regional employment and provided economic benefit and stimulus.

Recently completed RADS projects included the development of runways, improvement of airport terminals and associated facilities and the creation of Strategic Airport Assets and Financial Management Frameworks to better prepare regional airports for future demands and growth.

Coral Bay Airstrip

\$146,747

In RADS funding assisted the Shire of Carnarvon to undertake a runway pavement lift, vertical alignment correction and re-sheet at the Coral Bay Airstrip.

These works helped improve the safety of airport operations for the Royal Flying Doctor Service.

The RADS program has a long history of providing grant funding to some of WA's most remote and isolated airports, helping to better connect regional residents to essential services and family and friends.



\$200m

Investment in the Agricultural Supply Chain Improvement Program – Package 1.

Freight and Ports

Facilitating collaboration

The Ports team facilitates cooperation between individual port authorities and the implementation of a whole-of-state approach to port development, which will enhance benefits for the state and the community.

The Ports team provides secretariat assistance for Ports WA meetings, which regularly brings together port CEOs and Chairs to discuss joint issues and initiatives. In the reporting period, this group has discussed and addressed a variety of challenges and opportunities, ranging from maritime skills shortages to investment and funding processes, as well as operational planning.

The Ports and Freight teams have also been actively involved in the delivery of the Westport Program and facilitate coordination and alignment of the Program with broader and overlapping freight and ports priorities.

In particular, FPAR has helped shape key ports, road and rail parameters for Westport modelling and led advice on the relocation of non-container operations flowing from Westport's container-focused planning.

Agricultural supply chains receive a boost

DoT is leading the implementation of the Agricultural Supply Chain Improvement (ASCI) program, which will help deliver prioritised freight infrastructure projects throughout the grain growing regions of WA.

The ASCI program implementation builds on the 2020 Revitalising Agricultural Region Freight (RARF) strategy and will help WA grain growers and other primary producers transport their product to markets more efficiently and keep up with increasing demand.

The ASCI program targets infrastructure projects that will optimise supply chain efficiencies, improve road safety and community amenity, and move greater volumes of grain by rail, while seeking to lower freight costs and improve supply chain capacity from farm gate to port.

DoT is collaborating with the Public Transport Authority, the State and Federal Governments and industry to progress ASCI projects that will be delivered under the first package, with \$200 million secured in May 2022.

The funding package will go towards four project areas:

- » Four rail siding extensions for CBH grain bins at Moora, Brookton, Cranbrook, and Broomehill, complementing significant CBH investment in rail loading facilities.
- » Seven additional grain rail siding upgrades at Avon, Kellerberrin, Dowerin, Konnongorring, Ballidu, Mingenew, and Perenjori North, which will help CBH to more quickly load longer trains.
- » Upgrading the Midland Line main line from 16 Tonne Axle Loading (TAL) to 19 TAL between Carnamah and Mingenew, allowing heavier trains and a 20 per cent increase in train loads.
- » Part funding for the progressive recommissioning of the Narrogin-Kulin rail line and associated works to service grain and other potential customers in the Narrogin-Wickepin area via a Tier 3 line.

The projects funded in package 1 of the ASCI program have been determined in close consultation with State and Federal Governments CBH, rail network manager Arc Infrastructure, grower groups, and local governments.

DoT is also working closely with these stakeholders to determine a list of projects to be included in a second ASCI package, that will require further funding contributions.

Port transfers lead to better outcomes

On 1 July 2021, regulatory responsibility for several ports transferred from DoT to a relevant port authority.

The Port of Varanus Island was transferred to the Pilbara Ports Authority, and the ports of Derby, Wyndham and Yampi Sound were transferred to the Kimberley Ports Authority.

The changes will result in a better overall structure for the oversight and governance of these ports and provide a more targeted focus on the way ports operate. This will also allow better management of risks associated with the operation of ports, commercial shipping, and other vessel movements.

Westport progresses work on transport corridor and new port

The Westport Program is planning for Western Australia's next century of trade growth with work underway to develop a secure transport corridor and develop the business case for providing recommendations to government on the future terminal in Kwinana Outer Harbour.

Westport's complex tasks bring together an integrated team across environmental and social, design and logistics, and economic and commercial workstreams. This ensures that all aspects of the future terminal and supply chain are thoroughly considered in the development of the preliminary design options for the container terminal, and the optimised road and rail network.

Projects throughout 2021–22 to support this included the Landside Logistics Opportunities Study, which worked with more than 50 stakeholders from the freight sector to shortlist conceptual designs for the supply chain system.

This work looked at identifying innovative solutions, new technologies and opportunities to move freight more efficiently, reliably, and safely. The results will be tested and refined through the Supply Chain Integrated Design project in 2022–23.

In late-March 2022, Westport released the early concept for the Anketell-Thomas Road Freight Corridor. The concept provides for uninterrupted east-west movement for freight vehicles and enhanced safety for local road users.

Westport has been sharing the design with impacted landowners and the community, to capture initial feedback before the design is refined.

Though the Kwinana Outer Harbour is already heavily used by industry, it is also recognised as a unique marine environment. As part of Westport, the State Government is investing heavily in research programs to fill knowledge gaps for this marine environment.

Westport research investment

\$13.5m

Allocation to a three-year partnership with the Western Australian Marine Science Institution (WAMSI).

100+

Employment opportunities for scientists and technical staff.

30+

Research projects, across nine themes, including seagrass health and restoration, and social values research and mitigation strategies.

Westport conducts study to identify freight options

Planning the future container terminal in Kwinana to service Western Australia's freight task for the next 50 to 100 years is also an opportunity to reimagine Perth's landside logistics system and create a more flexible, adaptable, resilient, and reliable supply chain.

Starting in January 2022, the project's primary objective was to identify conceptual landside logistics systems which enable the efficient, resilient, reliable, and flexible movement of containers to and from the port terminal to their pack/unpack destinations.

The landside logistics system includes the network of infrastructure, land uses, commercial operations, freight transport vehicles, technology, regulation/policy, and data.

As part of a Landside Logistics Opportunities Study, Westport consulted with more than 50 stakeholders from across the freight industry, such as key logistics partners and companies, major importers and exporters, government, regulatory bodies, and industry groups.

Participants were encouraged to think broadly about new technologies, innovation, and long-term trends in the supply chain. These consultations provided valuable insights into major constraints and opportunities they see in the existing system. Common themes that emerged were resilience, reliability, visibility, and predictability.

A team of specialist consultants built upon stakeholder insights using global and national best practice case studies to produce a long list of options. These options were then further assessed on deliverability, minimum standards, and a multi-criteria analysis to produce the shortlist options.

The results will now be tested and refined through Westport's largest technical package of works, the Supply Chain Integrated Design and Modelling for New Container Terminal in Kwinana project, which is scheduled to commence in late-2022.



The RAC Intellibus trial on the South Perth foreshore has been extended for 12 months.

The findings will ensure Cockburn Sound's environment, recreation and cultural values are well understood to minimise impacts and identify opportunities to improve the management of Cockburn Sound for generations to come and inform an Environmental Impact Assessment (EIA).

The Westport Office will continue to work across government and industry, to progress its vision for a world-class container port and trade network, built with nature in mind, that unlocks Western Australia's future economic prosperity.



Future Transport Planning

Automated vehicle reform progresses

Automated vehicles, also known as autonomous or driverless vehicles, are expected to provide significant benefits for our communities, including improved road safety, reduced urban congestion, increased transport efficiency and greater mobility for a wide range of people and goods.

WA is continuing to work with other Australian states and territories and the Federal Government to ensure there is a nationally consistent approach to the future operation of AVs on our roads.

In 2021–22, there was a national agreement that the future Automated Vehicle Safety Law will be implemented through Commonwealth law, which will ensure a nationally consistent regulatory approach for the in-service operation of AVs across Australia. Work is underway to develop drafting instructions for the new law and a consistent approach to complementary state and territory law amendments, including for on-road enforcement of AVs.

DoT has continued to facilitate a Connected and Automated Vehicle Advisory Committee (CAVAC) to coordinate and guide work across several government agencies to ensure that AVs will be effectively integrated into policy and legislative frameworks as well as our broader transport systems.

During 2021–22, the RAC Intellibus trial was extended on the South Perth foreshore for a further 12 month period. DoT has also had ongoing engagement with other potential trial proponents through 2021–22. DoT has been working with government partners to develop more clear guidance for potential trialling organisations.

State legislative changes to enable the operation of AVs on WA roads will also be required following the agreed national approach.

Leading WA's approach to drones

The use of drone technologies is increasingly transforming many industries including agriculture, mining and construction, unlocking a range of economic, social, and environmental benefits for the Australian economy.

In May 2021, the Federal Government released the National Emerging Aviation Technologies (NEAT) Policy Statement, which sets out a program of initiatives, demonstrating the government's commitment to establish a whole-of-government approach to enable and promote use of emerging aviation technology.

The program of initiatives includes developing Australia's Unmanned Aircraft System Traffic Management Ecosystem, Infrastructure Planning Framework, regulatory guidelines on privacy and noise management and an industry funding program.

The Federal Government is working collaboratively with jurisdictions on the development of the program of initiatives, through the Commonwealth-State Drones Working Group.

The Working Group is chaired by the Department of Infrastructure, Transport, Regional Development and Communications. DoT represents WA on the Working Group and is the lead agency and chair of the WA Drones Reference Group.

During 2021–22 DoT coordinated the provision of expert advice to present a whole-of WA government view at meetings of the Working Group and in relation to discussion papers released by the Federal Government.

The Department's coordination has included the gathering of expert advice in matters such as aircraft noise, which falls under the remit of Department of Water and Environmental Regulation, privacy issues that utilised Western Australian Police expertise and regulation of parks and wildlife, which comes under the responsibility of the Department of Biodiversity, Conservation and Attractions.

The program and delivery of initiatives is in progress and expected to be completed by 2024. DoT will continue to lead the WA Drones Reference Group and represent WA at the national Working Group, thereby ensuring a consistent, coordinated approach in the provision of advice and in the delivery of key initiatives.

Mass transit planning continues

In 2021, DoT identified the need for a Mass Transit Network Plan (MTNP) that considered the entire Perth and Peel region and has worked towards its development.

The MTNP will identify a network of transit corridors and activity centres which would be best suited for, and connected by, mass transit. This is supported within the draft Infrastructure WA Strategy and is currently high on the planning agenda for many local governments in Perth and Peel who are undertaking their plans and investigations and lobbying for State Government support and commitment in mass transit planning and delivery.

This development of the MTNP aligns with DoT's purpose of Empowering a Thriving Community by undertaking holistic and comprehensive planning for the entire metropolitan area to ensure outcomes are based on need and opportunity. Where there is evidence to support excellent land use outcomes and transport benefits, these locations should be the highest priority for development for communities.

Building on previous planning work undertaken, DoT has been progressing several high-level strategic planning tasks during 2021–22 to investigate a second-tier mass transit network for the entire Perth and Peel area.

As the work undertaken previously only looked at the central sub region, the new work included logic mapping which addressed the remaining sub-regions for Perth and Peel. An assessment of all strategic and secondary centres within the outer metropolitan sub regions and all stations that have a direct relationship to strategic and secondary centres but are located away from the activity centre area have been undertaken.

Planning context papers for the local governments within the expanded study area have been developed.

The next stage of work to be undertaken next financial year requires strategic transport modelling to inform high level route selection along preferred priority corridors.



Summary of Results against Performance Targets

Outcome 2: Vehicles and road users that meet established vehicle standards, driver competencies and identity requirements to deliver safe vehicles, safe drivers and secure identities.

Key Effectiveness Indicators

<p>Percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles).</p> <p>Read KPI commentary page 171</p>	<p>2021-22 Target</p> <p>2021-22 Actual</p>	<p>100.0%</p> <p>99.5%</p>
<p>Percentage of driver licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers).</p> <p>Read KPI commentary page 171</p>	<p>2021-22 Target</p> <p>2021-22 Actual</p>	<p>100.0%</p> <p>98.0%</p>
<p>Percentage of identity credentials compliant with the required standard of biometric quality.</p> <p>Read KPI commentary page 172</p>	<p>2021-22 Target</p> <p>2021-22 Actual</p>	<p>93.0%</p> <p>99.8%</p>

Please note
Target figures as specified in the 2021-22 Budget Statements.

Service 2: Driver and Vehicle Services

Key Efficiency Indicators

<p>Average cost per vehicle and driver transaction.</p> <p>Read KPI commentary page 181</p>	<p>2021-22 Target</p> <p>2021-22 Actual</p>	<p>\$18.94</p> <p>\$17.96</p>
<p>Average cost per vehicle inspection performed by Vehicle Examination Centres.</p> <p>Read KPI commentary page 181</p>	<p>2021-22 Target</p> <p>2021-22 Actual</p>	<p>\$203.95</p> <p>\$170.49</p>
<p>Average cost per vehicle inspection delivered through Authorised Inspection Stations.</p> <p>Read KPI commentary page 182</p>	<p>2021-22 Target</p> <p>2021-22 Actual</p>	<p>\$160.07</p> <p>\$157.36</p>
<p>Average cost per driver assessment.</p> <p>Read KPI commentary page 182</p>	<p>2021-22 Target</p> <p>2021-22 Actual</p>	<p>\$106.15</p> <p>\$106.30</p>

Please note
Target figures as specified in the 2021-22 Budget Statements.



Driver and Vehicle Services

New program to drive licensing access and equity

Young, disadvantaged people in regional and remote areas of our state can face considerable barriers to obtaining their driver's licence – a fact highlighted at a State Government Skills Summit in July 2021 as impacting youth employment opportunities in regional Western Australia.

In response, the State Government committed \$4.9 million in August 2021 for a 12 month pilot of the Driving Access and Equity Program, run by DoT, to enable this cohort to become safe, confident and employable drivers.

The Kimberley and Pilbara were selected to pilot the program as these regions have a high concentration of learner drivers with limited access to a vehicle, supervisor, or driving instructor, due to factors including geographic location, income, employment status and social situation.

DoT project staff worked closely with local stakeholders during the pilot to deliver solutions to these barriers.

This included distributing \$3.5 million in grants to 12 community-based organisations to support the purchase of up to 24 vehicles for driving instruction, and to expand and establish successful supervised driving programs.

At a glance

Grant organisations are expected to assist:

1,000+

Disadvantaged learner drivers across the Kimberley and Pilbara.

Potential deliverables:

550

Provisional driver's licences.

350

Employment opportunities created.

The pilot also funded an additional five DoT Remote Services Officers, doubling the number of people employed to deliver driver and vehicle licensing services to remote Kimberley, Pilbara and Mid West communities.

Funding was also used to support training costs for 24 people to complete the Certificate IV in Transport and Logistics (Road Transport – Car Driving Instruction). Aboriginal women were amongst the diverse group to complete the training, increasing the number of culturally appropriate driving instructors.

Work also began on the development of accessible learner driver publications to assist people where English is not their first language, or where literacy is a barrier to obtaining their learner's permit or driver's licence.

The inroads made to addressing licensing disadvantage through the pilot saw DoT allocate an additional \$5.5 million as part of the 2022–23 State Budget. This will enable the roll out of the program to the Mid West, Gascoyne, and Goldfields-Esperance regions in the new financial year and brings the total State Government investment in the program to more than \$10 million.

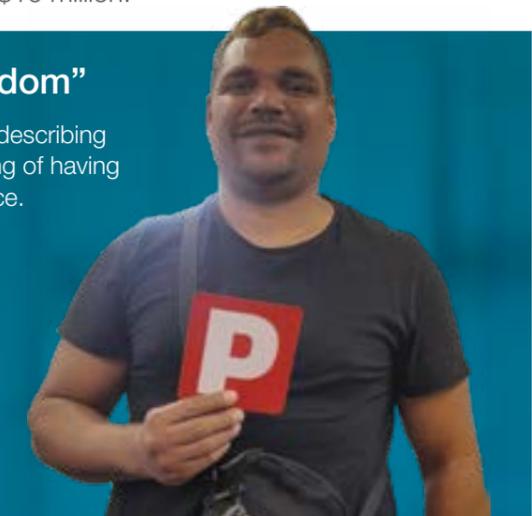
Customer snapshot

Just prior to the end of the financial year Roebourne resident, Michael became the first person to receive their provisional driver's licence as a result of receiving support through the program.

Michael received help with his driving skills through the Roebourne-based Ngarliyarndu Bindirri Aboriginal Corporation, which received a Driving Access and Equity Program grant. He has since secured a traineeship with a local mining company.

“Freedom”

Michael describing the feeling of having his licence.



\$123,550

Gross revenue from the conversion of 706 District plates to Optional plates (\$175 fee per plate).

District plate conversion commences

DoT appreciates how special District plates are to Western Australians, with drivers proudly promoting their towns, from A for Albany in the south to WY for Wyndham in the north.

For many years, customers have been asking for the ability to retain these special combinations within families. So in April 2022 DoT launched the District plate conversion initiative to enable customers to convert their district plates to an Optional plate, allowing it to be passed down through generations.

District plate conversion grants the Certificate of Right to Display and Trade to the plate owner. The holder of the Certificate may then sell the Right to Display and Trade at any price on the open market and have the plate replaced if it is ever lost or stolen.

Prioritising secure identities

Secure identities align with DoT's purpose of Empowering a Thriving Community through good security practices that protect our customers from fraud, protect their data, and contribute to national efforts to thwart organised crime and terrorism.

Driver's licences remain the most used means of evidencing an identity in the community. They can be used to gain entry to licensed premises, gain employment, open bank accounts, and to acquire government permits and access to services.

The Premier and other Australian first Ministers signed the Intergovernmental Agreement on Identity Matching Services on 5 October 2017. Since that time DoT has been working with the Federal, State and Territory Governments to develop the National Driver's Licence Facial Recognition Solution (NDLFRS), and to strengthen existing services such as the Document Verification Service.

DoT led the development of the *Transport Legislation Amendment (Identity Matching Services) Act 2021*, which came into force on 14 April 2022. It introduced the power to participate in national face matching services, allowing police forces and certain Federal agencies to access images for investigations into serious crime and national security.

The Act will also provide a mechanism for Western Australians to give their consent to verify their identity through their driver's licence photo when applying for government permits and licences, and potentially when people apply for products or services required to comply with the know your customer duty under the Anti Money Laundering and Counter Terrorism Funding legislation, such as opening bank accounts or mobile phone contracts.

DoT is finalising testing for the upload of records into the WA-controlled portion of the NDLFRS that hosts all Australian driver's licence records for use in face matching services. No access to any WA records will be given until Commonwealth legislation has passed, and all parties have signed legally binding documents that will govern security, privacy and access to the services.

The Act also introduced powers to allow DoT customers to give their consent for information to be disclosed to third parties and their driver's licence photographs to be used on other DoT or government issued licences/permits, and to provide better governance of disclosure through automated processes. This will allow DoT to deliver future IT services with customer consent and will be critical to the future digitisation of DoT services.

In January 2022, the DoT Driver and Vehicle Services (DVS) business unit introduced a new privacy policy. This followed the independent expert privacy impact assessment and improves identity and data governance in preparation for connection to the NDLFRS and proposed state privacy legislation.

DoT also delivered the Transport Regulations Amendment (Digital Identity Exchange) Regulations 2021, which came into force in November 2021. This authorises DoT licensing records to be used, with the customer's consent, in the WA Digital Identity Exchange. This is being developed by the WA Government to provide digital access to services, for example National Disability Insurance Scheme (NDIS) worker screening. This will streamline application processes, reduce reliance on paper documents and reduce fraud risk.

Introduction of online refunds

The DVS default method for issuing licensing related refunds has been by cheque sent via post. This process is time consuming, inconvenient for customers and costly for the business in terms of processing, printing and postage costs.

In August 2021, DoT introduced Electronic Fund Transfer (EFT) for refunds whereby customers now have an option to apply to receive driver and vehicle related refunds via EFT.



44%
Of all driver and vehicle refunds were paid by EFT (at time of reporting).

This initiative has provided customers with choice and convenience while being more environmentally friendly and cost efficient. A steady growth in the uptake of EFT refund payments has reduced printing and postage costs as well as the time taken for customers to receive their refunds.

To further enhance the broader refund reform agenda, DoT is developing an online refund application service that will allow customers to apply for driver and vehicle refunds via DoTDirect, the online system for customers to manage licencing and registration and make payments. This will further streamline the process and improve customer experience. This facility will be available for customers in the first quarter of the 2022–23 financial year.

DoT is committed to providing greater customer access to all licensing services and has actively responded to its customers' expectations for greater online service delivery.

Enhancing contact centre services

To continue providing and developing contemporary contact centre services to the community, DoT undertook a procurement process to purchase and implement a cloud-based contact centre and knowledge management solution for DoT and Transport Portfolio agency Main Roads contact centres.

Working with the successful supplier, Datacom, DoT has phased the implementation of the new technology into the business.

In July 2021, the Genesys telephony solution was implemented at the Main Roads contact centres together with the myKnowledge and Genesys email components into several DoT business units.

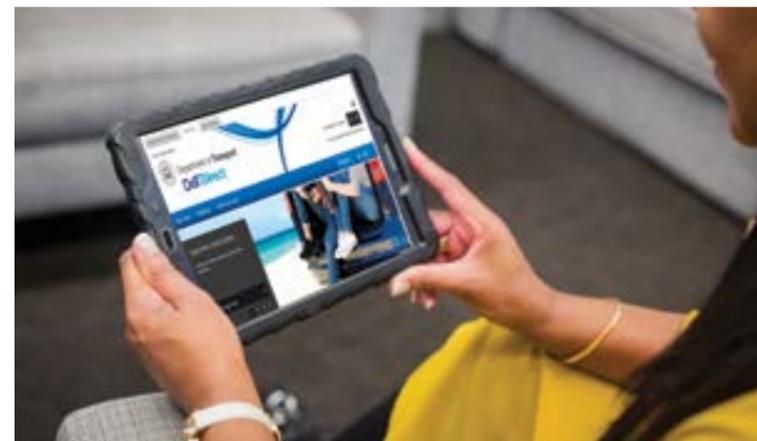
The second phase of implementation went live in May 2022 and transferred the DoT contact centres and self-service gateways to the new technology. Over the next five years, DoT will work with Datacom to offer available enhanced services to the community. This will include improved self-service options, 'chat with us' capabilities and enhanced operating models that allow for flexibility in staffing and customer enquiry responses through the contact centre, website and other online portals.

The new technologies include:

- » Genesys My Pure Cloud – Interactive Voice Response (IVR) telephony and email routing solution.
- » Datacom – Payment Card Industry Data Security Standard (PCI DSS) compliant payment gateway.
- » Verint – Workforce Management (WFM) and Quality Management (QM) applications.
- » Live Pro – Knowledge management solution rebranded as myKnowledge.

This cloud-based contact centre and knowledge solution allows DoT and Main Roads to offer flexible working arrangements which was key during the COVID-19 pandemic.

Additional phases of the project and further improvements will be developed and delivered in future reporting periods.



Summary of Results against Performance Targets

Outcome 3: An accessible and safe transport system.

Key Effectiveness Indicators

<p>Percentage of wheelchair accessible vehicle taxi journeys carrying passengers in wheelchairs which meet the waiting time standard.*</p> <p>Read KPI commentary page 174</p>	<p>2021–22 Target</p> <p>95.0%</p>	<p>2021–22 Actual</p> <p>98.6%</p>
<p>Percentage of time maritime infrastructure is fit for purpose when required.</p> <p>Read KPI commentary page 175</p>	<p>2021–22 Target</p> <p>99.9%</p>	<p>2021–22 Actual</p> <p>97.0%</p>
<p>Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels.</p> <p>Read KPI commentary page 176</p>	<p>2021–22 Target</p> <p>11.0</p>	<p>2021–22 Actual</p> <p>9.6</p>
<p>Percentage of audited authorised on-demand booking services compliant with safety requirements.</p> <p>Read KPI commentary page 177</p>	<p>2021–22 Target</p> <p>60.0%</p>	<p>2021–22 Actual</p> <p>56.0%</p>

Please note
Target figures as specified in the 2021–22 Budget Statements.

* Change approved by the Department of Treasury for 2021–22. Reference to “multi-purpose” was removed and replaced with “wheelchair accessible vehicle” to reflect the wording of the *Transport (Road Passenger Services) Act 2018*.

Service 3: Maritime

Key Efficiency Indicators

<p>Average cost per day per maritime infrastructure asset managed.</p> <p>Read KPI commentary page 183</p>	<p>2021–22 Target</p> <p>\$104.89</p>	<p>2021–22 Actual</p> <p>\$103.74</p>
<p>Average cost per private recreational vessel registration.</p> <p>Read KPI commentary page 184</p>	<p>2021–22 Target</p> <p>\$150.78</p>	<p>2021–22 Actual</p> <p>\$152.96</p>
<p>Cost to maintain marine pollution response preparedness per registered vessel.</p> <p>Read KPI commentary page 184</p>	<p>2021–22 Target</p> <p>\$33.39</p>	<p>2021–22 Actual</p> <p>\$33.01</p>

Service 4: On-demand Transport

Key Efficiency Indicators

<p>Cost per On-demand Transport authorisation.</p> <p>Read KPI commentary page 185</p>	<p>2021–22 Target</p> <p>\$202.33</p>	<p>2021–22 Actual</p> <p>\$161.23</p>
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After 34 years in operation, four jetties at Hillarys Boat Harbour are to be replaced by a floating pen system.

Maritime

Upgrades to jetties at Hillarys Boat Harbour

Significant progress was made during 2021–22 on plans to replace four jetties at Hillarys Boat Harbour following an allocation of \$6.8 million from the WA Recovery Plan.

Officially opened in 1988, jetties F, G, H, and J have been in operation for 34 years, significantly longer than their design life of 15 years. A new modern floating pen system will be implemented as part of the jetty replacement program.

It was determined during preliminary investigations that a fifth jetty required considerable upgrades and it has now been included in the scope of works. The replacement of Jetty A will be funded separately through the Maritime Facilities Program.

DoT awarded a design and construct contract in mid-2022 for a locally based supplier to undertake the jetty replacement. Design works have now commenced with site works expected to commence in late-2022. The initial phase of works will involve providing an upgraded dedicated fire services line and installation of the new Jetty A and main jetty walkway.

Work progresses on Two Rocks Marina improvements

Improvements at Two Rocks Marina in 2020–21 have seen the beginnings of the facility master plan brought to life.

DoT assumed management of the ageing marina from a private operator in November 2014, and in close consultation with the Two Rocks Marina Reference Group and wider stakeholder groups, developed the Two Rocks Marina Master Plan.

The plan provides an aspirational long-term vision for the marina and includes an activation plan that has identified several smaller projects to help facilitate the long-term goals of the Master Plan.

Planning commenced in 2021–22 for the development of a new plaza which comprises a waterfront pathway and boardwalk, amenities such as public toilets and two lease areas that will enable the development of restaurants, cafes, commercial fishing sales or chandlery activities. Consultancies have been engaged for the development of a design for these works.

Works completed throughout 2021–22 included:

- » Installation of a new modular demountable administration building and new modular demountable pen holder amenities building;
- » Demolition of the two main buildings in the hardstand area that had reached end of life, clearing the way for new receivals depots by fisheries operators;
- » Construction of a new services corridor in the marina hardstand area which has improved reliability and capacity of services for boat servicing and fisheries operators; and
- » Maintenance dredging as part of the DoT's state-wide maintenance dredging program which involved dredging of approximately 6,000m³ of sediments to restore safe navigation depths at the entrance channel.

Ocean Reef Marina breakwaters work commences

DoT continued its collaboration with DevelopmentWA in 2021–22 to progress the Ocean Reef Marina development to provide much needed boating facilities in Perth's north.

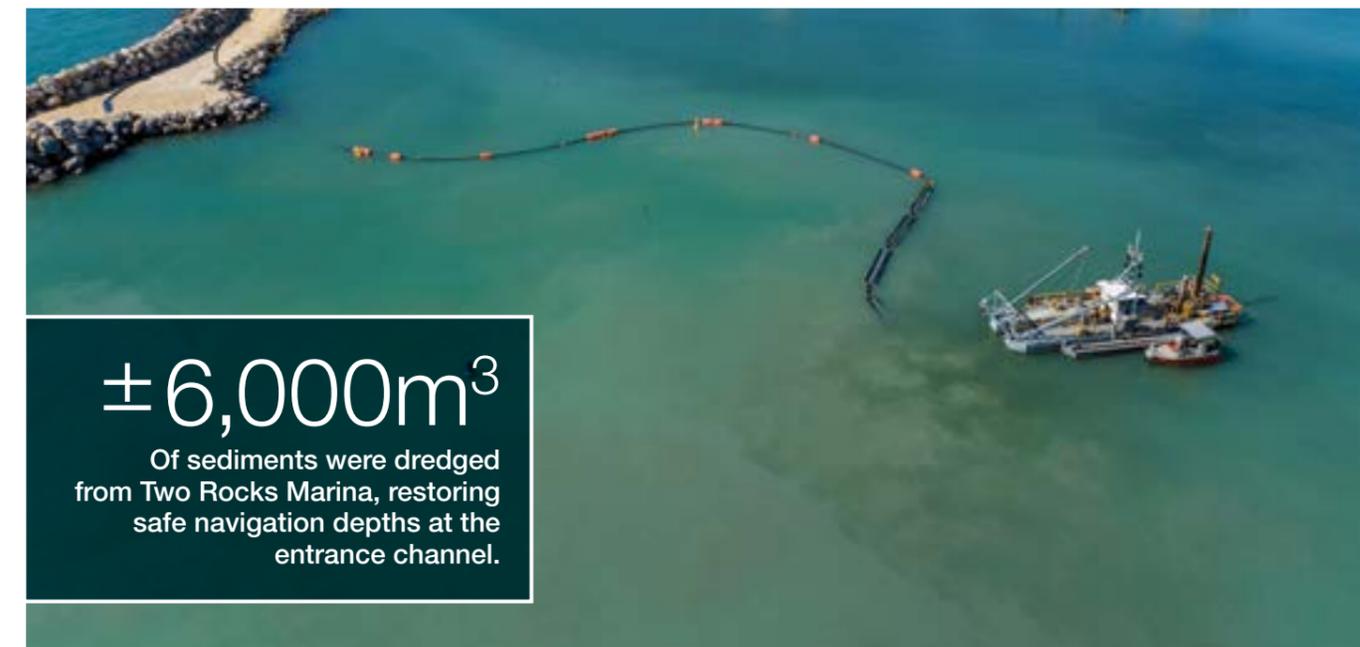
DevelopmentWA is leading the project with DoT providing technical input on maritime planning, coastal engineering, land tenure arrangements, capital and operating budget requirements and maritime infrastructure requirements. DoT is the potential future marina manager.

The marina will be located at the existing Ocean Reef boat launching facility, providing a world-class waterfront precinct incorporating recreational, marine, and boating facilities within a fully integrated marina that includes retail/commercial opportunities, short-stay accommodation, and residential development.

Several project milestones were reached in 2021–22:

- » The overlap of the breakwaters, with the northern and southern breakwaters reaching their final length of 645 metres and 1,118 metres respectively;
- » The completion of the northern breakwater, with the final height over seven metres above sea level in some areas; and
- » The removal of the existing harbour breakwaters adjacent to the existing boat ramp with all rocks being reused in the new breakwaters.

Work will continue in 2022–23 to bring the southern breakwater up to its final height. Detailed design for the reclamation area and associated internal landside edge walls are continuing with construction of these planning to commence in 2023.



± 6,000m³

Of sediments were dredged from Two Rocks Marina, restoring safe navigation depths at the entrance channel.

Electrical upgrades at Fremantle Fishing Boat Harbour

The WA Recovery Plan provided \$5.9 million in funding to upgrade electrical infrastructure at Fremantle Fishing Boat Harbour which supplies electricity to businesses operating from this iconic facility.

The electrical infrastructure has reached the end of its service life and is showing signs of rapid deterioration. Maintenance costs have been increasing and there have been several significant power outages since 2012.

The works will upgrade major high and low voltage electrical infrastructure to provide reliable and robust power supplies while also reducing ongoing maintenance costs. In addition, the upgraded infrastructure will allow for increased electrical capacity thus future-proofing the harbour.

The upgraded electrical infrastructure will also enhance safety for maintenance personnel.

DoT commenced project planning and stakeholder engagement activities in 2021–22 and engaged engineering designers to undertake planning and develop design solutions.

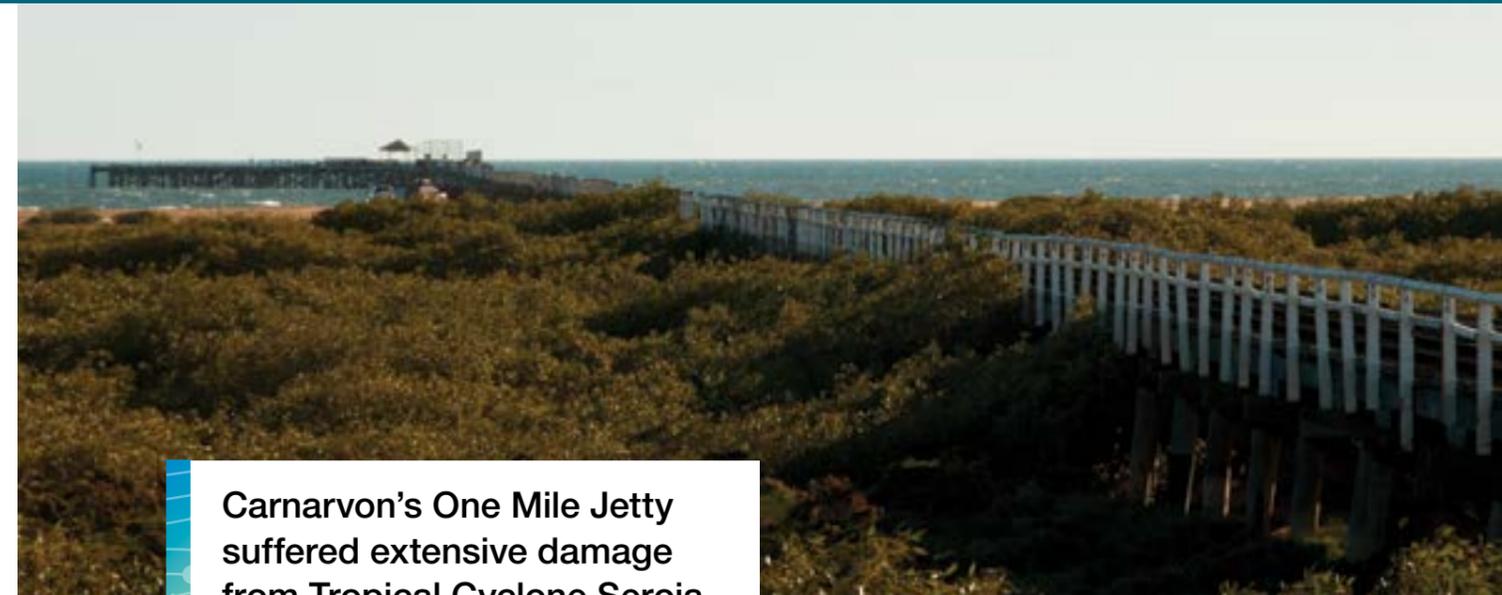
An Expression of Interest for a design and construct contractor has been released to the market. Works are anticipated to be delivered throughout 2023 with minor works undertaken during the summer trading season and major works undertaken through the winter trading season, minimising disruption to business operations.

Albany Waterfront Marina upgrades planned

An upgrade to street lighting and extension of utility services to a vacant lot at the DoT-managed Albany Waterfront Marina will allow it to be leased and developed.

A Request For Tender for works to extend critical services to enable third-party development of a commercial lease was advertised publicly in March 2022.

Difficult market conditions resulted in no tenders being received, delaying the works until 2022–23 and necessitating the redrafting of the tender to provide a more targeted approach to local contractors.



Carnarvon's One Mile Jetty suffered extensive damage from Tropical Cyclone Seroja.

Carnarvon's Fascine waterway

The WA Recovery Plan included a \$7 million allocation to provide short-and longer-term sustainable solutions to improve vessel access issues at Carnarvon's Fascine waterway.

Over time, vessel access had been compromised at the Fascine due to natural coastal processes and the infill of the previous navigation channel.

New boat pens were constructed by DoT at the Carnarvon Boat Harbour in 2021–22 to accommodate vessels from the Fascine. Multiple technical studies including a preliminary dredging study, mangrove survey and coastal processes study were completed. Multiple hydrographic surveys have been undertaken with metocean data collected throughout the year.

Exploring options for Carnarvon One Mile Jetty

Carnarvon's heritage listed One Mile Jetty suffered extensive damage due to Tropical Cyclone Seroja in April 2021. A decision was made following a structural assessment to deconstruct the jetty from the inter-tidal section onwards, addressing the navigational safety risks posed by the severely damaged jetty.

In close collaboration with the Carnarvon Heritage Group (CHG), DoT has engaged a heritage architect to determine an interpretation strategy that includes a grading matrix for the salvaged materials and proposed reuse of salvaged material.

A timber disposal strategy is now in place following a community forum hosted by DoT. The strategy includes providing free portions of timber to locals as well as the sale of higher-grade materials to private entities. DoT will provide support to the CHG to administer the strategy. Funds from timber sales will be available for future jetty repairs and interpretation projects in accordance with the timber disposal strategy.

Various options for the future jetty rebuild were considered at a public forum in March 2022.

Jurien Bay water quality

Jurien Bay Boat Harbour experienced ongoing water quality issues during 2021–22 which continue to be a key priority for resolution. DoT has conducted extensive investigations into the issue and a business case has been developed setting out potential options.

Planning amendments to enable new development in the southern harbour precinct were also actioned in 2021–22 with development progress remaining subject to resolution of the seasonal water problems.



Port Hedland Spoilbank Marina upgrades

DoT continued to progress components of the Port Hedland Spoilbank Marina project throughout 2021–22.

Working in collaboration with Pilbara Development Commission, Town of Port Hedland, Pilbara Ports Authority, DevelopmentWA and the Department of Treasury, the project will meet the recreational boating needs of the Port Hedland community and provide much-needed amenity for locals and tourists.

The scope of works for the preferred concept design includes boat pens, boat launching facilities, two breakwaters and internal revetment walls, and an access channel separating the marina traffic from shipping activity. The concept also features new public open spaces and improved public access, parking, toilet facilities and areas for pop-up retail stalls.

Pilbara Ports Authority has been leading the delivery of the project, with DoT providing advice to support the project.

Planning progresses for key north west boating facilities

Planning for a new improved boat ramp at Tantabiddi continued in consultation with stakeholders during 2021–22.

Used as the gateway to tourism and recreational experiences at Ningaloo Reef, the current facility is in high demand from commercial operators and recreational boat users. Adverse weather conditions can result in a build-up of sand and restrict access for boat launching.

DoT chairs the Tantabiddi Boat Ramp Taskforce and in 2021–22 an extensive program of detailed investigations was developed, including engagement with the World Heritage Committee, Traditional Custodians, commercial operators and local interest groups regarding the potential relocation of the boat ramp and the type of facility to be developed at the preferred location.

Further north at Broome, in 2021, DoT worked in partnership with the Shire of Broome and the Kimberley Ports Authority to complete a planning study and preliminary design for a new boating facility at Entrance Point.

The work included extensive investigations, consultation, technical studies and engineering design work. The proposal received strong support from the local community.

The development of a modern boating facility at Entrance Point will address inadequate infrastructure and significant safety and access problems. The project will also establish a new community precinct that recognises and celebrates the location, including aspects of its culture, heritage and landform.

Taking action on coastal erosion

DoT has continued to help local and state coastal managers protect our environment throughout the reporting period. Administration of grant funding and the provision of technical support enhanced the State’s response to pressing issues related to planning, design and development along the coast.

DoT provided ongoing specialist advice on coastal hazard risk management and adaptation, including mitigating erosion and inundation concerns exacerbated by climate change such as sea level rise.

In 2021–22, DoT continued to actively participate in the Coastal Management Advisory Group (CMAG). The CMAG is a cross-government working group chaired by the Department of Planning, Lands and Heritage (DPLH), which provides advice and oversees a whole-of-government approach to the management of coastal erosion and inundation.

Key outcomes for the CMAG are to provide assessment and planning advice on existing erosion hotspots and high-risk areas along the WA coastline, and develop a strategy for community education and awareness-raising around coastal hazard risk management and adaptation planning. As the state’s technical advisors on coastal management, DoT consistently provides technical advice to the CMAG, as well as other government departments and agencies.

DoT also administers the state’s Coastal Adaptation and Protection (CAP) grants program in response to coastal erosion.

At a glance

\$5m

To a range of local coastal managers, mainly local governments and Rottneest Island Authority.

55

Coastal projects across the state.

The 2021–22 CAP Grant program awarded \$1,056,540 of funding to local coastal managers across 22 projects, benefitting 15 individual local coastal management authorities, with three of these projects comprising partnerships between multiple coastal management authorities.

DoT Maritime also administered four high priority coastal erosion projects, with total funding of \$5 million through the WA Recovery Plan across 2020–21 and 2021–22. This initiative implemented coastal remediation works at Drummond Cove, Quinns Beach, Point Peron and Port Beach at Fremantle.

The five-year CoastWA program is the State Government’s strategic approach to manage Western Australia’s dynamic coastline, which is vulnerable to erosion and inundation from storm events. The DoT Coastal Engineering and Management team assists with the roll-out of the CoastWA program, including provision of technical advice and administration of additional grants for the management of erosion hotspots.

Two Hotspot Coastal Adaptation and Protection (H-CAP) projects were awarded funding in June 2021:

- » South Thomson Bay Revetment detail design and construction (\$1.77 million).
- » Emu Point groyne field optimisation modelling and detail design (\$230,000).

Spoilbank Marina, image courtesy of Pilbara Ports Authority





A 15-year rolling replacement and refit program ensures the patrol vessels are fit-for-purpose and ready for immediate deployment.

Patrol fleet upgraded

DoT’s capability to carry out safety compliance patrols and undertake other activities was boosted in 2021–22 with upgrades to the patrol vessel fleet.

The vessels are used to conduct education and compliance patrols, collect coastal data through hydrographical surveys, and provide capability for environmental emergencies on the water.

Other agencies can also request access to the fleet to assist in sea search-and-rescue activities and responses to incidents involving whales and sharks.

Several significant fleet upgrade activities occurred during 2021–22:

- » A Western Australian manufacturer commenced construction of a new patrol vessel PV21, to be based in Fremantle;
- » New Engines were purchased for Patrol Vessel PV1 (Fremantle) and PV3 in preparation for their upcoming refits; and
- » A new truck was added to the fleet to assist with the towing and launching of surveying vessels and haulage of the surveying buggy.
- » The truck is designed for joint use across Maritime and will strengthen its ability to respond to Maritime Environmental Emergencies and conduct tasks such as the haulage of response vessels, equipment, personnel, and environmental waste.

Improvements to recreational boating infrastructure delivered

DoT delivered improved recreational boating infrastructure in partnership with eligible authorities through the Recreational Boating Facilities Scheme (RBFS) in 2021–22.

Administered by DoT on behalf of the State Government, the RBFS is primarily funded through recreational boat registration fees.

At a glance

\$670,000

Combined value of six completed RBFS projects.

Works completed throughout 2021–22 included:

- » Provision of a design and cost estimate for the Stage 1 of the relocated boat launching facility for the Shire of Ashburton – Onslow Community Boating Precinct;
- » Development of detailed engineering design and supporting field investigations/studies to upgrade the Wyndham Boat Launching Facility with a floating pontoon jetty structure;
- » Demolition of the current degraded facility and construction of a new jetty at Sandy Beach Reserve for the Department of Biodiversity, Conservation and Attractions;
- » Upgrading of the existing boat ramp and replacement of the existing fixed timber jetty with a floating pontoon jetty at the Emu Point Ramp in Albany;
- » Construction of a new concrete ramp to the south of the existing ramp and replacement of the existing fixed timber jetty with a floating pontoon system at the Lower King Boat Ramp in Albany; and
- » Completion of a survey and design for a new finger jetty at the Batavia Quay Boat Ramp in South Yunderup in the Peel-Harvey Estuary for the Shire of Murray.

Enhancing and extending services

In 2021–22, DoT continued to collaborate to prepare for, respond to and recover from, potential or actual maritime environmental emergencies.

DoT is responsible for maritime environmental emergencies in WA under the *State Emergency Management Act 2005*.

There was significant progress with initiatives aimed at refining and maintaining its readiness and capability to respond to a maritime environmental emergency. DoT worked to improve its use of AV and GIS technology in its Incident Control Centre and also acquired new resources focused on enhancing its ability to sustain remote or protracted responses.

DoT continues to provide transport services to the Indian Ocean Territories (IOTs) under a service delivery arrangement between the Minister for Transport and the Federal Government.

DoT supports the delivery of a safe, efficient, effective and equitable transport system for Christmas Island and the Cocos (Keeling) Islands.

In 2021–22, officers visited to provide education and compliance training and also worked with IOT and shire staff to streamline boat registration processes for the local community as well as conducting education and compliance patrols.





On-demand Transport

Early end to On-demand Passenger Transport Levy

The On-demand Passenger Transport Levy was introduced in April 2019 to fund the \$120 million Perth Taxi Plate Buyback Scheme and was expected to remain in place for four years.

Stronger than anticipated demand for on-demand transport services led to the levy ending on 31 May 2022, after the recovery of almost \$129 million and despite the impacts of the COVID-19 pandemic.

The 10 per cent levy applied to all trips in taxi and charter vehicles that started and finished in the Perth metropolitan area, Murray and Mandurah districts.

In 2020, the levy amount to be collected was extended to include \$9 million that was redirected back to the industry as part of the State Government's COVID-19 relief measures to provide support to operators across Western Australia.

The repeal of the levy marked an important milestone for industry operating in a newly reformed environment.

Adapting to the reformed operating environment

While DoT's On-demand Transport (OdT) team completed the final stage of the on-demand transport reform on 30 June 2021, there was an extended transitional period for drivers within the industry until 31 December 2021.

During this period, DoT was responsive to industry feedback, actioning regulation changes to ensure a smoother transition to Passenger Transport Driver (PTD) authorisations. PTD authorisations allow a person to drive a vehicle for hire or reward, replacing the previous F or T endorsement.

DoT worked closely with representatives of volunteer not-for-profit organisations to provide clarification and discuss the requirements for volunteers providing passenger transport services.

This consultation allowed for the Transport (Road Passenger Services) Regulations 2020 to be amended to provide that volunteer drivers transporting passengers for a community transport service were not considered to be driving for hire or reward.

Further amendments to the regulations were approved to allow F or T endorsement holders who applied for a PTD authorisation prior to 1 July 2021, to continue operating until their applications were finalised. This allowed industry to ensure service delivery was not affected by a large number of late applications for a PTD authorisation.

Actual Financial Results versus Budget Targets

The following table provides a comparison of the financial targets and outcomes against criteria included in the Resource Agreement between the Director General – Transport, the Minister for Transport and the State Treasurer.

	2021-22 Target \$000	2021-22 Actual \$000	Variation \$000	Note
Total cost of services	562,908	480,298	-82,610	Note 1
Net cost of services	215,396	134,455	-80,940	Note 2
Total equity	1,405,767	1,500,036	94,269	Note 3
Net increase/(decrease) in cash held	368,787	444,906	76,119	Note 4
Approved full time equivalent (FTE)	1,526	1,480	-46	Note 5

Notes

These notes should be read in conjunction with the [Explanatory Statement to the Financial Statements page 151](#).

Note 1: Total cost of services

Total cost of services actual was lower than budget mainly due to reassignment of various program costs to outyears and underspent in a number of programs across DoT due to delays and resources constraints brought about by COVID-19.

Note 2: Net cost of services

Decrease in the net cost of service was mainly driven by reassignment of various program costs to outyears and underspent in a number of programs across DoT due to delays and resources constraints brought about by COVID-19.

Note 3: Total equity

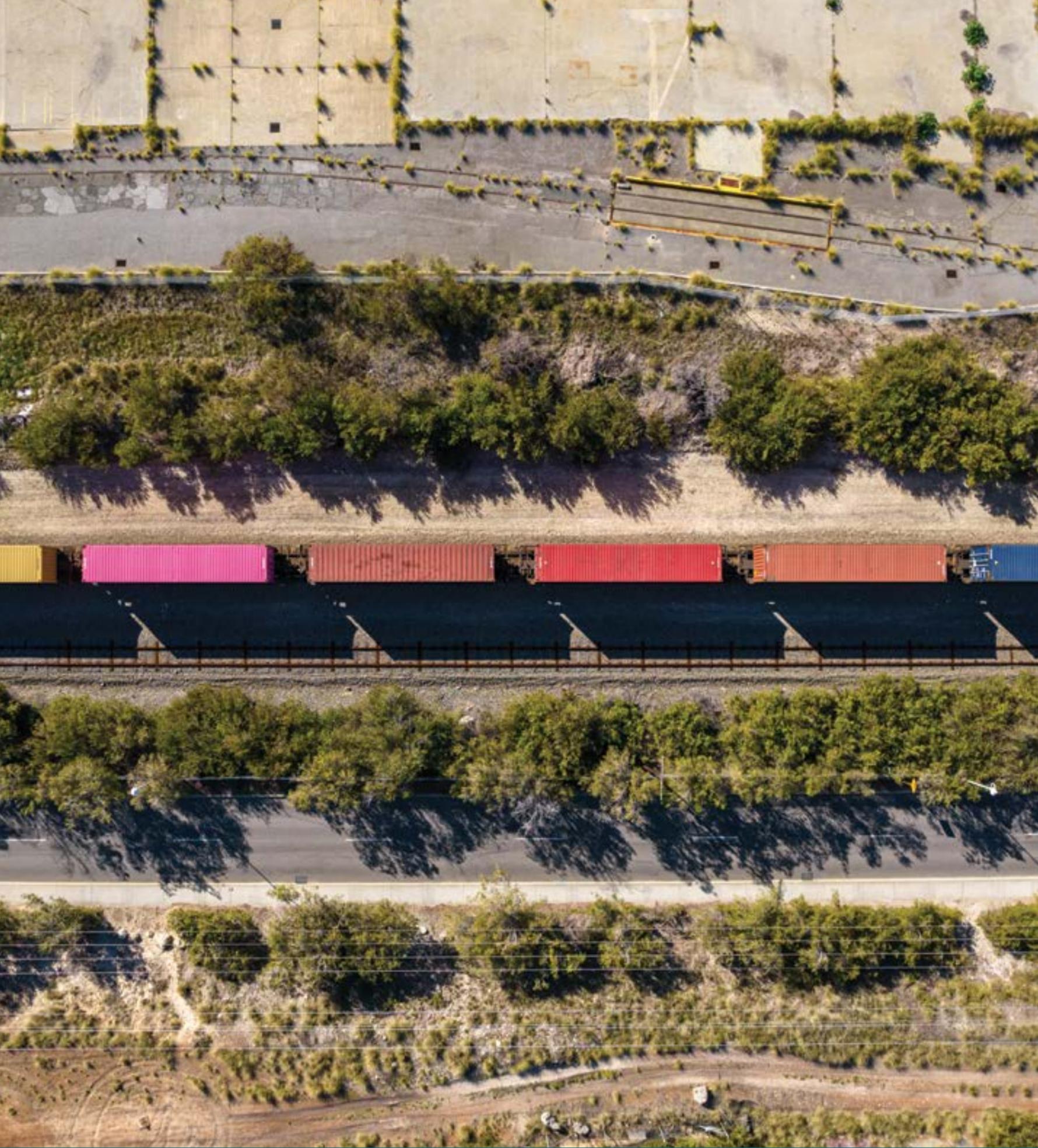
The increase is attributed to the decrease in the net cost of services (\$80.9 million) and an increase in receivables of \$13.2 million.

Note 4: Net increase/(decrease) in cash held

The net increase is mainly due to a reduced costs (explained in detail within the income statement narratives) largely associated with project delays from COVID-19.

Note 5: Approved FTE

The actual paid FTE is lower than the target, driven by the reduction of the COVID-19 Information Call Centre staff as the pandemic eased and project delays brought about by COVID-19.



FINANCIAL DISCLOSURES AND LEGAL COMPLIANCE

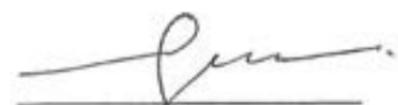


Special Purpose Statement

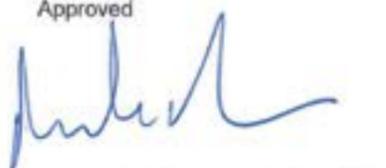
**DEPARTMENT OF TRANSPORT
SPECIAL PURPOSE STATEMENT
WESTPORT ACCOUNT**

NAME	An account titled the Westport Account (the Account) shall be established and maintained as a Department of Transport special purpose account pursuant to section 16(1)(d) of the <i>Financial Management Act 2006</i> .
PURPOSE	To hold funds for the purposes of strategic land acquisition, environmental offset works, feasibility studies and for other costs and acquisitions necessary to enable the Westport project.
RECEIPTS	There shall be credited to the Account all moneys lawfully received for the purpose of the Account.
PAYMENTS	Moneys standing to the credit of the Account shall be applied only for the purposes of the Account and in accordance with relevant agreements where applicable.
ACCOUNTABILITY AND GOVERNANCE	The account shall be administered, accounted for and reported on by the Department of Transport in accordance with the <i>Financial Management Act 2006</i> , <i>Financial Management Regulations 2007</i> , <i>Treasurer's Instructions</i> and relevant agreements where applicable.
REVIEW	A detailed review of the Account is to be undertaken on an annual basis. This is to include an assessment of the payments and receipts to ensure compliance with the purpose outlined above.
DISPOSAL OF FUNDS ON CESSATION	Upon closure of the Account, any balance standing to the credit of the Account shall be credited to the Consolidated Account.

I have examined and agree to the provisions of this special purpose statement.


 Peter Woronzow
 Director General
 Department of Transport

Date: 20/4/22

Approved

 Hon. Mark McGowan BA LLB MLA
 Treasurer

Date: 26/5/22



Independent Auditor's Report



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Department of Transport

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 Transport (Department) which comprise:

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

In my opinion, 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 Transport for the year ended 30 June 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

I 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, 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 Transport. The controls exercised by the Director General are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Department of Transport are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2022.

The Director General's responsibilities

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

Auditor General's responsibilities

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

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

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

Limitations of controls

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

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Department of Transport for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Department of Transport are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2022.

The Director General's responsibilities for the key performance indicators

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

In preparing the key performance indicators, the 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 Department's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

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

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

My independence and quality control relating to the report on financial statements, controls and key performance indicators

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

Other information

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

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

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

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

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of the Department of Transport for the year ended 30 June 2022 included in the annual report on the Department's website. The Department's management is responsible for the integrity of the Department's website. This audit does not provide assurance on the integrity of the Department's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



Grant Robison
Assistant Auditor General
Delegate of the Auditor General for Western Australia
20 September 2022

Certification of Financial Statements

For the reporting period ended 30 June 2022

The accompanying financial statements of the Department of Transport have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2022 and the financial position as at 30 June 2022.

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



Peter Parolo
Chief Finance Officer
20 September 2022



Peter Woronzow
Director General
20 September 2022

Financial Statements

Statement of Comprehensive Income

For the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
COST OF SERVICES			
Expenses			
Employee benefits expense	3.1.1	154,164	150,195
Supplies and services	3.5	151,642	124,232
Depreciation and amortisation expense	5.1–4	24,049	24,819
Accommodation expenses	3.5	18,102	17,756
Grants and subsidies	3.2	126,090	118,308
Loss on disposal of non-current assets	3.3	1,467	355
Finance costs	3.4	120	103
Other expenses	3.5	4,664	4,216
Total cost of services		480,298	439,984
Income			
Revenue			
User charges and fees	4.2	301,938	289,549
Sales		54	91
Grants and contributions	4.3	8,977	2,672
Interest income		158	61
Other income	4.4	29,914	24,125
Total revenue		341,041	316,498
Gains			
Other gains	4.5	4,802	-
Total gains		4,802	-
Total income other than income from State Government		345,843	316,498
NET COST OF SERVICES		134,455	123,486
Income from State Government			
Service appropriation	4.1	85,453	108,017
Income from other public sector entities during period	4.1	69,845	61,971
Resources received free of charge	4.1	2,022	1,616
Royalties for Regions Fund	4.1	31,782	30,591
Total income from State Government		189,102	202,195
SURPLUS FOR THE YEAR		54,647	78,709
OTHER COMPREHENSIVE INCOME			
<i>Items not reclassified subsequently to profit or loss</i>			
Changes in asset revaluation surplus	9.10	1,406	1,170
Total other comprehensive income		1,406	1,170
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		56,053	79,879

See also the [Schedule of Income and Expenses by Service](#).

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

Statement of Financial Position

As at 30 June 2022

	Notes	2022 \$'000	2021 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	7.1	120,214	99,662
Restricted cash and cash equivalents	7.1	594,496	170,917
Inventories	6.2	613	597
Receivables	6.1	27,674	10,760
Other current assets	6.4	4,345	6,110
Non-current assets classified as held for distribution to owners	9.9	-	21,180
Total current assets		747,342	309,226
Non-current assets			
Restricted cash and cash equivalents	7.1	3,596	2,821
Amounts receivable for services	6.3	321,577	301,057
Property, plant and equipment	5.1	150,379	147,500
Infrastructure	5.2	258,971	264,550
Intangible assets	5.3	47,559	47,129
Right-of-use assets	5.4	5,571	6,081
Construction in progress	5.5	32,897	18,102
Total non-current assets		820,550	787,240
TOTAL ASSETS		1,567,892	1,096,466
LIABILITIES			
Current liabilities			
Payables	6.5	16,544	16,444
Contract liabilities	6.6	4,681	3,451
Employee related provisions	3.1.2	24,692	25,223
Lease liabilities	7.2	2,555	2,455
Amounts due to the Treasurer	7.3	9,460	-
Other current liabilities	6.7	518	380
Total current liabilities		58,450	47,953
Non-current liabilities			
Employee related provisions	3.1.2	6,317	6,885
Lease liabilities	7.2	3,089	3,656
Total non-current liabilities		9,406	10,541
TOTAL LIABILITIES		67,856	58,494
NET ASSETS		1,500,036	1,037,972
EQUITY			
Contributed equity	9.10	973,690	567,679
Reserves	9.10	6,461	5,055
Accumulated surplus	9.10	519,885	465,238
TOTAL EQUITY		1,500,036	1,037,972

See also the [Schedule of Assets and Liabilities by Service](#).

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

Statement of Changes in Equity

For the year ended 30 June 2022

	Notes	Contributed equity \$'000	Reserves \$'000	Accumulated surplus \$'000	Total equity \$'000
Balance at 1 July 2020		534,903	3,885	386,529	925,317
Surplus for the year		-	-	78,709	78,709
Other comprehensive income		-	1,170	-	1,170
Total comprehensive income for the year		-	1,170	78,709	79,879
Transactions with owners in their capacity as owners:	9.10				
Capital appropriations		32,763	-	-	32,763
Distribution to owners					
- Department of Planning Lands and Heritage		160	-	-	160
- Department of Treasury		(147)	-	-	(147)
Total		32,776	-	-	32,776
Balance as at 30 June 2021		567,679	5,055	465,238	1,037,972
Balance at 1 July 2021		567,679	5,055	465,238	1,037,972
Surplus for the year		-	-	54,647	54,647
Other comprehensive income		-	1,406	-	1,406
Total comprehensive income for the year		-	1,406	54,647	56,053
Transactions with owners in their capacity as owners:	9.10				
Capital appropriations					
Other contributions by owners		425,904	-	-	425,904
- Regional Development Headworks Fund		1,335	-	-	1,335
Distribution to owners					
- Department of Planning Lands and Heritage		(13,576)	-	-	(13,576)
- Kimberley Ports Authority		(7,652)	-	-	(7,652)
Total		406,011	-	-	406,011
Balance as at 30 June 2022		973,690	6,461	519,885	1,500,036

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

Statement of Cash Flows

For the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		64,933	83,698
Capital appropriations		425,904	32,763
Funds from other public sector agencies		54,900	63,112
Cash transferred from other agencies		1,335	-
Royalties for Regions Fund		35,276	30,591
Net cash provided by State Government		582,348	210,164
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(154,449)	(147,574)
Supplies and services		(149,492)	(122,378)
Finance costs		(120)	(103)
Accommodation		(17,488)	(18,409)
Grants and subsidies		(124,948)	(126,874)
GST payments on purchases		(31,415)	(28,429)
Other payments		(5,994)	(2,359)
Receipts			
Sale of goods and services		48	54
User charges and fees		302,759	288,122
Grants and contributions		8,977	2,750
Interest received		110	65
GST receipts on sales		9,477	9,088
GST receipts from taxation authority		19,634	17,415
Other receipts		28,936	24,845
Net cash (used in) operating activities	7.1.2	(113,965)	(103,787)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(29,964)	(31,784)
Receipts			
Proceeds from sale of non-current assets		37	15
Net cash (used in) investing activities		(29,927)	(31,769)
Cash flows from financing activities			
Payments			
Repayment of lease liabilities		(3,010)	(2,607)
Receipts of Treasurers Advances		9,460	-
Net cash (used in) financing activities		6,450	(2,607)
Net increase in cash and cash equivalents		444,906	72,001
Cash and cash equivalents at the beginning of the year		273,400	201,399
Cash and cash equivalents at the end of the year	7.1.1	718,306	273,400

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

Administered schedules

For the year ended 30 June 2022

Administered income and expenses by service

	Strategic Transport Policy and Integrated Planning		Driver and Vehicle Services		Maritime		On-demand Transport		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Expenses										
Transfer payments										
- Consolidated account	-	-	1,730,110	1,593,953	-	-	39,923	39,421	1,770,033	1,633,374
- Department of Local Government, Sport and Cultural Industries	-	-	120	104	-	-	-	-	120	104
- Insurance Commission of Western Australia	-	-	1,099,759	1,051,296	-	-	-	-	1,099,759	1,051,296
- WA Coastal Shipping Commission	100	100	-	-	-	-	-	-	100	100
- Road Trauma Trust Account	-	-	95,675	83,385	-	-	-	-	95,675	83,385
- Service WA payments	-	-	3,693	1,453	-	-	-	-	3,693	1,453
Other expenses	-	-	1,569	1,214	-	-	-	-	1,569	1,214
Total administered expenses	100	100	2,930,926	2,731,405	-	-	39,923	39,421	2,970,949	2,770,926
Income										
For transfer to the Consolidated Accounts or Agencies Appropriations for transfer to the:										
WA Coastal Shipping Commission	100	100	-	-	-	-	-	-	100	100
Infringements										
Plate and transfer infringements	-	-	8,461	8,285	-	-	-	-	8,461	8,285
Speed and red-light infringements	-	-	116,038	106,196	-	-	-	-	116,038	106,196
Final demand traffic infringements	-	-	2,738	2,448	-	-	-	-	2,738	2,448
On-demand Transport Levy	-	-	-	-	-	-	37,867	42,139	37,867	42,139
Motor vehicle registrations										
Motor vehicle fees	-	-	120	104	-	-	-	-	120	104
Motor vehicle registrations	-	-	1,120,357	1,047,950	-	-	-	-	1,120,357	1,047,950
Vehicle Licence Duty	-	-	580,871	515,102	-	-	-	-	580,871	515,102
Third party motor vehicle insurance premiums	-	-	833,395	796,387	-	-	-	-	833,395	796,387
Catastrophic Injury Support Scheme	-	-	266,364	254,909	-	-	-	-	266,364	254,909
ServiceWA fees collected	-	-	19	13	-	-	-	-	19	13
NDIS worker screening application fees	-	-	3,675	1,440	-	-	-	-	3,675	1,440
Total administered income	100	100	2,932,038	2,732,834	-	-	37,867	42,139	2,970,005	2,775,073

Administered schedules

For the year ended 30 June 2022

Administered assets and liabilities

	2022 \$'000	2021 \$'000
Current assets		
Cash	22,189	20,457
Accounts receivable ^①	14,362	15,305
Total current assets	36,551	35,762
Total administered assets	36,551	35,762
Current liabilities		
Payables	5,202	5,082
Accruals and interest payable	8,083	6,467
Total current liabilities	13,285	11,549
Total administered liabilities	13,285	11,549

(i) Notes to the Schedule of Administered Items – Accounts Receivable

	2022 \$'000	2021 \$'000
Current receivables	27,355	26,896
Allowance for impairment of receivables	(12,993)	(11,591)
	14,362	15,305

Notes to the Financial Statements

Note 1: Basis of preparation

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 has 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 20 September 2022.

Statement of compliance

These general-purpose financial statements are prepared in accordance with:

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

The *Financial Management Act 2006* and the Treasurer's Instructions take precedence over the Australian Accounting Standards. Several of the standards are modified by the Treasurer's instructions to vary application, disclosure format and wording.

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

Basis of preparation

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

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

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

Judgements and estimates

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

Note 1: Basis of preparation (continued)

Accounting for Goods and Services (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

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

Capital appropriations have been designated as contributions by owners by Treasurer's instruction 955 *Contributions by Owners made to Wholly Owned Public-Sector Entities* and have been credited directly to Contributed Equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal

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 Australian Accounting Standards (AASs) have been adopted.

Note 2: Department outputs

How the Department operates

This section includes information regarding the nature of funding the Department receives and how this funding is utilised to achieve the Department's objectives. This note also provides the distinction between controlled funding and administered funding:

	Notes
Department Objectives	2.1
Schedule of Income and Expenses by Service	2.2
Schedule of Assets and Liability by Service	2.3

2.1 Department objectives

Mission

The Department's mission is to connect people with goods and services through an intricate system of roads, railways, airports, ports, paths and waterways, and educate and regulate to keep them safe within those networks. It coordinates and prioritises the transport-related infrastructure that allows the Western Australian economy to grow.

The Department is predominantly funded by user fees and charges determined by prevailing market forces. It is also funded by other controlled revenues and Parliamentary appropriations.

Services

The Department provides the following services:

Service 1: Strategic Transport Policy and Integrated Planning

Contributes towards the provision of leadership for strategic transport management, development and protection of economic nodes and networks through the provision of a range of services.

Service 2: Driver and Vehicle Services

Contributes towards the provision of safe, accessible, sustainable and efficient transport services and systems through the provision of driver licensing and vehicle registration services.

Service 3: Maritime

Contributes toward the Department's outcome of an accessible and safe transport system through a range of coastal infrastructure services and a range of marine safety and regulatory and education services.

Service 4: On-demand Transport

Provides a regulatory environment that encourages competition and innovation in the on-demand transport industry to deliver safe, accessible and efficient on-demand transport services for our community.

2.2 Schedule of Income and Expenses by Service

For the year ended 30 June 2022

	Strategic Transport Policy and Integrated Planning		Driver and Vehicle Services		Maritime		On-demand Transport		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cost of services										
Expenses										
Employee benefits expense	22,629	21,045	97,447	95,545	28,934	27,859	5,154	5,746	154,164	150,195
Supplies and services	21,314	13,115	78,175	65,521	49,401	43,443	2,752	2,153	151,642	124,232
Depreciation and amortisation expense	1,239	1,045	7,442	7,574	14,844	15,685	524	515	24,049	24,819
Accommodation expenses	827	745	11,480	11,314	5,024	4,835	771	862	18,102	17,756
Grants and subsidies	69,400	59,889	32,035	30,418	8,380	6,882	16,275	21,119	126,090	118,308
Loss on disposal of non-current assets	87	5	604	36	776	313	-	1	1,467	355
Finance costs	8	4	50	32	58	65	4	2	120	103
Other expenses	395	402	2,210	1,801	1,975	1,905	84	108	4,664	4,216
Total cost of services	115,899	96,250	229,443	212,241	109,392	100,987	25,564	30,506	480,298	439,984
Income										
User charges and fees	54,540	52,910	204,988	196,754	36,321	36,286	6,089	3,599	301,938	289,549
Sales	2	2	8	12	44	76	-	1	54	91
Grants and contributions	300	303	1,177	1,015	7,500	1,354	-	-	8,977	2,672
Interest revenue	23	9	90	39	40	11	5	2	158	61
Other revenue	1,323	103	1,082	777	27,463	23,173	46	72	29,914	24,125
Total revenue	56,188	53,327	207,345	198,597	71,368	60,900	6,140	3,674	341,041	316,498
Gains										
Other gains	-	-	120	-	4,682	-	-	-	4,802	-
Total gains	-	-	120	-	4,682	-	-	-	4,802	-
Total income other than income from State Government	56,188	53,327	207,465	198,597	76,050	60,900	6,140	3,674	345,843	316,498
Net cost of services	59,711	42,923	21,978	13,644	33,342	40,087	19,424	26,832	134,455	123,486
Income from State Government										
Service appropriation	13,404	15,469	53,644	68,750	15,503	19,512	2,902	4,286	85,453	108,017
Income from other public sector entities during period	23,872	19,876	43,498	39,492	2,415	2,534	60	69	69,845	61,971
Services received free of charge	317	231	1,269	1,029	367	292	69	64	2,022	1,616
Royalties for Regions Fund	-	-	27,019	29,151	4,751	1,429	12	11	31,782	30,591
Total income from State Government	37,593	35,576	125,430	138,422	23,036	23,767	3,043	4,430	189,102	202,195
Surplus/(deficit) for the period	(22,118)	(7,347)	103,452	124,778	(10,306)	(16,320)	(16,381)	(22,402)	54,647	78,709

The Schedule of income and expenses by service should be read in conjunction with the accompanying notes.

2.3 Schedule of Assets and Liabilities by Service

As at 30 June 2022

	Strategic Transport Policy and Integrated Planning		Driver and Vehicle Services		Maritime		On-demand Transport		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Assets										
Current assets	117,258	44,282	469,181	196,813	135,568	55,859	25,335	12,272	747,342	309,226
Non-current assets	128,712	112,736	515,107	501,057	148,861	142,207	27,870	31,240	820,550	787,240
Total assets	245,970	157,018	984,288	697,870	284,429	198,066	53,205	43,512	1,567,892	1,096,466
Liabilities										
Current liabilities	9,169	6,868	36,692	30,520	10,603	8,663	1,986	1,902	58,450	47,953
Non-current liabilities	1,475	1,509	5,906	6,709	1,706	1,904	319	419	9,406	10,541
Total liabilities	10,644	8,377	42,598	37,229	12,309	10,567	2,305	2,321	67,856	58,494
Net assets/liabilities	235,326	148,641	941,690	660,641	272,120	187,499	50,900	41,191	1,500,036	1,037,972

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

Note 3: Use of our funding

Expenses incurred in the delivery of services

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

	Notes	2022 \$'000	2021 \$'000
Employee benefits expenses	3.1.1	154,164	150,195
Employee related provisions	3.1.2	31,009	32,108
Grants and subsidies	3.2	126,090	118,308
Loss on disposal of non-current assets	3.3	1,467	355
Finance costs	3.4	120	103
Other expenditure	3.5	174,405	146,204

3.1.1 Employee benefits expenses

	2022 \$'000	2021 \$'000
Wages and salaries	137,957	134,918
Termination benefits	104	348
Superannuation – defined contributions plans	14,196	12,989
Other related expenses	1,907	1,940
Total employee benefits expenses	154,164	150,195
Add: AASB 16 <i>Non-monetary benefits</i>	333	315
Less: Employee contributions	(188)	(198)
Net employee benefits	154,309	150,312

Wages and salaries: include wages, salaries and leave entitlements.

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

Superannuation – defined contributions plans: The amount recognised in the Statement of Comprehensive Income comprises employer contributions paid to defined contribution plans. These include West State Superannuation Scheme, Gold State Superannuation Scheme, Government Employees Superannuation Board Schemes and other eligible funds.

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

Gold State is a defined benefit scheme. The Department does not recognise any defined benefit liabilities, because the concurrent defined contributions the Department makes to GESB extinguishes the Department's obligations to the related superannuation liability.

Other related expenses: include fringe benefits tax, training expenses and uniforms.

AASB 16 *Non-monetary benefits:* non-monetary benefits provided to employees, predominantly relating to the provision of vehicle and housing benefits.

Employee contributions: contributions made to the Department by employees towards employee benefits. This includes both AASB 16 and other employee contributions.

3.1.2 Employee related provisions

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

Current

Employee benefits provisions

Annual leave^(a)

Long service leave^(b)

Deferred salary scheme

Other provisions

Employment on-costs^(c)

Purchased leave

Total current employee related provisions

Non-Current

Employee benefits provisions

Long service leave^(b)

Other provisions

Employment on-costs^(c)

Total non-current employee related provisions

Total employee related provisions

	2022 \$'000	2021 \$'000
Annual leave ^(a)	9,419	8,622
Long service leave ^(b)	14,842	16,195
Deferred salary scheme	119	55
Total current employee related provisions	24,380	24,872
Employment on-costs ^(c)	331	341
Purchased leave	(19)	10
Total current employee related provisions	24,692	25,223
Long service leave ^(b)	6,233	6,793
Total non-current employee related provisions	6,233	6,793
Employment on-costs ^(c)	84	92
Total non-current employee related provisions	6,317	6,885
Total employee related provisions	31,009	32,108

(a) Annual leave and other leave liabilities: Annual leave and other leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2022 \$'000	2021 \$'000
Within 12 months of the end of the financial year	7,911	7,581
More than 12 months after the end of the financial year	1,508	1,041
	9,419	8,622

3.1.2 Employee related provisions (continued)

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

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

	2022 \$'000	2021 \$'000
Within 12 months of the end of the financial year	4,961	5,775
More than 12 months after the end of the financial year	16,114	17,213
	21,075	22,988

Within 12 months of the end of the financial year
More than 12 months after the end of the financial year

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 considering 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 financial year on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

- » Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses', **note 3.5** and are not included as part of the Department's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2022 \$'000	2021 \$'000
Carrying amount at start of year	433	401
Additional/(reversals of) provisions recognised	(23)	208
Payments/Other sacrifices of economic benefits	5	(179)
Unwinding of the discount	-	3
Carrying amount at end of year	415	433

Carrying amount at start of year
Additional/(reversals of) provisions recognised
Payments/Other sacrifices of economic benefits
Unwinding of the discount
Carrying amount at end of year

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.

3.2 Grants and subsidies

Aviation (Public Air Route) Subsidies	699	463
Bicycle Boulevards	1,313	2,491
CBD Transport Plan	2,250	2,250
Coastal Projects and Zone Management	3,645	2,227
Community Police	3,075	3,838
Country Age Pension Fuel Card Scheme ⁽ⁱ⁾	28,069	26,580
Fare Subsidies (Pensioners)	812	881
Fremantle Port Rail Service	6,682	5,570
Future of Fremantle	750	-
Improve Access and Equity for Learner Drivers	1,178	-
Marine Communications	703	694
National Transport Reforms	433	330
On-Demand Transport – COVID-19 Relief ⁽ⁱⁱ⁾	-	5,544
Perth City Deals ⁽ⁱⁱⁱ⁾	9,021	-
Port Management (Port of Wyndham)	659	2,446
Public Transport Authority – CAT Bus Services ^(iv)	16,619	15,178
Public Transport Authority – Purple CAT Bus Services ^(v)	1,917	-
Recreational Boat Facilities	3,126	1,516
Regional Airport Development Scheme	1,007	633
RfR – Regional Aviation Support COVID-19	-	857
Student Fare Concessions	839	973
Taxi User Co-payment ^(vi)	3,576	3,137
Taxi User Subsidy Scheme	10,845	10,344
Tunnel Monitoring System (Public Transport Authority) ^(vii)	1,561	-
Western Australian Bicycle Network ^(viii)	27,065	31,832
Other Grants and Subsidies	246	524
Total expense for services	126,090	118,308

Grants expenses are those transactions where the Department provides goods, services or assets without receiving equal value in return. They can be either capital or operating payments and can be paid for general purposes or can be paid subject to terms and conditions.

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

3.2 Grants and subsidies (continued)

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

- (i) The Country Age Pension Fuel Card provides support for the transport needs of age pensioners in regional areas.
- (ii) The On-Demand Transport – COVID-19 Relief Transition assistance package was a one-off payment of \$10,000 per Country Taxi-car Licence made to regional taxi operators to provide financial support to those providing regional taxi services to the community of Western Australia. This was completed in August 2020.
- (iii) The Perth City Deal Transport Plan supports projects including Roe Street upgrades and the Causeway Pedestrian and Cyclist Bridges. It is a joint initiative between the State and the Commonwealth. (See [note 9.7](#)).
- (iv) The Central Area Transit (CAT) bus services grant provides for disbursements made to the Public Transport Authority from the Perth Parking Fund for administering and operating the free Central Area Transit and the Free Transit Zone services in Perth. (See [note 9.7](#)).
- (v) The Central Area Transit (Purple CAT) is a new service created to travel from Elizabeth Quay Bus Station to the QEII Medical Centre and the University of Western Australia, via Kings Park Road and Thomas Street. The bus services grant provides for disbursements made to the Public Transport Authority from the Perth Parking Fund for administering and operating the free Central Area Transit and the Free Transit Zone services in Perth. (See [note 9.7](#)).
- (vi) The Taxi User Co-payment scheme provides taxi travel at a reduced rate for people who have a severe and permanent disability that prevent them using conventional public transport services.
- (vii) The purpose of this grant to the Public Transport Authority (PTA), funded from the Perth Parking Licensing Account, is to invest in a Tunnel Monitoring System for the protection of PTA underground assets at Perth City Link.
- (viii) The Western Australian Bicycle Network grants program provides funding for the design and implementation of bicycle network infrastructure and programs in accordance with State Government priorities set out in the Western Australian Bicycle Network Plan. The expense incorporates multiple funding streams, including the WA Bicycle Network local government grants program \$5.3 million (2021: \$5.0 million), State Recovery funding for Soldiers Road nil in 2022 (2021: \$0.25 million) and Principal Shared Paths funding \$21.7 million (2021: \$25.6 million).

3.3 Loss on disposal of non-current assets

	2022 \$'000	2021 \$'000
<u>Net proceeds from disposal of non-current assets</u>		
Property, plant and equipment	19	15
Infrastructure	-	-
Intangible assets	-	-
<u>Carrying amount of non-current assets disposed</u>		
Property, plant and equipment	(612)	(95)
Infrastructure	(114)	(273)
Intangible assets ⁽ⁱ⁾	(760)	(2)
Net gain/(loss)	(1,467)	(355)

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).

- (i) Includes retirement of Software as a Service (SaaS) arrangements of \$216,000. Refer to [note 5.3](#).

3.4 Finance costs

	2022 \$'000	2021 \$'000
Lease interest expense	120	103
	120	103

3.5 Other expenditure

	2022 \$'000	2021 \$'000
Supplies and services⁽ⁱ⁾		
Communications	11,976	11,759
Consultants and contractors	55,369	42,345
Consumables ⁽ⁱⁱ⁾	17,188	15,517
Commissions	33,713	28,292
Data processing	450	422
Drivers licence card production	1,097	1,219
Number plate production	3,872	3,771
Repairs and maintenance ⁽ⁱⁱⁱ⁾	20,497	16,496
Service Level agreements	12	-
Travel	1,312	1,260
Other	6,156	3,151
	151,642	124,232
Accommodation expenses		
Rentals	15,388	15,272
Cleaning	2,714	2,484
	18,102	17,756
Other expenses^(iv)		
Employment on-costs ^(v)	625	897
Audit cost ^(vi)	300	291
Catering	76	65
Corporate membership fees	442	370
Donations and sponsorships	26	4
Expected credit losses expense ^(vii)	1,457	531
Impairment losses	-	1,498
Storage and removal	493	283
Prior year construction in progress expensed	1,045	27
Other	200	250
	4,664	4,216
Total other expenditure	174,408	146,204

3.5 Other expenditure (continued)

- (i) Supplies and services are recognised as an expense in the financial year in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.
- (ii) Consumables expenses include 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.
- (iii) Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset, when costs are capitalised and depreciated.
- (iv) Other expenses generally represent the day-to-day running costs incurred in normal operations.
- (v) Employment on-costs include workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at **Note 3.1.2 Employee related provisions**. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included here.
- (vi) Audit cost includes the 30 June 2022 fee. See also **Note 9.8 Remuneration of auditors**.
- (vii) Expected credit losses is an allowance of trade receivables, measured at the lifetime expected credit losses at each reporting date. The Department has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment (see **Note 6.1.1 Movement in the allowance for impairment of trade receivables**).

Note 4: 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:

		2022 \$'000	2021 \$'000
Income from State Government	4.1	189,102	202,195
User charges and fees	4.2	301,935	289,549
Grants and contributions	4.3	8,977	2,672
Other income	4.4	29,914	24,125
Other gains	4.5	4,802	-

4.1 Income from State Government

	2022 \$'000	2021 \$'000
Appropriations received during the year		
Service appropriation ^(a)	84,557	107,123
Amounts authorised by other statutes	896	894
	85,453	108,017
Income from other public sector entities during the year^(b)		
Government grants and contributions	30,087	25,373
Service Level Agreements	9,091	5,654
Metronet contribution	-	1,339
Service Level Agreement – Shared IT	1,708	1,667
Service Level Agreement – WA Coastal Shipping Commission	62	61
Commissions – Insurance Commission of Western Australia	28,224	27,755
Commissions – Processing Application Fees	529	122
Assets transferred in	144	-
	69,845	61,971
Resources received free of charge from other public sector entities^(c)		
Department of Finance		
- Accommodation	642	614
Department of Justice		
- Legal Services	247	-
Landgate		
- Provision of data	-	26
State Solicitor's Office		
- Legal services	308	483
Main Roads Western Australia		
- Accommodation	6	28
- Secondments	7	103
- Stakeholder engagement	4	5
- Modelling services	-	21
WA Treasury Corporation		
- Advisory services	289	23
Department of Planning, Lands and Heritage		
- Provision of data	140	175
Department of Primary Industries and Regional Development		
- Digital scanning	-	24
Department of Water and Environmental Regulation		
- Advisory	16	13
- Stakeholder engagement	3	-
- Modelling services	360	101
	2,022	1,616
Royalties for Regions Fund^(d)		
Country Age Pension Fuel Card Scheme	26,860	29,000
Broome Boat Harbour (Marina) Planning	-	300
Broome Boating Facilities Upgrade	212	1,090
Carnarvon One Mile Jetty	4,200	-
Other	510	201
	31,782	30,591
Total income from State Government	189,102	202,195

4.1 Income from State Government (continued)

(a) **Service Appropriation** is recognised as revenue at fair value in the year in which the Department gains control of the appropriated funds. The Department gains control of appropriated funds at the time those funds are deposited into the Department's bank account or credited to the Amounts receivable for services (holding account) held at Treasury.

Service appropriations fund the net cost of services delivered (as set out in [note 2.2](#)).

Appropriation revenue comprises the following:

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

(b) **Income from other public sector entities during the year** are recognised as income when the Department has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income is recognised when the Department receives the funds.

(c) **Resources received free of charge from other public sector** entities are recognised as income equivalent to the fair value of those services that can be reliably determined, and which would have been purchased if not donated.

(d) **The Royalties for Regions Fund** is committed to various WA regional projects and programs. Royalties for Regions funds are recognised as revenue at fair value in the year in which the Department obtains control over the funds. The Department obtains control of the funds at the time the funds are deposited into the Department's bank account.

Summary of consolidated account appropriations

For the year ended 30 June 2022

	2022 Budget Estimate \$'000	2022 Supplementary Funding \$'000	2022 Revised Budget \$'000	2022 Actual \$'000	2022 Variance \$'000
DELIVERY OF SERVICES					
Item 80 Net amount appropriated to deliver services	87,505	(948)	86,557	84,557	(2,000)
Amount authorised by other statutes - <i>Salaries and Allowances Act 1975</i>	896	-	896	896	-
Total appropriations provided to deliver services	88,401	(948)	87,453	85,453	(2,000)
CAPITAL					
Item 141 Capital appropriations	426,020	(166)	425,854	425,904	50
ADMINISTERED TRANSACTIONS					
Item 81 WA Coastal Shipping Commission	100	-	100	100	-
Total administered items	100	-	100	100	-
	514,521	(1,114)	513,407	511,457	(1,950)

4.2 User charges and fees

	2022 \$'000	2021 \$'000
Boat registration fees	22,292	21,194
Port charges	191	1,395
Small boat harbour fees	11,497	10,638
Other maritime fees	2,167	2,269
Motor drivers licence application fees	76,633	77,495
Motor vehicle recording, transfer, plate and inspection fees	124,155	115,793
Passenger transport vehicle fees	5,353	3,277
Perth parking licence fees	54,537	52,908
Other fees	5,113	4,580
	301,938	289,549

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

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Department. In accordance with the determination specified in the 2020–22 Budget Statements, the Department retained \$341 million in 2021–22 (\$316 million in 2020–21) from the following:

- » Regulatory fees and fines
- » Grants and contributions
- » Sale of goods and services
- » Taxation
- » Other receipts.

4.3 Grants and contributions

	2022 \$'000	2021 \$'000
Indian Oceans Territories	1,177	1,015
Other Commonwealth grants	-	905
Local Government grants	7,500	449
Other Grants	300	303
	8,977	2,672

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

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

4.4 Other income

	2022 \$'000	2021 \$'000
Rents and leases	18,293	15,205
Recoups of operating expenses	5,089	2,483
Harbour utility charges	5,727	5,560
Other	805	877
	29,914	24,125

Revenue from other operating activities, including rendering of services and the sale of assets is recognised when the Department has passed control of the goods or other assets or delivery of the service to the customer.

Recoupment of operating activities is recognised when invoiced.

4.5 Other gains

	2022 \$'000	2021 \$'000
Impairment losses reversed – Land	4,802	-
	4,802	-

Information on remaining accumulated impairment losses is provided in [note 5.1](#).

Note 5: Key assets

Assets the Department utilises for economic benefit or service potential

This section includes information regarding the key assets the Department utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets.

	Notes	2022 \$'000	2021 \$'000
Property, plant and equipment	5.1	150,379	147,500
Infrastructure	5.2	258,971	264,550
Intangible assets	5.3	47,559	47,129
Right-of-use assets	5.4	5,571	6,081
Construction in progress	5.5	32,897	18,102

5.1 Property, plant and equipment

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the financial year are set out below:

	Land \$'000	Buildings \$'000	Refurbishments furniture and fittings \$'000	Plant and equipment \$'000	Computer hardware \$'000	Vehicles \$'000	Vessels \$'000	Total \$'000
Year ended 30 June 2022								
Carrying amount at start of year	115,221	18,319	4,301	5,542	2,366	451	1,300	147,500
Additions	-	236	646	1,026	219	96	-	2,223
Revaluation	-	1,406	-	-	-	-	-	1,406
Impairment losses reversed	4,802	-	-	-	-	-	-	4,802
Disposals	-	(534)	-	(33)	(44)	-	-	(611)
Write-offs	-	-	-	(37)	-	(13)	-	(50)
Transfers	(47)	-	-	-	-	50	-	3
Depreciation	-	(1,086)	(1,171)	(1,254)	(901)	(164)	(318)	(4,894)
Carrying amount at end of year	119,976	18,341	3,776	5,244	1,640	420	982	150,379
Gross carrying amount	121,576	18,347	13,401	14,177	11,299	1,349	4,457	184,606
Accumulated depreciation	-	(6)	(9,625)	(8,933)	(9,659)	(929)	(3,475)	(32,627)
Accumulated impairment losses	(1,600)	-	-	-	-	-	-	(1,600)
Year ended 30 June 2021								
Carrying amount at start of year	128,154	17,584	4,016	5,254	2,031	509	1,428	158,976
Additions	-	2,971	1,374	1,520	1,417	116	226	7,624
Revaluation	-	1,170	-	-	-	-	-	1,170
Impairment losses	(1,343)	-	-	-	-	-	-	(1,343)
Disposals	-	-	(7)	(44)	(32)	(9)	(3)	(95)
Write-offs	-	-	-	(9)	-	(4)	-	(13)
Transfers	12	-	-	-	-	-	-	12
Depreciation	-	(1,670)	(1,082)	(1,171)	(1,050)	(161)	(351)	(5,485)
Ceased to be held for distribution to owners	(11,602)	(1,736)	-	(8)	-	-	-	(13,346)
Carrying amount at end of year	115,221	18,319	4,301	5,542	2,366	451	1,300	147,500
Gross carrying amount	121,624	18,360	13,240	13,714	16,399	1,232	4,500	189,069
Accumulated depreciation	-	(41)	(8,939)	(8,172)	(14,033)	(781)	(3,200)	(35,166)
Accumulated impairment losses	(6,403)	-	-	-	-	-	-	(6,403)

Information on fair value measurements is provided in [note 8.3](#).

Information on capital commitments is provided in [note 7.4](#).

5.1 Property, plant and equipment (continued)

Capitalisation/expensing of assets

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

Initial recognition and measurement

Property, plant and equipment and infrastructure are initially recognised at cost. For items of property, plant and equipment and infrastructure acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

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

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions.

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. current replacement cost.

Land assets were last revalued as at 1 July 2021 by the Western Australian Land Information Authority (Landgate). The valuations were performed during the year ended 30 June 2022 and recognised at 30 June 2022. In undertaking the revaluation, fair value was determined by reference to market value: \$2,484,000 (2021: \$10,673,000). For the remaining balance, fair value of land was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land).

Building assets were last revalued as at 1 July 2021 by the Western Australian Land Information Authority (Landgate). The valuations were performed during the year ended 30 June 2022 and recognised at 30 June 2022. In undertaking the revaluation, fair value was determined by reference to market value: \$1,036,000 (2021: \$2,616,000). For the remaining balance, fair value of buildings was determined on the basis of current replacement cost.

When buildings are revalued, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land). Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Landgate) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the financial year.

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

Information on fair value measurements is provided in [note 8.3](#).

5.1 Property, plant and equipment (continued)

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets.

5.1.1 Depreciation and impairment

Charge for the period

	2022 \$'000	2021 \$'000
<u>Depreciation</u>		
Buildings	1,086	1,670
Refurbishments, furniture and fittings	1,171	1,082
Plant and equipment	1,254	1,171
Computer hardware	901	1,050
Vehicles and vessels	482	512
	4,894	5,485

Finite useful lives

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

Land and non-current assets classified as held for distribution to owners are not depreciated. Other assets are depreciated using the straight-line method at rates that are reviewed annually. Estimated useful lives for each class of depreciable asset are:

<u>Asset</u>	<u>Useful life</u>
Buildings	20 to 50 years
Computer hardware	4 to 7 years
Refurbishments, furniture and fittings	3 to 20 years
Plant and equipment	4 to 20 years
Vehicles	5 to 20 years
Vessels	10 to 20 years

5.1.1 Depreciation and impairment (continued)

Impairment

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

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

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

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

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

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

Please refer to [note 5.3](#) for guidance in relation to the impairment assessment that has been performed for intangible assets.

5.2 Infrastructure

Reconciliation

Reconciliations of the carrying amounts of infrastructure at the beginning and end of the financial year are set out below:

	2022 \$'000	2021 \$'000
Carrying amount at start of year	264,550	270,012
Additions	3,874	12,912
Disposals	(114)	(273)
Transfers	94	(349)
Depreciation	(9,433)	(9,918)
Held for distribution to owners	-	(7,834)
Carrying amount at end of year	258,971	264,550
Gross carrying amount	436,695	433,550
Accumulated depreciation	(177,724)	(169,000)
Accumulated impairment losses	-	-
The carrying amounts of infrastructure comprises:		
Breakwaters and groynes	90,412	91,624
Wharves, jetties and boat pens	72,488	72,265
Navigation aids	5,984	6,474
Channel development and earthworks	35,735	36,230
Associated infrastructure	54,352	57,957
	258,971	264,550

The Infrastructure policies are outlined in [note 5.1](#).

5.2.1 Depreciation and impairment Charge for the year

	2022 \$'000	2021 \$'000
Depreciation		
Infrastructure	9,433	9,918
	9,433	9,918

The Infrastructure policies are outlined in [note 5.1.1](#).

5.2.1 Depreciation and impairment (continued)

Finite useful lives

Infrastructure assets are predominantly maritime infrastructure assets.

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

The expected useful lives for the Department's main types of infrastructure assets are:

Asset	Useful life
Breakwaters and groynes	50 to 100 years
Wharves, jetties and boat pens	15 to 50 years
Navigation aids	5 to 50 years
Channel development and earthworks	50 to 100 years
Associated infrastructure	10 to 100 years

5.3 Intangible assets

Reconciliation

Reconciliations of the carrying amounts of intangible assets at the beginning and end of the financial year are set out below:

	2022 \$'000	2021 \$'000
Carrying amount at start of year	47,129	38,198
Additions	7,979	15,844
Disposals ⁽ⁱ⁾	(760)	(2)
Amortisation expense	(6,789)	(6,911)
Carrying amount at end of year	47,559	47,129
Gross carrying amount	121,237	116,287
Accumulated amortisation	(73,678)	(69,158)
Accumulated impairment losses	-	-
The carrying amounts of intangible assets comprises:		
Computer software and licences	47,559	47,129

(i) Includes retirement of Software as a Service (SaaS) arrangements of \$216,000. Refer to [note 3.3](#).

5.3 Intangible assets (continued)

Initial recognition

Intangible assets, both externally acquired and internally generated, costing \$5,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below this threshold are immediately expensed directly to the Statement of Comprehensive Income.

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

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

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset, and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefit;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- 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.

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.

Computer software

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

Software as a Service (SaaS) arrangements

SaaS arrangements are service contracts providing the Department with the right to access the cloud provider's application software over the contract period. As such, the Department does not receive a software intangible asset at the contract commencement date. Implementation costs including costs to configure or customise the cloud provider's application software are generally recognised as operating expenses when the services are received. However, configuration and customisation costs not distinct from the SaaS access and performed by the cloud provider are recognised as a prepayment and expensed when the supplier provides access to the application software over the contract period.

Costs incurred for the development of distinct software that enhances or modifies, or creates additional capability to existing systems and meets the definition of, and recognition criteria for an intangible asset are recognised as that assets.

5.3.1 Amortisation and impairment

Charge for the period

	2022 \$'000	2021 \$'000
Amortisation		
Intangible assets	6,789	6,911
	6,789	6,911

As at 30 June 2022 there were no indications of impairment to intangible assets.

The Department held no goodwill or intangible assets with an indefinite useful life during the financial year. Intangible assets with finite lives are amortised over the year of the expected benefit (estimated useful life) on the straight-line basis using rates which are reviewed annually. All intangible assets controlled by the Department have a finite useful life and zero residual value.

The expected useful life for intangible assets is 3 to 25 years.

Impairment of intangible assets

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

The policy regarding testing for impairment is outlined in [note 5.1.1](#).

5.4 Right-of-use assets

Reconciliations of the carrying amounts of right-of-use assets at the beginning and end of the financial year are set out below:

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Computer hardware \$'000	Vehicles \$'000	Total \$'000
Year ended 30 June 2022						
Carrying amount at start of year	41	1,270	545	3,325	900	6,081
Additions	1	322	824	873	425	2,445
Disposals	-	-	-	(8)	(14)	(22)
Depreciation	(3)	(561)	(509)	(1,406)	(454)	(2,933)
Carrying amount at end of year	39	1,031	860	2,784	857	5,571
Gross carrying amount	47	1,957	2,253	5,204	1,792	11,253
Accumulated depreciation	(8)	(926)	(1,393)	(2,420)	(935)	(5,682)
Accumulated impairment losses	-	-	-	-	-	-
Year ended 30 June 2021						
Carrying amount at start of year	43	1,549	1,032	744	1,051	4,419
Additions	-	268	13	3,557	380	4,218
Disposals	-	-	-	(27)	(24)	(51)
Depreciation	(2)	(547)	(500)	(949)	(507)	(2,505)
Carrying amount at end of year	41	1,270	545	3,325	900	6,081
Gross carrying amount	46	2,031	1,429	4,956	1,679	10,141
Accumulated depreciation	(5)	(761)	(884)	(1,631)	(779)	(4,060)
Accumulated impairment losses	-	-	-	-	-	-

Initial recognition

Right-of-use assets are measured at cost including the following:

- » 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.

This includes all leased assets other than investment property ROU assets, which are measured in accordance with AASB 140 *Investment Property*.

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 less than \$5,000). 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.

5.4.1 Depreciation and impairment

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 5.1](#).

The following amounts relating to leases have been recognised in the Statement of Comprehensive Income:

	2022 \$'000	2021 \$'000
Depreciation expense of right-of-use assets	2,933	2,505
Lease interest expense	120	103
Short-term leases	61	43
Low-value leases	1,854	1,902
	4,968	4,553

The total cash outflow for leases was \$3,010,000 (2021: \$2,607,000)

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

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in [note 7.2](#).

5.5 Construction in progress

At cost:

Vehicles and vessels	505	53
Computer hardware	204	864
Buildings and refurbishments	462	378
Intangible assets	12,697	11,287
Infrastructure	19,029	5,520
	32,897	18,102

	2022 \$'000	2021 \$'000
Vehicles and vessels	505	53
Computer hardware	204	864
Buildings and refurbishments	462	378
Intangible assets	12,697	11,287
Infrastructure	19,029	5,520
	32,897	18,102

Reconciliations of the carrying amounts of construction in progress at the beginning and end of the financial year are set out below:

	2022 \$'000	2021 \$'000
Carrying amount at start of year	18,102	22,847
Expenditure during the year	29,236	29,361
Non-current assets commissioned during the year	(13,396)	(33,924)
Impairment losses	-	(155)
Amounts expensed ⁽ⁱ⁾	(1,045)	(27)
Carrying amount at end of year	32,897	18,102

Assets under construction are not depreciated until commissioned.

(i) Includes expensing of Software as a Service (SaaS) arrangements of \$382,000.

Note 6: Other assets and liabilities

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

	Notes	2022 \$'000	2021 \$'000
Receivables	6.1	27,674	10,760
Inventory	6.2	613	597
Amounts receivable for services	6.3	321,577	301,057
Other current assets	6.4	4,345	6,110
Payables	6.5	16,544	16,444
Contract liabilities	6.6	4,681	3,451
Other current liabilities	6.7	518	380

6.1 Receivables

	2022 \$'000	2021 \$'000
<u>Current</u>		
Receivables	25,128	9,181
Allowance for impairment of receivables	(4,709)	(3,341)
	20,419	5,840
Goods and Services Tax receivable	7,114	4,880
Interest receivable	52	18
Staff debtors	57	16
Other debtors	32	6
	27,674	10,760

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

6.1.1 Movement in the allowance for impairment of trade receivables

	2022 \$'000	2021 \$'000
Reconciliation of changes in the allowance for impairment of trade receivables:		
Opening Balance	3,341	3,165
Expected credit losses expense	1,457	531
Amount written off during the year	(97)	(111)
Recovered during the year	8	(244)
Balance at end of year	4,709	3,341

The maximum exposure to credit risk at the end of the financial year for receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in [Note 8.1 Financial risk management](#).

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

6.2 Inventory

	2022 \$'000	2021 \$'000
Motor vehicle plates (at cost)	613	597
	613	597

Inventories are measured at the lower of cost and net realisable value.

6.3 Amounts receivable for services (Holding Account)

	2022 \$'000	2021 \$'000
Non-current	321,577	301,057
	321,577	301,057

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

Amounts receivable for services are not considered to be impaired (i.e. there is no expected credit loss of the holding accounts).

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

6.4 Other current assets

	2022 \$'000	2021 \$'000
Prepayments	4,345	6,110
	4,345	6,110

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

6.5 Payables

	2022 \$'000	2021 \$'000
<u>Current</u>		
Trade payables	13,073	13,776
Accrued expenses	1,007	668
Accrued salaries	2,464	2,000
	16,544	16,444

Payables are recognised at the amounts payable when the Department becomes obliged to make future payments because of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 20 to 30 days and 30 days for over \$1 million.

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

The accrued salaries suspense account (See [Note 7.1.1 Reconciliation of cash](#)) 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 financial years with 27 pay days instead of the normal 26. No interest is received on this account.

6.6 Contract liabilities

	2022 \$'000	2021 \$'000
Current	4,681	3,451
	4,681	3,451

Contract liabilities relate to revenue obligations yet to be fulfilled at the end of the financial year.

6.6.1 Movement in contract liabilities

	2022 \$'000	2021 \$'000
Reconciliation of changes in contract liabilities		
Opening balance	3,451	4,713
Additions	4,681	3,451
Revenue recognised in the financial year	(3,451)	(4,713)
Balance at end of year	4,681	3,451

The Department expects to satisfy the performance obligations at the end of the financial year within the next 12 months.

6.7 Other current liabilities

	2022 \$'000	2021 \$'000
<u>Current</u>		
Accruals	269	262
Other liabilities	249	118
	518	380

Note 7: 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	7.1
Reconciliation of cash	7.1.1
Reconciliation of operating activities	7.1.2
Lease liabilities	7.2
Capital commitments	7.4

7.1 Cash and cash equivalents

7.1.1 Reconciliation of cash

	2022 \$'000	2021 \$'000
Cash and cash equivalents ⁽ⁱ⁾	120,214	99,662
	120,214	99,662

Includes cash received as capital contributions remaining unspent at year-end of \$16,900,000 (2021: \$12,800,000).

	2022 \$'000	2021 \$'000
Restricted cash and cash equivalents		
<i>Current</i>		
Perth Parking Licensing Account ⁽ⁱ⁾	191,880	164,579
Royalties for Regions ⁽ⁱⁱ⁾	3,176	6,095
Indian Ocean Territories Service Delivery Program ⁽ⁱⁱⁱ⁾	155	213
Commonwealth Paid Parental Leave Scheme ^(iv)	35	30
Westport Account ^(v)	399,250	-
	594,496	170,917
<i>Non-current</i>		
Accrued salaries suspense account ^(vi)	3,596	2,821
	3,596	2,821
Balance at end of year	718,306	273,400

- (i) Funds held to meet the costs of administering the *Perth Parking Management Act 1999* (see [note 9.7](#)).
- (ii) Unspent funds are committed to project and programs in WA regional areas.
- (iii) Funds held to provide services to the Indian Ocean Territories (see [note 9.12](#)).
- (iv) Funds to facilitate the access by eligible employees to Paid Parental Leave.
- (v) Funds to facilitate strategic land acquisition and for other costs and acquisitions necessary for the delivery of the Westport enabling works program.
- (vi) Funds held in suspense account for meeting the 27th pay that occurs every 11th year.

For 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.

7.1.2 Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

	Notes	2022 \$'000	2021 \$'000
Net cost of services		(134,455)	(123,486)
Non-cash items:			
Depreciation and amortisation expense	5.1-4	24,049	24,819
Expected credit losses	3.5	1,457	531
Loss on disposal of non-current assets	3.3	1,467	355
Resources received free of charge	4.1	2,022	1,616
Impairment losses		-	1,498
Assets (assumed)/transferred		-	349
Other gains	4.5	(4,802)	-
(Increase)/decrease in assets:			
Current inventories		(16)	(2)
Current receivables ⁽ⁱ⁾		(5,170)	1,504
Other current assets		1,765	(1,946)
Increase/(decrease) in liabilities:			
Current payables ⁽ⁱ⁾		101	(6,895)
Contract liabilities		1,231	(1,262)
Current provisions		(531)	2,333
Other current liabilities		135	48
Non-current provisions		(568)	104
Net GST receipts/payments ⁽ⁱⁱ⁾		(2,304)	(1,679)
Change in GST receivables/payables ⁽ⁱⁱⁱ⁾		1,654	(1,674)
Net cash used in operating activities		(113,965)	(103,787)

- (i) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.
- (ii) This is the net GST paid/received, i.e. cash transactions.
- (iii) This reverses out the GST in receivables and payables.

The Department is not exposed to changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes.

7.2 Lease liabilities

	2022 \$'000	2021 \$'000
Current	2,555	2,455
Non-current	3,089	3,656
	5,644	6,111

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

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

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

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

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

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

This section should be read in conjunction with [note 5.4](#).

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.

7.3 Amounts due to the Treasurer

	2022 \$'000	2021 \$'000
Current	9,460	-
	9,460	-

The amount due to the Treasurer is in respect of a Treasurer's Advance. This amount is payable within 12 months after the reporting period. Although no interest is charged on the outstanding amount, the carrying amount is equivalent to fair value.

7.4 Capital commitments

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

	2022 \$'000	2021 \$'000
Property, plant and equipment	2,217	114
Infrastructure	24,287	2,018
Intangible assets	10,822	664
	37,326	2,796

Note 8: Risks and Contingencies

This section sets out the Department's key risk management policies and measurement techniques.

	Notes
Financial risk management	8.1
Contingent assets and liabilities	8.2
Fair value measurements	8.3

8.1 Financial risk management

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

(a) Summary of risks and risk management

Credit risk

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

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

Liquidity risk

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

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

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

8.1 Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Department's income or the value of its holdings of financial instruments. The Department does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity prices changes).

Other than as detailed in the interest rate sensitivity analysis table at **Note 8.1(e) Interest rate sensitivity analysis**, the Department is not exposed to interest rate risk as it has no borrowings, and cash and cash equivalents are non-interest bearing (apart from certain restricted cash accounts).

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the financial year are:

	2022 \$'000	2021 \$'000
Financial Assets		
Cash and cash equivalents	718,306	273,400
Financial assets at amortised cost ⁽ⁱ⁾	342,137	306,937
Total financial assets	1,060,443	580,337
Financial Liabilities		
Financial liabilities measured at amortised cost	22,706	22,935
Total financial liabilities	22,706	22,935

(i) Financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

8.1 Financial risk management (continued)

(c) Credit risk exposure

The following table details the credit risk exposure on the Department's trade receivables using a provision matrix.

	Days past due					
	Total \$'000	Current \$'000	<30 days \$'000	31-60 days \$'000	61-90 days \$'000	>91 days \$'000
30 June 2022						
Expected credit loss rate		1.65%	36.06%	38.00%	78.51%	100.00%
Estimated total gross carrying amount at default	25,128	20,169	597	296	76	3,990
Expected credit losses	(4,709)	(333)	(215)	(112)	(60)	(3,990)
30 June 2021						
Expected credit loss rate		3.15%	8.21%	7.00%	56.64%	100.00%
Estimated total gross carrying amount at default	9,181	5,551	342	120	87	3,081
Expected credit losses	(3,341)	(174)	(28)	(8)	(50)	(3,081)

8.1 Financial risk management (continued)

(d) Liquidity risk and Interest rate exposure

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

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

	Weighted average effective interest rate %	Interest rate exposure				Nominal amount \$'000	Maturity dates				
		Carrying amount \$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non-interest bearing \$'000		Up to 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000
30 June 2022											
<u>Financial Assets</u>											
Cash and cash equivalents	0.50	120,214	-	28,424	91,790	120,214	120,214	-	-	-	-
Restricted cash and cash equivalents	0.50	594,496	-	-	594,496	594,496	594,496	-	-	-	-
Receivables ⁽ⁱ⁾	-	20,521	-	-	20,521	20,526	20,526	-	-	-	-
Amounts receivable for services	-	321,577	-	-	321,577	321,557	-	-	-	321,557	-
		1,056,808	-	28,424	1,028,384	1,056,793	735,236	-	-	321,557	-
<u>Financial Liabilities</u>											
Payables	-	16,544	-	-	16,544	16,444	16,444	-	-	-	-
Lease liabilities	2.10	5,644	5,644	-	-	5,822	267	459	1,922	3,126	48
Other current liabilities	-	518	-	-	518	518	-	518	-	-	-
		22,706	5,644	-	17,062	22,784	16,711	977	1,922	3,126	48
30 June 2021											
<u>Financial Assets</u>											
Cash and cash equivalents	0.32	99,662	-	22,346	77,316	99,662	99,662	-	-	-	-
Restricted cash and cash equivalents	0.32	173,738	-	-	173,738	173,738	173,738	-	-	-	-
Receivables ⁽ⁱ⁾	-	5,880	-	-	5,880	5,880	5,880	-	-	-	-
Amounts receivable for services	-	301,057	-	-	301,057	301,057	-	-	-	301,057	-
		580,337	-	22,346	557,991	580,337	279,280	-	-	301,057	-
<u>Financial Liabilities</u>											
Payables	-	16,444	-	-	16,444	16,444	16,444	-	-	-	-
Lease liabilities	1.90	6,111	6,111	-	-	6,303	300	464	1,781	3,712	46
Other current liabilities	-	380	-	-	380	380	-	380	-	-	-
		22,935	6,111	-	16,824	23,127	16,744	844	1,781	3,712	46

(i) Receivables excludes the GST recoverable from the ATO (statutory receivable).

8.1 Financial risk management (continued)

(e) Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Department's financial assets and liabilities at the end of the financial year on the surplus for the year and equity for a 1% change in interest rates. It is assumed that the change in interest rates is being held constant throughout the financial year.

	-100 point basis		+100 point basis		Carrying amount \$'000
	Surplus \$'000	Equity \$'000	Surplus \$'000	Equity \$'000	
2022					
<u>Financial Assets</u>					
Cash assets	28,424	(284)	(284)	284	284
<u>Financial Liabilities</u>					
Lease liabilities	(5,644)	56	56	(56)	(56)
Total increase/(decrease)	22,780	(228)	(228)	228	228
2021					
<u>Financial Assets</u>					
Cash assets	22,346	(223)	(223)	223	223
<u>Financial Liabilities</u>					
Lease liabilities	(6,115)	61	61	(61)	(61)
Total increase/(decrease)	16,231	(162)	(162)	162	162

8.2 Contingent assets and liabilities

Contaminated sites

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

One site has been successfully remediated and requires reclassification as 'remediated-restricted use' under the *Contaminated Sites Act 2003*. The Agency will undertake this administrative process as part of a broader contaminated sites risk assessment scope. The second site will be assessed as part of this scope, the outcome of which will determine proposed actions to support the reclassification process for this site. Until this is complete, the Department is unable to assess the likely outcome of the reclassification process for the site, and accordingly, it is not practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows. Whilst there is no possibility of reimbursement of any future expenses that may be incurred in the remediation of these sites, the Agency may apply for funding from the Contaminated Sites Management Account to undertake further investigative work or to meet remediation costs that may be required.

8.3 Fair value measurements

Notes	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Fair value at end of year \$'000
Recurring fair value measurements Year ended 30 June 2022				
Non-current assets classified as held for distribution to owners	-	-	-	-
Land	-	2,484	117,492	119,976
Buildings	-	1,036	17,305	18,341
	-	3,520	134,797	138,317
Recurring fair value measurements Year ended 30 June 2021				
Non-current assets classified as held for distribution to owners	-	9,862	3,476	13,338
Land	-	2,391	112,830	115,221
Buildings	-	1,036	17,283	18,319
	-	13,289	133,589	146,878

Transfers into and transfers out of the fair value hierarchy level are recognised on the date of the event or change in circumstances that caused the transfer.

Land and buildings classified as held for distribution to owners during the period are recognised at the lower of carrying amount and fair value less costs to distribute. The fair value of these assets has been determined by reference to market evidence of sale prices of comparable assets.

Valuation techniques to derive Level 2 and Level 3 fair values

Land and buildings (Level 2 fair values)

Level 2 fair values of land and buildings are derived using the market approach.

Level 2 valuation inputs were used to determine the fair value of market type land and building assets. Fair values have been derived from sale prices of comparable land and buildings after adjusting for differences in key attributes such as property size, assuming open and liquid market transactions and that the land is in a vacant and marketable condition. Adjustments are made for comparable utility. The most significant inputs into this valuation approach is price per square metre.

Land and buildings (Level 3 fair values)

Level 3 valuation inputs were used to determine the fair value of non-market or current use type land and building assets. Assets were valued at the Level 3 valuation hierarchy where there was no observable market evidence of sale prices for comparable sites or where significant Level 3 inputs were used on a recurring basis.

Land with public use restrictions have been categorised as Level 3 due to adjustments by Level 3 inputs to the market approach; including restoration costs (low restricted use land) and adjustments to recognise low level utility (high restricted use land).

8.3 Fair value measurements (continued)

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

While unit rates based on square metres can be supported from market evidence, other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the determination of fair value, and have therefore been classified as having been valued using Level 3 valuation inputs. There were no changes in the valuation techniques during the year.

Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in the fair value of assets measured using significant unobservable inputs (Level 3) for recurring fair value measurements.

	Land \$'000	Buildings \$'000	Total \$'000
2022			
Fair value at start of year	116,150	17,439	133,589
Additions	-	235	235
Revaluation increments/(decrements) recognised in Profit or Loss	4,709	-	4,709
Revaluation increments/(decrements) recognised in Other Comprehensive Income	-	1,340	1,340
Disposals	(3,367)	(690)	(4,057)
Depreciation expense	-	(1,019)	(1,019)
Fair value at end of year	117,492	17,305	134,797
Total gains or losses for the period included in profit or loss, under 'Other Gains'	4,802	-	4,802
2021			
Fair value at start of year	117,462	14,968	132,430
Additions	159	2,971	3,130
Revaluation increments/(decrements) recognised in Profit or Loss	(1,324)	-	(1,324)
Revaluation increments/(decrements) recognised in Other Comprehensive Income	-	966	966
Disposals	(147)	-	(147)
Depreciation expense	-	(1,466)	(1,466)
Fair value at end of year	116,150	17,439	133,589
Total gains or losses for the period included in profit or loss, under 'Other Gains'	-	-	-

8.3 Fair value measurements (continued)

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

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurement.

There were no significant interrelationships between the unobservable inputs.

Description	Fair value 2022 \$'000	Fair value 2021 \$'000	Valuation technique(s)	Unobservable inputs
Land	117,492	116,150	Market approach	Selection of land with similar approximate utility
Buildings	17,305	17,439	Current replacement cost	Consumed economic benefit/obsolescence of asset Historical cost per square metre floor area (m ²)

Valuation processes

An annual assessment of land and building fair values is undertaken by the Western Australian Land Information Authority (Landgate) and are determined by professionally qualified valuers.

Generally, every four or five years (depending on location) the Western Australian Land Information Authority (Valuations and Property Analytics) performs a principle valuation calculation based on physical inspection or verification of the asset (kerbside valuation). In other years, fair values are determined by indexing the previous year's valuation amount by a factor which represents the analysis of the movement in valuation inputs from year to year (mass appraisal program or desktop valuation). Changes in Level 2 and Level 3 fair values of land and buildings are analysed by the Department at the end of each financial year.

Basis of valuation

In the absence of market-based evidence, due to the specialised nature of some land and buildings, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service as authorised by legislation. Many of the Department's land and building assets have a restricted use for maritime purposes under the *Marine and Harbours Act*.

The main Level 3 inputs used are derived and evaluated as follows:

Selection of land with restricted utility

Due to the restricted nature and unique characteristics of some land, there is no observable market evidence of sale prices. Fair values for restricted use land are determined by comparison with market evidence for land with low level utility and adjustments made to the price per square metre. Relevant comparators of land with low level utility are selected by the Western Australian Land Information Authority (Valuations and Property Analytics).

Consumed economic benefit/obsolescence of assets

Represents the difference between the replacement cost of buildings and its current condition. This is estimated by the Western Australian Land Information Authority (Valuations and Property Analytics).

Historical cost per square metre floor area (m²)

The cost of constructing specialised buildings are obtained from actual construction costs per square metre of other similar or reference buildings, historical building costs, quantity surveyors and standard rates from construction guides.

Note 9: Other disclosures

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

	Notes
Services provided free of charge	9.1
Changes in accounting policies	9.2
Future impact of Australian Accounting Standards not yet operative	9.3
Key management personnel	9.4
Related party transactions	9.5
Jointly controlled assets	9.6
Special purpose accounts	9.7
Remuneration of auditors	9.8
Non-current assets classified as held for distribution to owners	9.9
Equity	9.10
Supplementary financial information	9.11
Indian Ocean Territories Service Level Agreement	9.12
Events occurring after the end of the financial year	9.13

9.1 Resources provided free of charge

During the year the following resources were provided to other agencies free of charge for functions outside the normal operations of the Department:

		2022 \$'000	2021 \$'000
Department of Biodiversity, conservation and attractions	- Technical advice	1	3
Department of Communities	- Technical advice	-	56
Department of Planning, Lands and Heritage	- Technical review and support, modelling services	26	100
Department of Primary Industries and Regional Development	- Technical functionality	16	13
Development WA	- Technical advice	-	5
Infrastructure Western Australia	- Provision of modelling services	1	-
Public Transport Authority	- Provision of modelling services	64	-
Main Roads Western Australia	- Provision of transport modelling and economic evaluation services	5	-
Department for Local Government, Sport and Cultural Industries	- Technical advice	240	268
Department of Water and Environment Regulation	- Dredging	-	30
	- Technical advice	-	1
Corruption and Crime Commission	- Personnel	101	55
Western Australian Police Service	- Provision of information	53	6
	- Training	-	1
		507	538

9.2 Changes in accounting policies

The IFRS Interpretations Committee (IFRIC) has issued the agenda decisions with respect to accounting for SaaS arrangements. The agenda decision concluded that Software as a Service (SaaS) arrangements are likely to be service arrangements, rather than intangible or leased assets. This is because the customer typically only has a right to receive future access to the supplier's software running on the supplier's cloud infrastructure and therefore the supplier controls the intellectual property (IP) of the underlying software code.

Management assessed all possible SaaS arrangements against IFRIC criteria and identified five intangible assets and three construction in progress capital projects meeting the criteria of SaaS arrangements. Refer to notes 3.3, 5.3 and 5.5.

9.3 Future impact of Australian Accounting Standards not yet operative

		Operative for reporting periods beginning on/after
AASB 17	<i>Insurance Contracts</i>	
	This Standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts.	1 Jan 2023
	The Agency has not assessed the impact of the Standard.	
AASB 2020-1	<i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i>	
	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.	1 Jan 2023
	There is no financial impact.	
AASB 2020-3	<i>Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments</i>	
	This Standard amends: (a) AASB 1 to simplify the application of AASB 1; (b) AASB 3 to update a reference to the <i>Conceptual Framework for Financial Reporting</i> ; (c) AASB 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability; (d) AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset; (e) AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making; and (f) AASB 141 to remove the requirement to exclude cash flows from taxation when measuring fair value.	1 Jan 2022
	There is no financial impact.	
AASB 2020-6	<i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</i>	
	This Standard amends AASB 101 to defer requirements for the presentation of liabilities in the statement of financial position as current or non-current that were added to AASB 101 in AASB 2020-1.	1 Jan 2022
	There is no financial impact.	

9.3 Future impact of Australian Accounting Standards not yet operative (continued)

	Operative for reporting periods beginning on/after
AASB 2021-2 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	1 Jan 2023
<p>This Standard amends: (a) AASB 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements; (b) AASB 101, to require entities to disclose their material accounting policy information rather than their significant accounting policies; (c) AASB 108, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates; (d) AASB 134, to identify material accounting policy information as a component of a complete set of financial statements; and (e) AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.</p> <p>There is no financial impact.</p>	
AASB 2021-6 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards</i>	
<p>This standard amends:</p> <p>(a) AASB 1049, to require entities to disclose their material accounting policy information rather than their significant accounting policies; (b) AASB 1054 to reflect the updated accounting policy terminology used in <i>AASB 101 Presentation of Financial Statements</i>; and (c) AASB 1060 to required entities to disclose their material accounting policy information rather than their significant accounting policy and to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements.</p> <p>There is no financial impact.</p>	
AASB 2021-7 <i>Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections</i>	1 Jan 2022
<p>This standard further defers (to 1 January 2025) the amendments to AASB 10 and AASB 128 relating to the sale or contribution of assets between an investor and its associated or joint venture. The standard also includes editorial corrections.</p> <p>There is no financial impact</p>	

9.4 Key management personnel

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

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

Compensation band (\$)	2022	2021
10 001 – 20 000	-	1
20 001 – 70 000	1	-
70 001 – 80 000	-	1
80 001 – 90 000	-	1
110 001 – 120 000	1	1
130 001 – 140 000	-	1
150 001 – 160 000	1	-
160 001 – 170 000	-	1
180 001 – 190 000	1	-
190 001 – 200 000	1	1
200 001 – 210 000	2	1
210 001 – 220 000	6	7
220 001 – 230 000	1	1
230 001 – 240 000	-	1
250 001 – 260 000	-	1
270 001 – 280 000	1	-
310 001 – 320 000	1	-
330 001 – 340 000	1	-
340 001 – 350 000	-	1
350 001 – 360 000	1	-
390 001 – 400 000	-	1
460 001 – 470 000	-	1
500 001 – 510 000	1	-

The comparative movement in bands between the years is due to acting arrangements which can vary from year to year.

	2022 \$'000	2021 \$'000
Short-term employee benefits	3,566	3,557
Post-employment benefits	437	428
Other long-term benefits	386	419
Termination benefits	-	-
Total compensation of senior officers	4,389	4,404

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

9.5 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 departments and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly owned public-sector entities);
- » associates and joint ventures of a wholly owned public-sector entity; and
- » the Government Employees Superannuation Board (GESB).

Significant transactions with Government related entities

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

Such transactions include:

	2022 \$'000
Income from State Government	189,102
Equity contributions	425,904
Superannuation payments (GESB portion)	11,368
Rental payments to the Department of Finance (Government Office Accommodation and State Fleet)	11,522
Insurance payments to the Insurance Commission and RiskCover fund	3,618
Remuneration for services provided by the Auditor General	269
Payments for repairs and maintenance to the Department of Finance	541
Payments for professional services undertaken for Westport to Public Transport Authority of Western Australia	873
Transfer of excess funding to the Department of Treasury	5,494
Western Australian Bicycle Network, National Transport Reforms, CBD Transport Plan, East Perth Multi Modal Transport grants provided to Main Roads Western Australia	2,578
Central Area Transit (CAT) bus service and Tunnel Monitoring System grants provided to Public Transport Authority of Western Australia	20,097
Marine Communications and Community Police grants provided to Western Australia Police Service	3,777
Contribution for the Support and Maintenance of the WAPOL Biometric Facial Recognition System to Western Australia Police Service	180
Advisory services provided from Western Australian Treasury Corporation	159
Regional Airport Development grants provided to Rottneest Island Authority	31
Future of Fremantle grants provided to Western Australian Planning Commission	750

Material transactions with related parties

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

9.6 Jointly controlled assets

The following represents the Department's 50% ownership interest in the Marine Operations Centre with the Department of Primary Industries and Regional Development. The 50% portion of jointly controlled assets are included in the financial statements.

	2022 \$'000	2021 \$'000
Non-current assets		
Property, plant and equipment	3,942	3,509
Infrastructure	35	46
Total assets	3,977	3,555

9.7 Special purpose accounts

Deposits

	2022 \$'000	2021 \$'000
Opening balance	3,535	3,723
Receipts		
Deposits – bonds	1,135	377
Deposits – trade plates	140	160
Interest	10	11
	1,285	548
Payments		
Refunds – bonds	(286)	(694)
Refunds – trade plates	(40)	(42)
	(326)	(736)
Closing balance	4,494	3,535

The account holds deposits for performance bonds and motor vehicle trade plate deposits. These monies are held in a private trustee capacity, and in accordance with Treasurer's instruction 1101A Financial Reporting by Departments are only reported in these notes to the financial statements.

Receipts in Suspense

	2022 \$'000	2021 \$'000
Opening balance	6,940	6,863
Receipts	16,236	9,089
Payments	(14,616)	(9,012)
Closing balance	8,560	6,940

The purpose of this account is to hold funds pending identification of the purpose for which these monies were received. Upon identification, these funds are subsequently allocated to relevant revenue accounts or refunded to the customer.

9.7 Special purpose accounts (continued)**Taxi Fare Evasion Recoupment Account**

	2022 \$'000	2021 \$'000
Opening balance	-	-
Receipts credited to the suspense account	-	1
Refunds and subsequent allocations	-	(1)
Closing balance	-	-

The purpose of this Account is to reimburse taxi drivers with monies collected from passengers who failed to pay their fare.

Perth Parking Licensing Account

	Notes	2022 \$'000	2021 \$'000
Opening balance		164,579	131,039
Receipts			
License fees	4.2	54,537	52,064
		54,537	52,064
Payments			
Grants to state government agencies	3.2	(22,347)	(17,428)
Grants for Perth City Deals	3.2	(3,750)	-
Employee costs		(880)	(742)
Supplies and services		(260)	(354)
		(27,237)	(18,524)
Closing balance		191,879	164,579

This account was established in July 1999 under the *Perth Parking Management Act 1999* to set aside funds to be used to encourage a balanced transport system for gaining access to the Perth city area. All licence fee revenue generated by the Perth Parking Levy is reinvested into transport services and infrastructure within the Perth Parking Management Area from which it is generated, to deliver a more balanced transport system, including the ongoing provision of the Perth CAT bus system, free public transport within the Free Transit Zone, an incident response service and clearway towing, and administration of the Act.

9.7 Special purpose accounts (continued)**Westport Account**

	2022 \$'000	2021 \$'000
Opening balance	-	-
Receipts		
Contribution from WA State and Commonwealth Government	400,000	-
	400,000	-
Payments		
Grants and subsidies	(750)	-
	(750)	-
Closing balance	399,250	-

This account was established in 26 August 2021 under the *Financial Management Act 2006* to hold funds for purposes of strategic land acquisition for the Westport project and for other costs and acquisitions necessary for the delivery of the Westport enabling works program.

9.8 Remuneration of auditors

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

	2022 \$'000	2021 \$'000
Auditing the accounts, controls, financial statements and key performance indicators	269	262

The expense is included in [Note 3.5 Other expenditure](#).

9.9 Non-current assets classified as held for distribution to owners

The following table represents a summary of assets held for distribution to owners:

	2022 \$'000	2021 \$'000
Opening balance		
Land	11,602	-
Buildings	1,736	-
Other plant, equipment and infrastructure	7,842	-
Less write-down to fair value less costs to distribute	-	-
	21,180	-
Assets held/(ceased to be held) for distribution to owners		
Land	-	11,602
Buildings	-	1,736
Other plant, equipment and infrastructure	-	7,842
Less write-down to fair value less costs to distribute	-	-
	-	21,180
Total assets classified as held for distribution to owners		
Land	11,602	11,602
Buildings	1,736	1,736
Other plant, equipment and infrastructure	7,842	7,842
Less write-down to fair value less costs to distribute	-	-
	21,180	21,180
Less assets distributed		
Land	11,602	-
Buildings	1,736	-
Other plant, equipment and infrastructure	7,842	-
Less write-down to fair value less costs to distribute	-	-
	21,180	-
Closing balance		
Land	-	11,602
Buildings	-	1,736
Other plant, equipment and infrastructure	-	7,842
Less write-down to fair value less costs to distribute	-	-
	-	21,180

The Welshpool Vehicle Examination Centre property was assessed as surplus to requirements. A selling agent was appointed to market and sell the property which settled during the 2021-22 financial year. Value distributed to owners was \$7,710,000.

On 1 July 2021, governance relating to several regional remote trading ports transferred from the Department to the relevant regional port authorities. The transfer was part of the second phase of the Ports Governance Review enabled by the *Ports Legislation Amendment Act 2019*. Value distributed to owners was \$13,470,000.

9.10 Equity

Contributed equity

Balance at start of the financial year

Contribution by owners

Capital appropriations

Transfer of net assets

- Regional Development Headworks Fund

- Department of Planning, Lands and Heritage

Total contribution by owners

Contribution by owners

- Department of Treasury

Distribution to Owners

- Department of Planning, Lands and Heritage

- Kimberley Ports Authority

Balance at the end of the financial year

Reserves

Asset revaluation surplus

Balance at the start of the financial year

Net revaluation increments/(decrements)

- Buildings

Balance at end of period

Accumulated surplus

Balance at the start of the financial year

Initial application of AASB 15

Restated balance at the start of the financial year

Result for the year

Balance at the end of the financial year

Total equity at the end of the financial year

	2022 \$'000	2021 \$'000
Balance at start of the financial year	567,679	534,903
<i>Contribution by owners</i>		
Capital appropriations	425,904	32,763
Transfer of net assets		
- Regional Development Headworks Fund	1,335	-
- Department of Planning, Lands and Heritage	-	160
Total contribution by owners	427,239	32,923
<i>Contribution by owners</i>		
- Department of Treasury	-	(147)
<i>Distribution to Owners</i>		
- Department of Planning, Lands and Heritage	(13,576)	-
- Kimberley Ports Authority	(7,652)	-
	(21,228)	(147)
	973,690	567,679
Reserves		
<i>Asset revaluation surplus</i>		
Balance at the start of the financial year	5,055	3,885
Net revaluation increments/(decrements)		
- Buildings	1,406	1,170
Balance at end of period	6,461	5,055
Accumulated surplus		
Balance at the start of the financial year	465,238	386,529
Initial application of AASB 15	-	-
Restated balance at the start of the financial year	465,238	386,529
Result for the year	54,647	78,709
Balance at the end of the financial year	519,885	465,238
Total equity at the end of the financial year	1,500,036	1,037,972

9.11 Supplementary financial information

(a) Write-offs

	2022 \$'000	2021 \$'000
(i) Bad Debts		
The Accountable Authority	97	111
	97	111

All the debts written off had previously been provided for.

	2022 \$'000	2021 \$'000
(ii) Public Property		
The Accountable Authority	61	25
	61	25

(b) Losses through theft, defaults and other causes

The Department suffered no losses of public money or other property through theft, defaults or other causes during the current financial year.

(c) Gifts of public property

	2022 \$'000	2021 \$'000
Gifts of public property provided by the Agency	2	-
	2	-

9.12 Indian Ocean Territories Service Level Agreement

The provision of services to the Indian Ocean Territories is recouped from the Commonwealth government.

	2022 \$'000	2021 \$'000
Balance at the start of the year	213	131
Receipts	1,216	1,053
Payments	(1,274)	(971)
Balance at the end of the year	155	213

9.13 Events occurring after the end of the financial year

Formation of a new Transport Portfolio Land and Property Services Branch

In July 2022 a new Transport Portfolio Land and Property Services Branch was formed with staff co-locating from the Department of Transport, Public Transport Authority and Main Roads Western Australia's land and properties functions.

The purpose of the new Portfolio Land and Property Services Branch is as follows:

- » Be a centre of excellence for Transport portfolio land transactions, commercial leasing, and corporate building management with experienced and expert staff.
- » Be highly responsive to transport infrastructure project priorities, ensuring that land transactions and property services align to project requirements and portfolio land and property asset management strategies.

10: Explanatory statements

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

	Notes
Explanatory statement for controlled operations	10.1
Explanatory statement for administered items	10.2

10.1 Explanatory statement for controlled operations

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

All variances between annual estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and that the variation is more than 1% of the dollar aggregate of:

- » Total Cost of Services for the Statement of Comprehensive Income and Statement of cash flows (i.e. 1% of \$440 million prior year actual) i.e. \$4.40 million; and
- » Total Assets for the Statement of Financial Position (i.e. 1% of \$1,096 million prior year actual).

10.1.1 Statement of Comprehensive Income Variances

				Variance between actual and estimate	Variance between actual results for 2022 and 2021	
Variance Notes	Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	\$'000	\$'000	
COST OF SERVICES						
Expenses						
Employee benefits expense	162,747	154,164	150,195	(8,583)	3,969	
Supplies and services	1	171,313	151,642	124,232	(19,671)	27,410
Depreciation and amortisation expense	25,398	24,049	24,819	(1,349)	(770)	
Accommodation expenses	18,443	18,102	17,756	(341)	346	
Grants and subsidies	2	183,295	126,090	118,308	(57,205)	7,782
Loss on disposal of non-current assets	-	1,467	355	1,467	1,112	
Finance costs	152	120	103	(32)	17	
Other expenses	1,560	4,664	4,216	3,104	448	
Total cost of services	562,908	480,298	439,984	(82,610)	40,314	
Income						
Revenue						
User charges and fees	288,080	301,938	289,549	13,858	12,389	
Sales	25	54	91	29	(37)	
Grants and contributions	3	32,771	8,977	2,672	(23,794)	6,305
Interest income	296	158	61	(138)	97	
Other income	4	26,341	29,914	24,125	3,573	5,789
Total revenue	347,513	341,041	316,498	(6,472)	24,543	
Gains						
Other gains	5	4,802	-	4,802	4,802	
Total gains	-	4,802	-	4,802	4,802	
Total income other than income from State Government	347,513	345,843	316,498	(1,670)	29,345	
NET COSTS OF SERVICES	215,395	134,455	123,486	(80,940)	10,969	
Income from State Government						
Service appropriation	6	88,401	85,453	108,017	(2,948)	(22,564)
Income from other public sector entities	7	65,691	69,845	61,971	4,154	7,874
Resources received free of charge	1,989	2,022	1,616	33	406	
Royalties for Regions Fund	8	36,950	31,782	30,591	(5,168)	1,191
Total income from State Government	193,031	189,102	202,195	(3,929)	(13,093)	
Surplus/(deficit) for the period	(22,364)	54,647	78,709	77,011	(24,062)	
Other comprehensive income						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation reserve	-	1,406	1,170	1,406	236	
Total other comprehensive income	-	1,406	1,170	1,406	236	
Total comprehensive income/(loss) for the period	(22,364)	56,053	79,879	78,417	(23,826)	

10.1.1 Statement of Comprehensive Income Variances (continued)

Major Variance Narratives for the Statement of Comprehensive Income

For the Statements of Comprehensive Income, narratives are provided for key major variances greater than 10% and greater than 1% of \$440.0 million (Prior Year Actual). i.e. \$4.40 million

1. Supplies and services

Estimate vs Actual (\$19.7 million lower than estimated)

Supplies and services is under budget by \$19.7 million predominantly due to WA Agricultural Supply Chain Improvement Package 1 carryover to 2022–23 (\$7.6 million), updated Westport's scheduled of activities resulting in a realignment of budget estimates over the period 2021–22 to 2024–25 (\$4.7 million) and general underspend as a result of the impact of COVID-19 pandemic on supplies and services (\$7.4 million).

Current vs Prior Year Actuals (\$27.4 million increase)

The increase in 2022 by \$27.4 million is primarily due to greater costs of consultants and contractors associated with the Westport Program (\$8.5 million); increase in agent fees and commissions mainly associated with the increased Authorised Inspection Services (\$5.5 million); increase in system development, maintenance, and support (\$3.9 million); increased licence fees on Cloud Services (\$3.4 million) and repair costs associated with Cyclone Seroja Damage on One Mile Jetty, Carnarvon (\$3.4 million).

2. Grants and subsidies

Estimate vs Actual (\$57.2 million lower than estimated)

Underspend in Grants and subsidies compared to 2022 is predominantly due to reassignment of funding and projects relating to Perth City Deal CBD Transport Plan (\$28.8 million); underspend in a multitude of programs across Transport resulting from delays and resource constraints brought about by COVID-19 (\$28.1 million); and reallocation of funding for three cycling election commitments (railway Avenue in Kelmscott, Hillarys Cycle Network Expansion and Geraldton Cycling network) to 2023–24 and 2024–25 (\$4.0 million).

This has been offset by increased Taxi User Subsidy Scheme (TUSS) payments (\$2.0 million) because of increased number of approved applications for the participation in TUSS and increased grant to WA Police for community policing resulting from increased sales of special series plates (\$1.8 million).

3. Grants and contributions

Estimate vs Actual (\$23.8 million lower than estimated)

Grants and contributions reduced by \$23.8 million over estimate mainly due to reallocation of funding and projects for the Perth City Deal (\$13.8 million) and deferral of funding from Commonwealth for the WA Agricultural Supply Chain improvement program to 2022–23 (\$10.0 million).

Current vs Prior Year Actuals (\$6.3 million increase)

The increase of \$6.3 million in 2022 is mainly due to the contribution from the Shire of Ashburton for the Community Boating Precinct in Onslow-Beadon Creek Boat Harbour (\$7.0 million) offset by reduced Commonwealth funding of \$0.9 million provided in 2021 as a federal election commitment to improve, maintain or build fishing and camping facilities across Australia.

10.1.2 Statement of Financial Position Variances (continued)

Major Variance Narratives for the Statement of Financial Position

For the Statement of Financial Position, narratives are provided for key major variances greater than 10% and greater than 1% of \$1,096 million (Prior year Total assets). i.e., \$10.96 million.

1. Cash and cash equivalent

Estimate vs Actual (\$74.8 million greater than estimated)

Cash and cash equivalents are greater than estimate by \$74.8 million mainly due to an \$80.9 million variance for the actual net cost of services over the estimates resulting from reduced operating activities, delay in various projects and increase in fees and charges.

Current vs Prior Year Actuals (\$20.6 million increase)

Cash and cash equivalents in 2022 compared to prior year is greater by \$20.6 million primarily due to operating cash surplus of 2021–22 of \$54.6 million (which is not reflected in the estimated cash balance of 2022) offset by the increase in receivables of \$16.9 million compared to 2021 and carry over of the 2020–21 projects in 2021–22 such as Coastal Erosion, Regional Airport Development Scheme, Recreational Boating Facilities Scheme grants, Perth Bicycle Network – Soldiers Road, Perth City Deal etc.

2. Restricted cash and cash equivalents

Current vs Prior Year Actuals (\$423.6 million increase)

Restricted cash and cash equivalents in 2022 compared to prior year is greater by \$423.6 million primarily due to the establishment of the Westport Special Purpose Account of \$400 million.

3. Receivables

Estimate vs Actual (\$13.2 million greater than estimated)

Receivables are greater than estimate by \$13.2 million mainly due to delay in invoicing for some of the grant revenue such as Main Roads for the PSP (\$14 million).

Current vs Prior Year Actuals (\$16.9 million increase)

Receivables are greater than previous year by \$16.9 million mainly due to delay in invoicing for some of the grant revenue.

4. Non-current assets classified as held for distribution

Current vs Prior Year Actuals (\$21.2 million decrease)

The decrease of \$21.2 million is a result the sale of Welshpool Vehicle Examination Centre with a book value (\$7.7 million) and transfer of assets for the Wyndham Port (\$13.5 million). This transfer was part of the second phase of the Ports Governance Review enabled by the *Ports Legislation Amendment Act 2019*.

10.1.2 Statement of Financial Position Variances (continued)

Major Variance Narratives for the Statement of Financial Position

5. Infrastructure

Estimate vs Actual (\$39.3 million greater than estimated)

Infrastructure is greater than the estimate by \$39.3 million predominantly due to several major infrastructure projects finalised and commissioned in 2021–22 as compensated by the reduction in the construction in progress.

6. Intangible assets

Estimate vs Actual (\$11.1 million greater than estimated)

Intangible Assets are greater than the estimate by \$11.1 million predominantly due to several software projects finalised and capitalised in 2021–22 as compensated by the reduction in the construction in progress.

7. Construction in progress

Estimate vs Actual (\$69.4 million less than estimated)

Construction in progress trailed estimate by \$69.4 million mainly due to several major infrastructure and software projects finalised and commissioned in 2021–22 as compensated by the increase in Infrastructure and Intangible assets.

Current vs Prior Year Actuals (\$14.8 million increase)

Construction in progress in 2022 compared to prior year is greater by \$14.8 million primarily due to the Department undertaking new capital projects of about \$3.2 million for COVID-19 recovery plan and \$8.4 million for delivering a new boating precinct in Onslow and \$3.2 million for Two Rocks Marina – Redevelopment.

8. Contributed equity

Current vs Prior Year Actuals (\$406.0 million increase)

Contributed Equity increased by \$406.0 million primarily due to the establishment of the Westport Special Purpose Account in 2021–22 for \$400 million.

9. Accumulated surplus

Estimate vs Actual (\$114.5 million greater than estimated)

Accumulated surplus in 2022 exceeds estimate by \$114.5 million due to the increase in actual accumulated surplus for 2021 over the 2022 estimates by \$59.9 million and increase of 2022 actual by \$54.6 million for actual surplus for 2022.

Current vs Prior Year Actuals (\$54.6 million increase)

Accumulated Surplus increased by \$54.6 million over 2021 due to increase in income over the total cost of services in 2021–22. This has resulted from reduced operating activities, delay in various projects and increase in fees and charges.

10.1.3 Statement of Cash Flows Variances

	Variance Notes	Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between estimate and actual \$'000	Variance between actual results for 2022 and 2021 \$'000
Cash flows from State Government						
Receipts						
Service appropriation	1	67,861	64,933	83,698	(2,928)	(18,765)
Capital appropriations	2	426,020	425,904	32,763	(116)	393,141
Funds from other public sector agencies	3	65,743	54,900	63,112	(10,843)	(8,212)
Cash transferred (to)/from other agencies		-	1,335	-	1,335	1,335
Royalties for Regions Fund	4	37,988	35,276	30,591	(2,712)	4,685
Net cash provided by State Government		597,612	582,348	210,164	(15,264)	372,184
Utilised as follows:						
Activities						
Payments						
Employee benefits		(162,391)	(154,449)	(147,574)	7,942	(6,875)
Supplies and services	5	(167,704)	(149,492)	(122,378)	18,212	(27,114)
Finance costs		(152)	(120)	(103)	32	(17)
Accommodation		(18,443)	(17,488)	(18,409)	955	921
Grants and subsidies	6	(183,295)	(124,948)	(126,874)	58,347	1,926
GST payments on purchases	7	(26,706)	(31,415)	(28,429)	(4,709)	(2,986)
Other payments		(3,179)	(5,994)	(2,359)	(2,815)	(3,635)
Receipts						
Sale of goods and services		25	48	54	23	(6)
User charges and fees		288,028	302,759	288,122	14,731	14,637
Grants and contributions	8	32,771	8,977	2,750	(23,794)	6,227
Interest received		296	110	65	(186)	45
GST receipts on sales		7,881	9,477	9,088	1,596	389
GST receipts from taxation authority		18,824	19,634	17,415	810	2,219
Other receipts		26,341	28,936	24,845	2,595	4,091
Net cash used in operating activities		(187,704)	(113,965)	(103,787)	73,739	(10,178)
Cash flows from investing activities						
Payments						
Purchase of non-current assets	9	(48,217)	(29,964)	(31,784)	18,253	1,820
Receipts						
Proceeds from sale of non-current assets		-	37	15	37	22
Net cash used in investing activities		(48,217)	(29,927)	(31,769)	18,290	1,842
Cash flows from financing activities						
Payments						
Repayment of lease liabilities		(2,364)	(3,010)	(2,607)	(646)	(403)
Receipt of Treasurers Advances		9,460	9,460	-	-	9,460
Net cash used in financing activities		7,096	6,450	(2,607)	(646)	9,057
Net increase/(decrease) in cash and cash equivalents	10	368,787	444,906	72,001	76,119	372,905
Cash and cash equivalents at the beginning of the period	11	261,715	273,400	201,399	11,685	72,001
Cash and cash equivalents at the end of the period		630,502	718,306	273,400	87,804	444,906

10.1.3 Statement of Cash Flows Variances (continued)

Major Variance Narratives for the Statement of Cash Flows

For the Statements of Cash Flows, narratives are provided for key major variances greater than 10% and greater than 1% of \$440.0 million (Prior Year Total cost of services). i.e. \$4.40 million

1. Service appropriation

Current vs Prior Year Actuals (\$18.8 million decrease)

Service appropriation decreased in 2022 by \$18.8 million over 2021 primarily due to the additional funding for Principal Shared Path provided by Main Roads WA from 2022 onwards (\$14.2 million) and operations of Port of Wyndham transferred to Kimberley Port (\$2.1 million).

2. Capital appropriation

Current vs Prior Year Actuals (\$393.1 million increase)

The increase of capital appropriations between 2021 and 2022 of \$393.1 million is primarily due to the establishment of the Westport Special Purpose Account of \$400 million mainly offset by a decrease in the Maritime COVID-19 Recovery Plan Projects in 2022 when compared to the prior year (\$5.5 million).

3. Funds from other public sector agencies

Estimate vs Actual (\$10.8 million less than estimated)

Funds from other public sector agencies is less than the estimate by \$10.8 million primarily due to the funding for Principal Shared Paths from Main Roads WA for 2022 not received by year end (\$14.8 million) and offset, mainly by increased funding from WA Police for COVID Line (\$5.2 million) compared to estimate.

Current vs Prior Year Actuals (\$8.2 million decrease)

Funds from other public sector agencies is \$8.2 million less in 2022 mainly due to funding from Main Roads WA for Principal Shared Paths not received in 2022 (\$11.5 million). This decrease is mainly offset by increased funding from WA Police for COVID Line (\$3.3 million).

4. Royalties for Regions Fund

Current vs Prior Year Actuals (\$6.0 million increase)

Funds from Royalties for Region is \$6.0 million greater in 2022 mainly due to the funding for Carnarvon One Mile Jetty (\$4.0 million) and greater funding for Country Age Pension Fuel Card Scheme in 2022 compared to prior year (\$1.4 million).

5. Supplies and services

Estimate vs Actual (\$18.2 million less than estimated)

Supplies and services are under budget by \$18.2 million primarily due to WA Agricultural Supply Chain Improvement Package 1 re-cash flowed to 2022-23 (\$7.6 million), updated Westport's scheduled of activities resulting in a realignment of budget estimates over the period 2021-22 to 2024-25 (\$4.7 million) and general underspend as a result of the impact of COVID-19 pandemic on supplies and services (\$5.9 million).

Current vs Prior Year Actuals (\$27.1 million increase)

Supplies and services increased in 2022 by \$27.1 million predominantly due to increased costs associated with the Westport Program (\$8.5 million); increase in agent fees and commissions mainly associated with the increased Authorised Inspection Services (\$5.5 million); increase in system development, maintenance and support (\$3.9 million); increased licence fees on Cloud Services (\$3.4 million) and repair costs mainly associated with Cyclone Damage on One Mile Jetty, Carnarvon (\$3.4 million).

10.1.3 Statement of Cash Flows Variances (continued)**Major Variance Narratives for the Statement of Cash Flows****6. Grants and subsidies****Estimate vs Actual (\$58.3 million less than estimated)**

2022 Grants and subsidies payment is underspent compared to budget estimate by \$58.3 million predominantly due to reassignment of funding and projects relating to Perth City Deal CBD Transport Plan (\$28.8 million); underspend in a multitude of programs across Transport resulting from delays and resource constraints brought about by COVID-19 (\$28.1 million); and reallocation of funding for three cycling election commitments (railway Avenue in Kelmscott, Hillarys Cycle Network Expansion and Geraldton Cycling network) to 2023-24 and 2024-25 (\$4.0 million). This has been mainly offset by increased Taxi User Subsidy Scheme (TUSS) payments (\$2.0 million) because of increased number of approved applications for the participation in TUSS and increased grant to WA Police for community Policing resulting from increased sales of special series plates (\$1.8 million).

7. GST payments on purchases**Estimate vs Actual (\$4.7 million greater than estimated)**

The GST payment on purchases is greater than estimate by \$4.7 million mainly due to increased operating activities in 2022.

8. Grants and contributions**Estimate vs Actual (\$23.8 million less than estimated)**

Grant and contribution receipts reduced by \$23.8 million over estimate mainly due to reallocation of funding and projects for the Perth City Deal (\$13.8 million) and deferral of funding from Commonwealth for the WA Agricultural Supply Chain improvement program to 2022–23 (\$10.0 million).

Current vs Prior Year Actuals (\$6.2 million increase)

Grants and contributions increase of \$6.2 million in 2022 is mainly due to contribution from the Shire of Ashburton for the Community Boating Precinct in Onslow-Beadon Creek Boat Harbour (\$7.0 million) offset by Commonwealth funding in 2021 of \$0.9 million as a federal election commitment to improve, maintain or build fishing and camping facilities across Australia.

10.1.3 Statement of Cash Flows Variances (continued)**Major Variance Narratives for the Statement of Cash Flows****9. Purchase of non-current assets****Estimate vs Actual (\$18.3 million less than estimated)**

The underspend of \$18.3 million is mainly a result of deferral of Capital programs to 2022–23 due to unavoidable delays arising from the heated market conditions in the construction sector in WA that affected construction timelines, supply delays of information technology and resources constraints.

10. Net increase/(decrease) in cash and cash equivalents**Estimate vs Actual (\$76.1 million greater than estimated)**

Net increase in cash and cash equivalents of \$76.1 million is mainly due to reduced net operating activities in 2022 (\$64.2 million), deferral of capital programs to 2023 (\$18.3 million) offset by reduced cashflow from State Government in 2022 (\$15.3 million) compared to estimate.

Current vs Prior Year Actuals (\$363.4 million increase)

The net increase in cash and cash equivalents 2022 of \$363.4 million is primarily due to the establishment of the Westport Special Purpose Account of \$400 million and mainly offset by decreased cashflow from State Government resulting from funding from Main Roads WA for Principal Shared Paths of \$14.8 million not received by year end and decrease in the Maritime COVID-19 Recovery Plan Projects in 2022 compared to prior year.

11. Cash and cash equivalents at the beginning of the period**Current vs Prior Year Actuals (\$72.0 million increase)**

The increase in Cash and cash equivalents at the beginning of the period 2022 exceeds 2021 by \$72.0 million due to the net increase in cash held for 2021.

10.2 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.

All variances between annual estimates and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances which vary by more than 10% from their comparative and that the variation is more than 1% of the dollar aggregate of Total Administered Income (1% of \$1.240 billion) i.e. \$12.40 million.

	Variance Notes	Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2022 and 2021 \$'000
Expenses						
Transfer payments						
- Consolidated account	1	1,163,058	1,770,033	1,633,374	606,975	136,659
- Department of Local Government, Sport and Cultural Industries		103	120	104	17	16
- Insurance Commission of Western Australia	2	-	1,099,759	1,051,296	1,099,759	48,463
- WA Coastal Shipping Commission		100	100	100	-	-
- Road Trauma Trust Account	3	76,468	95,675	83,385	19,207	12,290
- Service WA payments		-	3,693	1,453	3,693	2,240
Other expenses		-	1,569	1,214	1,569	355
Total administered expenses		1,239,729	2,970,949	2,770,926	1,731,220	200,023
Income						
For transfer to the Consolidated Accounts or Agencies						
Appropriations for transfer to the:						
Western Australian Coastal Shipping Commission		100	100	100	-	-
Infringements						
Plate and transfer infringements		8,586	8,461	8,285	(125)	176
Speed and red-light infringements	4	99,496	116,038	106,196	16,542	9,842
Final demand traffic infringements		2,256	2,738	2,448	482	290
On-demand Transport Levy		39,000	37,867	42,139	(1,133)	(4,272)
Motor vehicle registrations						
Motor vehicle registrations		103	120	104	17	16
Motor vehicle registrations		1,090,188	1,120,357	1,047,950	30,169	72,407
Vehicle Licence Duty	5	-	580,871	515,102	580,871	65,769
Third party motor vehicle insurance premiums	6	-	833,395	796,387	833,395	37,008
Catastrophic Injury Support Scheme	7	-	266,364	254,909	266,364	11,455
Service WA fees collected		-	19	-	19	19
NDIS worker screening application fees		-	3,675	1,440	3,675	2,235
Total administered income		1,239,729	2,970,005	2,775,060	1,730,276	194,945

10.2 Explanatory statement for Administered Items (continued)

Major Variance Narratives for administered expenses and income

For the Schedule of administered expenses and income, narratives are provided for key major variances greater than 10% and greater than 1% of \$1,240.0 million (Estimated Total administered income).

1. Transfer Payment – Consolidated Account

Estimate vs Actual (\$607 million greater than estimated)

Consolidated account transfer payments exceeded estimates by \$607 million mainly due to vehicle licence duty on motor vehicle registrations collected on behalf of RevenueWA and transferred to the Consolidated Account. This item is not reflected in the Department's budget statement.

2. Transfer Payment – Insurance Commission of Western Australia

Estimate vs Actual (\$1,099.8 million greater than estimated)

Insurance Commission of Western Australia transfer payments totalled \$1,099.8 million from Third Party insurance premiums (\$833.4 million) and Catastrophic Injury Support Scheme (\$266.4 million) collected on behalf and transferred to Insurance Commission of Western Australia. This item is not reflected in the Department's budget statement.

3. Transfer Payment – Road Trauma Trust Account

Estimate vs Actual (\$19.2 million greater than estimated)

Transfer Payment to Road Trauma Trust Account is \$19.2 million greater than estimate due to number of infringements issued and processed was higher than expected.

4. Speed and red-light infringements

Estimate vs Actual (\$16.5 million greater than estimated)

Speed and red-light infringement fines are \$16.5 million greater than estimate due to the number of infringements issued and processed was higher than expected.

5. Vehicle Licence Duty

Estimate vs Actual (\$580.9 million greater than estimated)

Vehicle Licence duty revenue collected amounted to \$580.9 million due to vehicle Licence duty on motor vehicle registration collected on behalf of RevenueWA. This item is not reflected in the Department's budget statements.

Current vs Prior Year Actuals (\$65.8 million increase)

Vehicle Duty collected in 2022 exceeds 2021 by \$65.8 million mainly due to the increase in both the new car sales and transfer of used vehicles.

6. Third party motor vehicle insurance premiums

Estimate vs Actual (\$833.4 million greater than estimated)

Third Party Motor Vehicle Insurance premiums totalled \$833.4 million collected on behalf and transferred to Insurance Commission of Western Australia. This item is not reflected in the Department's budget statement.

7. Catastrophic Injury Support Scheme

Estimate vs Actual (\$266.4 million greater than estimated)

Catastrophic Injury Support Scheme totalled \$266.4 million collected on behalf and transferred to Insurance Commission of Western Australia. This item is not reflected in the Department's budget statement.



Certification of Key Performance Indicators

For the year ended 30 June 2022

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 Transport's performance, and fairly represent the performance of DoT for the financial year ended 30 June 2022.

Peter Woronzow
Accountable Authority
20/09/2022

Key Performance Indicators

Outcome structure and links to the overall Government Goals

The transport function is integral to business and commerce and is important for social interaction and connecting communities. The Department's focus is on strategic transport policy and planning, regulation and the delivery of safe and sustainable transport services and programs. This includes the licensing of drivers, vehicles, aircraft and vessels; developing and planning infrastructure; ensuring service delivery; and setting safety standards across the range of public and commercial transport systems in Western Australia (WA).

Together with its Portfolio partners, DoT has the expertise to deliver integrated transport plans, policy and high-quality services needed to connect a complex, interrelated economic and social network.

DoT connects people with goods and services through an intricate system of roads, railways, airports, ports, paths and waterways, and keeps people safe within those networks through an integrated approach to planning, licensing, education and compliance strategies.

DoT made the following change to its Outcome Based Management Framework for 2021–22:

Key Effectiveness Indicator "Percentage of wheelchair accessible vehicle taxi journeys carrying passengers in wheelchairs which meet the waiting time standard", was updated to remove reference to "multi-purpose" and replace with "wheelchair accessible vehicle" to reflect the wording of the *Transport (Road Passenger Services) Act 2018*.

The breadth and diversity of the Department's functions and services means that DoT contributes to three of the Government's strategic goals outlined in the following table:

State Government Goals	DoT Outcomes	DoT Services
WA Jobs Plan Local manufacturing and production, creating WA jobs and training for the jobs of the future.	Outcome 1 Integrated transport systems that facilitate economic development.	Service 1 Strategic Transport Policy and Integrated Planning
Safe, Strong and Fair Communities Developing healthy and resilient communities.	Outcome 2 Vehicles and road users that meet established vehicle standards, driver competencies and identity requirements to deliver safe vehicles, safe drivers and secure identities.	Service 2 Driver and Vehicle Services
Growing Our Communities Protecting our environment with thriving suburbs and regions.	Outcome 3 An accessible and safe transport system.	Service 3 Maritime Service 4 On-demand Transport

Effectiveness Indicators

Outcome 1: Integrated transport systems that facilitate economic development.

DoT develops, integrates and regulates Western Australia’s transport systems and infrastructure, which is integral to servicing the State’s business and social communities.

DoT determines the location of major transport routes and infrastructure, their suitability for a range of transport services and how each route integrates into the broader transport system for boats, trains, aircraft and vehicles.

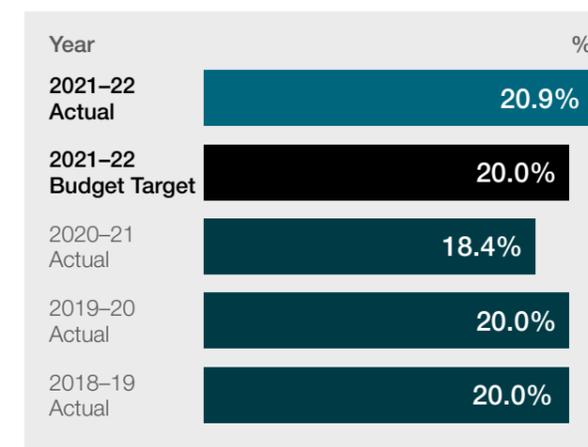
Providing regular and adequate public transport air services to key Western Australian regional communities is the responsibility of the Freight, Ports, Aviation and Reform Directorate.

DoT ensures all aircraft that carry passengers for regular public transport or charter purposes within the State are licensed annually.

DoT measures its effectiveness in meeting this outcome through the:

- » percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle Port; and
- » percentage of regional Local Government Areas (LGAs) that have access to regular public transport air services between the LGA and Perth.

Percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle Port



This indicator measures how effectively the Department’s container rail subsidy is shifting the transportation of containerised metropolitan freight from road to rail, thereby reducing heavy vehicle movement on arterial port roads. A significant proportion of metropolitan container movements occur on roads between the key freight precinct of Kewdale-Forrestfield and the Fremantle Inner Harbour.

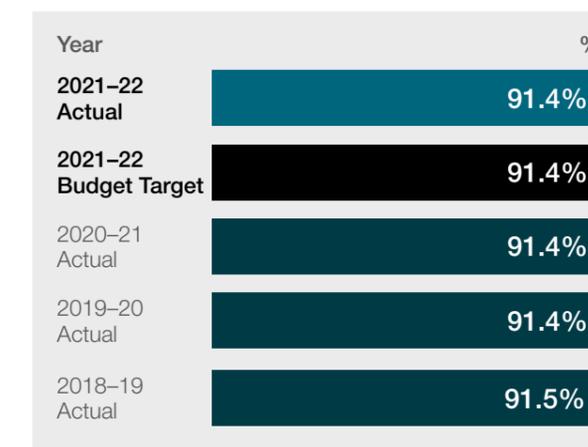
The indicator compares the proportion of containers transported by rail through the North Quay Rail Terminal with the total number of containers moving through the Fremantle Inner Harbour.

Reason for significant variance

There was no significant variance between the 2021–22 Budget Target and the 2021–22 Actual.

The variance between the 2020–21 Actual and the 2021–22 Actual was due to the increase in the volume of containers on rail. This can be attributed to general COVID-19 recovery and increases in demand for products which are suited to rail transportation. While rail volumes increased, total trade volumes declined marginally when compared to the previous year.

Percentage of regional Local Government Areas (LGAs) that have access to regular public transport air services between the LGA and Perth



This indicator measures the Department’s effectiveness in meeting its responsibility in ensuring regional communities have access to Regular Public Transport (RPT) air services to Perth for economic and social purposes.

The outcome of this indicator is measured by determining the percentage of LGAs with a population greater than 500 and within 250 kilometres of an airport by sealed road which receives two or more RPT air services per week in each direction.

The percentage achieved indicates that regional communities have access to RPT air services within 250 kilometres of the airport receiving two or more RPT air services per week.

Throughout 2021–22, regional Western Australian communities supported by RPT air services operated by seven airlines on 20 air routes, providing essential connectivity for 23 regional cities and towns.

Reason for variance

The Actual results for 2021–22 are consistent with the Actual results for 2020–21 and the Budget Target for 2021–22.

Effectiveness Indicators

Outcome 2: Vehicles and road users that meet established vehicle standards, driver competencies and identity requirements to deliver safe vehicles, safe drivers and secure identities.

Driver and Vehicle Services (DVS) is responsible for licensing the State's drivers and registering vehicles under the *Road Traffic (Authorisation to Drive) Act 2008*, *Road Traffic (Vehicles) Act 2012* and *Road Traffic (Administration) Act 2008*.

Driver's licence and learner's permit applicants must establish their identity in compliance with the *Road Traffic (Authorisation to Drive) Act 2008* and the *Road Traffic (Authorisation to Drive) Regulations 2014* before a licence or permit will be issued.

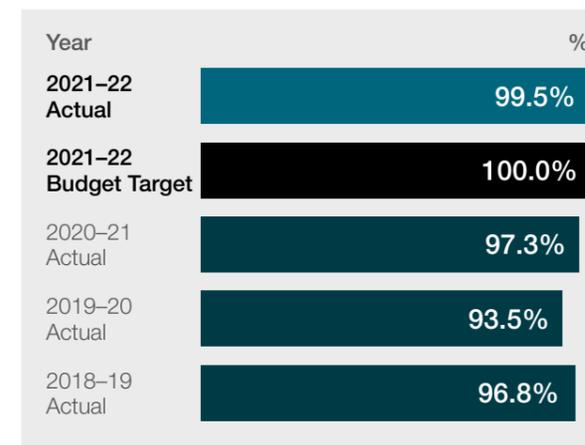
Drivers must demonstrate that they are competent to drive a vehicle through complying with the requirements of Section 16 of the *Road Traffic (Authorisation to Drive) Regulations 2014*.

Vehicles must be registered before they may lawfully be used on the road. The *Road Traffic (Vehicles) Regulations 2014* details the specific requirements for examination against the Australian Design Rules, which allow a vehicle to be deemed roadworthy.

DoT measures its effectiveness in meeting this outcome through the:

- » percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles);
- » percentage of driver licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers); and
- » percentage of identity credentials compliant with the required standard of biometric quality.

Percentage of vehicle examinations completed in accordance with the Australian Design Rules (Safe Vehicles)



This indicator measures the extent to which vehicles meet established vehicle standards to deliver safe vehicles.

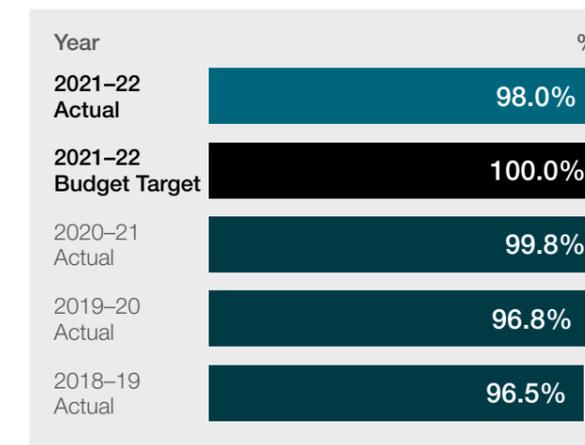
The data is derived from a sample of completed examination forms (Certificates of Inspection), which are reviewed by DoT. The number of forms that pass the criteria are counted and divided by the total number of forms audited. The results are expressed as a percentage.

The sample audit is conducted on a weekly basis. The system is based on using automated reports that provide details of vehicles that passed examinations in the last week as recorded in Transport Executive Licensing Information System (TRELIS), of which 10 samples are selected at random to a total of 100 per quarter.

Reason for significant variance

There was no significant variance between the 2021-22 Budget Target and the 2021-22 Actual or between the 2020-21 Actual and the 2021-22 Actual.

Percentage of driver licences issued that comply with the Graduated Driver Training and Licensing System (Safe Drivers)



This indicator measures the extent to which the licensing processes of drivers establish levels of competencies that will deliver safe drivers.

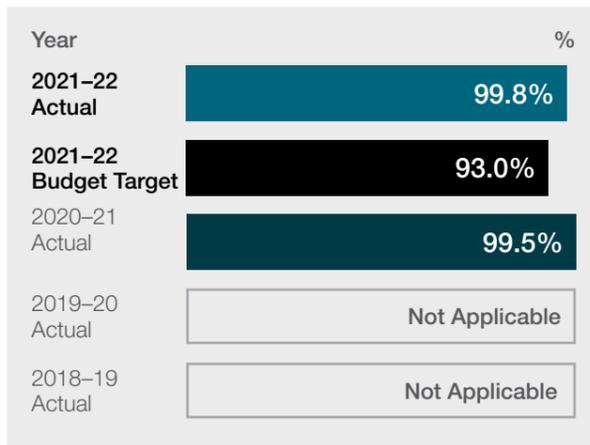
A sample of all driver licences issued under the Graduated Driver Training and Licensing System (GDT&LS) are reviewed by DoT and the number of licences that complied with each key component in the GDT&LS are recorded and divided by the total number of licences assessed. The resulting figure is expressed as a percentage.

The sample audit is conducted on a weekly basis. The system is based on using automated reports that provide the driver licences issued in the last week, of which 10 samples are selected at random to a total of 100 per quarter. All process components related to the GDT&LS are then checked to determine that compliance with each criterion is met.

Reason for significant variance

There was no significant variance between the 2021-22 Budget Target and the 2021-22 Actual or between the 2020-21 Actual and the 2021-22 Actual.

Percentage of identity credentials compliant with the required standard of biometric quality



Part of the Department’s commitment to secure identities is via the provision of WA Driver Licences, Photo Cards and Learner’s Permits, each of which have become significant forms of identification for the community. To assist in maintaining identity security, biometric information (particularly facial photographs) is stored and used by DoT.

It is essential for DoT that the images used in these documents meet an appropriate standard of biometric quality. Analysis of available data demonstrates that new image captures meet the required standards of biometric quality in excess of the Budget Target.

Reason for significant variance

The variance between the 2021–22 Budget Target and the 2021–22 Actual was a result of performance at 99.8 per cent, exceeding target expectations. The result of 99.8 per cent means that, of the images produced for the financial year, 0.20 per cent of the cards had a new image capture that did not meet the biometric standard.

The higher than forecast performance could be attributed to this being a new indicator and data sources to measure the target are still maturing. Since 1 March 2022, reporting has been streamlined and is now based on data received from the card contractor. It is therefore anticipated that the result will become closer when future targets are set.

There was no significant variance between the 2020–21 Actual and the 2021–22 Actual.

Effectiveness Indicators

Outcome 3: An accessible and safe transport system.

Under the *Transport Co-ordination Act 1966 (the Act)*, the *Jetties Act 1926*, the *Shipping and Pilotage Act 1967* and the *Transport (Road Passenger Services) Act 2018*, DoT is responsible for coordinating and planning the accessibility and safety considerations for the transport system.

DoT is responsible for accessibility to marine related infrastructure and waterways. The Department also provides regulation, education, training and compliance monitoring to ensure safety of marine vessels and their users.

DoT is also responsible for ensuring an adequate accessible taxi service is provided to the public of Western Australia. Vehicle and driver safety in taxis is the responsibility of Driver and Vehicle Services in its role in administering road laws, as defined in the *Road Traffic (Administration) Act 2008*. This is covered under Outcome 2 of the Department’s outcome structure: ‘Vehicles and road users that meet established vehicle standards, driver competencies and identity requirements to deliver safe vehicles, safe drivers and secure identities.’ However, safety for taxi operators and passengers, not related to use of vehicles on the road (for example, speeding or careless driving), is the responsibility of WA Police in its community safety role.

The recent reform of the on-demand transport (OdT) industry guided by the implementation of the *Transport (Road Passenger Services) Act 2018* and associated regulations supports DoT in its commitment to provide a safe, flexible, responsible, innovative and customer-focused road passenger transport industry.

The effectiveness indicators below measure transport system accessibility and safety for DoT.

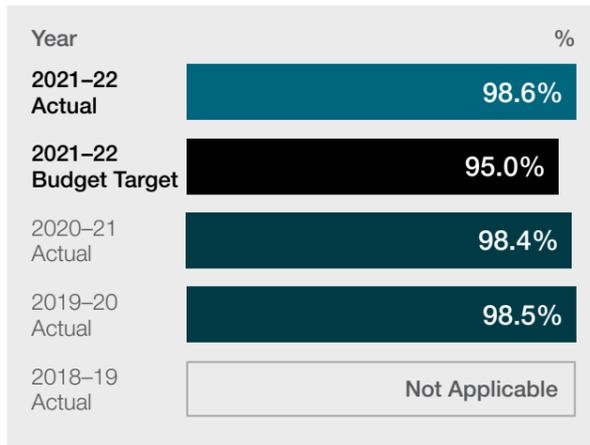
Accessibility

- » percentage of wheelchair accessible vehicle taxi journeys carrying passengers in wheelchairs which meet the waiting time standard; and
- » percentage of time maritime infrastructure is fit for purpose when required.

Safety

- » rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels; and
- » percentage of audited authorised on-demand booking services compliant with safety requirements.

Percentage of wheelchair accessible vehicle taxi journeys carrying passengers in wheelchairs which meet the waiting time standard*



The movement and wellbeing of people with disability are central to the social and economic prosperity of Western Australia. The Metropolitan Wheelchair Accessible Vehicles Dedicated Taxi Booking Service, is part of the the Department’s commitment to providing a safe, accessible and efficient means of travel for those who are unable to use conventional public transport or other services.

People with disability should be able to access the same services as the wider community and have opportunities to live satisfying, accessible and inclusive lives.

Supporting the needs of people with disability is front of mind for transport and government service provision. To facilitate this, DoT has procured a dedicated on-demand booking service for the provision of wheelchair accessible taxi services in the defined contract area.

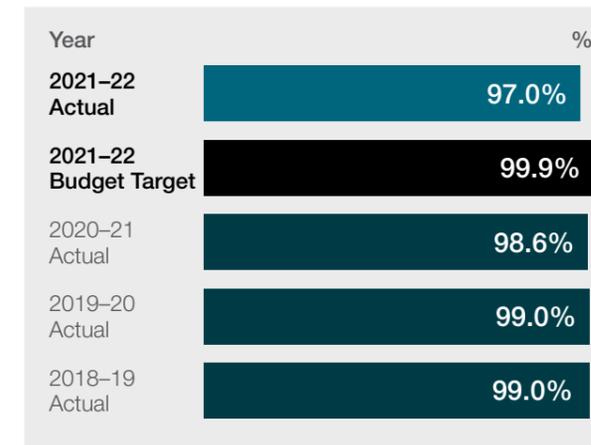
The wait times for pre-booked and requested ‘as soon as possible’ (ASAP) services have been measured during both peak and off-peak times. Orders that meet the performance standard, as detailed in the table below, are determined and presented as a percentage against all bookings.

Booking Type	Period	Target Time
Pre-booked	Peak	5 min
Pre-booked	Off-peak	5 min
ASAP	Peak	20 min
ASAP	Off-peak	15 min

Reason for significant variance

There was no significant variance between the 2021-22 Budget Target and the 2021-22 Actual or between the 2020-21 Actual and the 2021-22 Actual.

Percentage of time maritime infrastructure is fit for purpose when required



DoT is responsible for the planning, creation, enhancement and management of new and existing land and water-based maritime facilities for small craft boats throughout WA.

DoT manages and maintains facilities at approximately 50 locations throughout the State, including a variety of maritime infrastructure assets, such as jetties, boat launching facilities, pens and mooring areas, as well as associated navigational aids and access to facilities via dredged channels.

This indicator measures the percentage of time that these maritime facilities under the Department’s managerial control were accessible to the public throughout 2021-22.

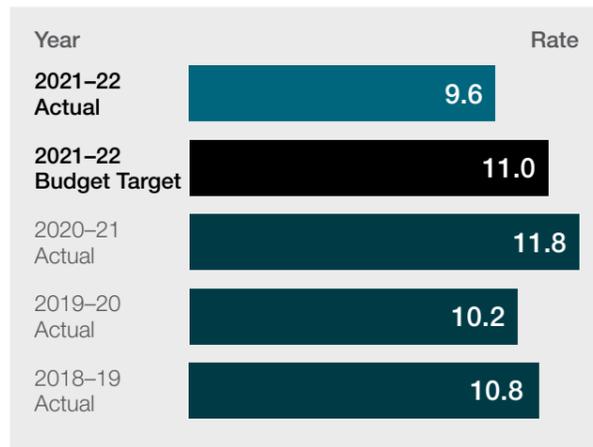
The accessibility of four maritime facilities – pens, jetties, navigational aids and dredged channels – is individually calculated in terms of percentage. These individual percentages are then aggregated and divided by four to arrive at the indicator’s result.

Reason for significant variance

There was no significant variance between the 2021-22 Budget Target and the 2021-22 Actual or between the 2020-21 Actual and the 2021-22 Actual.

* Revised title for 2021-22.

Rate of reported incidents (accidents) on the water per 10,000 registered recreational vessels



This indicator measures the effectiveness of the Department’s safety initiatives on recreational boating behaviour.

The data for this indicator is sourced from the Department’s recreational vessel registration and the marine incidents database. It is calculated by dividing the number of incidents by the number of registered recreational vessels (expressed as a rate per ten thousand vessels).

Under the *Navigable Waters Regulations 1958*, all vessels that have a motor or have the capacity to have a motor fitted, must be registered to operate on navigable waters in WA. In addition, it is a requirement under the *Western Australian Marine Act 1982* for people to report any accident or incident that results in serious injury or death, or the vessel being damaged enough to make it unseaworthy or unsafe.

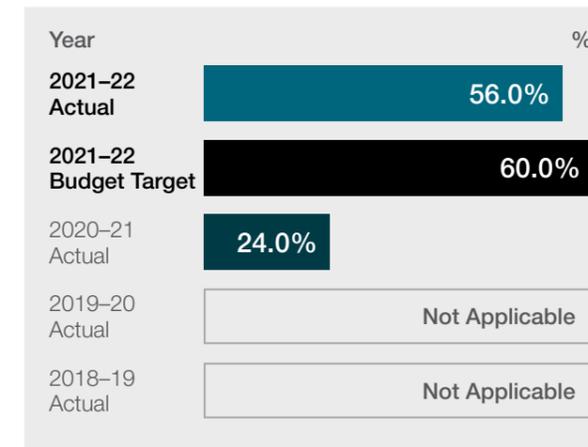
Reason for significant variance

The variance between the 2021–22 Budget Target and the 2021–22 Actual was due to a decrease in incidents. This can be attributed to Maritime Compliance monitoring and Safety Education active safety campaigns, despite the increase in the volume and usage of recreational registered boats and non-powered craft which resulted in greater boating activity and congestion on Western Australian Waters.

The variance between the 2020–21 Actual and the 2021–22 Actual can be attributed to Maritime Safety Education active safety campaigns, such as the “30 Second Challenge,” and a successful “Safety Blitz on the Waters” conducted by Maritime Compliance, which contributed to a decrease in incident levels by 18.64%.

The decrease was achieved despite an increase in the volume and usage of recreational registered boats and non-powered craft that resulted in greater boating activity and congestion on WA waters.

Percentage of audited authorised on-demand booking services compliant with safety requirements



Passage of the *Transport (Road Passenger Services) Act 2018* provides a regulatory framework for the transport of passengers by road for hire and reward. The primary objectives of the legislation are to establish and maintain minimum safety outcomes for everyone involved in providing passenger transport services to the community and to allow the industry to determine its own levels and quality of service.

This indicator continues to reflect the Department’s commitment to safety across the entire passenger transport industry state-wide, including monitoring and improving safety in the industry through a range of education and compliance tools.

The indicator is calculated as the number of conforming audits divided by the total number of audits undertaken and expressed as a percentage (proportion). The audit process includes assessment against booking service’s authorisation status, safety management system vehicle/driver safety checks, complaints resolution and record keeping.

Reason for significant variance

The variance between the 2021–22 Budget Target and the 2021–22 Actual can be attributed to the completion of the reform of the industry. While the understanding of requirements by industry is improving through education, DoT recognises the industry is still adapting to the new legislation. In addition, two full time equivalent staff were on secondment and COVID-19 contributed to the capacity to complete audits.

The variance between the 2020–21 Actual and the 2021–22 Actual was due to the audit regime being relatively new for the industry, and with nearly 800 authorised booking services, the vast majority of which are sole driver/owner-operators, the DoT recognises that it will take some time to achieve the budgeted target compliance. In 2020–21, reform of the industry was being finalised, with transitional provisions for passenger transport drivers not concluding until January 2022.

By the end of 2021–22, reform of the industry was complete and the understanding of requirements by industry was enhanced through education, compliance and supporting documentation.

Efficiency Indicators

Measures of Efficiency

The measures of efficiency indicate the key services provided (outputs) in relation to the cost of the resources (inputs) required to deliver them.

While the effectiveness indicators measure the Department's success in achieving its desired outcomes, the efficiency indicators measure the efficiency (in most cases, the cost per unit of the service delivered) in providing the services that relates to these outcomes.

When calculating the efficiency indicators, all costs involved with providing the service, such as direct cost, corporate overheads and interdepartmental cost allocations are included.

The following expenditures have been excluded in calculating efficiency indicators, as they either do not relate to the delivery of services by DoT or are specific project spending mostly funded by external sources including METRONET and Westport project offices.

For example, non-core operation costs include functions that are not directly related to the reportable KPIs, such as all costs associated with administering grants and subsidies and specific projects that can have project-specific efficiency measures.

The significant increase in the grant and subsidies costs in 2021-22 is due to Cycling and Principal Shared Path programs.

The non-core operations cost increased in 2021-22 compared to 2020-21. This increase is mainly driven by projects including 13COVID line and the Westport project.

	2021-22 \$'000	2020-21 \$'000	2019-20 \$'000
Non-reportable KPI cost			
Grant and subsidies and other grant related expense adjustments	126,069	118,214	214,919
Non-core operation	59,074	47,235	68,598
Total non-reportable cost	185,143	165,449	283,517

The measures of efficiency used for DoT and how they relate are as follows.

Service 1: Strategic transport policy and integrated planning

This service contributes to the provision of leadership for strategic management and development and protection of economic nodes and networks through the provision of a range of services including:

- » analysis, planning and implementation of urban infrastructure projects and models to manage future travel demands;
- » strategic policy development that supports the achievement of sustainable, effective and practical solutions for Western Australian transport networks and addresses capacity issues;
- » policy advice and strategic transport solutions to government;
- » representation and negotiation, on behalf of the State Government, at national level transport-related forums to produce positive outcomes that promote and protect Western Australian interests;
- » program management and delivery of major intermodal infrastructure planning and development activities that assists in economic development;
- » quality assurance and assessment of the return on investment for government funds in transport projects; and
- » monitoring industry and public demand-growth to provide best practice transport channels and access which alleviated environmental impacts.

Average cost per hour for Strategic Policy Development and Integrated Transport Planning

Year	\$
2021-22 Actual	\$120.54
2021-22 Budget Target	\$143.37
2020-21 Actual	\$123.76
2019-20 Actual	Not Applicable
2018-19 Actual	Not Applicable

Reason for significant variance

The variance between the 2021-22 Budget Target and the 2021-22 Actual is due to the decrease in cost as a result of the transfer of the Swan River Cyclist and Pedestrian Bridge project expenditure to Main Roads and carryovers associated with the Perth City Deal, Principal Shared Path Program, Westport and the Western Australian Agricultural Supply Chain Improvements (ASCI) program.

There was no significant variance between the 2020-21 Actual and 2021-22 Actual.

Efficiency Indicators

Service 2: Driver and Vehicle Services

This service contributes towards the provision of safe, accessible, sustainable and efficient transport services and systems through the provision of driver licensing and vehicle registration services for:

- » setting motor vehicle standards in accordance with national and State Government requirements, examining motor vehicles for compliance with those standards and registering and transferring compliant motor vehicles;
- » setting standards and requirements for the enrolment and management of driver’s licences and identity credentials, in accordance with State Government legislation and national identity security and privacy policies;
- » assessing driver competency, issuing and renewing driver licences in accordance with national and State Government requirements and driver competency standards;
- » securing and maintaining a database of registered vehicles and drivers and managing vehicle identification numbers to support the enforcement of road traffic and other relevant laws;
- » collecting revenue on behalf of government; and
- » informing and educating road users about driver licensing, vehicle registration and related requirements.

Average cost per vehicle and driver transaction

Year	\$
2021–22 Actual	\$17.96
2021–22 Budget Target	\$18.94
2020–21 Actual	\$17.26
2019–20 Actual	\$16.51
2018–19 Actual	\$16.79

Reason for significant variance

The variance between the 2021–22 Budget Target and the 2021–22 Actual was predominantly due to employment cost savings from temporarily vacant positions.

There was no significant variance between the 2020–21 Actual and 2021–22 Actual.

Average cost per vehicle inspection performed by Vehicle Examination Centres*

Year	\$
2021–22 Actual	\$170.49
2021–22 Budget Target	\$203.95
2020–21 Actual	\$163.44
2019–20 Actual	\$182.58
2018–19 Actual	\$99.99

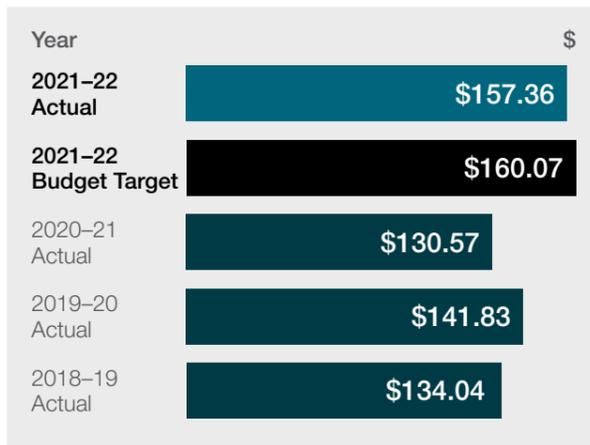
Reason for significant variance

The variance between the 2021–22 Budget Target and the 2021–22 Actual was due to an increase in vehicle inspections volume driven by demand for work order and new industry-based vehicle inspections.

There was no significant variance between 2020–21 Actual and the 2021–22 Actual.

* The cost allocation to this KPI has been streamlined in the current year. As a result, the comparatives for 2019–20 and 2020–21 have been accordingly restated. The results for 2018–19 were not affected by this change.

Average cost per vehicle inspection delivered through Authorised Inspection Stations



Reason for significant variance

There was no significant variance between the 2021-22 Budget Target and the 2021-22 Actual.

The variance between the 2020-21 Actual and the 2021-22 Actual is due to an increase in commission paid to the Authorised Inspection Stations (AIS). This was a result of increased demand for vehicle inspections and the AIS commission rate increased by an average of 13 per cent.

Average cost per driver assessment



Reason for significant variance

There was no significant variance between the 2021-22 Budget Target and the 2021-22 Actual.

The variance between the 2020-21 Actual and the 2021-22 Actual was predominantly due to the reduction in the operating cost due to completion of the Practical Driving Assessment (PDA) Recovery Project, which was established and implemented in 2020-21 to clear the backlog of PDA assessments cancelled due to the COVID-19 restrictions.

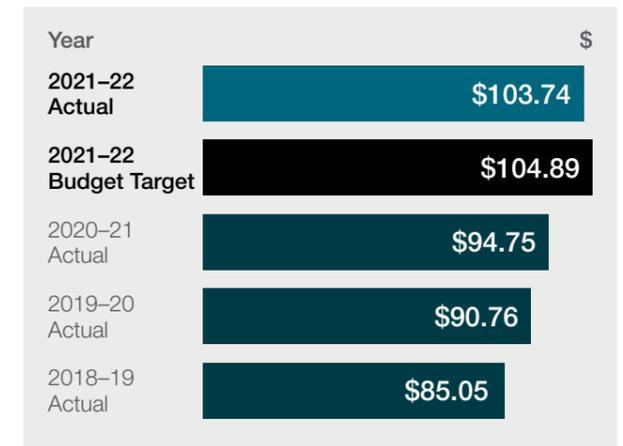
Efficiency Indicators

Service 3: Maritime

This service contributes towards the Department's outcome of an accessible and safe transport system through a range of coastal infrastructure services and a range of marine safety and regulatory and education services safe and sustainable navigable waters through a range of maritime services including:

- » licensing and registration of recreational vessels, moorings, jetties, ferries, recreational skippers and marine pilots;
- » regulation and administration of marine operations, including on water compliance and marine safety education;
- » planning, building and managing new and existing land and water-based facilities for use of community as well as recreational and commercial vessels owners;
- » provision of coastal engineering advice and solutions for new and existing land and water-based maritime facilities;
- » provision of oceanographic, cartographic and geographic information; and
- » marine protection through a hazard management response team.

Average cost per day per maritime infrastructure asset managed



Reason for significant variance

There was no significant variance between the 2021-22 Budget Target and the 2021-22 Actual.

The variance between the 2020-21 Actual and the 2021-22 Actual was due to increased expenditure in repairs and maintenance in addition to with a higher than expected expenditure required on dredging costs in 2021-22.

Average cost per private recreational vessel registration

Year	\$
2021-22 Actual	\$152.96
2021-22 Budget Target	\$150.78
2020-21 Actual	\$155.08
2019-20 Actual	\$157.35
2018-19 Actual	\$139.65

Reason for significant variance

There was no significant variance between the 2021-22 Budget Target and the 2021-22 Actual or between the 2020-21 Actual and the 2021-22 Actual.

Cost to maintain Marine Pollution Response preparedness per registered vessel

Year	\$
2021-22 Actual	\$33.01
2021-22 Budget Target	\$33.39
2020-21 Actual	\$35.76
2019-20 Actual	\$40.44
2018-19 Actual	\$36.75

Reason for significant variance

There was no significant variance between the 2021-22 Budget Target and the 2021-22 Actual. The variance between the 2020-21 Actual and the 2021-22 Actual was due to a decrease in actual costs in 2021-22 as a result of delayed Marine Pollution Response Preparedness training and an unanticipated increase in the volume of recreational registered vessels.

Efficiency Indicators

Service 4: On-demand Transport

This service provides a regulatory environment that encourages competition and innovation in the OdT industry to deliver safe, accessible and efficient on-demand transport services for our community through:

- » collecting and analysing data to regulate new and existing taxi and omnibus providers in the industry through education and compliance;
- » administering travel subsidies for taxi users, students and pensioners; and
- » supporting government planning and policy development for on-demand transport services.

Cost per On-demand Transport Authorisation

Year	%
2021-22 Actual	\$161.23
2021-22 Budget Target	\$202.33
2020-21 Actual	\$140.17
2019-20 Actual	\$259.66
2018-19 Actual	Not Applicable

Reason for significant variance

The variance between the 2021-22 Budget Target and the 2021-22 Actual was due to the actual overall costs reducing from the forecasted costs due to underspending on employment costs and professional services triggered by post COVID-19 delays.

The variance between the 2020-21 Actual and the 2021-22 Actual was due to the cost per on-demand transport authorisation being higher in 2021-22 compared to 2020-21 due to an increase in systems development, maintenance and cloud hosting costs.



OTHER DISCLOSURES AND REQUIREMENTS



Ministerial Directives

No Ministerial directives were received during the 2021–22 financial year.

Other Financial Disclosures

Pricing policies of services provided

DoT reviews its fees and charges annually to reflect, where legally permissible, full cost recovery in the provision of its services in accordance with Treasurer's Instructions 810 – *Review of Fees and Charges* and Department of Treasury's *Costing and Pricing Government Services*.

The following gazettes contain variations to DoT's fees and charges for the 2021–22 financial year:

- » *Western Australia Government Gazette No. 90 dated 21 May 2021*
- » *Western Australia Government Gazette No. 98 dated 04 June 2021*
- » *Western Australia Government Gazette No. 109 dated 18 June 2021*

Major capital projects

The Department's major capital projects, those valued at over \$5 million, for 2021–22 are detailed in the table below.

Incomplete capital projects

Project Name	Expected Year of Completion	Capital Expenditure up to 30/06/2022 \$'000	Estimated Capital Cost to Complete \$'000	Estimated Total Capital Cost of Project \$'000
Two Rocks Marina Redevelopment, Phase 1	2022–23	10,626	1,702	12,328
Fremantle FBH – Amenities Building and Services Upgrade	2023–24	680	4,640	5,320
Onslow Community Precinct Boating Upgrade	2022–23	8,984	4,376	13,360
Redevelopment of Woodman Point Jetty	2023–24	1,009	8,681	9,690
Hillarys Boat Harbour – Jetties A, F, G, H, and J	2024–25	223	9,241	9,464
Fremantle Fishing Boat Harbour and Commercial Precinct – Replacement of Electrical Infrastructure	2024–25	483	5,417	5,900
Broome Boating Facility (Only Partly Funded)	2025–26	0	36,306	36,306
Transforming Bunbury's Waterfront Stage 3 Phase 1	2025–26	619	77,481	78,100
Fremantle Fishing Boat Harbour – Jetty 3 Replacement	2022–23	214	5,592	5,806

There were no completed capital projects for the financial year 2021–22.

Employment statistics

The Department's staff headcount and full-time equivalent (FTE) statistics at 30 June 2022 are detailed below.

Permanent Full Time

1,093 Headcount | 1,093 FTE

Permanent Part Time

231 Headcount | 154.93 FTE

Senior Executive Service

12 Headcount | 11.80 FTE

Temporary Full Time

235 Headcount | 234 FTE

Temporary Part Time

40 Headcount | 25.70 FTE

Total DoT Staff

1,611 Headcount | 1,519.43 FTE



Freedom of information

DoT's Freedom of Information (FOI) Coordinator is the initial contact point for all FOI-related matters.

In accordance with the *Freedom of Information Act 1992* (the Act), DoT is required to deal with FOI access applications within 45 days of receipt, unless an extension of time is negotiated. The average time to process applications in 2021–22 was 12 days.

FOI fees and charges

Fees and charges are set under the Act. Apart from the application fee for non-personal information, all charges are discretionary. Details of fees and charges are listed below.

Application	Amount
Personal information about applicant	No fee
Application fee (for non-personal information)	\$30.00
Charge for time taken dealing with the application	\$30.00 per hour
Charge for access time supervised by staff	\$30.00 per hour
Charges for photocopying	\$30.00 per hour for staff time and 20 cents per copy
Preparing a copy of a tape, film or computerised information, or arranging delivery, packaging and postage of documents	Actual cost

Rights of review

The Act allows dissatisfied applicants to request an internal review of the initial decision made by DoT. In accordance with Section 40 of the Act, a request for an internal review must be received, in writing within 30 days of the date of the initial decision.

Following an internal review, if the applicant still disagrees with the Department's decision, you may lodge a complaint with the Office of the Information Commissioner for an external review of the department's decision. Such applications must be submitted within 60 days from the date of internal review decision.

No fees or charges apply to internal or external reviews.

2021–22 Statistics

In 2021–22, 362 new valid Freedom of Information (FOI) applications were received. Of these, 18 applications were transferred in full to another agency and 25 applications were withdrawn by the applicant. A further 16 applications were carried over from the previous year.

The following tables provide a breakdown of the 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.

Applications	Total
Carried over	15
Received	362
Total handled	377
- Total finalised	353
- Total finalised	24

Applications Decided in Year	Personal Information	Non-Personal Information	Total
Full access	89	110	199
Edited access	6	42	48
Deferred access	0	0	0
Section 26 refused access*	4	35	39
Access refused	0	1	1
Withdrawn	4	21	25
Total decisions	110	243	353
Internal reviews	0	6	6
External reviews	0	1	1

Customer feedback

DoT values customer feedback to assist in improving service delivery to meet the changing needs of the WA community. The Department's Complaints Handling Management Policy and Procedures allow complaints to be made in person, by phone, fax, online or in writing in line with the Australian/New Zealand Standard on complaint management (AS/NZS ISO 10002-2014).

Customer feedback received was managed through three feedback systems – Customer Feedback System (CFS), Ministerial Workflow System (MWS) and Correspondence Workflow System (CWS). These feedback systems are fit-for-purpose workflows within Objective, the Department's electronic document and record management system (EDRMS).

In 2021–22, customer feedback was sorted into three categories where are complaints, compliments and general feedback.

Category	Number Received	%
Complaints (includes repeated complaints)	1,853	71.02%
Compliments	138	5.29%
General feedback (includes feedback, information and suggestions)	618	23.69%
Total Customer Feedback	2,609	

A breakdown of customer feedback received by business unit in 2021–22 is shown below.

Category	Complaints	General Feedback	Total Customer Feedback%
Driver and Vehicle Services	1,471	575	78.42%
Maritime	106	68	6.67%
Regional Services	77	21	3.76%
On-demand Transport	106	15	4.64%
Other	93	77	6.52%
Total Customer Feedback	1,853	765	
		2609	

* *Freedom of Information Act 1992*, s26 Documents that cannot be found or do not exist, notice of.

Face Matching Services compliance reporting

Under s.11J *Road Traffic (Authorisation to Drive) Act 2008* and s.17B *Western Australian Photo Card Act 2014*, DoT is required to report details of organisations with which it has an arrangement to share identifying information through Face Matching Services (for example through the National Driver's Licence Facial Recognition Solution), and any data breaches that are likely to result in serious harm to the person to whom the information relates.

During 2021-22, DoT had arrangements with no entities, and there have been no data breaches.

Governance Disclosures

Board and Committee Remuneration

Members of boards and committees were remunerated as determined by the Minister for Transport. Details of these remunerations are shown in the table below:

Board Name	Position	Member Name	Period of Membership	Type of Remuneration	Gross/Actual Remuneration (\$)
Road Freight Transport Industry Council	Member	Success Transport Pty Ltd (represented by Heather Jones)	November 2021 to June 2022	Time-based	\$249
Freight and Logistics Council WA	Independent Chair	Nicole Lockwood	July 2021 to August 2021	Sitting fee	\$12,500
	Independent Chair	Megan McCracken	August 2021 to June 2022	Sitting fee	\$20,025
Westport Taskforce Steering Committee	Member	Ross Love	July 2021 to June 2022	Time-based	\$7,490
	Member	Ian Shepherd	July 2021 to June 2022	Time-based	\$4,669

Other Legal Requirements

Advertising

As required under section 175ZE of the *Electoral Act 1907*, the following statement relates to advertising expenditure, which includes creative development, media placement, and direct mail.

Expenditure	Organisation	Amount (\$)	Total (\$)
Advertising	ASB Marketing Pty Ltd	\$7,832	
	Broome Boat Shop	\$218	
	Cooch Creative Pty Ltd	\$7,425	
	Campaign Monitor Pty Ltd	\$1,641	
	Facebook	\$466	
	Funky Mojo Creative Printing	\$136	
	Go Graphics	\$5,920	
	Initiative Media Australia Pty Ltd	\$1,121	
	Wholesale Promotions Warehouse Pty Ltd	\$4,800	
	Kolors Pty Ltd (Kimberley Kolors)	\$2,400	
	Koolfro Pty Ltd	\$235	
	Metrix Consulting Pty Ltd	\$199	
	Printing Ideas	\$368	
	Public Transport Authority of Western Australia	\$733	
	Quality Press WA	\$580	
	Shire Of Exmouth	\$46	
	State Law Publisher	\$401	
	Tateys Fishing World	\$106	
	The Brand Agency	\$423,828	
	The Horse And Hound Agency Pty Ltd	\$22,727	
Market research	Metrix Consulting Pty Ltd	\$178,730	\$410,681
	Painted Dog Research Pty Ltd	\$231,951	
Polling	-	-	-
Direct mail	-	-	-
Media advertising	Advance Press (2013) Pty Ltd	\$150	\$2,454,836
	Facebook	\$4,546	
	Initiative Media Australia Pty Ltd	\$2,435,067	
	JB Hi-Fi Commercial	\$5,593	
	Swift Digital	\$9,480	
Grand total			\$3,346,699

Advertising (continued)

Notes

Building for Tomorrow, a Transport Infrastructure information campaign, accounts for the total costs from The Brand Agency \$423,828, Metrix market research amount \$68,200 and \$2.36 million of media advertising from Initiative.

\$73,565 of Initiative Media Australia Pty Ltd costs relate to Regional Airfare Zone Cap Scheme marketing, the small remainder of \$653 covers other smaller initiatives. The Horse and Hound Agency provided creative services for the launch of the Regional Airfare Zone Cap scheme totaling \$22,727.

Costs from Metrix Consulting Pty Ltd totaling \$110,729 relate to market research (transport systems perceptions and sentiment tracking) and marketing for Public Transport Optimisation initiatives.

The Painted Dog Research costs relate to community travel surveys. These surveys capture representative community views and perceptions on transport issues, concerns and opportunities to inform the development of Mitchell Freeway and Fremantle Railway from the PSP Program.

The remainder of the media advertising costs relate to the 'Your Move' social media campaign and other smaller campaigns.

Unauthorised use of credit cards

DoT employees hold corporate credit cards (purchasing cards) where the functions of their role warrant usage of this facility. Every cardholder is reminded of their obligations annually under the Department's purchasing card policy. The usage is detailed in the tables below.

	2021-22
Number of instances the purchasing card has been used for personal use	38
Number of referrals for disciplinary action instigated during the reporting period	Nil

	\$
Aggregate amount of personal use expenditure for the reporting period	1218
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	522
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	696
Aggregate amount of personal use expenditure outstanding at balance date	Nil



Creating a Values-Driven Organisation

Future Ready Workforce update

The development of a values-driven, future-focused and adaptable leadership team, in conjunction with building an inclusive and safe workplace, was a key part of the Future Ready Workforce (FRW) program in the 2021-22 reporting period.

With Corporate Executive support, a project group was established to co-design a consistent process, guiding principles and tools to equip leaders and employees to work flexibly while staying connected and deliver on the Department's operational and strategic priorities.

Flexible working arrangements include working from different locations, which could be government and DoT hubs as well as working from home. Developing a consistent approach to flexible working ensures staff can participate in transparent, fair and inclusive conversations about flexible working arrangements.

In late-2021, a performance program aiming to evolve how performance conversations are enabled at DoT was established. This included the implementation of a digital performance management solution, which will be rolled out in the second half of 2022.

At a glance

300+

Staff have undertaken behavioural profiling combined with individual or group coaching to raise self-awareness, emotional intelligence and improve communication and teambuilding.

Creating a values-driven organisation

A cultural survey was undertaken in 2021 to guide actions towards a values-driven organisation, following an initial survey in 2019. Results showed significant progress towards achieving the desired culture, most notably a shift towards greater work-life balance and the need for continued focus on open communication and creating clear direction.

More than 200 leaders gathered at the Leadership Summit in November 2021 to reflect on the cultural survey results and to create deeper meaning and understanding around DoT's purpose, Empowering a Thriving Community. Leaders also provided input into shaping a new set of values.

The Values-Driven Leadership Development Program for all DoT people leaders continued, creating greater alignment and understanding across the organisation.

Workforce Inclusion and Diversity Plan

The key purpose of the DoT Workforce Inclusion and Diversity Plan 2021–23 is to embed a culture of inclusion within DoT, where all employees have the opportunity to do their best and feel a sense of belonging. Covering a range of diversity areas, the plan is an embodiment of the Department's corporate values. Areas of focus include women in the Senior Executive Service (SES), a youth program that encourages people aged 24 years and under into the organisation, and a program for Aboriginal people.

Hosted by the Public Sector Commission WA (PSC), the Solid Futures Aboriginal Traineeship Program provides a career pathway for motivated Aboriginal and Torres Strait Islander people aged 24 years or younger in the public sector. The program includes formal training, mentoring and paid employment for participants while completing a Certificate III in Government. DoT hosted five Aboriginal trainees throughout the reporting period. Trainees held positions in the Perth Metropolitan area and in Broome.

The Workforce Inclusion and Diversity Plan aims to:

- » Develop a future-ready workforce that is reflective of our community and ready and responsive to our evolving business needs.
- » Be inclusive of culturally and linguistically diverse (CALD) people, people with disabilities and people of diverse sexualities and gender.

Key achievements in 2021–22 included:

- » The start of DoT's LGBTQIA+ Reach-out Pride group and Aboriginal Yarning Circles lean-in groups. These groups discuss leading change within the organisation and positively influencing the Pride and Aboriginal communities within DoT.
- » The Department's Corporate Executive endorsed the Aboriginal Engagement Plan for Gainful Employment in May 2022. The intent of the three-year plan is to engage, collaborate and participate with Aboriginal agencies and staff to develop a culturally safe workplace and increase the number of Aboriginal staff.
- » Partnerships have been developed with University of Western Australia, Curtin University and the University of Notre Dame establishing pathways of employment into the public sector. During this time, DoT provided placements for 32 students to assist with the development of critical skills and experience.
- » In collaboration with Dress for Success Perth and Empower Hour for International Women's Day, staff had the opportunity to pledge one hour of their pay to directly help a woman on her path to employment and financial security for herself and her dependents.
- » Celebrated and acknowledged significant events including National Reconciliation Week, Harmony Week, International Women's Day, Mental Health Week, Pride Month and many others.



Employee development

Key achievements in 2021–22 included:

- » DoT staff participated in more than 9,500 training courses, which included training on DoT systems, finance and procurement, inclusion and diversity, and leadership and management.
- » Staff completed 8,915 online compliance-based training courses and 181 staff members attended Welcome to DoT sessions which provides an induction for new starters and an opportunity to meet senior leaders.
- » DoT developed an online integrity training program in alignment with the Integrity Strategy for WA Public Authorities 2020–23. In 2021, 1,597 DoT employees, including contractors, completed the training, which is now mandatory for new staff.
- » As part of onboarding, 241 staff members completed the Accountable and Ethical Decision Making training. This program familiarises staff with the Western Australian Public Sector Code of Ethics and their responsibilities regarding accountable and ethical decision making.
- » Delegations of Power and Conflict of Interest training was launched in May 2022. In this reporting period, 140 staff members at level six and above have attended the training with more than 300 participants scheduled to attend in the second half of 2022.

- » With the introduction of the new *Work Health and Safety Act 2020* and Codes of Practice in Western Australia, DoT prioritised learning for all managers and staff to understand the changes and their obligations. From 1 March to 30 June 2022, 235 managers completed the WHS for Managers training and 1,323 staff member across DoT completed the WHS Training.
- » The Everyday People Manager Program was created to focus on common people management matters. The first module, Decision Making, was delivered to Regional Customer Service Managers (CSMs) at the annual 2021 conference. From across the State, 14 CSMs participated in the program to understand how decisions as managers impact people and outcomes across DoT.
- » A refreshed People Managers Program commenced, provided by Scope Training. As a nationally accredited Certificate IV in Leadership and Management, the program supports the ongoing development of quality management and leadership capabilities of staff. Two cohorts, totalling 87 managers, completed the program in the 2021–22 period, and a third cohort is due to commence the program in July 2023.

32

University students were provided with DoT placements to assist with the development of critical skills and experience.

Access and Inclusion

The DoT internal Access and Inclusion Committee monitors the implementation of the Disability Access and Inclusion Plan (DAIP), Reconciliation Action Plan (RAP), Multicultural Plan and Workforce Inclusion and Diversity Plan and achievements are highlighted three times a year in the Access and Inclusion Communiqué published on DoT's website and intranet.

Disability Access and Inclusion Plan

Key achievements in 2021–22 included:

- » Raised employees' awareness on the benefits of diversity, as well as how to prevent and respond to racism and discrimination through:
 - » key messages on diversity and inclusion communicated via the Workforce Inclusion and Diversity Plan, including presentations to business units;
 - » quarterly dashboards prepared for each business unit depicting employee numbers across diversity groups. People and Culture business partners discuss these quarterly with leadership teams to identify next steps, gaps and support needs; and
 - » anti-discrimination and equal opportunity training and cultural competency training assigned to all employees to complete, with a current completion rate of above 99 per cent.

- » Complaints Management Policy and Procedure has been reviewed and retitled to Customer Feedback Management Policy and Procedure, which now includes suggestions and compliments. They provide feedback mechanisms that are accessible and flexible to suit all customers including people with different needs and people who may require assistance.
- » Quarterly dashboard reports are reviewed to monitor workforce diversity status and develop strategies to enable DoT to move toward a workforce that mirrors the diversity of Western Australia's community.
- » External agents and contractors who interact with the public on behalf of DoT are surveyed annually on their contribution to the DAIP. In March 2022, DoT provided them with opportunities to help shape the new Portfolio DAIP 2022–27.
- » Contract management training continued and includes information regarding DAIP and contractor responsibilities regarding the provision of services to people with disability.

In partnership with Transport Portfolio partners Main Roads and Public Transport Authority, DoT is developing a Transport Portfolio Disability Access and Inclusion Plan (DAIP) 2021–22 to improve opportunities and outcomes for people with disability and their families and carers.

The draft plan is aligned to the State Disability Strategy 2020 and includes actions relevant to the Portfolio. The Portfolio DAIP will be complemented by agency DAIP Implementation Plans that will capture agency specific actions to address the strategies identified.

DoT is committed to providing access to its facilities, information and services to all Western Australians in a fair and non-discriminatory manner, including people with disability, their families and carers.



Reconciliation Action Plan

Key achievements in 2021–22 included:

- » The Transport Portfolio confirmed its commitment to maximising opportunities for engagement and capacity building for Aboriginal and Torres Strait Islander employees and businesses across its operations and projects.
 - New business and employment targets announced by the State Government for Aboriginal and Torres Strait Islander people on the State's major transport infrastructure program committed the portfolio to awarding \$700 million of contracts to Aboriginal businesses and 3.5 million work hours completed by Aboriginal workers over five years to June 2026.
- » DoT partnered with the South West Development Commission for delivery of the Transforming Bunbury's Waterfront Project. Stage 3.1 of the project commenced and included the development of an Aboriginal engagement strategy which outlines:
 - » engagement of local Aboriginal companies through head contract and subcontract arrangements;
 - » employment of local Aboriginal people with DoT contractors and subcontractors; and
 - » acknowledgement of Aboriginal heritage and place making.

- » The Portfolio committed to Noongar place names celebrated at future rail stations. METRONET has identified the Noongar place name for half of the State's new stations. The initiative is part of the METRONET Gnarla Bidji (Our Pathways) Strategy and plays a role in acknowledging the traditional and ongoing connection of Noongar people to Country, as well as celebrating Noongar language across the METRONET program.

Each identified Noongar place name will be incorporated into new stations across METRONET projects through design, public art, landscaping and interpretive signage. Noongar consultants were engaged to help identify the appropriate place names and their meanings by reviewing existing information and consulting with Elders on the METRONET Noongar Reference Group. Where appropriate, these place names were then confirmed with local community groups.

Work has commenced on the remaining stations.



- » DoT co-hosted a joint agency NAIDOC week event in Perth to celebrate the history, culture, and achievements of Aboriginal and Torres Strait Islander people. Master of Ceremonies Michelle Rosenberg from the Small Business Development Corporation shared her experiences surrounding the stolen generation, separation from family and the importance of connection to Country and culture for Aboriginal people. The event included a Welcome to Country from Whadjuk/Ballardong elder Sandra Harben and a keynote address by Noongar author and storyteller Alton Walley. Participants also engaged in an interactive dance performance by Corroboree for Life, an art workshop and a native bush food-inspired morning tea by Boronia Catering.
- » While there were some impacts to services due to COVID-19, DoT officers continued visits to remote communities, with around 249 visits across 78 locations undertaken in 2021–22. Through these visits:
 - » 371 driver's licences were issued, reissued or transferred;
 - » 315 driver's licences were renewed;
 - » 313 theory tests and 445 practical driving assessments were conducted across all licence classes;
 - » 466 learner's permits were issued or reissued; and
 - » 295 vehicle licensing activities were conducted.
- » In November 2021, executive members from DoT and Main Roads attended a finale event hosted by Sister Kate's Home Kids Aboriginal Corporation to celebrate the success of the Cultural Awareness Training presented by the two agencies as part of their reconciliation journey.

At a glance

900+

Staff have taken part in the Connecting People with Culture and Country sessions held at Mariginiup (since 2019).

These sessions have given staff the opportunity to better understand the challenges faced by Aboriginal and Torres Strait Islander people and businesses, and the importance of providing sustainable opportunities to participate in the state's economy.

The fantastic response to the training has strengthened the Portfolio's vision for reconciliation by fostering cultural respect and building relationships with Aboriginal and Torres Strait Islander people. This has also ensured that workplaces, information and services are inclusive and accessible to all Western Australians.

- » The Regional and Remote Services team continues to use Facebook to highlight positive outcomes for Aboriginal people achieved through community service visits to Ringer Soak, Wyndham, Kulumburu, Tjuntjuntjara and Cosmo Newberry. In the reporting period, these social media posts reached an average of 3,636 people, with the most popular regional post about a Tjuntjuntjara Community customer seen by almost 61,000 people.

Looking ahead, DoT will continue working with Reconciliation Australia to finalise its new RAP 2022–25, which outlines several actions and deliverables that will continue to strengthen relationships and improve outcomes for Aboriginal and Torres Strait Islander people.

Compliance with Public Sector Standards and Ethical Codes

DoT is committed to promoting and sustaining the highest standard of ethical behaviour in the workplace. The DoT has numerous initiatives, policies, processes and systems in place to ensure the highest standards of ethical behaviour is displayed at all times.

During 2021–22, DoT's activities to achieve compliance with public sector standards and ethical codes included:

- » A values survey to gather feedback from employees to understand areas affecting organisational performance and culture.
- » Action on employee feedback to evolve human resource management policies and procedures to enhance employee experience.
- » Fostered a culture of integrity through our DoT values, conduct and standards, encouraging a "speak out" culture towards reporting alleged misconduct.
- » Strengthened our response in the way that we address to TRELIS misconduct matters.

- » Provided education and training to people managers and employees to enable a clear and focused response to integrity breaches.
- » Business units developed targeted people plans, incorporating desired values, behaviours and relevant development opportunities to sustain the quality of ethical standards.
- » Addressed allegations of misconduct in a timely and responsible manner.

Compliance issues

Four Breach of Standard claims relating to the Employment Standard were received in 2021–22. One claim was dismissed by the Public Sector Commission and three claims were withdrawn following actions taken by DoT.

In 2021–22, eight cases of non-compliance with Code of Ethics/Code of Conduct and 11 cases of unlawful access to TRELIS were reported and investigated. Nine cases were substantiated with disciplinary outcomes issued.



Better recordkeeping

DoT is committed to continuously improving its recordkeeping culture, tools and practices to ensure compliance with the *State Records Act 2000* (the Act) and best business outcomes for the Department. The following information is provided in accordance with the State Records Commission Standard 2, Principle 6.

On 16 November 2021, the State Records Commission approved the revised DoT Functional Disposal Authority 2021-003.

A full review of the DoT Record Keeping Plan will be undertaken and submitted to the State Record Commission for approval prior to 24 October 2022.

Efficiency and effectiveness of the Department's recordkeeping system

DoT's corporate Electronic Document and Records Management System (EDRMS) is Objective. All DoT staff have access to Objective, enabling them to capture and manage records in line with agency policies and procedures.

In addition to Objective, business-specific systems are in place across DoT to capture both digital and hard copy records, enabling efficient and compliant recordkeeping throughout. DoT's Information Management Services (IMS) branch works closely with business areas to provide advice and review processes to progress to a fully digital recordkeeping environment.

During 2021–22 DoT's Information Classification system was progressively deployed across the organisation. It is complemented by online training available for all staff that provides clear guidelines around the handling of DoT information according to sensitivity and the sharing of this information to support multi-agency service delivery.

Recordkeeping training and induction programs

DoT's online Recordkeeping Awareness Training (RAT) is mandatory for all staff and contractors and covers their obligations to comply with both internal recordkeeping policies and procedures, as well as the Act.

All new employees, including contractors, are automatically enrolled in the course as part of DoT's on-boarding process. As of 30 June 2022, 96.2 per cent of those enrolled had completed the course.

Assessment of the course is integrated into the online module and feedback provided is monitored and reviewed. Course content is regularly assessed to ensure it continues to encompass prevailing operational and administrative practises and processes.

DoT's employee induction program includes information on recordkeeping responsibilities and the use of Objective. This assists employees in understanding how to create, manage, maintain and use government records in line with DoT policies and procedures.

Online Objective training is assigned to all new employees and is complemented with one-on-one training, and workgroup training as required by business units.

Training effectiveness

The effectiveness of DoT's recordkeeping training is reflected in the use of Objective and the maturity of recordkeeping practices across all areas of DoT. This is evidenced by the increasing number of corporate documents stored and managed in Objective, and is reinforced by positive feedback from employees.

Government Policy Requirements

Substantive equality

DoT is committed to achieving Substantive Equality in service delivery and employment for the diverse Western Australian community. DoT continuously looks for opportunities to improve access and outcomes for people with different needs.

Key achievements in 2021–22 included:

- » The Graduated Driver Training and Licensing (GDTL) System needs impact assessment was completed in June 2011, with 17 recommendations. Since that time:
 - » Eleven recommendations have been implemented.
 - » Five recommendations are no longer supported.
- » The final following recommendation is currently being progressed:
 - » Recommendation 4 – Limit the period that a visitor can drive on their overseas licence to six months, subject to verification of a road safety risk associated with 457 visa holders. (Note the subclass 457 visa was abolished in March 2018 and replaced by the Temporary Skill Shortage visa).
- » DoT officers worked with the Road Safety Commission to refresh the Indigenous Drink Driving and Licensing Education kit, as well as developing targeted materials for remote communities. The kit has been converted to an app named 'Your Licence is Your Life' and was launched to the public in October 2021.
- » To identify trends and systemic issues, the Information Management team continued to forward complaints identified as possible Access and Inclusion issues to the Senior Governance and Policy Officer. The Ministerial team also forwarded ministerials regarding access and inclusion issues.
- » Officers delivered licensing and road safety messages as part of their community visits as well as engaging with schools and community groups.

Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) provides oversight and advisory on the effectiveness of DoT's corporate governance, including risk management, control processes and internal audit.

The ARMC was established by the Director General – Transport as the accountable authority under *Treasurer's Instructions 1201 Structure of the Internal Audit Function*, which requires accountable authorities to develop and maintain an effective internal audit function. The ARMC is an independent committee, accountable to the Director General.

The committee includes the following members:

- » Director, Major Projects Facilitation Office – Department of Planning, Lands and Heritage (Chair)
- » Director Finance Services, Finance and Contracts – PTA
- » Executive Director Regional Services – DoT
- » Appointed independent external member
- » Executive Director, Office of the Director General – DoT (ex-officio)

The ARMC met five times in 2021–22, with additional meetings held for committee members to consider the draft Internal Audit Plan, Internal Audit Charter and ARMC Terms of Reference.

Internal audit

The Internal Audit function operates under the approved Internal Audit Charter, providing an independent and objective assurance as well as consulting activity designed to add value to and improve the operations of DoT. The Charter is aligned with the Treasurer's Instructions and the latest advice from the Institute of Internal Auditors. The function enables DoT to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, controls, compliance and governance processes.

The Department's internal audits were conducted by PwC and DoT's Senior Internal Auditor, in accordance with the *Financial Management Act 2006* and Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.

The annual Internal Audit Plan is aligned with the Department's strategic objectives and risks and with a focus on core functions and key controls.

Internal audits conducted by DoT in 2021–22 included:

- » Recreational Skipper Ticket Framework
- » Driver and Vehicle Services Driver Compliance
- » Management of Regional Airfares Zone Cap
- » Payable Processing
- » Freight Industry Grant
- » Westport Program Review
- » Management of Disposal of Assets and Return of Leased Equipment
- » Financial Integrity Management
- » Cybersecurity Effectiveness Review and Red Team Testing
- » TRELIS System Access Health Check

Recommendations arising from internal audits are managed and monitored through DoT's Audit Recommendation Management System. The implementation status of these recommendations is reported on a quarterly basis to the ARMC.

Risk management

DoT is committed to ensuring a comprehensive risk management process that meets the requirements of *Treasurer's Instruction 825 Risk Management* and is aligned to the international standard AS/NZS ISO 31000 Risk Management.

The Department's structured risk management approach is integrated into management, planning and operational processes, and assists DoT to achieve its desired outcomes by providing a transparent process that identifies what is essential to success and demonstrates the decision-making process regarding the acceptance of risks.

DoT's business continuity management program is an integral part of risk management and enables DoT to effectively manage and respond to disruption risks that could impact the Department's ability to deliver its critical services.

Integrity framework

DoT is strongly committed to upholding the highest standards of integrity working continuously to further strengthen and embed our integrity culture.

DoT's Integrity Committee, a sub-committee under the Corporate Executive, continued to meet quarterly throughout 2021–22 to further strengthen and embed the Department's integrity culture. The Integrity Committee oversaw the implementation of activities within DoT's Integrity Strategy Implementation Plan 2020–23 and developed new strategies to enhance integrity.

The Department's Integrity Strategy Implementation Plan 2020–2023 is aligned to the State Integrity Strategy 2020–23 and includes actions identified using the Public Sector Commission's integrity self-assessment checklists. Implementation of actions are reported on a six-monthly basis to the Corporate Executive and the Audit and Risk Management Committee.

Online integrity training for all employees was launched in July 2021. The training aims to raise employee awareness and understanding of their responsibility to always act in the best interests of the WA community and state and contribute to strengthening and embedding integrity at DoT. It also assists employees to understand their role in preventing, detecting and responding to misconduct and report potential acts of misconduct occurred. As of 30 June 2022, 98 per cent of DoT employees had successfully completed the training.

The TRELIS Governance Working Group was established in September 2021 and is chaired by the Director Legal and Legislative Services to oversee implementation of recommendations from the Corruption and Crime Commission's report, '*A review of the Department of Transport's management of unlawful access to TRELIS*', August 2021'.

DoT established a new integrity hub on the intranet to provide a central point for all employees to access integrity information.

Delegations of Power and Conflicts of Interest training sessions commenced at DoT in May 2022. The training is mandatory for employees Level 6 and above. The training outlines employee responsibilities to understand and operate in accordance with their delegated authority and to identify, declare and manage conflicts of interest – for their own protection and to protect DoT and the public interest.

In addition, DoT updated its Conflict of Interest policy and procedure to strengthen conflicts of interest processes. The supporting resources, tools and scenarios will increase awareness and understanding of how to identify, when to declare conflicts of interest, and how to appropriately manage conflicts of interest – to protect the employee, DoT and the public interest.

WA Multicultural Policy Framework

DoT is committed to continuing to improve access and opportunities (including employment) for people from culturally and linguistically diverse backgrounds.

Key achievements in 2021–22 included:

- » Document for Travel To Australia (DFTTA) was added and published to the DoT Proof of Identity requirements for Category A 'Establishment of identity' – eliminating barriers experienced by customers with only a DFTTA as proof of identification. This barrier was identified as part of the external consultation when the Multicultural Plan 2021–23 was being developed.
- » DoT's commitment to diversity was communicated at facilitated employee and manager inductions as well as through online induction training. This includes Code of Conduct; Anti-Discrimination and Equal Opportunity; Sharing Culture (PSC); Diverse WA Cultural Competency Training and Sexual Harassment (Law at Work).
- » Customer Service Delivery has undertaken engagement with the culturally and linguistically diverse (CALD) community on how to obtain drivers licences and identity documents as part of its focus on community engagement.
- » DoT continued to seek nominations each term to place work experience students enrolled in the Settlement Language Pathways to Employment and Training Program.
- » DoT reported 97 per cent of staff completed the Diverse WA: Cultural Competency Training (Module 1: An introduction to cultural competence and Module 2: An introduction to language services).
- » A diverse representation of the workforce is included when People and Culture co-design solutions, for example the Future Ready Squads and Talent Management.

- » The digital style guide is being revised to include information about utilising culturally diverse imagery in our online channels.
- » A learning priorities approach has been developed based on input from the business (through people plans), best practice research and an analysis of the uptake of current learning programs. Required training opportunities to build capability include recruiting for diversity and unconscious bias awareness.
- » DoT celebrated Harmony Week in March 2022 by encouraging employees to gather virtually to acknowledge the cultural diversity of their teams and sharing staff stories across internal and external communications channels.

Work, health, safety and injury management

Commitment to work, health, safety and injury management

DoT is committed to achieving a standard of excellence in work, health and safety management, adhering to its corporate legislative responsibility to provide a safe and healthy work environment for all staff, contractors, customers and visitors. DoT is committed to building a values-driven culture, empowering all employees to place a high level of importance on safety beliefs, values and attitudes, enabling a culture where safety practices are considered business as usual.

In readiness for the new WHS legislation, DoT audited its safety management system to ensure alignment with relevant health and safety management system specifications (including the AS/NZS ISO 45001:2018), its core principles of relevant legislation and the DoT risk profile.

DoT has an established injury management (IM) program, detailing the steps taken to assist injured employees to return to work as soon as medically appropriate. The Department's IM procedure complies with the *Workers' Compensation and Injury Management Act 1981* and the *Code of Practice (Injury Management) 2005*.

Formal mechanism for consultation with employees on occupational safety and health and injury management matters

Employees can access WHS and IM information through DoT's WHS Management System. WHS and IM information is widely communicated to employees and people managers during their induction. WHS information is also provided through the various WHS subcommittees.

Compliance with the injury management requirements of the Workers' Compensation and Injury Management Act 1981, including the development of return-to-work plans

DoT has a strong focus on early intervention and return to work. People leaders are trained in the importance of good injury management and return to work procedures, with the purpose of promoting a supportive, productive and positive workplace.

As of 30 June 2022, DoT has 20 open workers' compensation claims, of which 11 claimants (55 per cent) were back at work.

Continuous improvement of occupational safety and health management system

The DoT WHS Management System was audited in December 2020 by Price Waterhouse Coopers (PwC), utilising both the AS 4801 and ISO 45001 Audit Tools. PwC identified the following recommendations for improvement:

- » Implementation of efficient contractor management practices.
- » Review WHS resources to enable the new WHS legislation and compliance with the new ISO 450001 standard.
- » Development of a transition plan to implement the new WHS legislation.
- » Align safety management system from AS 4801 to the new ISO 450001 standard.

DoT commissioned a full operational service delivery review of the strategic, execution and enabling drivers of the WHS team in March 2022.

This involved reviewing the resources and the safety management system to enable WHS to effectively align to the new WHS legislation and International Safety standard. The review considered the greater People and Culture strategic plan and the Department's future WHS service offering and operating model.

WHS training

WHS and IM training programs were undertaken on site and remotely via video conferencing and Microsoft Teams throughout the 2021–22 reporting period with the following results:

- » 85 per cent of people leaders were trained on their responsibilities under the *Occupational Safety and Health Act 1984* ("OSH Act") and *Workers Compensation and Injury Management Act 1981* ("IM Act).
- » 792 employees attended Mental Health Awareness sessions to discuss the importance of early intervention, how to seek help and to support others facing mental health concerns.
- » People leaders completed the WHS for Managers course, which informed on the new *Work Health and Safety Act 2020* (WHS Act), new safety obligations and strategies to ensure a safe workplace.

WHS achievements and new initiatives

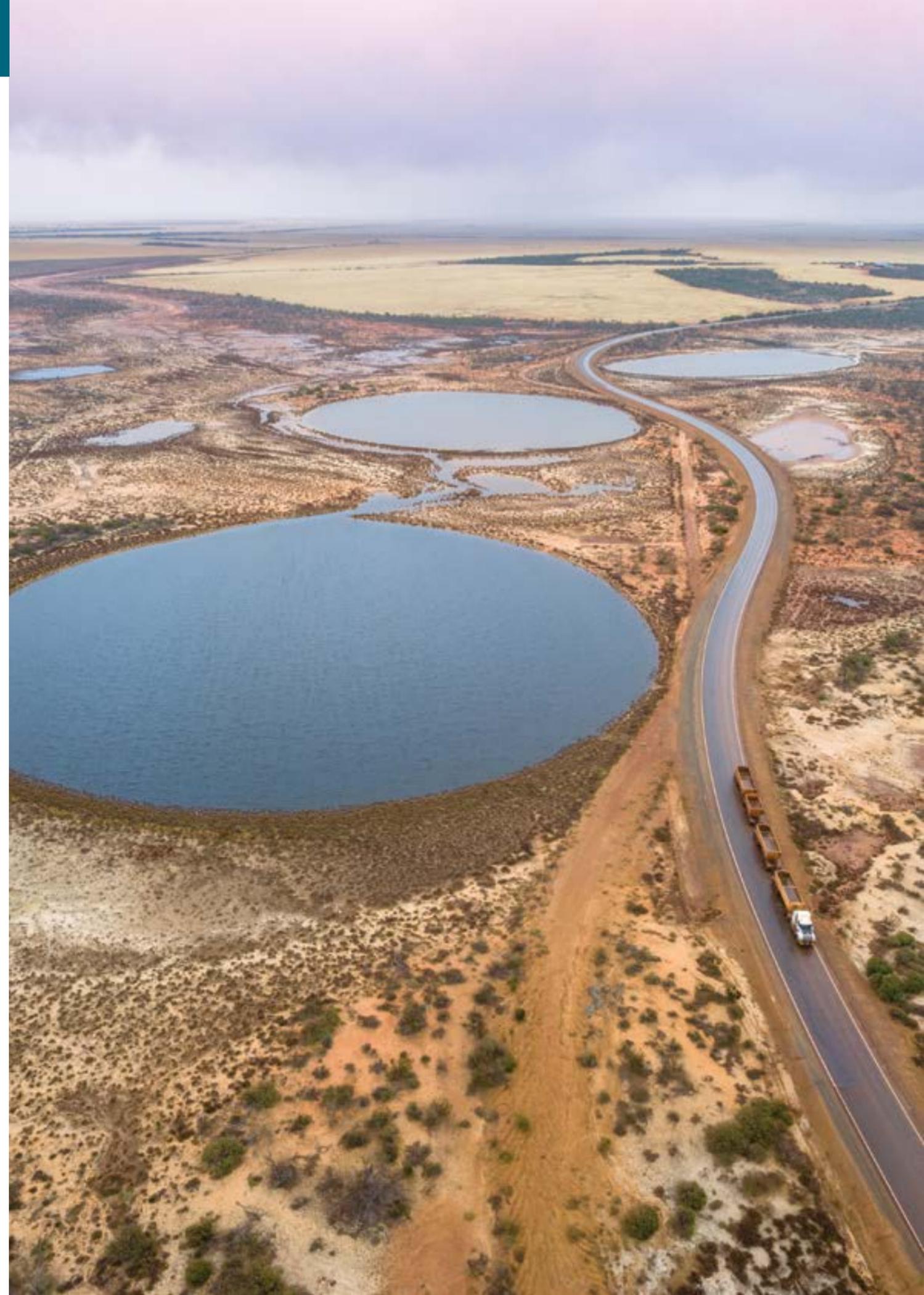
In 2021–22, DoT reported the following achievements and activities:

- » Developed a Thriving@DoT strategy adopting an integrated approach to mental and physical wellbeing. Initiatives included diversity and inclusion, cultural action plans, Employee Assistance Program (EAP) engagement, performance conversations, job design, learning offerings, talent management and mental health awareness and psychological safety training sessions.
- » Launch of the Mental Health First Aider Program occurred, with 28 employees trained.

DoT WHS and Injury Management performance is demonstrated in the table below:

Measure	2019–2020	2020–2021 ¹	2021–2022	Target	Comments towards Targets
Number of fatalities	0	0	0	0 (zero)	Target achieved.
Lost time injury and/or disease incidence rate	0.63	0.67	0.79²	0–10% reduction in incidence rate	Target not achieved. There were 12 LTI claims in 2021–2022 compared to 10 LTI claims in 2020–2021 and 9 claims in 2019–2020.
Lost time injury and/or disease severity rate	0%	20%	25%³	0–10% reduction in severity rate	Target not achieved. There were three severe injuries (60 days or more lost from work) in 2021–22 compared to two in 2020–2021.
Percentage of injured workers returned to work within 13 weeks	100%	80%	83%⁴	Greater than or equal to 80% return to work within 13 weeks	Target achieved. 10 LTI claims lodged in 2021–22 returned to work within 13 weeks.
Percentage of injured workers returned to work within 26 weeks	100%	90%	92%⁵	Greater than or equal to 80% return to work within 26 days	Target achieved. 11 of the 12 LTI claims lodged in 2021–22 were back at work to full hours and full duties within 26 weeks.
Percentage of managers trained in occupational safety, health and injury management responsibilities	87%	85%	85%⁶	Greater than or equal to 80%	Target achieved.

1. Results sourced from DoT Annual Reports 2019–20 and 2020–21.
2. There were 12 lost time injury (LTI) claims lodged in 2021–22, while the number of full-time equivalent employees in DoT was 1,520.
3. There were 3 workers compensation (WC) claims lodged in 2021–22 with greater than 60 days or more lost from work.
4. There were 10 WC claims with registered LTIs returned back to work within 13 weeks.
5. There were 11 WC claims with registered LTIs returned to work within 26 weeks.
6. 303 of the 357 managers in DoT have completed WHS and IM training.



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