Department of Corrective Services

annual report 2006-07
This report provides information on the financial and operational performance of the Department of Corrective Services for the 2006–07 financial year.

The report contains details of the Department’s achievements and challenges for the year that are relevant to its service outcomes. The information is presented online in an easy-reference PDF format.

Material in the report is subject to copyright and should not be reproduced without the consent of the Department.

CONTACT:
Media and Public Affairs
Department of Corrective Services
Level 8, 141 St Georges Terrace
PERTH WA 6000
Telephone: 9264 1832
Fax: 9264 1522
Email: pubaff_dcs@correctiveservices.wa.gov.au

HON MARGARET M QUIRK MA LLB (HONS) MLA
MINISTER FOR CORRECTIVE SERVICES
In accordance with the Financial Management Act 2006, I hereby submit for your information and presentation to the Parliament of Western Australia, the Annual Report of the Department of Corrective Services for the financial year ending 30 June 2007.

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

Ian Johnson
Commissioner
Department of Corrective Services
24 September 2007
Contents

FROM THE COMMISSIONER ................................................................................................................................. 4
EXECUTIVE SUMMARY ........................................................................................................................................ 5
DEPARTMENT PROFILE .......................................................................................................................................... 8
  Corporate Structure............................................................................................................................................. 8
  About us............................................................................................................................................................ 9
  Corporate executive team .................................................................................................................................. 9
  Strategic Plan................................................................................................................................................... 12
  Performance against the Government’s strategic goals ..................................................................................... 13
  Operating locations........................................................................................................................................... 14
  Collaboration with other Government agencies ............................................................................................... 15
REFORM PROGRAM ............................................................................................................................................... 18
SIGNIFICANT ISSUES AND TRENDS .................................................................................................................. 20
THE YEAR IN BRIEF ............................................................................................................................................. 22
  Financial highlights......................................................................................................................................... 22
  Adult Custodial.................................................................................................................................................. 23
  Community and Juvenile Justice ..................................................................................................................... 24
  Offender Management and Professional Development ................................................................................... 25
  Professional Standards.................................................................................................................................... 26
  Corporate Support............................................................................................................................................ 27
  Strategic and Executive Services ..................................................................................................................... 28
  Awards and commendations ............................................................................................................................. 29
  Adult Custodial.................................................................................................................................................. 30
REPORT ON OPERATIONS .................................................................................................................................... 30
  Community and Juvenile Justice .................................................................................................................... 39
  Offender Management and Professional Development .................................................................................. 44
  Professional Standards..................................................................................................................................... 49
  Corporate Support.......................................................................................................................................... 53
  Strategic Executive Services ........................................................................................................................... 56
FINANCIAL STATEMENTS ..................................................................................................................................... 58
KEY PERFORMANCE INDICATORS (KPIS) ........................................................................................................... 92
OTHER FINANCIAL DISCLOSURES .................................................................................................................... 100
  Pricing policies of services provided ............................................................................................................ 100
  Major capital projects..................................................................................................................................... 100
  Our people....................................................................................................................................................... 103
GOVERNANCE DISCLOSURES .......................................................................................................................... 108
  Conflict of interest ......................................................................................................................................... 108
  Enabling legislation.......................................................................................................................................... 108
  Compliance with legislation ............................................................................................................................ 108
OTHER LEGAL REQUIREMENTS ....................................................................................................................... 109
  Advertising...................................................................................................................................................... 109
  Disability access and inclusion ......................................................................................................................... 109
  Equal employment opportunity ....................................................................................................................... 111
  Compliance with public sector standards and ethical codes ......................................................................... 112
  Information management ............................................................................................................................... 114
COMPLIANCE WITH GOVERNMENT POLICIES .............................................................................................. 116
  Corruption prevention ................................................................................................................................... 116
  Substantive equality ....................................................................................................................................... 116
  Sustainability .................................................................................................................................................. 116
From the Commissioner

After a turbulent but exciting period of change, it is satisfying to reflect on the past 12 months and realise the emergence of a strong, relevant and competent organisation that is clearly moving forward.

The Department of Corrective Services’ role in the justice system is essential for ensuring a safe and secure community. However, there are risks associated with corrections that can never be totally eliminated and will always influence the way services are delivered. It is our job to reduce the likelihood and consequences of these risks, particularly where the safety of staff and the community are concerned. This is not an easy task.

Our first six months of operation centred around stabilising the State’s correctional services and maintaining service continuity. The phase was about ‘restoring the balance’ to bring stability to, and confidence in, our workforce and the services we deliver. We were able to address key areas of organisational style, structure and standards and focus on issues relating to leadership, staff safety, security, offender management and corporate governance.

2006-07 has been about ‘building the foundation’ for a credible organisation – one that understands its place in the community, its business and most importantly, its workforce. We have worked diligently to implement a diverse reform program and to re-establish the Department as a stable, independent and high-functioning organisation that can effectively balance the demands of justice, politics and the community.

For every challenge the Department faced this year, there are many more achievements that worked to balance these demands and at the same time, build a culture of organisational resilience and pride.

I am confident that our future as a credible and responsible organisation is clear and that we are well-equipped to tackle the opportunities and challenges ahead to service the needs of offenders and restore community confidence in the State’s corrective services.

Ian Johnson
Commissioner
Department of Corrective Services
24 September 2007
The 2006–07 financial year represents the Department of Corrective Services’ first full year of reportable operation.

Early in the year, the Department’s focus was on completing the transition of those services still shared with the Department of the Attorney General and on delivering a corrections organisation that matched world’s best practice. As the year progressed, substantial achievements began to emerge in critical areas of the Department’s operations and policies.

During significant change, external factors and reform fatigue can impede efforts. However, the commitment and determination to provide a safe and secure community is at the forefront of all levels of the Department’s leadership and it is pleasing to report that momentum for change is building and significant progress has been made.

REFORM PROGRAM
The need to rebuild community confidence and better manage the welfare of staff and offenders alike were central to the reform process this year. Significant reform achievements included:

• Enhanced departmental performance and accountability
• Greater safety for the community and Corrective Services staff
• Improved offender assessment, classification and case management
• Upgraded infrastructure
• Benchmark workloads for staff
• Emphasis on training and development
• Revising of outdated legislation.

The continued stability of these reforms is ensured through changed leadership, organisational styles and service philosophy.

LEADERSHIP
The Department’s inaugural executive team was appointed in October 2006. The seven-strong team provides a wealth of local, national and international expertise to support the outcomes of the Department and lead its diverse workforce.

Leadership development across the Department was identified as a priority focus for long-term sustainability. A leadership development program was created to identify potential leaders from across the Department and provide them with relevant management and supervisory skills.

STRATEGIC PLAN
The Department’s first strategic plan was released in 2006, providing a clear plan for the organisation for the next two years. The plan articulates our mission, outcome and values as well as our reform priorities and key result areas. It also summarises the key objectives and strategies and the measures we will use to test the success of our work.

CONTINUOUS IMPROVEMENT
Initiatives for continuous improvement and monitoring were introduced this year to assist the Department’s transformation. New reporting processes provide clear direction, reporting controls and resource management guidance, while a new framework to guide organisational performance, compliance monitoring, audit and risk management processes is being developed.

LEGISLATION
New legislation allowing changes to prison operations and offender management came into effect on 4 April 2007. The Prisons and Sentencing Legislation Amendment Act 2006 amended the Prisons Act 1981 and the Sentence Administration Act 2003. It is the first of two stages in the development of a corrective services act that will enable the Department to better manage offenders in Western Australia.

Changes under the Act largely provide for clearer, simpler and more flexible guidelines to improve offender management and prisoner rehabilitation. Several changes also promote the interests of victims of crime and the safety of the community.

Most of the changes will have little impact on the day-to-day running of the State’s prisons and community justice services, but will affect the way specific functions and policies are carried out within these environments.
Executive summary

STAFF

Substantial progress was made in managing staffing levels and issues this year, despite the Department having to compete in a tight local labour market.

Statewide challenges in recruiting and retaining staff led to the preparation of a number of high-level recruitment campaigns and strengthened our focus on training and workplace practices. More than 130 additional staff were appointed across all areas of the Department, particularly in prisons and community justice services offices.

Services at our training academy in Bentley were boosted during the year. Improvements were made to the building and grounds, resources were updated and new courses were introduced to cater for the training needs of staff in all areas of the Department, including those working in prisons and community justice services. A number of corporate services were successfully transitioned from the Department of the Attorney General during the year. These included media and public affairs, ministerial liaison and freedom of information functions. The transition involved intensive planning and coordination to ensure the employment and welfare needs of staff were met and relevant service delivery continued with minimal interruption.

MANAGING OFFENDERS

This year, our prisons supported a record daily average adult prisoner population of 3,622.45 – a 5.5% increase from 2005–06. Reasons for the sharp rise include:

- the success of a number of police initiatives
- more imprisonment sentences for crimes against the person and driving and property offences
- an increase in the number and proportion of prisoners held as unsentenced prisoners
- a growing number of prisoners with medium and maximum-security levels, due to the more serious nature or crimes and changes to the security level allocation process.

The rate of Aboriginal imprisonment also continued to increase despite several initiatives over the past five years to address this problem.

While these numbers have stretched the staff and accommodation resources within WA’s prisons, they have also prompted debate in the community about the State's corrections system and the need for future planning.

Identifying potential options to address prison overcrowding and establish greater confidence in non-custodial sentences continued to drive policy work this year.

Significant reforms this year saw a revised approach to the case management of offenders and more strategic and innovative methods used to manage staff issues. Increased offender numbers and staffing issues did impact on the delivery of some programs for adult and juvenile offenders in custody and in the community at various times during the year. This resulted in restrictions being applied to when and where some programs were conducted.

Attention was also given to reducing the risks of re-offending by strengthening offender through-care practices to streamline the transition from prison to the community.

SAFETY AND SECURITY

A program of safety and security installation to improve staff safety within all of the State’s prisons was continued this year.

Security in prisons was improved with the creation of a Security Services directorate, the introduction of comprehensive security audits, enhanced intelligence capability and the establishment of an incident command post at head office.
Executive summary

Priority was given to completing security and safety upgrades in maximum and medium-security prisons, followed by minimum-security facilities. The removal of priority ligature (hanging) points at selected regional and metropolitan facilities and work on non-custodial areas, including the installation of viewing panels in doors and escape set locks, were completed. The progressive installation of a mobile staff duress system is scheduled to be completed in all prisons by the end of 2007.

Construction of perimeter fencing and the installation of associated security technology at Wooroloo and Karnet prison farms and repair work on the perimeter fence at the Eastern Goldfields Regional Prison were completed. Work also began on the upgrade of the Albany Regional Prison perimeter, and is set to be completed in late 2007.

COLLABORATION
The management of high-risk offenders and those with complex needs requires the tight coordination of multiple government and/or non-government agencies. The nature of our work and recognised corrections expertise place us at the forefront of many social service projects and networks. In 2006–07, we continued to strengthen our links with other Government and community agencies and established a number of new ones.

In previous times, secrecy provisions in various Acts sometimes impeded this work. However, provisions under the new Prisons and Sentencing Legislation Amendment Act 2006 permit the Commissioner of Corrective Services to more readily exchange information essential for the management of offenders in prison and in the community. This was a significant boost to the work of the Common Layer Party Project in cross-matching data from several agencies to identify and track a person through the criminal justice system. It also led to the signing of a memorandum of understanding with WA Police to share intelligence and expertise.

CORRUPTION PREVENTION
The Department took steps to build a corruption-resistant culture this year. A new corruption prevention strategy set 17 areas of reform to enhance the Department’s resilience to corruption over the next two years. The strategy addresses systemic as well as targeted corruption risk areas.

There is now a common understanding of corruption across the Department and frameworks for identifying corruption risk themes. Prevention plans will be implemented in all business areas in the coming year.

SUSTAINABILITY
The issue of sustainability was given more consideration in all divisions this year, as part of the Department’s plan for a stable and secure future. The Department’s Sustainability Action Plan provides practical guidelines on applying sustainability principles and new solutions to deliver better social, economic and environmental outcomes continued to be sought. Leadership development was identified as a priority focus and all new works follow sustainable design principles.
About us

The Department of Corrective Services began operating on 1 February 2006, after the former Department of Justice was separated into two agencies. The creation of the Department was a key recommendation of the independent 2005 Inquiry into the Management of Offenders in Custody and in the Community, conducted by The Honourable Dennis L Mahoney AO QC.

The Department is headed by Commissioner Ian Johnson and falls under the portfolio of the Minister for Corrective Services, the Hon Margaret M Quirk MLA.

The creation of the Department set a new direction for the management of offenders in Western Australia and in ensuring community and staff safety and security.

The core functions of the Department are to:

- manage adult and juvenile offenders in custody and in the community in accordance with court orders, community standards and crime prevention
- develop offender management policy in Western Australia
- assist victims of crime with reparative and protective mediation and notifications.

Some transactional corporate services – such as human resources and finance – continue to be provided to the Department through the Department of the Attorney General, while they wait to be fully transferred.

Corporate executive team

The Department’s first corporate executive team was appointed in October 2006. The team provides a wealth of local, national and international expertise to support the core functions of the Department.

IAN JOHNSON – Commissioner

Ian Johnson has a long and varied career in the justice system. Before joining the Department in April 2005, he worked for the WA Police for 29 years and reached the rank of Assistant Commissioner.

Mr Johnson is focused on the safety and security of those who work in prisons and the community, and those in the care of the Department. He is committed to increasing public awareness and understanding of the corrections system, and the rehabilitation of offenders to enable them to return to the community.

Mr Johnson is a graduate of the FBI National Academy (1995), the Police Executive Leadership Program (2002) and holds a Graduate Diploma in Business (Management).
Department Profile

ROGER HOLDING – Deputy Commissioner Adult Custodial Services

Roger Holding has a career in corrections spanning 23 years in both the public and private sectors in the United Kingdom and Australia. Mr Holding took up his position with the Department of Corrective Services in 2006. Previously, he worked with ACT Corrective Services to design the Territory’s first prison and develop its operation and the planning required for its commissioning.

Mr Holding was attracted to Western Australia because of the many challenges facing correctional services. He is implementing a number of initiatives to improve the performance of Adult Custodial division’s delivery of services to prisoners and the working environment for prison staff.

Mr Holding holds a BA (Honours) in Politics and Economics and a Masters Degree in Business Administration.

HEATHER HARKER – Deputy Commissioner Community and Juvenile Justice

Heather Harker spent 30 years working in the criminal justice field in Britain before emigrating to WA in 2005. She was the Chief Probation Officer of the National Probation Service for England and Wales.

Ms Harker has a solid background in offender issues and management and diversity issues. She started as a probation officer in the late 1970s and has worked in juvenile justice, divorce court welfare, criminal court work, prisons and group work programs. She helped to introduce the UK’s accredited offending behaviour group program and electronic monitoring of offenders in Greater Manchester in the early 1990s.

Ms Harker chaired the first Criminal Justice Board for South Yorkshire, and the Strategic Management Board for the Multi Agency Public Protection Arrangements. She was also appointed to the first Lord Chancellors Sentencing Advisory Panel, which produced sentencing guidelines to the Court of Appeal and Sentencing Guidelines Council.

Ms Harker holds a BA (Honours) in Economic and Social History, a Diploma and Certificate of Qualification in Social Work, and a Diploma in Management Studies.

BARRY CRAM – Acting Deputy Commissioner Offender Management and Professional Development

Barry Cram joined the Department of Justice in 1998 to establish and lead a comprehensive reform program to improve the performance of the State’s prison system.

A number of the systems and processes present in the Department today had their origins in the program, including the Total Offender Management Solution (TOMS), the At Risk Management System, Prisoner Work Camps, the Leadership Development Program, and the Assessment & Classification System and Case Management.

Mr Cram has since held various senior positions within the Department including Director Business Management; Prison Services; and Director Court Security and Prisoner Transport.

Previously, Mr Cram worked as a teacher, clinical psychologist and management consultant specialising in public sector change management. He holds a Bachelor of Education, a Master of Arts in Psychology and a post-graduate Diploma in Clinical Psychology.

(Ms Jackie Tang is the appointed occupant to this position. She was on long service leave at 30 June 2007.)
IAN GILES – Assistant Commissioner Professional Standards
Ian Giles joined the Department in 2006, bringing with him more than 25 years experience with the WA Police where he gained management skills in a broad range of areas including frontline policing operations, project management, policy development and management training.

Mr Giles has been instrumental in establishing the Professional Standards division and to drive cultural change initiatives and business improvement practices to embed professionalism at all levels and functions throughout the Department.

Mr Giles holds a Bachelor of Business (Accountancy).

BRIAN YEARWOOD – Assistant Commissioner Corporate Support
Brian Yearwood is responsible for translating the strategic direction of the Department’s corporate support and reform into plans, actions and performance measures to ensure the delivery of sustainable business improvements.

Mr Yearwood has worked for the public service for more than 25 years, several of which were with the former Department of Justice. He has extensive experience in strategic procurement, business excellence, finance management and surveying.

Mr Yearwood holds a Graduate Diploma in Strategic Procurement, a Diploma of Management and a Diploma of Surveying.

SUE JONES – Director Strategic and Executive Services
Sue Jones heads the Department’s newest directorate, Strategic and Executive Services, and is responsible for the Department’s strategic and business planning activities, which are key products of the Mahoney Reform initiatives.

Ms Jones spent several years as CEO of the Gascoyne Development Commission and was previously a serving officer in the Royal Australian Navy where she reached the rank of Commander.

Ms Jones’ naval background and wide knowledge of corporate administration make her well placed to deal with changes in the Department’s structure and governance frameworks.

Ms Jones holds a Graduate Diploma in Strategic Studies and was awarded a Conspicuous Service Cross for her naval service.
Department Profile

Strategic Plan

The Department adopted its first strategic plan in mid-2006.

The Department of Corrective Services’ Strategic Plan 2006-08 documents the Department’s priorities during the ‘Building the Foundation’ phase of its reform program and presents the likely opportunities and challenges it will face as it develops as an organisation. The plan also states the Department’s mission, outcome and values.

**MISSION**
To reduce offending, assist victims, protect staff and the community and encourage offenders towards law-abiding lifestyles.

**OUTCOME**
A safe, secure and decent corrective services which contributes to community safety and reduced offenders’ involvement in the justice system.

**VALUES**
- **We value a workplace that supports staff and is safe and free from:**
  - Bullying
  - An inappropriate blame culture
  - Discrimination

**REFORM PRIORITIES – BUILDING THE FOUNDATION FOR:**
1. Leadership
2. A New Department
3. Professionalism
4. Continuous Improvement

**KEY RESULT AREAS – CORRECTIVE SERVICES’ CORE BUSINESS:**

- **Key result area 1** Safe and secure management of offenders
- **Key result area 2** Rehabilitation and re-integration of offenders
- **Key result area 3** Reduce Aboriginal imprisonment, re-offending and contact with the justice system.

**BUILDING THE FOUNDATION**

**COMMITMENT STATEMENT**
The Department of Corrective Services will operate in a professional, open and responsive manner for all stakeholders. The Department will ensure that community safety is a high priority through the effective management of potential risks and challenges, while ensuring best value for community resources. Staff will be supported and provided opportunities. Victims will be acknowledged and the over-representation of Aboriginal people in the justice system challenged. There will be an ongoing focus on effective governance, accountability and continuous improvement of services.

- **We value teamwork**
  - Working positively together with unity of purpose
  - Supporting, trusting and respecting each other

- **We value integrity**
  - We are honest, open and accountable

- **We value collaboration and partnerships**
  - Recognising the strength that comes from working collaboratively and in partnership with others

- **We value achievement**
  - Doing what we say we are going to do
  - Recognising and celebrating our achievements
Department Profile

Performance against the Government’s strategic goals

**BETTER PLANNING: BETTER FUTURES**

The State Government seeks to improve the life, and future, of all Western Australians through its agencies, with the support of the community and industry. The Department of Corrective Services contributes to all five of the goals stated in the Government’s Better Planning: Better Futures – A Framework for the Strategic Management of the Western Australian Public Sector, released in September 2006.

The Department’s support of, and contribution to, the strategic outcomes of each goal, relevant to its core business, are indicated throughout this report by the following symbols:

- **Goal 1: Better Services**
  Enhancing the quality of life and well-being of all people throughout Western Australia by providing high-quality, accessible services.

  Relevant strategic outcomes:
  1.3 A safe community.
  1.5 A reliable and sustainable supply of essential services.

- **Goal 2: Jobs and economic development**
  Creating conditions that foster a strong economy delivering more jobs, opportunities and greater wealth for all Western Australians.

  Relevant strategic outcomes:
  2.1 A fair and flexible labour market.
  2.2 A strong research and development capacity.
  2.3 A level and mix of infrastructure that promotes economic growth.

- **Goal 3: Lifestyle and the Environment**
  Protecting and enhancing the unique Western Australian lifestyle and ensuring sustainable management of the environment.

  Relevant strategic outcomes:
  3.1 A unique lifestyle that is maintained and enhanced.
  3.3 Impacts on the environment are responsibly and sustainably managed.

- **Goal 4: Regional development**
  Ensuring that regional Western Australia is strong and vibrant.

  Relevant strategic outcomes:
  4.1 Regional communities that are educated, healthy, safe and supportive.
  4.2 Regional economies are diversified.
  4.3 The regional environment is valued and protected.
  4.4 Government decision-making that takes account of regional issues.

- **Goal 5: Governance and public sector improvement**
  Developing and maintaining a skilled, diverse and ethical public sector serving the Government with consideration of the public interest.

  Relevant strategic outcomes:
  5.1 A skilled and capable public sector workforce.
  5.2 A whole-of-government approach to planning and decision-making.
  5.3 A public sector that is responsive to the evolving needs of the community.
  5.4 Independent oversight that contributes to a more accountable public sector.
Department Profile

Operating locations

The Department of Corrective Services operates at some 22 metropolitan locations and 27 regional areas throughout Western Australia.
Department Profile

Collaboration with other Government agencies

During 2006–07, the Department continued to foster relationships with local, State and federal Government agencies through various programs, committees and community networks.

**PARTNERING CHARTER WITH WA POLICE**

The Department signed a memorandum of understanding with the WA Police to improve intelligence sharing, develop effective working relationships and link information systems to enhance community safety. Throughout the year, executive teams from both agencies worked together to plan and implement relevant justice-based strategies.

A further agreement is being finalised, initially with WA Police, to establish a multi-agency approach to manage high-risk and dangerous sexual offenders in the community. The joint-agency program will be piloted in 2007–08 and will incorporate improved information sharing between agencies, collaborative case management and specialised consultancy and supervisory support for case managers through a Dangerous Offenders Unit.

**COMMON PARTY LAYER PROJECT**

The Common Party Layer project is a joint initiative of the Department of Corrective Services, the Department of the Attorney General and WA Police to cross-match information from their respective data systems to accurately identify and track a person through the criminal justice system. Implementation of the project began this year to provide common access to information by each of the agencies. The initiative will help reduce duplicate records and more accurately reflect the status and history of people in the criminal justice system.

**CROSS BORDER PROJECT**

The Department continued its work with the WA Police, the Department of the Attorney General and Justice and police counterparts in South Australia and the Northern Territory to address justice service issues in common-border central desert lands.

Reforms under the project will provide more efficient justice services in the remote cross border area of central Australia and help address family and domestic violence, sexual abuse and substance misuse in the region.

Legislative reform this year included the production of a draft Bill to allow WA magistrates to deal with offences committed in the other State jurisdictions under the laws of that other jurisdiction, and vice versa.

At year end, the draft Bill was being finalised between the three jurisdictions, and service level agreements were being prepared. These are expected to be completed in the coming year.

**PRISONERS REVIEW BOARD**

The Department maintained a solid relationship with the new Prisoners Review Board (formerly the Parole Board) after it was established through new legislation in October 2006. The Department worked with the board to implement major legislative and policy reform in sentence administration.

**OFFENDER ASSESSMENT AND CLASSIFICATION REVIEW**

The Department participated in the Office of the Inspector of Custodial Services' Assessment and Classification Review. The outcome of the review will be available later in 2007.

**REDUCING REPEAT OFFENDING**

The Department worked with other Government and community agencies to reduce re-offending through rehabilitative programs that focussed on mental and physical health, drug and alcohol use, education, skills and accommodation issues.
Department Profile

The Department contributed $120,000 to the Prison to Parole Program this year, strengthening its partnerships with community agencies Outcare, Cyrenian House, Palmerston and Holyoake. Under the program, five community groups link prisoners who have drug use issues to drug treatment services before and after their release from prison.

REPAY WA

The Department’s Repay WA initiative is an expansion of the offenders’ community work program. Repay WA is for adults and juveniles who are not in custody. In 2006–07, more than 1800 community work project partners operated across the State, with adult offenders generating some 250,000 hours of community work. This represents a cost value of around $3,620,000.

Community reparation services undertaken this year by either Department-funded and supervised offender work parties or individual offender work placements with community organisations included graffiti removal, revegetating wetlands, maintaining firebreaks, knitting rugs for aged care centres, and general tidying of local community grounds.

Supervised community work groups from regional and remote areas provided labour for a range of organisations including local authorities, the Department of Environment and Conservation, Department of Housing and Works, and not-for-profit community organisations. The Repay Graffiti Deletion Scheme provided extra assistance in regional and remote parts of the State, through ten work parties, including one each in the Kimberley and Pilbara regions. (See page 40).

INTELLECTUAL DISABILITY DIVERSION PROGRAM

The Department continues to manage an intellectual disability diversion program in partnership with the Disability Services Commission and the Department of the Attorney General, through the Magistrates Court. The program uses early intervention to divert people with an intellectual disability away from the justice system by linking them with relevant community agencies and services. In 2006–07, 71 people took part in the program. (See page 109).

EDUCATION PARTNERSHIP

The Department’s Community Justice Services partnered with Swan TAFE to provide basic life and employability skills courses to selected adult offenders based in the community. Funded through the Commonwealth Department of Education’s Australians Working Together initiative, the courses provide basic computer, trade, budgeting and food preparation skills.

DECCA STATION PROJECT

The Decca Station Project was negotiated with the Ngarliyarndu Bindiri Aboriginal Corporation and began in January 2006. Decca Station is a disused telecommunications property in the Pilbara that offers prisoners at Roebourne Regional Prison the chance to develop skills relevant to conservation and protection of the environment. The Pilbara College of TAFE and Pilbara Iron are supporting partners in the project. (See pages 46 and 33).

EMERGENCY SERVICES TRAINING

The Department established a partnership with the Australian Institute of Police Management (NSW) to develop appropriate knowledge and skills about emergency services among its senior corrections executives. The training is provided in conjunction with other police and emergency service organisations including federal police, customs, fire and emergency services.

STAFF HOUSING

The Department worked with the Department of Housing and Works to ensure as much as possible, that officers in regional locations had access to suitable housing and to review future housing needs in those locations. (See page 32).
Department Profile

Conferences and committees

CORRECTIVE SERVICES MINISTERS’ CONFERENCE

The Department supported the work of the Corrective Services Administrators’ Conference and the Corrective Services Ministers’ Conference. The annual conferences provide forums to deal with corrections matters of national and international significance. Key issues in 2006–07 included offenders with mental health problems, the treatment and management of sex offenders, the growing number of prisoners, offenders with disabilities and the transfer of prisoners and parolees.

ACCESS TO JUSTICE

The Access to Justice working party includes members from the Department of Corrective Services, the Office of the Public Advocate, the Department of Health, the Chief Magistrate and the Disability Services Commission. The group makes recommendations for reform that will protect and support the interests of people with disabilities when they have contact with the civil legal systems.

NATIONAL STANDARDS FOR JUVENILES

The Department chairs a sub-committee of Australian and New Zealand members of the Australasian Juvenile Justice Administrators Committee. The group drafted a set of performance measures and community and custodial standards relating to juvenile justice.

NATIONAL WORKING PARTY: TREATMENT, MANAGEMENT AND HOUSING OF SEXUAL OFFENDERS

The former Prisons National Standards Working Group, which included representatives from all Australian States and Territories, was merged with the National Working Party: Treatment, Management and Housing of Sexual Offenders. The new working party agreed to refine the prisons’ national standards based on the pilot of the standards of WA’s Indigenous Sex Offender program.

The Department funded the pilot Standards Assessment Exercise: Indigenous Sex Offender Medium Treatment Program, which was conducted by the Crime Research Centre at Greenough Regional Prison.
During 2006–07, the Department remained committed to continuing the reform process it undertook following the 2005 Inquiry into the Management of Offenders in Custody and in the Community. Key recommendations of the inquiry – largely regarding the assessment and classification of offenders, and the processes and management of the Department’s diverse workforce – were undertaken throughout the year and a number of major reforms were finalised.

This year, the reform program focussed on ‘building the foundation’ of the new Department. Projects and strategies were introduced to support the Department readily achieve its outcomes, provide stability among its ranks and best protect the community.

The Department’s five divisions addressed key areas of operation and priority areas of reform, while an interim Program Management Office coordinated the implementation of all reform projects.

A review of a number of areas that provided corporate support services to the Department resulted in a new divisional structure that incorporated a mix of individual and shared services with the Department of the Attorney General.

A renewed focus was made on training and development, management of offenders and health and offender services in prisons. Significant progress was made on developing strategies for corruption prevention, witness support, operations compliance, critical reviews, complaints administration, internal investigations and governance. Many of these are outlined throughout this report.

LEADERSHIP

In October 2006, the Department announced its inaugural corporate executive team to guide the Department’s transformation in the coming years. The new team underwent an extensive induction program to set the direction of the new Department.

The Department’s new strategic plan identified leadership as a key to future success and sustainability. Priority was given to identifying potential future leaders and investment was made in staff professional development.
Reform program

ABORIGINAL ISSUES
A Regional Corrective Services Project to improve services for Aboriginals and their families in the Kimberley and Goldfields began during the year. It will look at ways to reduce the rate of re-offending of Indigenous Australians and improve relations between the community and Corrective Services.

Specific programs and psychological services were designed with Aboriginal representatives to target issues identified as prevalent within the adolescent Aboriginal population.

A review also began into the causes of the high failure rate of Aboriginal women under community based orders. The review will help to realign policies to address the specific needs of Aboriginal women.

LEGISLATION

The Prisons and Sentencing Legislation Amendment Act 2006 addresses a number of the Department’s key reform issues, including the establishment of re-socialisation programs, transfer of parole responsibility and processes to the Prisoners Review Board, and the provision of a more flexible framework for temporary prisoner absences.

During the year, the Department worked with the newly-established Prisoners Review Board to implement major legislative and policy reform in Sentence Administration. It also contributed to the review of the offender assessment and case management regime by participating in the Office of the Inspector of Custodial Services Assessment and Classification Review.

OFFENDER MANAGEMENT AND SERVICES

A new Integrated Sentence Management function was developed to support integrated case management and to oversee sentence management for offenders — from incarceration to release into the community.

Capacity in the Integrated Programs Management Unit was boosted to develop, implement and evaluate programs and psychological services provided to offenders in prisons and the community. The delivery of literacy and numeracy programs to offenders was also increased and enhanced.

WORKPLACE MATTERS

The Department initiated ways to improve workplace conditions in WA prisons and for community-based staff to enhance the safety of staff, prisoners and the community. Several prominent recruitment campaigns also contributed to staff numbers in prisons and community justice areas across the Department.

Throughout 2006-07, the reform process has improved the Department’s operational efficiency and effectiveness. It has resulted in a clear strategic direction and new governance, reporting and accountability frameworks and divisional structures to improve offender management, address Aboriginal issues and promote professional standards, training and development.
The Department has a number of functions in place to identify and analyse issues and trends that could impact on its operations and planning. These may relate to a range of matters including offender numbers, services and facilities, budgets, staffing and victims. Some matters currently in the Department’s scope are outlined below.

**NEW LEGISLATION**

Following the introduction of the new *Prisons and Sentencing Legislation Amendment Act 2006* this year, the Department will be involved in the preparation of a draft Corrective Services Bill, planned for introduction to Parliament in 2007–08, which will further enhance the way the Department conducts its business and manages offenders. Under the Bill, the Department will have more authority and flexibility in the way it conducts its business and manages both staff and offenders in custody and in the community. Specifically, the Bill will:

- amalgamate the *Prisons Act 1981* and the *Sentence Administration Act 2003*
- specify purposes and principles to guide the management of the Act
- amend prisoner discipline procedures
- provide for prison officers to become employees of the Commissioner of Corrective Services (they are currently engaged by the Minister of Corrective Services)
- streamline prison officer disciplinary matters
- realign provisions from the *Court Security and Custodial Services Act 1999* between the Department and the Department of the Attorney General.

**RISE IN PRISONER NUMBERS**

An emerging key corrections issue is the significant rise in prisoner numbers over the past five years, and how the growth can be managed.

Over the past 12 months, the daily average prisoner population increased by 5.5%. Over the last five years, it has increased 27.4%.

Reasons for the increase and future trends are outlined in the Adult Custodial report on operations on page 30.

Rising prisoner numbers will continue to impact on the Department in many ways. Particular attention will be given to managing prisoner accommodation and rehabilitation services so they can adapt to population fluctuations.

Works to provide extra beds at Wooroloo Prison Farm, Bunbury Regional Prison and Bandyup Women’s Prison are due to be completed in 2007–08. The robust recruitment of staff to conduct prisoner programs will continue, as will work on both the Kimberley and Goldfields Custodial Plans to better cater for custodial needs in these regions.

**NEW FOCUS ON HIGH-RISK OFFENDERS**

High-risk offenders will be a key focus of the Department in 2007–08. Following the introduction of the *Dangerous Sexual Offenders Act 2006*, the Department has established a Dangerous Offenders Support Unit, which will work with internal and external stakeholders, including WA Police, the Australian National Child Offender Register, the Director of Public Prosecutions, Courts and non-government organisations, to develop an inter-agency case management approach for very high-risk offenders. The collaborative case management of dangerous sexual offenders is already underway and the Department will eventually extend this to other dangerous/high risk offenders who are subject to a community order. The unit will also support Community Justice Services staff to supervise offenders on Dangerous Sexual Offender orders.

**FUTURE PLANNING**

Planning for the custodial needs of the Perth metropolitan area over the next 100 years was identified as a crucial function of the Department this year. It is estimated that the prison population may double over the next 30 years, creating a significant need for additional prison accommodation in both the metropolitan area and in the regions.

The Metropolitan Prison Precinct Site Selection Project is charged with seeking suitable options and potential sites for consideration in relation to future needs.
Significant issues and trends

This will become a significant project for the Department in the coming year to earmark a potential prison precinct in readiness for future corrections needs.

The Department will also work towards a better system of through-care for offenders to provide a more seamless transition from prison to the community to better lessen the known risks of re-offending.

**VICTORIAN OFFENDING NEEDS INDICATOR FOR YOUTH (VONIY)**

A new assessment tool introduced this year to improve the way the needs of young offenders in Western Australia are managed is showing positive results. Victoria’s Juvenile Justice Services’ Victorian Offending Needs Indicator for Youth (VONIY) provides an individual profile of all juvenile offenders to indicate the level of intervention required to address their offending needs, appropriate to their risk of re-offending.

The Department’s current Juvenile Assessment System (JAS) enables officers to complete and store VONIY assessments on young offenders electronically. The assessments can then be accessed by community and custodial staff across the State and track the progress of young people while they are in the juvenile justice system. The system can also provide information on local, regional and State-wide trends on the needs of young people in the juvenile justice system.

The VONIY was set up with funding allocated under Recommendation 134 of the Mahoney Inquiry. The final stage of its implementation is set to occur in July 2007, with the training of juvenile justice staff. Extensive evaluation of the VONIY will begin in 2008.

**STAFFING**

It is likely that the attraction and retention of staff will continue to be a challenge for the Department in the coming year. However, the creation of additional positions in a range of areas and robust recruitment campaigns and renewed training initiatives undertaken towards the end of 2006-07 are expected to alleviate some of the pressures experienced this year.

**FOCUS ON ANTI-BULLYING**

The creation of a Workplace Anti-Bullying Committee was a corporate priority in 2006 as part of a new focus on organisational culture and staff welfare. The committee meets fortnightly and comprises senior representatives from each of the Department’s divisions and representatives from both the CPSU-CSA and WAPOU.

Anti-bullying reforms also introduced during 2006–07 include:

- the mandatory inclusion of anti-bullying selection criteria in all position descriptions
- the training and commencement of additional grievance officers, increasing the current number from 30 to up to 70
- a Department-wide education strategy via promotional posters and relevant information
- easier location and access to Department policy and guidelines through the intranet.
The year in brief

Financial highlights

The Department’s primary source of funding to meet service costs is through Parliamentary appropriation. In 2006–07, $453 million was provided from this source towards the total activity cost that amounted to $498 million. Appropriation sources also contributed $18.0 million towards asset purchases of $37.7 million in the Department’s capital works program.

The Department’s cost of services in 2006–07 cannot be compared to 2005–06 expenditure as it only began operating on 1 February 2006, five months before the end of that financial year.

Major spending on capital works in 2006–07 included:
- Bandyup Prison facilities redevelopment ($3.3 million)
- Building infrastructure and maintenance ($5.3 million)
- Bunbury Regional Prison minimum security accommodation ($4.3 million)
- Eastern Goldfields Regional Prison structural and security upgrade and perimeter fencing ($1.3 million)
- Infrastructure upgrade and replacement programs ($8.5 million)
- Karnet Prison Farm perimeter fencing ($2.8 million)
- Wooroloo Prison Farm accommodation and perimeter fencing ($8.1 million)
- Safety and security upgrade programs ($7.4 million).

### Table 1

<table>
<thead>
<tr>
<th>Sources of Funding</th>
<th>2006–07</th>
<th>2005–06*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Appropriation</td>
<td>453</td>
<td>160</td>
</tr>
<tr>
<td>Other Government Revenues</td>
<td>33</td>
<td>14</td>
</tr>
<tr>
<td>Commonwealth grants and contributions</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Other revenue</td>
<td>15</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total (millions $)</strong></td>
<td>502</td>
<td>180</td>
</tr>
</tbody>
</table>

#### ACTIVITY COSTS

<table>
<thead>
<tr>
<th>Activity Cost</th>
<th>2006–07</th>
<th>2005–06*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Criminal Justice Services</td>
<td>437</td>
<td>178</td>
</tr>
<tr>
<td>Juvenile Criminal Justice Services</td>
<td>61</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total (millions $)</strong></td>
<td>498</td>
<td>200</td>
</tr>
</tbody>
</table>

#### EXPENDITURE

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>2006–07</th>
<th>2005–06*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>233</td>
<td>94</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>139</td>
<td>61</td>
</tr>
<tr>
<td>Other expenses</td>
<td>57</td>
<td>21</td>
</tr>
<tr>
<td>Capital user charge</td>
<td>46</td>
<td>14</td>
</tr>
<tr>
<td>Grant subsidies</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Depreciation</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>Accommodation</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total (millions $)</strong></td>
<td>498</td>
<td>200</td>
</tr>
</tbody>
</table>

*2005–06 represents five months operations only, from 1 February to 30 June 2006.
The year in brief

Adult Custodial

**THE SERVICE**
The Adult Custodial division provides services to manage the State’s remand and sentenced prisoners. The division manages 12 maximum, medium and minimum-security prisons and seven prisoner work camps throughout WA.

**Key achievements**
- Managed more than 8,181 prisoner admissions to the State's prisons and work camps.
- Managed a record prison population of 3,847 prisoners – 13.7% above design capacity.
- Managed a daily average adult prisoner population of 3,622.45 – a 5.5% rise on 2005–06, with no increase in staff levels.
- Managed the State's adult custodial facilities within budget, despite a rise in prisoner numbers.
- Recruited and trained 186 new prison officers, compared to 163 in 2005–06.
- Filled 83% of 74 newly created prison officer positions.
- Created ten new case-management positions to support prisoner management needs.
- Undertook negotiations for a new Enterprise Bargaining Agreement (EBA) for prison officers.
- Increased operational training and development opportunities for staff.
- Strengthened security and intelligence processes in prisons.
- Undertook an agreement with WA Police to improve systems and protocols for the sharing of information.
- Established an emergency operations centre at head-office to provide immediate executive support in the event of a critical incident anywhere in the State.
- Introduced new training initiatives, such as heavy plant equipment and hospitality training, to address the offending behaviour of prisoners and prepare them for their return to the community.

**Future directions**
- Implement strategies to manage rising prisoner numbers.
- Finalise a new Prison Officers Enterprise Bargaining Agreement.
- Recruit more prison officers and improve staff retention levels.
- Work closely with WA Police for more effective information and intelligence sharing.
Community and Juvenile Justice

THE SERVICE

The Community and Juvenile Justice division is responsible for providing community-based justice services and juvenile custodial services across Western Australia.

Key achievements

- Managed 1,751 young offenders and 11,603 adult offenders in the community.
- Managed 1,688 admissions to Rangeview Remand Centre.
- Managed 1,911 young people in detention.
- Managed an average daily population of 139 young offenders across Rangeview Remand Centre and Banksia Hill Detention Centre.
- Improved workforce stability and staff retention by increasing permanent community corrections and juvenile justice officer positions and reducing the number of contract employees by 20%.
- Created 30 new senior practitioner positions to manage high-risk offenders.
- Created four regional trainer/team leader positions in the Kalgoorlie, Geraldton, Pilbara and Kimberley regions to deliver specialised training and focus on regional service provision, particularly to Aboriginal communities.
- Strengthened the prison-based Community Justice Services team with two extra positions to service releasing authorities.
- Created three new positions to improve the timeliness of returning breaches to the courts.
- Introduced core induction training for all new operational staff.
- Undertook a comprehensive Occupational Health and Safety review of all Community Justice Services centres.
- Implemented the Dangerous Sex Offenders Act 2006.

Future directions

- Introduce 25 additional prison-based community corrections officers to provide ‘in-reach’ services for offenders, to bridge the gap between prison and community-based supervision.
- Collaborate with the Department of the Attorney General to implement the Family Violence Court diversionary program.
- Create a new bail coordinator position at the Central Law Courts to help people meet bail conditions, provide bail advice to the courts and reduce unnecessary overnight stays in custody.
- Participate in a pilot of a multi-agency project to manage high-risk offenders in the community.
- Integrate a needs assessment tool for juvenile offenders into community and detention case-management practices to enhance risk assessment and case management of offenders with a high chance of re-offending.
- Implement new work demand model to help determine the resources needed to effectively case-manage juvenile and adult offenders in the community.
The year in brief

Offender Management and Professional Development

**THE SERVICE**

The Offender Management and Professional Development division provides a range of services to effectively manage offenders in prison and in the community. It also provides strategic policy advice and professional development and training opportunities to the Department’s staff.

**Key achievements**

- Amalgamated rehabilitation programs and interventions in prisons and the community.
- Introduced new initiatives to address the offending behaviour of prisoners to prepare them for their return to the community and reduce reoffending.
- Piloted effective partnership relationships with external agencies to provide real employment opportunities for offenders after their release.
- Reinstated pre-release programs for offenders serving life and indeterminate sentences.
- Integrated mental health and addiction services for offenders.
- Expanded Prison Addiction Services to include opiate replacement and amphetamine withdrawal regimes.
- Implemented blood-borne viruses education program in metropolitan prisons.
- Held Inside Pit Stop men’s health awareness expos at three prisons.
- Held conferences for operations managers to communicate and improve sentence management policies and practices within Adult Custodial division.
- Implemented online clinical risk management system.
- Maintained national accreditation with Australian Council of Healthcare Standards.
- Provided more targeted professional development opportunities across the Department such as a new leadership development program, senior prison officer training, staff enrolled in national correctional and leadership programs.
- Integrated mental health and addiction services for offenders.
- Expanded Prison Addiction Services to include opiate replacement and amphetamine withdrawal regimes.
- Implemented blood-borne viruses education program in metropolitan prisons.
- Held Inside Pit Stop men’s health awareness expos at three prisons.
- Held conferences for operations managers to communicate and improve sentence management policies and practices within Adult Custodial division.
- Implemented online clinical risk management system.
- Maintained national accreditation with Australian Council of Healthcare Standards.
- Provided more targeted professional development opportunities across the Department such as a new leadership development program, senior prison officer training, staff enrolled in national correctional and leadership programs.

**Future directions**

- Continue to implement reforms and improve sentence management procedures and practices.
- Pilot a multi-agency project to manage high-risk offenders in the community.
- Consolidate prison and community-based programs for offenders.
- Establish an integrated sentence management unit to represent the Department on the Prisoners Review Board.
- Enhance research and development for evidence-based strategic initiatives to reduce re-offending.
- Implement an improved offender classification system.
- Expand education and training opportunities for offenders.
- Implement a clinical governance structure to better identify demand for interventions to address high-risk/high-need offending behaviours.
- Continue three-year research project into contracted domestic violence programs with the University of South Australia.
The year in brief

Professional Standards

THE SERVICE
The Professional Standards division is responsible for ensuring the Department achieves the highest level of professionalism in all areas of practice, behaviour and service delivery.

Key achievements
- Developed Department corruption prevention strategy.
- Developed key policies and frameworks to support critical reviews, internal witness support, complaints administration, risk management and standards and compliance testing for monitoring public prisons operations.
- Implemented Adult Custodial Rules product
- Implemented new public interest disclosure policy and procedures.
- Implemented working with children policy and procedures.
- Managed 362 prisoner grievances.
- Managed 303 internal investigations.
- Assisted with coordinating six prison inspections by the Inspector of Custodial Services, including a Minister directed review into an incident at Rangeview Juvenile Remand Centre.
- Coordinated independent reports to the State Coroner for inquests into the deaths of three offenders in custody.
- Coordinated responses to four reports and two recommendations released by the Coroner.
- Coordinated responses to eight draft reports and 248 recommendations released by the Inspector of Custodial Services.
- Coordinated responses to the Ombudsman’s ‘Own Motion’ critical review of complaints handling in the State’s prison system.

Future directions
- Implement new frameworks to reduce risks, improve internal controls, manage discipline and enhance professional integrity assessment.
- Introduce new corruption prevention strategies across the Department.
- Review standards for community justice and juvenile custodial functions.
- Introduce standards and improve compliance testing for key corporate service functions.
- Improve services, support and protection for internal witnesses.
- Review the Department’s investigations policies.
- Implement a framework that includes new business improvement processes.
- Begin operating the complaints administration function.
- Introduce a dedicated toll-free complaints telephone line to provide staff with a secure and confidential way for reporting suspected unethical conduct.
- Implement workplace bullying reforms and initiatives.
- Introduce compliance assessments into prisons and community centres and establish ways to implement recommendations from critical reviews.
Corporate Support

THE SERVICE
The Corporate Support division provides the Department with strategic asset services, contracted services, financial management, strategic employee services, knowledge management and business systems.

Key achievements
- Began construction of additional accommodation, service infrastructure and upgrade of existing services at Bunbury Regional Prison, Bandyup Women’s Prison and Wooroloo Prison Farm.
- Continued the structural and security upgrade at Eastern Goldfields Regional Prison.
- Significantly progressed the Department’s Safety and Security Program by beginning ligature point removal in high-risk cells at selected prisons and starting a perimeter upgrade at Albany Regional Prison.
- Coordinated the first stage of a head office accommodation refit.
- Undertook safety and capacity improvements to Community Justice Services offices across the State to improve staff security.
- Developed standards for safety and security and special requirements to apply to all new building and upgrades of Community Justice Service offices.
- Initiated planning for the new metropolitan prison precinct site.
- Created a Regional Corrective Services Project to manage planning for the delivery of a new custodial service in the Kimberley and potentially, the Goldfields.
- Strengthened control and governance polices for the Department’s financial management framework and community justice capital assets.
- Developed a new procurement strategy for the Department to address recommendations from a review by the State Supply Commission.
- Drafted a Knowledge Management strategy to improve the Department’s management of data, records and information.
- Managed the successful transition of Serco Australia into the Acacia Prison Services Agreement.
- Undertook the 2007 annual review of Acacia Prison.

Future directions
- Develop additional accommodation to cater for an increase in prisoner numbers.
- Progress workforce development through a pilot in the State’s north to develop staff recruitment and retention strategies.
- Complete the perimeter upgrade at Albany Regional Prison.
- Complete the installation of duress alarms at all prisons.
- Complete alterations to doors, locks and viewing windows in non-custodial areas of prisons to improve staff safety.
- Complete the safety and capacity improvements to Community Justice Services centres across the State.
- Complete installation of biometrics technology at Hakea, Casuarina and Albany prisons.
- Start operating a new secure out-patient clinic at Royal Perth Hospital by the end of 2007.
- Finalise site selection for new metropolitan prison precinct.
- Progress planning for a new prison and work camp in the Kimberley region.
- Start implementing a five-year plan for the Department’s information technology requirements.
- Progress plans to implement an electronic document records management system.
- Continue the removal of priority ligature points in prisoner accommodation across the State.
- Develop a new governance framework to manage the Court Security and Custodial Services contract that will ensure demand and service standards are effectively managed by individual agencies.
- Transition purchasing by prisons from the GEM (Government Electronic Marketplace) system to the Office of Shared Services procurement system.
The year in brief

Strategic and Executive Services

THE SERVICE

The Strategic and Executive Services directorate provides strategic advice and support to the Commissioner and his executive team and high-level corporate services on behalf of the Department.

Key achievements

- Established new Ministerial Liaison Branch and processes.
- Managed more than 1500 Ministerial requests.
- Coordinated responses to 840 media queries.
- Issued some 400 written media responses, statements and draft statements for the Minister for Corrective Services.
- Conducted first comprehensive (annual) staff survey.
- Updated the Department of Corrective Services’ Strategic Plan 2006–08 to reflect the transition of the new structure, progress of reforms and a new key result area.
- Received 432 Freedom of Information applications and finalised 428 applications.
- Updated the Department’s Strategic Plan 2006-08, to reflect the transition to the new structure, progress of reforms and new key result area.

Future directions

- Draft the Corrective Services Bill for introduction to Parliament, which will complete various legislative reforms following the introduction of amendments to the Prisons Act 1981 and the Sentence Administration Act 2003.
- Introduce an amendment to the Criminal Code to make it harder for prison staff to avoid punishment if they engage in sexual activity with prisoners.
- Collaborate with other divisions to develop strategies to reduce imprisonment.
- Revise and relaunch staff publications.
- Improve electronic document management system for ministerial-related queries.
- Conduct comprehensive evaluations of the Prison Pharmacotherapy Treatment Service, the condition upgrade at Broome Regional Prison, Justice Mediation Service and Re-entry Link.
Awards and commendations

2006 Premier’s Awards
- Winner, Governance And Public Sector Improvement category – Working Smarter: Community and Juvenile Justice Strategic Management System
- High Commendation, Better Services Safer Communities category – Re-entry Link and Transitional Accommodation Support Services (TASS) programs
- Finalist, Jobs and Economic Development category – Education and Vocational Training Unit.

2006 Commonwealth Association of Public Administration Management Awards
- Bronze award for Boronia Pre-release Centre for Women.

2006 John Curtin Medal – Curtin University of Technology
- Awarded to Boronia Pre-release Centre for Women for its values of vision, leadership and community service.

2006 Australian Crime and Violence Awards
- Certificate of Merit – jointly to Bandyup Women’s Prison and Good Beginnings for Prisoners and their Families program.

2006 National Meat Industry Training Advisory Council Awards
- WA Trainer of the Year 2006 – awarded to Steve Brown, Abattoir worker at Karnet Prison Farm.

2006 Heritage Awards
- Finalist – The Wheatbelt Work Camp for contributing to promoting and conserving the State’s heritage.
Adult Custodial

THE SERVICE

The Adult Custodial division provides services to protect the community, reduce re-offending and encourage prisoners to adopt law-abiding lifestyles.

The division manages 12 maximum, medium and minimum-security prisons. There are six prisons in the metropolitan area, six in regional areas and seven prisoner work camps that operate throughout the State. An additional prison, Acacia, is overseen by the Department, but is privately operated by SERCO, Australia. (An annual report for Acacia is produced independently by SERCO, while an annual report on the contract service is produced separately by the Department.)

SERVICE LEVEL AGREEMENTS

The first of three Service Level Agreements was implemented at Casuarina Prison on 19 April 2007 for a two-month trial period. The agreements are being implemented in each of the State's public prisons to measure operational performance and provide for remedial or improvement action, as required.

Roebourne Regional Prison and Bandyup Women's Prison began negotiations on their Service Level Agreement during May 2007.

RECORD PRISONER NUMBERS

The State's correctional facilities are designed to accommodate 3,261 prisoners in prisons and a further 122 in work camps. On 30 June 2007, the adult prisoner population peaked at 3,847 – some 13.7% greater than the design capacity.

Over the past 12 months, the daily average prisoner population increased by 5.5%. There was a 9.7% increase in Aboriginal prisoners, a 19.5% increase in maximum-security prisoners and an 18.4% increase in female prisoners.

Over the last five years, there has been an increase in the daily average prisoner population of 27.4%. The increase in the numbers of maximum and medium-security prisoners was 67.0% and 25.0% respectively, although the increase in minimum-security prisoners was only 10.2%. (See Graph 1).

Reasons for the increasing prison population

The growth in the prisoner population can be attributed to:

- the success of police activities such as the Police Crime Link Unit and Burglary Reduction Taskforce, domestic and family violence enforcement initiatives, DNA testing and a greater police presence in regional and remote areas
- higher imprisonment rates for crimes against the person, driving offences and property offences
- higher security rating of prisoners and longer prison sentences
- higher numbers of unsentenced prisoners and longer stays for remand prisoners
- increases in average sentence lengths and the proportion of time served in prison.
Future trends in the prisoner population

In the six months to June 2007, the State’s adult prisoner population grew at a rate higher than projected. At 30 June 2007, the prisoner population was more than 3,800 and is expected to reach 4,100 by February 2008.

The Department is managing the prisoner population growth through a range of strategies. In the short-term, new accommodation is being constructed at Bunbury Regional Prison (72 bed self-care minimum-security unit), Bandyup Women’s Prison (40 bed) and Wooroloo Prison Farm (18 bed). Double-bunking is also being used to increase bed capacity. At 30 June 2007, 616 multi-occupancy cells were in use in prisons across the State.

In the medium-term, planning for the new Eastern Goldfields Regional Prison has begun. $11.2 million has also been allocated to upgrade Broome Regional Prison. The Department has also started to implement the Kimberley Custodial Plan, which includes selecting a site for a new multi-security prison at Derby. The Derby prison will have a design capacity of up to 150 beds and is expected to be operational by 2011.

PRISON OFFICER RECRUITMENT

The State’s current economic environment made it difficult to attract, recruit and retain staff in key operational areas. A prison officer recruitment project was implemented during the year to improve recruitment rates. The project was successful and saw a 70% increase in the number of applicants.

There were 186 prison officers recruited and trained in 2006–07 compared to 163 in 2005–06. The Department will continue to focus on recruitment and explore innovative strategies to address staff shortfalls in the metropolitan and regional areas.

A review of prison officer staffing was completed this year and recommendations will be addressed in 2007–08.

A move to improve on-site prison officer training was made with the appointment of 11 training officers in prisons across the State. This will overcome the need for regional staff to travel to Perth for skills training and professional development.

CHILD PROTECTION

In early 2007, the Department began negotiations on a new Enterprise Bargaining Agreement (EBA) for prison officers. The agreement will be registered with the Western Australian Industrial Relations Commission later in 2007. The proposed agreement will provide significant pay increases over a three-year term and will help address the attraction, retention and career progression of prison officers.

Regional Prisons

Limited capacity in regional prisons had an impact on the management of prisoners during 2006–07. Issues faced by regional prisons during the year include:

- a high proportion of Aboriginal prisoners
- limited capacity to hold medium-security prisoners and short-term maximum-security prisoners
- limited ability to cater for all types of prisoners, including the different security levels, special needs prisoners and female prisoners

Boronia has an ongoing partnership with Curtin University to provide learning opportunities for Curtin students and support for Boronia prisoners. The activities include Curtin nursing students working with Boronia staff and prisoners in a health-care centre and other health-related activities.

Staffing issues and the growing prison population did see some restrictions imposed on the programs and constructive work available for prisoners during the year.
Report on operations

- attraction and retention of prison officer staff, particularly at Roebourne, Broome and Eastern Goldfields
- difficulty in placing Aboriginal prisoners near their communities.

Broome and Eastern Goldfields regional prisons are unable to accommodate all prisoners from their regions and, as a result, many maximum and medium-security prisoners are transferred to Perth or to other regional prisons.

Replacement of the Broome and Eastern Goldfields regional prisons remains a high priority, as buildings and infrastructure do not meet acceptable service delivery standards.

In April 2007, the Minister for Corrective Services announced $93 million in funding to build a new prison in Derby. The prison will allow Kimberley offenders to serve their sentences closer to family and greatly improve their chances of rehabilitation.

A further $11.22 million was approved to upgrade Broome Regional Prison. The works will include new and relocated health services, education and programs buildings, administration offices, ablutions and a new perimeter fence. The upgrade is due to be completed in March 2008.

Staff accommodation

The shortage of housing available for staff continued to put additional pressure on regional prisons this year.

The Pilbara and Eastern Goldfields regions are the most affected by the housing shortage. A jump in the demand for long-term family accommodation by the private sector has had an impact on the cost and availability of homes in these areas. There was an increase in the number of approvals for the Home Ownership Subsidy Scheme during 2006–07.

Regional prisons change management

During 2006–07, a change management team worked to improve business practices within regional prisons. The team helped the prisons to develop a management philosophy for the rehabilitation of offenders and to generate sustainable cultural change within the prisons environment.

Reducing re-offending

Aboriginal offenders

Although Aboriginal people comprise only 3.0% of the general population in Western Australia, the daily average adult Aboriginal custodial prisoner population for 2006–07 was 41.3%. This is an increase of 1.6% (or 132 prisoners) from 2005–06.

In 2006–07, the daily average number of Aboriginal female prisoners rose by 26.3%, compared to 10.4% for non-Aboriginal female prisoners. In June 2007, Aboriginal female prisoners accounted for 56.1% of the total female prisoner population. (See Graph 2).

There was also an increase in imprisonment among Aboriginal males. The daily average number of Aboriginal males rose by 8.1% over the year, while the increase for non-Aboriginal males was 2.3%. In June 2007, Aboriginal male prisoners accounted for 41.3% of the total male prisoner population.

The Department is implementing programs to reduce rates of Aboriginal imprisonment and to improve the integration of Aboriginal offenders on their release. Two key strategies are the Reducing Aboriginal Imprisonment Strategy and the Decca Station Project.

Reducing Aboriginal Imprisonment Strategy

The Reducing Aboriginal Imprisonment Strategy provides ways to:

- improve the employment prospects for Aboriginal prisoners from the Kimberley and Pilbara regions with training and employment experience in tourism, art and trade skills on their release
- develop parole plans to assist prisoners to be released on their earliest possible release date
- provide transport for prisoners who are released from prison, enabling them to return to their communities around Kalgoorlie and Roebourne
- cater to the needs of Aboriginal perpetrators and victims of family and domestic violence through diversionary family and domestic violence court models in the metropolitan area and a pilot model in Geraldton
- assist offenders and communities to pay outstanding fines, identify work projects that could be used for Work and Development Orders and undertake community development and education for offenders and communities
Report on operations

• train community justice workers who will be based in the Kimberley, Roebourne and Gascoyne regions to deliver services to Aboriginal people who have contact with the justice system.

Decca Station project
Minimum-security prisoners from Roebourne Regional Prison undertake voluntary, supervised work at Decca Station, 20 km east of Roebourne. Decca Station is a disused telecommunications station that is part of a training and employment project that supports the North-West mining operations and improves the employment prospects of prisoners upon their release from prison.

The project gives pre-release prisoners access to Pilbara Iron’s Work Ready program and can help them to obtain their driver’s licence. A training and employment officer co-ordinates pre-release training for selected prisoners, while TAFE and Pilbara Iron arrange post-release employment with the mining company or an on-site contractor.

Since it began, 58 prisoners have been supervised through the Decca Station project and undertaken a range of TAFE courses. Training has included ‘blue card’, occupational safety and health, first aid, use of hand tools and power tools, scaffolding (working at heights) and bobcat and forklift driving. A number of prisoners are known to have gained employment as a direct result of their participation in the project. (See pages 16 and 46).

PROTECTING THE COMMUNITY

Escapes from custody
The number of unlawful absences from custody continued to decline this year, despite the substantial increase in the adult prisoner population. Unlawful absences include absconds – where physical security is not breached, and escapes – where some form of physical security is breached. (See Graph 3 and Table 2).

The total number of unlawful absences in 2006–07 was 26 compared to 35 in 2005–06. Unlawful absences from Broome Regional Prison accounted for more than half (57.7%) of all absences for 2006–07.

Broome is a minimum-security prison that has a boundary fence but does not have a formal security fence. Of the prison’s 15 unlawful absences, ten were escapes that breached the boundary fence and five were absconds that did not breach the fence. Three of the absconds were from work camps, one from a day work party and one from the prison’s front visits area.

The Department is addressing the underlying causes of unlawful absences by:
• assessing prisoners as minimum-security only after being assessed against strict criteria
• providing structured activities at key times of the year (eg. Christmas, when prisoners are more likely to abscond to be with loved ones)
• improving the standard of fencing at Broome Regional Prison.
TABLE 2

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Open level of security</td>
<td>Number</td>
<td>65</td>
<td>86</td>
<td>59</td>
<td>91</td>
<td>59</td>
<td>64</td>
<td>46</td>
<td>52</td>
<td>49</td>
<td>52</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td>Rate per 100</td>
<td>7.60</td>
<td>11.40</td>
<td>7.50</td>
<td>9.80</td>
<td>6.10</td>
<td>6.10</td>
<td>4.90</td>
<td>6.21</td>
<td>5.52</td>
<td>5.12</td>
<td>3.84</td>
</tr>
<tr>
<td>Secure level of security</td>
<td>Number</td>
<td>1</td>
<td>3</td>
<td>6</td>
<td>9</td>
<td>4</td>
<td>8</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Rate per 100</td>
<td>0.30</td>
<td>0.20</td>
<td>0.40</td>
<td>0.50</td>
<td>0.20</td>
<td>0.40</td>
<td>0.00</td>
<td>0.05</td>
<td>0.05</td>
<td>0.04</td>
<td>0.04</td>
</tr>
<tr>
<td>Total</td>
<td>Number</td>
<td>66</td>
<td>89</td>
<td>65</td>
<td>100</td>
<td>63</td>
<td>72</td>
<td>46</td>
<td>53</td>
<td>51</td>
<td>53</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td>Rate per 100</td>
<td>2.95</td>
<td>3.99</td>
<td>2.88</td>
<td>3.72</td>
<td>2.22</td>
<td>2.41</td>
<td>1.6</td>
<td>1.86</td>
<td>1.7</td>
<td>1.57</td>
<td>1.02</td>
</tr>
</tbody>
</table>

GRAPH 3

Unlawful absences from DCS Custody.
Deaths in custody
During 2006–07, there were three prisoners who died in custody. At year end, the causes of death had not been identified by the Coroner. Of the three deaths in custody, two prisoners died in hospital and one was in prison.

Prison security
During 2006–07, prison security was enhanced with the use of improved security audit instruments. Improvements this year included the operational completion of perimeter fencing at Wooroloo and Karnet Prison Farms and enhancement of the Security Unit (ASU) at Albany Regional Prison.

Personal duress alarms were provided to staff at Bunbury Regional Prison. Once activated, the alarms identify and locate a staff member who may require assistance and tracks their movements. The alarms will be progressively provided to staff at Albany, Bandyup, Boronia, Broome, Casuarina, Eastern Goldfields, Greenough, Karnet, Roebourne and Wooroloo prisons during 2007–08.

The Department also participates in joint security exercises with other agencies. In June 2007, the Department held a joint exercise with the WA Police, FESA and the Office of the Inspector of Custodial Services. This involved a major emergency management exercise at Albany Regional Prison that incorporated the newly-established incident command post at the Department’s head office in Perth.

Work began on the construction of a new gatehouse at Bandyup and a new minimum-security unit in Bunbury Regional Prison. Each will incorporate improved security systems.

Intelligence services
As a part of the reform process, the Intelligence Analysis and Dissemination Review developed a collaborative approach to the collection, analysis and dissemination of intelligence information across the justice system.

A Security Services directorate was created in 2006 to develop the intelligence sharing systems and to establish partnerships with key stakeholders such as the WA Police and the Department of the Attorney General.

The collection of information will improve in early 2007-08, with the introduction of a 1800 hotline for staff, an electronic information submission form on J-Staff, additional information portlets on the internal security and intelligence portal and risk assessment profiles.

CORRECTIONAL INDUSTRIES ASSOCIATION OF AUSTRALASIA CONFERENCE
In March 2007, Western Australia hosted the Correctional Industries Association of Australasia (CIAA) Conference in Perth. Delegates attended from Malaysia, Singapore, New Zealand and each state of Australia. The conference was opened by the Minister for Corrective Services. Presentations highlighted innovative prisoner work programs and the improved outcomes from integrating work and training.

Prison industries
Prison industries provide vocational training and employment opportunities for prisoners. The sale of goods and services from prison industries had an estimated wholesale value of $10 million in 2006–07. Sales from commercial and industrial operations, such as furniture production, exceeded $2 million. The profits are offset against the operating costs of the prison.

The goods and services include:

- Food items such as meat, vegetables, fruit and milk
- Linen, apparel, footwear, furniture and metal products.

Prisoners working with food in the food chain businesses and in the Department’s Catering Services participated in the Food Stars program. This ensures that prisoners working with food comply with the Food Standards Australia New Zealand (FSANZ) food safety regulations.

Primary industries farms
Prison farms are located at Karnet, Wooroloo and Pardelup. They provide traineeships for prisoners and essential food products for public prisons.

Karnet Prison Farm produces milk, eggs, meat products and orchard fruit. Wooroloo Prison Farm supplies beef and sheep for the abattoir at Karnet. A beef breeding program and fat lamb production operate at the Pardelup Work Camp.
Vegetable preparation industries operate out of Bunbury Regional Prison and Casuarina Prison. Bunbury processes and packages its market garden produce for use in the prison system and for sale in the South-West region. Casuarina purchases produce direct from local market gardeners and prison farms and processes and packages the goods for use in the prison system.

Significant achievements for primary industry farms for 2006–07 include:
- superior growth rates from calves at Pardelup
- registration of the dairy herd at Karnet with the Holstein Society of Australia
- abattoir worker, Steven Brown being awarded WA Trainer of the Year 2006 by the National Meat Industry Training Advisory Council
- Karnet Prison Farm received a premium price for its milk supplies due to its high butterfat content
- Breeding of tropical fish for the wholesale industry
- production of new Department signage at Karnet Prison Farm
- participation in traineeships.

The traineeships at Karnet Prison Farm include:
- Rural operations
- Horticulture
- Conservation and land management
- Meat processing
- Furniture making
- Aquaculture
- Automotive.

**Community-based work**

Prisoners from minimum-security prisons and work camps are involved in community, charity and voluntary work. It is estimated that prisoners contribute approximately $3 million each year to the WA community.

**Prisoners helping the community**

Approximately 60 prisoners from Broome, Roebourne, Greenough, Eastern Goldfields, Wooroloo, Karnet, Boronia and Albany prisons have worked on community projects during 2006–07. The projects include:
- construction of the Hay River to Denmark section of the Denmark to Nornalup Heritage Rail Trail
- maintenance of local tourism and heritage sites in Derby, including the Prison Boab Tree
- restoration work at the Bungarun cemetery
- assisting farmers in Mt Barker to recover from fires
- restoration and maintenance of facilities in the Chichester National Park
- erecting a feral-proof fence around a nature reserve in Narambeen
- restoring and refurbishing the Wyalkatchem Agricultural Museum.

**Work camps**

Work camps provide minimum-security prisoners with an opportunity to contribute to the local community and engage in personal development. Prisoners from work camps are involved in a range of heritage, tourism, disaster relief, environmental, charitable and indigenous cultural projects such as the Bibbulmun Track and the Munda Biddi Cycle Trail. They also assist local communities with disaster relief efforts during cyclones, bush fires and floods.

In 2006–07, work camps contributed over $1.1 million in reparation to the Western Australian community. Community liaison groups were set up at each work camp to help identify community projects.
Hakea Prison
Hakea Prison manages male prisoners remanded in custody and those who have just been sentenced. Newly-sentenced prisoners are assessed at Hakea before being placed at other WA prisons.

Located 17km south-east of Perth, Hakea began as Canning Vale Prison, which opened in June 1982. From 1991, it operated as a maximum-security prison until 2000, when it was merged with the CW Campbell Remand Centre to become Hakea Prison. The prison is designed to accommodate 617 maximum, medium and minimum-security prisoners.

Hakea is the first point of contact for most offenders entering the prison system. Up to 70% of its population is unsentenced (on remand). The prison assesses the health, risk, security and placement needs of offenders. It offers a 24-hour medical centre and on-call doctor. A psychiatric consultant attends the prison weekly. Support is also provided by the Prison Counselling Service.

Long-term prisoners reside in a self-care block where they can cook and clean for themselves. A small group of chronic-risk offenders who require specialised treatment and support interventions, reside in a 15-bed crisis-care facility.

Unlike most other prisons, the assessment and admission process often results in a number of prisoners being allocated to Hakea for short periods before they can be placed in another facility. In 2006–07, Hakea received 3,728 prisoners (56% of all admissions across the State) and released 2,119 prisoners (34% of all releases across the State). The prison also managed 17,398 other prisoner movements for reasons such as court appearances, medical appointments and prison transfers.

Greenough Regional Prison
Located some 15km south of Geraldton on 57 hectares of land in a rural setting, Greenough Regional Prison manages up to 219 male and female maximum (remand only), medium and minimum-security prisoners.

The prison was designed and built as a minimum-security prison in 1984 to replace the Geraldton Prison. It has since undergone several upgrades.

The prison manages a high percentage of Aboriginal prisoners and up to 21 female prisoners. It consists of six living units, five of which are within the secure fence, and one, a minimum-security facility, which houses up to 36 prisoners and includes two cells for mothers and babies.

The daily average prison population in 2007 was 218. The daily average Aboriginal population was 182.

Greenough plays an important role in the management of prisoners in the north of the State. It operates as a transit prison for prisoners moving between northern and southern prisons. While it is a medium-security prison, Greenough also holds male and female prisoners of different security ratings.

The prison is proud of its prison industries and its community work. Prisoners are provided with invaluable education and training opportunities through the Prison’s Education Centre and through a range of TAFE programs.

It has created strong links with the community by providing labour to the surrounding shires. The community work, in partnership with TAFE, helps prisoners to improve their skills and to receive accreditation for their work. The participation of prisoners in reparation programs saves the community around $150,000, per year.

Within the prison, prisoners assist in kitchen, laundry and maintenance duties. They help produce around 5000 meals and wash 10,000 kilograms of laundry each week. Revenue from the laundry increased 16% from $262,255 in 2005–06 to $304,598 in 2006–07. Revenue from other industry activities increased from $74,712 in 2005–06 to $111,358 in 2006–07.
Steve Brown  
Butcher/Instructor, Karnet Prison Farm

The abattoir and meatworks at Karnet Prison Farm produce high-quality goods under the supervision of qualified butcher and instructor Steve Brown, who was recently recognised as WA’s 2006 Trainer of the Year.

Prison activities at Karnet Prison Farm revolve around agricultural production. The prison breeds cattle and sheep and its dairy herd is registered with the Holstein Society of Australia. In the abattoir, a range of smallgoods are prepared including ham hocks, sausages, hamburgers, mortadellas, sandwich hams, bacon and frankfurts. The abattoir also bones and slices beef, lamb and pork cuts – all of which are distributed to public prisons throughout Western Australia.

Prisoners can enrol in a meat industry traineeship at the abattoir at Karnet Prison Farm. The traineeships are recognised throughout the meat industry in Western Australia and provide real opportunities for prisoners to find employment when they leave prison.

Steve Brown trains prisoners in meat preparation in the abattoir and was recognised for his work when he was awarded the WA Trainer of the Year 2006 by the National Meat Industry Training Advisory Council. He has had many successes, with former trainees going on to find meaningful employment and one ex-prisoner now owning his own butcher shop.
Community and Juvenile Justice

THE SERVICE
The Community and Juvenile Justice division contributes to a safe and orderly community by reducing offending and encouraging offenders toward law-abiding lifestyles. It is responsible for providing community-based justice services and juvenile custodial services across Western Australia.

KEY STATISTICS
At 30 June 2007, some 1,751 juvenile offenders and 11,603 adult offenders were being managed in the community on various orders including work and development orders for fine defaulters, monitored bail, intensive supervision orders, re-entry release orders and parole. Of these, 2,068 were Aboriginal.

The average daily population of juveniles in custody managed by Juvenile Custodial Services in 2006–07 was 139, compared to 120 the previous year. There was an increase in admissions at Rangeview Remand Centre to 1,642 in 2006–07, compared to 1,499 in 2005–06. This equates to a daily average remand population of 46.6 juveniles, compared to 45.5 in 2005–06, with an average length of stay of 17 days.

The State’s two juvenile detention facilities received 223 sentenced juveniles this year. The average daily population at Banksia Hill Detention Centre was 89 (58.7 sentenced and 30.1 on remand) and the average time spent in custody was 16.2 weeks (including time spent in remand).

There were no escapes from juvenile custody in 2006–07.

SUPERVISED BAIL
In 2006–07, the Rangeview Remand Centre Family Liaison Unit placed 511 young people on a supervised bail program. (See Table 3). Some 519 placements were completed throughout the year. The average bail period was 31 days, saving some 16,163 days that the young people would have otherwise spent in custody.

Most placements were with family and extended family. Others placements were with supported accommodation and therapeutic intervention services.

The supervised bail program aims to limit the removal of young people who have been charged with offences from their regional communities. It provides appropriate support systems and accommodation to increase their chances of successfully completing their bail.

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of placements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goldfields-Esperance</td>
<td>24</td>
</tr>
<tr>
<td>Kimberley</td>
<td>8</td>
</tr>
<tr>
<td>Pilbara</td>
<td>7</td>
</tr>
<tr>
<td>Great Southern</td>
<td>9</td>
</tr>
<tr>
<td>Wheat Belt</td>
<td>9</td>
</tr>
<tr>
<td>South West</td>
<td>14</td>
</tr>
<tr>
<td>Peel</td>
<td>22</td>
</tr>
<tr>
<td>Mid West</td>
<td>23</td>
</tr>
<tr>
<td>Metro</td>
<td>405</td>
</tr>
<tr>
<td><strong>Total bails</strong></td>
<td><strong>521</strong></td>
</tr>
</tbody>
</table>

COMMUNITY WORK
At any one time, 1800 community work projects operated across the State, generating an average of 250,000 hours of community work over the year.
Graffiti deletion scheme
Community Justice Services’ Repay WA Graffiti and Vandalism Clean-up Scheme is a specialised service for adult and juvenile offender community work, with 10 supervised work parties deployed across the State.

Since it began in 2004, the scheme has contributed to vandalism and graffiti clean-ups from public facilities and State assets, along with other community safety maintenance tasks such as clearing ‘right of way’ and paths from overgrown hedges and weeds.

In 2006–07, the scheme completed around 29,000 hours of community work in graffiti and other community safety clean-ups, providing $420,000 worth of labour. The scheme works with government and non-government partners, including Main Roads, Water Corporation and Western Power, to remove graffiti. Offenders who work on graffiti clean up projects have an opportunity to repay the community for their crimes, which in some cases was graffiti. The metropolitan Repay WA graffiti clean-up work party has supervised over 600 offenders clean off graffiti from more than 900 sites. (See page 16).

Juveniles detained on remand – most of whom do not receive a custodial sentence – made up 67% of juvenile detainees as at March 2007.

The Department, the judiciary, police and other government agencies are working together to deal with these issues.

**JUVENILES ON REMAND**

Juvenile detention services continue to be challenged by the high ratio of Aboriginal children in detention (60-80%) this year, with increasing numbers of very young children (under 13 years of age) from remote locations on remand.

Where possible, detainees are awarded recognised qualifications for work completed within the detention centres. This is usually a Certificate of General Education for Adults (CGEA) for literacy and numeracy. Levels one and two are completed through TAFE external studies. This year, 333 certificates were issued. (See Table 4).

**TABLE 4**

| Certificates issued to young people on detention and in the community in 2006–07 |
|-----------------|--------------|--------------|--------------|--------------|
|                             | CGEA Introductory | CGEA Level 1 | CGEA Level 2 | CGEA Level 3 |
| Literacy (Intro/Level 1)    | 14            | 20           | 5            | 1            |
| Reading & writing (Level 2 & 3) | 106         | 64           | 13           | 1            |
| Numeracy (Intro/Level 1)    | 106           | 64           | 13           | 1            |
| Maths & numeracy (Level 2 & 3) | 2            | 15           |              |              |
| Oral communication          | 2             | 15           |              |              |
| Vocational – metal work, wood work, horticulture, art | 10 | 75 | |
| Other subjects              | 6             | 1            |              |              |
INTENSIVE SUPERVISION PROGRAM

The Intensive Supervision Program (ISP) is a home and community-based intervention program for young people aged 10-17 years who commit serious and repeat offences or who are at high risk of escalating their offending.

Since 2005, the ISP has had contact with more than 168 families – with most adapting well to the requirements of the intensive, home-based interventions.

Males represent 80% of the young people referred to the ISP. The average age of all referrals is 15.24 years. More than 50% of young people referred are Aboriginal.

A November 2006 interim evaluation of the ISP showed the program reduced the number of days in custody by 32.56%, the number of times a young person was placed in custody by 30.6%, and the number of convicted offences by 73%. The severity of convicted offences also showed a drop with robbery and fraud each by 100% and traffic and vehicle offences by 46%.

These trends relate to young offenders from three metropolitan ISP teams who have been out of the program for six months or more.

An in-depth evaluation of the program will be undertaken in 2007–08.

YOUNG WOMEN AND GIRLS

The Department received approval this year for capital funding to provide alternative, secure accommodation for girls and young women. This will provide less restrictive regimes for female detainees and better access to mother and baby facilities.

RECREATIONAL PROGRAM

The recreational program in juvenile detention centres was revised this year to match that conducted in mainstream schools.

A program to train young detainees as recreational assistants was introduced at Banksia Hill. The role is a position of trust in which the young person helps the recreational officer to run the centre’s afternoon activities. It is a positive training opportunity that meets aspects of the training for both Certificate I Recreation Officer and Certificate I Employability Skills. Detainees must make a formal application for the position.

TRAINING AND RECRUITMENT

The Department took steps this year to provide more support and training to those working directly with prisoners and offenders in the community.

A strong recruitment drive saw the appointment of 18 community corrections officers and 11 juvenile justice officers to improve supervision of offenders in the community. These officers were placed in high-priority locations identified by staff and unions.

Career paths for community corrections and juvenile justice officers were improved and the rate of contractors managing offenders in the community was reduced from 49% to 26%. Some 28 senior community-based justice positions were also created to handle more complex cases and to mentor other staff.

A four-week training and induction course was introduced for all new community-based staff. The course covers specialist areas such as working with sex offenders, people with drug and alcohol issues and those with a history of domestic violence. The Department is considering extending the course to three months.

New community and juvenile justice positions were also created to improve the overall management of the community justice workforce. Improvements were made in recruitment practices, workforce planning (including streamlining of leave plans) and reduction of leave liability.

An activity-based demand model now ensures community and juvenile justice staff levels match workload demands. The model determines the resources needed to effectively case manage juvenile and adult offenders in the community. The initiative received a 2006 Premier’s Award for innovation.

A new Central Breach Unit has improved the preparation of breach reports and the management of warrants issued for breaches of community orders. Two staff were appointed to the unit this year.

Four training officers/specialist team leaders were appointed Community Justice Services offices in the Eastern Goldfields, Kimberley, Pilbara and Murchison regions to better respond to training needs and strengthen partnerships with associated agencies in those areas.

Support for psychologists who deal with juvenile offenders included specific training for those who work with young sex offenders, supervision of two psychology Masters students and an Indigenous psychologist.
**JUVENILE JUSTICE TEAMS**

Juvenile Justice Teams work with the police to divert young people who have committed minor offences away from the formal justice system by involving them in a process of restorative justice. The teams promote victim participation and family involvement and encourage young offenders to accept responsibility for their actions.

In 2006–07, 3075 referrals were made to juvenile justice teams, of which 2,560 (83%) cases were completed successfully. Some 56% of cases were diverted from the courts and 44% were referred directly from the police as an alternative to laying charges.

Referral rates for Aboriginal young people have steadily increased in the past five years from 35% in 2002-03 to 41% this year. The percentage of Aboriginal staff has also increased. This year, three of the eight full-time metropolitan juvenile justice team coordinators and four community conferencing coordinators are of Aboriginal or Torres Strait Islander backgrounds.

**PROGRAMS FOR YOUNG OFFENDERS**

A range of quality programs for young offenders was delivered in 2006–07.

Programs such as the Young Offender Personal Development Program benefited from the inclusion of Aboriginal facilitators and better supervision and training of corrections officers and psychologists this year.

Group and individual development and therapeutic programs run at Rangeview and Banksia Hill by staff, psychologists and external agencies. Detainees started some 930 sessions in 13 programs.

Some internal programs conducted during 2006–07, included:

- **Group Ready** – assesses the suitability of young people on remand for therapeutic group programs at Rangeview and Banksia Hill.

- **Domestic violence** – a three-stage program to help overcome domestic violence:
  1. **Managing relationships** – discusses friendships and other relationships.
  2. **Healthy relationships** – uses music and other mediums to explore key issues in relationships, such as communication, gender stereotypes, jealousy and conflict resolution. Also covers safety in romantic relationships for girls and young women.

- **Exploring relationships** – explores key themes around unhealthy relationships and that violence in a relationship is not okay. It recognises that most participants would have witnessed violence in their development and supports individual counselling.

  - **Parenting** – covers parenting issues for young fathers, such as safe parenting, play, drug use and violence. It is conducted with an indigenous health worker.

  - **Victim empathy** – helps develop emotional literacy within young people as the first step in developing empathy towards others, including victims, and identifies the impact of a young person’s offence on others and themselves.

  - **Protective behaviours** – an internationally acclaimed abuse-prevention program that promotes an individual’s self esteem, self assertion, belief about themselves, and beliefs about others.

- **Drumbeat** – uses African drums to develop self esteem and includes a performance by participants at the end.

- **Let’s talk about sex** – delivered in partnership with Family Planning WA (FPWA), this program educates participants in sexual health and relationships and helps them to discuss these matters without shame. It focuses on safe sex, sexually transmitted infections and consent.
**FAMILY VIOLENCE SENIOR COMMUNITY CORRECTIONS OFFICERS**

This year, the Department contributed to the Department of the Attorney General’s family violence court expansion project. Five family violence courts are being established in the metropolitan area to help reduce imprisonment of indigenous offenders. Corrective Services recruited and trained acting family violence senior community corrections officers to support the roll-out of the courts. The officers are integral to the case management teams and work directly with family and domestic violence perpetrators.

**VICTIM SERVICES**

This year, some 3,594 offenders were referred to the Victim-Offender Mediation Unit (VMU) for offences involving 5,070 victims. In October 2006, a new full-time VMU service began in Broome. Additional VMU staff resources were provided to other courts including Armadale, Kununurra Bunbury, Geraldton and Midland Courts.

The Department also manages a Victim Notification Register. At year end, 657 victims were registered with the service to receive information regarding 558 offenders in prison or under community supervision. Some 188 applications were made to the register during the year, of which 183 were accepted.

---

**Phil Narkle**

**Aboriginal Team Advisor,**

**Intensive Supervision Program, Midland**

Since 1978, Phil Narkle has worked in services that aim to reduce crime risks for both Aboriginal and non-Aboriginal young people and their families, and improve their lifestyle.

He is enormously respected and trusted by many in his community, with families and the police describing him as a ‘gentle giant’. Phil is committed to helping parents take more responsibility for their children’s development. His presence has enabled tough and aggressive fathers to participate with their partners, children and Intensive Supervision Program (ISP) clinicians to find new ways of working things out together.

More than 50% of ISP participants are Aboriginal families. Phil’s knowledge of Aboriginal culture has been invaluable in establishing the ISP program in Midland. Despite some initial scepticism and even hostility, he has successfully engaged many Aboriginal families to take part and complete the six-month program, despite the huge demands it places on them.

Phil received the Commissioner’s award for Commitment and Performance at the 2006 Corrective Services Awards.

---

**Peter Logan**

**Manager, Supervised Bail and Diversion,**

**Rangeview Juvenile Remand Centre**

As manager of the Supervised Bail and Diversion unit at Rangeview Remand Centre, Peter Logan leads a team that is committed to limiting the removal of young people who have been charged with offences, from their communities.

The Supervised Bail Program provides appropriate support systems and accommodation options to increase a young offender’s chance of successfully completing their bail. Most placements are with family and extended family. Others are with supported accommodation and therapeutic intervention services.

Before taking up his position in December 2004, Peter worked in a number of roles for the Department, including juvenile custodial officer and shift manager. He has worked for other government and non-government social service agencies and was a tutor of youth work at Edith Cowan University.

Peter is well equipped for his role. He holds a Bachelor of Arts in Politics, Philosophy and Sociology from Murdoch University, an advanced Diploma in Business Management and a Masters in Correctional Management. He is also a graduate of the Department’s 2006 Leadership Development Program.
Offender Management and Professional Development

**THE SERVICE**
Offender Management and Professional Development division provides effective direction for offender management and associated services, incorporating sentence management, education and vocational training, program delivery, suicide prevention, specialist assessments and health services. It provides strategic policy advice and professional development and training opportunities to Department staff.

**STAFF AND RECRUITMENT**
The challenge of retaining sufficient appropriately-skilled staff across the Department continued to be a focus during 2006–07. The competitive labour market, particularly in remote regional areas, continued to impact on the division's ability to deliver programs.

The various recruitment campaigns undertaken during the year included strategies to attract people from more diverse backgrounds, including Aboriginal people, into custodial, community corrections and juvenile justice roles.

A recruitment strategy developed during the year to attract people to a career in corrections is set to launch in July 2007.

In July 2006, 12 Aboriginal trainees were placed into clerical/administration traineeship positions across the Department through the Aboriginal Traineeship Program. Three of the trainees left the program, with one securing full-time employment. Of the remaining 10 trainees, five were placed within various business areas throughout the Department, three received acting opportunities with another department and one is yet to be placed into full-time employment.

**LEADERSHIP DEVELOPMENT**
Having identified leadership as a key trait to its future success, the Department gave priority to identifying potential future leaders and investing in their professional development this year.

During the year, a suite of supervisory, leadership and management programs was delivered to selected staff from all areas of the Department through the Corrective Services Training Academy.

A new Leadership Development Program was introduced to develop leadership skills and assist succession planning. Some 35 staff participated in the two programs delivered this year. The 12-month program is next scheduled to begin in July 2007. It consists of a number of training and professional development activities, inside and outside the Department, to enhance leadership and management ability. It also includes management training and professional coaching.

An Advanced Diploma in Business Management is available through the Australian Institute of Management (AIM), to equip staff with the skills and knowledge for responsible and accountable management.

A partnership was established with the Australian Institute of Police Management (NSW) to provide senior executive training for Department staff in conjunction with other police and emergency service organisations (including Federal Police, Customs and Fire and Emergency Services).
Report on operations

**INDUCTION AND FOUNDATION TRAINING**

Induction and foundation training for staff who deal directly with offenders, remained a priority this year. The Corrective Services Academy continued to deliver training in this key area.

A number of changes were made to the academy. Training capability and staff levels were increased to offer more training opportunities to all areas of the Department. Training facilities were also expanded and re-equipped. The changes are the result of recommendations made in the Mahoney Inquiry and the need to train staff to manage the growing number of offenders being imprisoned.

**Entry Level Training Program (Prison Officer)**

Prison Officers (General) undertake an 11-week off-the-job training program to provide them with the foundation skills and knowledge required of a custodial officer. Eight of these 10-week programs were delivered this year, with some 190 probationary prison officers graduating to prisons throughout the State. An additional 13 officers from the Republic of the Maldives also graduated from the courses.

Three foundation courses were delivered to 45 vocational support officers and eight additional programs are planned for 2007–08. Additionally, the program has recently been extended to eleven weeks to meet the increasing requirements of the custodial officer positions and in response to recommendations from inquiries by the Coroner and the Office of the Inspector of Custodial Services.

**Table 5**

<table>
<thead>
<tr>
<th>Course</th>
<th>Induction and foundation training programs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Duration (wks)</td>
</tr>
<tr>
<td></td>
<td>Off-the-job</td>
</tr>
<tr>
<td>Entry Level (Prison Officer)</td>
<td>11</td>
</tr>
<tr>
<td>Entry Level (Community Justice)</td>
<td>4</td>
</tr>
<tr>
<td>Entry Level (Juvenile Custodial)</td>
<td>7</td>
</tr>
<tr>
<td>Essential Training Program (Victim Support Officer)</td>
<td>3</td>
</tr>
<tr>
<td>Specialist Selection Course (Emergency Services Group)</td>
<td>2</td>
</tr>
</tbody>
</table>

**Entry-Level Training Program (Community Justice)**

Core induction and operational training for community corrections and juvenile justice officers was introduced in May 2006 to meet an immediate training need. Eight of these four-week programs have since been delivered to 161 staff.

A project began this year to design an entry-level training program for community corrections and juvenile justice officers to provide them with essential skills and knowledge to undertake their roles. The result will be a nationally recognised qualification. The first Entry-Level Training Program is expected to be delivered later in 2007.
Report on operations

CONTINUATION AND SKILLS MAINTENANCE TRAINING

Ongoing training to enhance and maintain the proficiency of prison-based staff began this year. Courses covered areas such as breathing apparatus training, operational skills and prosecutions. Training support was provided to regional prisons during non-leave periods. These largely focused on work safe skills.

WORKPLACE SKILLS

The Corrective Services Academy Short-Course Calendar was made available to all Department staff this year. The calendar detailed opportunities for staff to develop a variety of skills to assist them in their work. Courses offered included IT and general professional development training, dealing with difficult behaviours and performance management for public servants. There were good attendance rates from across the Department.

EDUCATION AND VOCATIONAL TRAINING FOR OFFENDERS

Throughout the year, some 4,629 prisoners took part in accredited education and vocational training and were enrolled in 26,096 different units. Full-time and part-time courses were held for adult basic education, secondary and higher education, vocational education and training, integrated personal development, driver training and pre-release support for employment and training.

The special needs of prisoners at Roebourne Regional Prison were supported by the Pilbara Fund Grant, which is designed to increase Aboriginal prisoners’ economic development opportunities in the labour market relevant to their community.

Roebourne prisoners were also involved with refurbishing the disused telecommunication centre, Decca Station, about 20kms inland from Roebourne. (See pages 16 and 33). The project promotes sustainability by working to break down prejudices of employers and build relationships between the prisons, employers, relevant Government agencies and training providers. It addresses the special needs of the prisoners by integrating the work of community agencies, training providers and employers to achieve the standards required for accredited qualifications.

Bricklaying school

In 2006–07, the Department continued its partnership with the Silver Trowel Trade Training Company to give prisoners traineeships and skills training in residential bricklaying and roof tiling. The short courses allow prisoners who are close to release to be prepared for employment after they are released. Silver Trowel has strong employer links in the residential housing market and provides released prisoners with direct access for placement in employment with sub-contractors.

Some 10 prisoners who completed the training in prison and were released in 2006–07, gained employment within the industry.

To acknowledge the excellent work of trainees, Silver Trowel added a new category to its training awards. In November 2006 an ex-offender was the recipient of the Silver Trowel Awards General Construction Custodial Trainee of the Year Award.
Report on operations

OFFENDER PROGRAMS

To overcome shortfalls in the management of prisoners and offenders in the community, the Department undertook to streamline offender programs and sentence management this year. Offender management reform strategies focussed on preventing re-offending with ‘end-to-end’ through-care for offenders – from police arrest through to court appearances, custody, release and supervision in the community.

A new Integrated Sentence Management function is promoting integrated case management and overseeing sentence management for offenders from incarceration to release into the community. This directs custodial and community-based offenders to appropriate programs to help them adopt law-abiding lifestyles.

The development, implementation and evaluation of programs provided to offenders in prisons and the community was boosted by seven staff in a new Integrated Programs Management unit.

The community-based Adult Case Assessment and Management model is under review and earmarked for improvements in the near future.

During 2006–07, some 878 offenders in public prisons started interventions in sexual offending, violent offending, addictions offending and cognitive skills. Of these, 774 participants completed 47,326 hours of intervention. This represented more participants than in 2005–06 but with less hours of intervention due to shorter programs being delivered to accommodate the transient nature of the prison population.

Some 1492 prisoners on remand or with short sentences completed 4949.75 hours of brief interventions. This compares to 888 prisoners, undertaking 3875 hours of interventions in 2005–06.

High prisoner numbers and an increase in community-based orders and court orders requiring programs, placed pressure on the prison system and the Department’s ability to provide offenders in custody and in the community with equal access to the various programs available, including individual cognitive-behavioural programs.

Throughout the year, several programs were reviewed and new ones developed or provided to better respond to the needs of prisoners and to meet the Australian Standards for Offender Programs.

Managing Anger and Substance Use (MASU) program

The Managing Anger and Substance Use (MASU) program was expanded earlier in the year to deal with issues surrounding violence and substance misuse. Unfortunately, concern about the integrity of the program saw it withdrawn from the schedule. Programs from other jurisdictions were canvassed and a new medium-intensity aggression program will be piloted later in 2007.

Violent Offender Treatment Program

A review of the Violent Offender Treatment Program was in progress at year end. New selection, training and accreditation of facilitators will take place as well as robust monitoring of the program to ensure program integrity.

Offender Programs Edith Cowan

The Offender Programs Edith Cowan continues to develop pre and post-test measures for programs and work on Mahoney 24 objectives.

Indigenous Men Managing Anger and Substance Use (IMMASU) program

A review of Indigenous Men Managing Anger and Substance Use (IMMASU) is underway and will include expanding the program to better meet the needs of northern indigenous men.

Women’s programs

A review of all women’s programs is being undertaken and a suite of programs to address the needs of both indigenous and non-indigenous women is being developed.

Substance use and offending behaviour

Programs to address substance-use offending behaviour are being developed.
Health Services delivers health-care in adult and juvenile detention facilities and work camps. In addition to the daily health-care services provided to existing prisoners and detainees, Health Services assessed the health of, and provided treatment to, 6146 new adult prisoners as they entered prison.

Screening using the ASSIST (Alcohol Smoking and Substance Involvement Screening Test) undertaken on more than 500 new admissions to the major metropolitan prisons, indicates that use of all illicit substances prior to entering prison is dramatically higher than in the general population.

Prison counselling service and peer support
The Department’s Prison Counselling Service received 7,879 referrals between September 2006 and May 2007, including 353 from Acacia Prison. The service provided individual counselling to prisoners as part of crisis assessment and intervention, and suicide and self-harm prevention. This compares to 3146 prisoners last year. Some 15,452 counselling, consulting and brief contact file notes were completed during the year.

Prisoners were also supported by prisoner peer support teams of prisoners recruited and coordinated by the Department’s suicide prevention team. During 2006–07, some 132 prisoner peer support officers completed self-harm and suicide awareness training, compared to 102 in 2005–06.

Drug prevalence testing of offenders in custody was increased from three to four times a year during 2006–07. Some 600 offenders are now tested quarterly.

The Australian Bureau of Statistics completed a review of the Drug Prevalence Testing program and an outcome evaluation of the drug-free units in the State’s prisons is expected to be finalised in August 2007.

In September 2006, Adult Psychological Services took responsibility for the preparation of court reports to provide a more coordinated approach to their delivery, and to reduce the workload on community corrections officers in contracting assessors to undertake prisoner psychological assessments.

Previously, when a court or the Parole Board (now Prisoners Review Board) requested a court report, community corrections officers would organise a psychological assessor from a pool system.

The number of reports requested has almost doubled in the past 12-moths. The total number of court reports allocated since the inception of centralised allocations is 539 for the period 1 October 2006 to 25 June 2007.

All major regional areas are now covered by a tender contract for Adult Psychological Services with about $55,000 each allocated to the Kimberley, Pilbara, Geraldton and Kalgoorlie regions.
Professional Standards

THE SERVICE
The Professional Standards division is responsible for ensuring the Department achieves the highest level of professionalism in all areas of practice, behaviour and service delivery. The division’s services include corruption prevention, internal witness support, compliance testing, complaints administration, investigations and governance. It also coordinates reforms associated with recommendations from external and internal reviews. In 2006–07, a program of recruiting and policy development was undertaken in each of the division’s areas.

POLICY DEVELOPMENT
After completing a major recruitment process in the latter half of 2006, Professional Standards made significant progress in its key business areas. A focus on research and development led to the ratification of several key policies for the Department in mid-2007. These include:

- **Internal Witness Support**
  The Internal Witness Support Service highlights the Department’s commitment to take all reasonable steps to protect and support staff who have made disclosures or provided information regarding unethical or improper conduct. The service case manages the personal support needs of internal witnesses and offers independent advice and support to ensure they are aware of their rights and responsibilities and are treated appropriately in the workplace.

- **Corruption prevention**
  The Department’s ability to comply with public sector ethical standards, as well as government policy around integrity, was increased by having a dedicated corruption prevention function.
  
  The Department ratified a corruption prevention strategy on 1 June 2007. The strategy aims to strengthen corruption resistance across the Department through awareness and education, prevention tools and skills and behavioural standards. As part of the Department’s overall risk management framework, the strategy will be implemented across the Department over the next three years.
  
  There are 17 areas of reform under the strategy to improve the Department’s corruption resilience, with mandatory staff induction seen as essential to influencing how employees understand and deal with corruption. Other areas include:
  
  - a comprehensive training needs analysis to improve deficiencies in corruption prevention knowledge and skills
  - monitoring to continually identify current and emerging corruption risk areas and assess the effectiveness of the corruption and misconduct reporting environment
  - establishing baseline data about the Department’s ethical health to identify shifts and trends in conduct.

Conflict of interest and supervision are two corruption risk areas that will be targeted across the Department in 2007–08. Industry-specific risks that will be addressed include drugs in corrections, prison industries, management of informants and use of force. Other issues will emerge over time to which the Department will respond appropriately.

The Coordinator Corruption Prevention will assist each division within the Department to develop a corruption prevention plan, incorporating each business area.

All new and revised Department policies will include a corruption prevention component.

A corruption prevention policy will be broadcast in mid-2007 and the Department’s Code of Conduct will be reviewed and updated. Information, news and educational material about corruption prevention will be available to staff through the intranet. (See page 116.)

- **Critical reviews unit**
  This is a new unit that oversees the coordination of recommendations from external and internal reviewing bodies such as the Office of the Inspector of Custodial Services, Ombudsman and the Coroner.
  
  The unit is part of the Department’s commitment to improve corporate governance and provide a systematic, accountable and transparent approach to managing recommendations.
Report on operations

- **Governance**
  - **Enterprise-Wide Risk Management Framework**
    The Department developed a new risk management policy to assist managers to proactively manage risks in a systematic and structured way. The new Enterprise-Wide Risk Management Framework will be rolled out across the Department in 2007–08.

- **Corporate Governance**
  A new corporate governance policy provides a clear statement of the Department’s commitment to effective governance. It is underpinned by four ethical principles that support good corporate governance: accountability; transparency; fairness and balance; and honesty and dignity.

- **Criminal screening**
  In June 2007, the Commissioner endorsed a revised staff Criminal Record Screening policy. The new policy will ensure that staff meet the Department’s integrity requirements and will also reduce barriers for employment.
  A previous criminal conviction or pending charge will not necessarily preclude a person from employment within the Department, or involvement in the provision of services, subject to a set of criterion.
  In 2007–08, a structured integrity assessment will be developed for staff who work closely with offenders, to ensure they meet the integrity requirements of these positions.

During 2006–07, some 2254 employment criminal record screening checks were conducted, representing a 12.7% increase on 2005–06. There were 1136 referrals to police jurisdictions – an 11% decrease on the previous year. Clearance on final vetting for these referrals was 903 – a decrease of 22% from 2005–06. (See Tables 6 & 7).

Assessments/appeals resulting from revealed criminal history information totalled 206, up 106% on the previous year. (Assessments/appeals approved totalled 51.5%, down 1.5% on the previous year).

- **Operational compliance**
  During 2006–07, the Department’s Operations Compliance branch set out to improve operational practice and the standards of professionalism across the Department. The branch introduced some 27 operational standards and a new compliance testing framework for use within adult prisons. A review of Bandyup Women’s Prison was conducted in June 2007 to identify business improvement opportunities there. Operations Compliance also conducted 17 operational, thematic and critical incident reviews relating to Community Justice Services operations. This involved the inspection of 998 individual offender management cases. In addition, a Statewide review of Community Justice Service’s operations and case management practices continued this year and will be completed later in 2007.

### TABLE 6

<table>
<thead>
<tr>
<th>Employment criminal record screening checks</th>
<th>2006–07</th>
<th>Percentage change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total checks conducted</td>
<td>2,254</td>
<td>12% increase</td>
</tr>
<tr>
<td>Referrals to police jurisdictions</td>
<td>1,136</td>
<td>11% decrease</td>
</tr>
<tr>
<td>Clearance on final vetting of referrals</td>
<td>903</td>
<td>22% decrease</td>
</tr>
</tbody>
</table>

### TABLE 7

<table>
<thead>
<tr>
<th>All employment criminal record screenings</th>
<th>49.6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary clearances (check returns on one pass through the NNI*)</td>
<td>40.1%</td>
</tr>
<tr>
<td>Secondary clearances (check received a ‘hit’ in NNI but manual check by the relevant Police jurisdiction proved no disclosable outcome)</td>
<td>4.7%</td>
</tr>
<tr>
<td>Tertiary clearances (manual check triggered resulted in a Criminal History Information match and check was cleared on assessment by the Divisional head or on appeal to the delegated authority if not cleared by the Divisional head)</td>
<td>94.4%</td>
</tr>
<tr>
<td>Total clearances</td>
<td>2,128</td>
</tr>
<tr>
<td>Total rejections</td>
<td>126</td>
</tr>
<tr>
<td></td>
<td>5.6%</td>
</tr>
</tbody>
</table>

*National Names Index*
Report on operations

CORONER’S REPORTS
In 2006–07, there were three deaths in prison custody. All deaths in custody are subject to a Coronial Inquest on a date determined by the Coroner and include deaths due to terminal illnesses as well as those attributed to suicide.

In addition to a WA Police inquiry, the division’s Internal Investigations Unit conducts an investigation into every aspect of the prisoners’ management up to the time of their death, and reports its findings to the Coroner.

COMPLAINTS HANDLING
At year end, the Department was close to completing the set up of a new integrated complaints handling function for the public, offenders and staff to lodge complaints, feedback and compliments about its services. The Complaint Administration Centre will open in September 2007. It will incorporate a state-of-the-art complaints handling system to improve the Department’s management of complaints and provide feedback to help identify business improvement opportunities across the Department.

During 2006–07, the Department received 362 prisoner grievances, which were all resolved at Department level.

INTERNAL INVESTIGATIONS UNIT
The Internal Investigations Unit (IIU) continued to conduct investigations within the Department for suspected breaches of discipline. (See Tables 8 and 10).

In accordance with section 28 of the Corruption and Crime Commission Act 2003, some 127 matters in 2006–07 were reported to the Corruption and Crime Commission (CCC) and, in accordance with Section 33 of the Act, the CCC referred 15 complaints against the Department back to the IIU.

Of the cases investigated by the IIU, 22 were referred to the Department’s Discipline Co-ordinator for further assessment and potential action. (See Table 9).

Of these, there was informal action against three staff and formal disciplinary action against two staff. There were no dismissals. Three employees resigned. At 30 June 2007, 15 of the 24 cases were ongoing.

<table>
<thead>
<tr>
<th>Table 8: Investigation statistics for 2006–07</th>
</tr>
</thead>
<tbody>
<tr>
<td>New investigations 2006–07</td>
</tr>
<tr>
<td>Investigations carried over from 2005–06</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Investigations outstanding at 30 June 2007</td>
</tr>
<tr>
<td>Allegations of misconduct</td>
</tr>
<tr>
<td>Misconduct investigations completed</td>
</tr>
<tr>
<td>Misconduct matters referred for further action</td>
</tr>
<tr>
<td>Percentage of matters referred for further action</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 9: Matters referred to the Discipline Co-ordinator 2006-2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Misconduct (under Public Sector Management Act [includes breach of confidentiality, improper association and inappropriate behaviour])</td>
</tr>
<tr>
<td>Misconduct (assault)</td>
</tr>
<tr>
<td>Misconduct (improper association)</td>
</tr>
<tr>
<td>Misconduct (fitness to hold office as a prison officer)</td>
</tr>
<tr>
<td>Misconduct (hinder investigation/breach of Policy Directive 40)</td>
</tr>
<tr>
<td>Falsification of Records</td>
</tr>
<tr>
<td>Misconduct (performance of duties)</td>
</tr>
<tr>
<td>Breach of Computer &amp; Telecommunications Facilities Policy</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>Assaults &amp; threatening behaviour/bullying</td>
</tr>
<tr>
<td>Attempted escapes</td>
</tr>
<tr>
<td>Breach of standards and policies</td>
</tr>
<tr>
<td>Dishonesty</td>
</tr>
<tr>
<td>Criminal injuries compensation</td>
</tr>
<tr>
<td>Critical reviews</td>
</tr>
<tr>
<td>Resources</td>
</tr>
<tr>
<td>Trafficking</td>
</tr>
<tr>
<td>Unlawful release</td>
</tr>
<tr>
<td>Use of force</td>
</tr>
<tr>
<td><strong>Total investigations</strong></td>
</tr>
</tbody>
</table>
Corporate Support

THE SERVICE

Corporate Support is a new division within the Department that provides key services to support the Department’s daily operations. The division is responsible for Strategic Asset Services, Contracted Services, Financial Management, Strategic Employee Services, Knowledge Management and Business Systems.

Throughout 2006–07, Corporate Support progressively set up its discrete service areas, in line with the Department’s new structure and operational requirements. A number of services were separated from within the Department of the Attorney General. The division is expected to be fully resourced by late 2007.

The Department’s library, internal audit, administrative records and information and communication technology services continued to be provided as a shared service by the Department of the Attorney General, following the separation of the former Department of Justice into two new agencies in February 2006. Transactional human resource and financial services will remain a shared service provided by the Department of the Attorney General until their transition to the new Office of Shared Services.

FINANCIAL GOVERNANCE

The Department introduced new measures this year to improve control and governance of its supporting financial management framework.

Monitoring, reporting and forecasting progress of the reform program was also a priority for the Department.

BUDGET

Significant work was undertaken in 2006–07 to prepare budget submissions on behalf of the Department.

Budget statements and budget briefing notes were also prepared in April and May 2007 for tabling in Parliament.

TRANSACTIONAL SERVICES

The Department of the Attorney General (DotAG) continued to provide the Department with transactional human resource (HR) and financial services in the lead-up to the Office of Shared Services roll-in. These include recruitment, HR reporting and payroll services and invoice payment, petty cash and accounting services.

REGIONAL CORRECTIVE SERVICES PROJECT

The Regional Corrective Services project aims to improve correctional services in the Kimberley and Goldfields regions. Consultation with Aboriginal communities in the Goldfields was undertaken during the year and is included in a draft report on the Goldfields Corrective Services Plan. Significant progress is being made in the Kimberley on the site selection and operational procedures for the new Derby Prison.

ACACIA PRISON

The new Acacia Prison Services Agreement, awarded to Serco Australia, successfully completed its first year of operation in May 2007. Acacia had an increase in prisoner numbers from 727 in May 2006 to 782 in March 2007. Throughout the year, Serco completed three phases of a four-phase transition plan. Each phase was completed without incident and with minimum disruption to services. Serco is working to achieve phase four.

Acacia Transition Plan

Phase 1 – Parallel Planning: prepared the prison for the change in contractor. Serco, the Department, the previous service provider and other agencies and stakeholders worked to ensure a safe and orderly takeover with no disruption to the existing services.

Phase 2 – The First 100 Days: moved the prison towards reconfiguration, ensured stability and introduced a new operational philosophy.

Phase 3 – Achieving the Vision: the period from 100 days after service began to the first anniversary of the handover aimed to settle the prison and move towards full operations.

Phase 4 – Developing Excellence: the period from the first anniversary of the handover to contract completion aims to deliver incremental service development, continual innovation, and reactive change through the Contract Development Plan.

The Department prepares a separate annual report on the servicing of the contract for Acacia Prison.
Report on operations

**RE-ENTRY LINK AND TRANSITIONAL ACCOMMODATION SUPPORT SERVICE PROGRAMS**

The Department continued to work with non-government human service agencies to provide re-integration and re-socialisation programs for prisoners and services to strengthen their family relationships. This year the Re-entry Link and Transitional Accommodation Support Service (TASS) programs were acknowledged in the Premier’s Awards for excellence in Public Sector Management, with award of a High Commendation in the Better Services, Safer Communities category.

In the year ending 31 March 2007, 1937 clients were assisted in the re-entry link program. The recidivism rate for clients of re-entry link in that period was 22.8% compared to the overall state average for 2006–07 of 38.05%.

**CAPITAL WORKS**

Work is being undertaken in all the State’s prisons to overcome rising prisoner numbers and new custodial service delivery standards. Additional accommodation will be provided at Bandyup, Bunbury and Wooroloo prisons.

Construction began on a 72-bed minimum-security unit at Bunbury Regional Prison. It is due to be completed in early 2008. Works to upgrade the control room and replace the kitchen and health centre were completed this year.

An upgrade to self-care units at Bandyup Women’s Prison was also completed. Construction began on new secure 40-bed group living units and an entry building. These are due to finished in May 2008.

The refurbishment of buildings at Wooroloo Prison Farm was completed this year to provide extra accommodation and ablutions and new activity areas. Construction also began on a new 18-bed self-care unit, program and education areas, prisoner reception and a health centre and is due to be completed in late 2007.

A structural upgrade was completed at Eastern Goldfields Regional Prison. The works included repairs to the perimeter fence, installation of improved cell doors and a security upgrade to the maximum-security prisoners’ exercise yard. The control room, visits monitoring, PABX and security to the entry building security and the women’s section were also upgraded. Extra reception storage and office accommodation were also provided at the prison.

New fences, entry buildings, lights, cameras and detection technology at Wooroloo and Karnet prison farms became operational in 2007. They are currently in their defects liability period, after which they will be deemed complete.

**SAFETY AND SECURITY PROGRAM**

As part of the Department’s Safety and Security Program, an upgrade to the perimeter of Albany Regional Prison was started to meet new maximum-security standards.

The upgrade includes installation of a new early-warning external detection system and replacement of perimeter detection monitoring and recording technology. The works are set for completion in late 2007.

To improve staff safety and security, installation of duress alarms, doors with viewing panels in non-custodial areas, escape set locks and outward opening doors began this year. The new security measures were installed at Bunbury Regional Prison and maximum security prisons Albany, Casuarina and Bandyup. They will be progressively installed at other prisons in the coming year.

In line with recommendations made by the State Coroner, the Department removed priority ligature points in selected prisoner accommodation at regional and metropolitan prisons.

**METROPOLITAN PRISON SITE SELECTION**

Planning to identify a site for a new metropolitan prison precinct progressed this year, to meet future prisoner accommodation projections. A preferred site is expected to be selected in the coming year.

**MEDICAL**

Work progressed on a secure outpatient clinic for prisoners attending Royal Perth Hospital this year and is due to be completed by the end of 2007. The clinic is an interim strategy to enhance community safety until medical services are transferred from Royal Perth to the new Fiona Stanley Hospital in several years. Plans for an outpatient clinic and secure beds for prisoners are included in the new hospital.
HEAD OFFICE REFURBISHMENT

Stage one of a refit of the Department’s head office in Westralia Square began early in 2007. The refit is believed to be the largest of an occupied building to be undertaken within Australia. It is needed to accommodate the new Department following the separation of the former Department of Justice into two new agencies in February 2006 and to meet new standards for sustainability. The accommodation works are due to be completed in 2009.

NEW WEST KIMBERLEY PRISON AND WORK CAMP

This year, the Department received funding approval to build a new prison facility in Derby and a new Kimberley work camp. The new multi-classification security prison will include services and accommodation to meet the needs of adult offenders in the Kimberley region. Planning for the prison and work camp is underway.

INTERNAL AUDIT

The Department of the Attorney General provided internal audit services to the Department during 2006–07, to uphold effective corporate governance across its operations.

The internal audit service includes comprehensive reviews conducted in line with the Department’s annual internal audit plan. Other services help improve business practices across the Department, including management accountability, compliance management and effectiveness of internal control processes.

At year end, the branch had:
- established a new Risk Management and Audit Committee
- developed a Service Level Agreement for the provision of audit and assurance services to the Department of Corrective Services
- developed new Internal Audit and Risk Management and Audit Committee Charters
- managed and directed the development of the 2006–07 Annual Internal Audit Plan.

Internal Audit undertook 11 audits for the Department during 2006–07. Of these, nine were planned and two were in response to special requests. Additional audit activities were undertaken to provide assurance in managing recommendations from external reviewers, such as the Office of the Inspector of Custodial Services and the Office of the Auditor General. In July 2007, internal audit functions will be incorporated into Corporate Support’s new Management Assurance, Governance and Improvement (MAGI) branch.

SHARED SERVICES

The transition of procurement services in prisons from the Government Electronic Market (GEM) system to the Office of Shared Services’ procurement system progressed significantly this year. It is expected to be completed in late 2007.

The Department continued to liaise with the Office of Shared Services regarding the transition of finance and human resource transactive services.
Report on operations

Strategic Executive Services

THE SERVICE
The Strategic and Executive Services Directorate provides high-level corporate advice and support to the Commissioner and other leaders in the Department. The Directorate enables the Department to understand trends and performance, conduct detailed analysis of offender data and plan responses to future trends, communicate effectively with stakeholders and make timely and accurate response to requests for information.

MINISTERIAL LIAISON
The Ministerial Liaison Branch responds to all ministerial and parliamentary enquiries received by the Department. It is responsible for managing and coordinating the provision of accurate, consistent and timely information by authors within the Department and providing a liaison function between the Department and the Office of the Minister for Corrective Services.

This year, the branch managed more than 1500 Ministerial requests and significantly reduced the number of overdue correspondence to the Minister.

MEDIA AND PUBLIC AFFAIRS
The Media and Public Affairs branch provides the Department with strategic media and communications advice and support, and a broad range of services to help develop community, stakeholder and staff awareness of the Department’s operations and achievements. The branch is also responsible for maintaining the Department’s website and internal online content.

Media liaison
This year, the Department responded to some 840 media queries and prepared more than 400 written media responses, statements and draft statements for the Minister for Corrective Services. Familiarisation tours of several prisons were provided to journalists and a new media protocol was drafted in line with the Mahoney Inquiry recommendation 147.

Issues management and communication strategies
This year, more than 30 communication and consultation strategies were prepared for a range of projects to ensure a strategic and coordinated approach to the Department’s internal and external communications. Among these were strategies for Repay WA, blood-borne viruses, the anti-bullying policy and various capital works projects.

Community consultation and briefings
Media and Public Affairs coordinated or assisted with community consultation for key projects this year to gain stakeholder input into project development and key decisions. These included the regional youth justice project in Kalgoorlie and Geraldton (see pages 40).

Advertising
Several State-wide advertising campaigns were coordinated in 2006–07 including:
- Juvenile custodial officer recruitment campaign – to recruit more officers to work with juvenile offenders on remand and in detention. The campaign attracted 112 potential applicants.
- Prison officer recruitment campaign – to recruit more officers to work in the State’s adult prisons. The campaign attracted 372 applicants.

Staff communication
Staff communication tools were reviewed this year.
CSI Net (Corrective Services Intranet) was launched to all staff in November 2006 to provide employees with access to information relating to their everyday work.

The format, content and design of printed and electronic staff publications were reviewed. The publications will be re-launched later in 2007.

The Commissioner continued to broadcast significant information about the Department to all staff via email. (See page 114).
Launches and event coordination
The Department hosted a number of events during the year, including a NAIDOC Week celebration in July and a National Medals event in November 2006.

Corporate identity management
Signs at the Department’s many locations throughout the State continued to be updated this year, to reflect its new role and identity.

POLICY AND LEGISLATION
The Policy and Legislation Branch develops corrective services policy, legislation and strategies that allow the Department to fulfil Government and departmental objectives for corrective services.

In 2006–07, the branch undertook a number of projects to develop and improve policies to better manage offenders, provide expert advice on criminal justice issues and coordinate and report on whole of Government policy.

The branch was responsible for implementing the Parole and Sentencing Legislation Amendment Act 2006 and the Prisons and Sentencing Legislation Amendment Act 2006 across the Department. It also began work on a draft Corrective Services Bill that will complete the legislative reforms recommended by the Mahoney inquiry; draft amendments to the Prisoners (Interstate Transfer) Act 1983; and draft legislation enabling community-based orders to be transferred interstate.

Policy and Legislation also updated the Department’s Disability Access and Inclusion Plan and contributed to several across government projects to improve the management of offenders with mental health problems in the criminal justice system.

STRATEGIC PLANNING AND REVIEW
The Strategic Planning and Review Branch undertakes the Department’s corporate strategic and business planning to ensure an appropriate focus on Government and departmental outcomes. It also evaluates Department initiatives, and coordinates research relating to offender management. It undertook a number of key Department projects this year.

Strategic plan
The Department’s first strategic plan was published in mid-2006, to guide it through the ‘Building the Foundation’ phase of its reform program. (See page 12). The various divisions and business units were given a rigorous introduction to business planning, to help them meet the Department’s stated outcomes.

Staff survey
The Department’s first annual staff survey was conducted in June 2007. The survey investigated staff views on topics important to achieving a positive, safe, equitable, healthy and professional work environment.

A series of questionnaires covered a range of key workplace issues, such as access to training, recruitment and retention, employee health and well-being, workplace bullying, organisational commitment and job satisfaction. Additional questions related to specific Department information needs, such as training and development, misconduct, retirement and equity and diversity reporting.

Staff were asked to complete the survey online or in writing. At year end, some 37.6% of staff had completed the survey and the results were being collated by an external data collection company to ensure confidentiality.

Annual Research and Evaluation Plan
The Department’s first Research and Evaluation Plan was developed and will be carried out in 2007–08. The plan will assist the executive team to enhance accountability and improve decision-making.

PERFORMANCE AND STATISTICS
The Performance and Statistics Branch devises analysis plans, strategies and methodologies to measure the Department’s performance. It also develops analysis models to assess the impact of policy and legislative change in the corrections system and prepares and analyses offender statistical data.

The Department’s key performance indicators (KPIs) for 2005–06 are presented on page 92.
Statement of certification

The accompanying financial statements of the Department of Corrective Services have been prepared in compliance with the provision of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the year ending 30 June 2007 and the financial position as at 30 June 2007.

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

Mark Kuzminski
A/DIRECTOR FINANCE
Chief Finance Officer

Ian Johnson
ACCOUNTABLE OFFICER

28 August 2007
INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

DEPARTMENT OF CORRECTIVE SERVICES
FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2007

I have audited the accounts, financial statements, controls and key performance indicators of the Department of Corrective Services.


The key performance indicators consist of key indicators of effectiveness and efficiency.

Commissioner’s Responsibility for the Financial Statements and Key Performance Indicators

The Commissioner is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer’s Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer “http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf”.
An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

Audit Opinion

In my opinion,

(i) the financial statements are based on proper accounts and present fairly the financial position of the Department of Corrective Services at 30 June 2007 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer’s Instructions;

(ii) the controls exercised by the Department 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; and

(iii) the key performance indicators of the Department are relevant and appropriate to help users assess the Department’s performance and fairly represent the indicated performance for the year ended 30 June 2007.

COLIN MURPHY
AUDITOR GENERAL
31 August 2007

4th Floor Dumas House 2 Havelock Street West Perth 6005 Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664
### Income Statement for the year ended 30 June 2007

<table>
<thead>
<tr>
<th>Note</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST OF SERVICES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>6</td>
<td>232,980</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>7</td>
<td>139,124</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>8</td>
<td>13,355</td>
</tr>
<tr>
<td>Accommodation expenses</td>
<td>9</td>
<td>4,522</td>
</tr>
<tr>
<td>Grants and subsidies</td>
<td>10</td>
<td>5,227</td>
</tr>
<tr>
<td>Capital user charge</td>
<td>11</td>
<td>46,205</td>
</tr>
<tr>
<td>Loss on sale of assets</td>
<td>12</td>
<td>88</td>
</tr>
<tr>
<td>Other expenses</td>
<td>13</td>
<td>56,415</td>
</tr>
<tr>
<td><strong>Total cost of services</strong></td>
<td></td>
<td><strong>497,916</strong></td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>User charges and fees</td>
<td>14</td>
<td>90</td>
</tr>
<tr>
<td>Commonwealth grants and contributions</td>
<td>15</td>
<td>797</td>
</tr>
<tr>
<td>Other revenues</td>
<td>16</td>
<td>15,409</td>
</tr>
<tr>
<td><strong>Total income other than income from State Government</strong></td>
<td></td>
<td><strong>16,296</strong></td>
</tr>
<tr>
<td><strong>NET COST OF SERVICES</strong></td>
<td></td>
<td><strong>481,620</strong></td>
</tr>
<tr>
<td><strong>INCOME FROM STATE GOVERNMENT</strong></td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>Service appropriations</td>
<td></td>
<td>453,494</td>
</tr>
<tr>
<td>Liabilities assumed by the Treasurer</td>
<td></td>
<td>629</td>
</tr>
<tr>
<td>Resources received free of charge</td>
<td></td>
<td>32,051</td>
</tr>
<tr>
<td><strong>Total income from State Government</strong></td>
<td></td>
<td><strong>486,174</strong></td>
</tr>
<tr>
<td><strong>SURPLUS/(DEFICIT) FOR THE PERIOD</strong></td>
<td></td>
<td><strong>4,554</strong></td>
</tr>
</tbody>
</table>

The Income Statement should be read in conjunction with the accompanying notes. Comparative figures are for the five months ended 30 June 2006.
## Financial statements

### Balance Sheet As at 30 June 2007

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>27</td>
<td>16,133</td>
<td>16,333</td>
</tr>
<tr>
<td>Receivables</td>
<td>19</td>
<td>5,922</td>
<td>3,057</td>
</tr>
<tr>
<td>Amounts receivable for services</td>
<td>20</td>
<td>20,300</td>
<td>19,311</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>42,355</td>
<td>38,701</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>18</td>
<td>1,584</td>
<td>567</td>
</tr>
<tr>
<td>Amounts receivable for services</td>
<td>20</td>
<td>14,984</td>
<td>14,044</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>21</td>
<td>728,369</td>
<td>603,497</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>22</td>
<td>8,463</td>
<td>168</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td>753,400</td>
<td>618,276</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>795,755</td>
<td>656,977</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>23</td>
<td>20,460</td>
<td>18,119</td>
</tr>
<tr>
<td>Provisions</td>
<td>24</td>
<td>41,671</td>
<td>37,036</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>25</td>
<td>882</td>
<td>1,862</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td></td>
<td>63,013</td>
<td>57,017</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>24</td>
<td>13,639</td>
<td>12,409</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td></td>
<td>13,639</td>
<td>12,409</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
<td>76,652</td>
<td>69,426</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>719,103</td>
<td>587,551</td>
</tr>
</tbody>
</table>
Financial statements

**Balance Sheet** As at 30 June 2007

<table>
<thead>
<tr>
<th>Note</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>EQUITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed equity</td>
<td>549,284</td>
<td>531,277</td>
</tr>
<tr>
<td>Reserves</td>
<td>184,886</td>
<td>75,895</td>
</tr>
<tr>
<td>Accumulated surplus/(deficit)</td>
<td>(15,067)</td>
<td>(19,621)</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>719,103</td>
<td>587,551</td>
</tr>
<tr>
<td>TOTAL LIABILITIES AND EQUITY</td>
<td>795,755</td>
<td>656,977</td>
</tr>
</tbody>
</table>

The Balance Sheet should be read in conjunction with the accompanying notes. Comparative figures are for the five months ended 30 June 2006.
## Cash Flow Statement

For the year ended 30 June 2007

### CASH FLOWS FROM STATE GOVERNMENT

<table>
<thead>
<tr>
<th>Note</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service appropriations</td>
<td>438,922</td>
<td>153,172</td>
</tr>
<tr>
<td>Capital contributions</td>
<td>18,007</td>
<td>14,532</td>
</tr>
<tr>
<td>Holding account drawdowns</td>
<td>12,643</td>
<td>6,000</td>
</tr>
<tr>
<td>Distributions from owner</td>
<td>–</td>
<td>14,500</td>
</tr>
<tr>
<td><strong>Net cash provided by State Government</strong></td>
<td><strong>469,572</strong></td>
<td><strong>188,204</strong></td>
</tr>
</tbody>
</table>

Utilised as follows:

### CASH FLOWS FROM OPERATING ACTIVITIES

**Payments**

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee benefits expenses</td>
<td>(208,172)</td>
<td>(78,172)</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>(185,736)</td>
<td>(60,403)</td>
</tr>
<tr>
<td>Accommodation expenses</td>
<td>(4,522)</td>
<td>(1,679)</td>
</tr>
<tr>
<td>Capital user charge</td>
<td>(46,205)</td>
<td>(17,231)</td>
</tr>
<tr>
<td>GST payments on purchases</td>
<td>(19,479)</td>
<td>(6,825)</td>
</tr>
<tr>
<td>GST payments to taxation authority</td>
<td>(1,166)</td>
<td>(228)</td>
</tr>
</tbody>
</table>

**Receipts**

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from services</td>
<td>15,321</td>
<td>4,968</td>
</tr>
<tr>
<td>Commonwealth grants and contributions</td>
<td>177</td>
<td>57</td>
</tr>
<tr>
<td>GST receipts on sales</td>
<td>1,184</td>
<td>304</td>
</tr>
<tr>
<td>GST receipts from taxation authority</td>
<td>17,497</td>
<td>4,558</td>
</tr>
</tbody>
</table>

**Net cash provided by/(used in) operating activities**

27 (c) | (431,101) | (154,651) |
### Cash Flow Statement
For the year ended 30 June 2007

<table>
<thead>
<tr>
<th>Note</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH FLOWS FROM INVESTING ACTIVITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of non-current assets</td>
<td>(37,699)</td>
<td>(16,653)</td>
</tr>
<tr>
<td>Receipts from the sale of non-current assets</td>
<td>45</td>
<td>–</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) investing activities</strong></td>
<td>(37,654)</td>
<td>(16,653)</td>
</tr>
<tr>
<td><strong>Net (decrease)/increase in cash and cash equivalents</strong></td>
<td>817</td>
<td>16,900</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the period</td>
<td>16,900</td>
<td></td>
</tr>
<tr>
<td><strong>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</strong></td>
<td>27 (a)</td>
<td>17,717</td>
</tr>
</tbody>
</table>

The Cash Flow Statement should be read in conjunction with the accompanying notes. Comparative figures are for the five months ended 30 June 2006.
### Statement of Changes in Equity

**For the year ended 30 June 2007**

<table>
<thead>
<tr>
<th>Description</th>
<th>Note</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance of equity at the beginning of the period</td>
<td></td>
<td>587,551</td>
<td>–</td>
</tr>
<tr>
<td><strong>CONTRIBUTED EQUITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the period</td>
<td>26</td>
<td>531,277</td>
<td>–</td>
</tr>
<tr>
<td>Capital contributions</td>
<td></td>
<td>18,007</td>
<td>14,532</td>
</tr>
<tr>
<td>Distributions from owner</td>
<td>–</td>
<td>–</td>
<td>516,745</td>
</tr>
<tr>
<td><strong>Balance at the end of the period</strong></td>
<td></td>
<td>549,284</td>
<td>531,277</td>
</tr>
<tr>
<td><strong>RESERVES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset revaluation reserve</td>
<td>26</td>
<td>75,895</td>
<td>–</td>
</tr>
<tr>
<td>Gains/(losses) from asset revaluation</td>
<td></td>
<td>108,991</td>
<td>75,895</td>
</tr>
<tr>
<td><strong>Balance at the end of the period</strong></td>
<td></td>
<td>184,886</td>
<td>75,895</td>
</tr>
<tr>
<td><strong>ACCUMULATED SURPLUS/(DEFICIT)</strong></td>
<td>26</td>
<td>(19,621)</td>
<td>–</td>
</tr>
<tr>
<td>Surplus/(deficit) for the period</td>
<td></td>
<td>4,554</td>
<td>(19,621)</td>
</tr>
<tr>
<td><strong>Balance at the end of the period</strong></td>
<td></td>
<td>(15,067)</td>
<td>(19,621)</td>
</tr>
<tr>
<td><strong>Balance of equity at the end of the period</strong></td>
<td></td>
<td>719,103</td>
<td>587,551</td>
</tr>
<tr>
<td><strong>TOTAL INCOME AND EXPENSES FOR THE PERIOD</strong></td>
<td></td>
<td>113,545</td>
<td>56,274</td>
</tr>
</tbody>
</table>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes. Comparative figures are for the five months ended 30 June 2006.
## Financial statements

### Schedule of Income and Expenses by Service

**For the year ended 30 June 2007**

<table>
<thead>
<tr>
<th></th>
<th>2007 Total</th>
<th>2006 Total</th>
<th>2007 Service 1 Adult Criminal Justice Services</th>
<th>2006 Service 1 Adult Criminal Justice Services</th>
<th>2007 Service 2 Juvenile Criminal Justice Services</th>
<th>2006 Service 2 Juvenile Criminal Justice Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST OF SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits expenses</td>
<td>196,710</td>
<td>79,371</td>
<td>36,270</td>
<td>14,302</td>
<td>232,980</td>
<td>93,673</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>10,997</td>
<td>5,587</td>
<td>2,358</td>
<td>373</td>
<td>13,355</td>
<td>5,960</td>
</tr>
<tr>
<td>Capital user charge</td>
<td>41,510</td>
<td>13,610</td>
<td>4,695</td>
<td>644</td>
<td>46,205</td>
<td>14,254</td>
</tr>
<tr>
<td>Loss on sale of assets</td>
<td>67</td>
<td>9</td>
<td>21</td>
<td>–</td>
<td>88</td>
<td>9</td>
</tr>
<tr>
<td>Other expenses</td>
<td>187,627</td>
<td>79,024</td>
<td>17,661</td>
<td>6,876</td>
<td>205,288</td>
<td>85,900</td>
</tr>
<tr>
<td><strong>TOTAL COST OF SERVICES</strong></td>
<td>436,911</td>
<td>177,601</td>
<td>61,005</td>
<td>22,195</td>
<td>497,916</td>
<td>199,796</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>15,238</td>
<td>5,441</td>
<td>1,058</td>
<td>275</td>
<td>16,296</td>
<td>5,716</td>
</tr>
<tr>
<td><strong>Total income other than income from State Government</strong></td>
<td>15,238</td>
<td>5,441</td>
<td>1,058</td>
<td>275</td>
<td>16,296</td>
<td>5,716</td>
</tr>
<tr>
<td><strong>NET COST OF SERVICES</strong></td>
<td>421,673</td>
<td>172,160</td>
<td>59,947</td>
<td>21,920</td>
<td>481,620</td>
<td>194,080</td>
</tr>
<tr>
<td><strong>INCOME FROM STATE GOVERNMENT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service appropriations</td>
<td>398,561</td>
<td>138,258</td>
<td>54,933</td>
<td>21,933</td>
<td>453,494</td>
<td>160,191</td>
</tr>
<tr>
<td>Liabilities assumed by the Treasurer</td>
<td>412</td>
<td>451</td>
<td>217</td>
<td>102</td>
<td>629</td>
<td>553</td>
</tr>
<tr>
<td>Resources received free of charge</td>
<td>26,770</td>
<td>11,698</td>
<td>5,281</td>
<td>2,017</td>
<td>32,051</td>
<td>13,715</td>
</tr>
<tr>
<td><strong>Total income from State Government</strong></td>
<td>425,743</td>
<td>150,407</td>
<td>60,431</td>
<td>24,052</td>
<td>486,174</td>
<td>174,459</td>
</tr>
<tr>
<td><strong>SURPLUS/(DEFICIT) FOR THE PERIOD</strong></td>
<td>4,070</td>
<td>(21,753)</td>
<td>484</td>
<td>2,132</td>
<td>4,554</td>
<td>(19,621)</td>
</tr>
</tbody>
</table>

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.
Comparative figures are for the five months ended 30 June 2006.
### Summary of Consolidated Fund Appropriations and Income Estimates
For the year ended 30 June 2007

<table>
<thead>
<tr>
<th></th>
<th>2007 Estimate $'000</th>
<th>2007 Actual $'000</th>
<th>2007 Variation $'000</th>
<th>2006 Actual $'000</th>
<th>Actual $'000</th>
<th>Variation $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DELIVERY OF SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item 63 net amount appropriated to deliver services</td>
<td>428,866</td>
<td>446,723</td>
<td>17,857</td>
<td>446,723</td>
<td>12,899</td>
<td>433,824</td>
</tr>
<tr>
<td>Section 25 transfer of service appropriation</td>
<td>–</td>
<td>6,067</td>
<td>6,067</td>
<td>6,067</td>
<td>147,029</td>
<td>(140,962)</td>
</tr>
<tr>
<td>Amount authorised by other statutes</td>
<td>Salaries and Allowances Act 1975</td>
<td>647</td>
<td>704</td>
<td>57</td>
<td>704</td>
<td>263</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS PROVIDED TO DELIVER SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>429,513</td>
<td>453,494</td>
<td>23,981</td>
<td>453,494</td>
<td>160,191</td>
<td>293,303</td>
</tr>
<tr>
<td><strong>CAPITAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item 150 capital contribution</td>
<td></td>
<td>51,016</td>
<td>18,007</td>
<td>(33,009)</td>
<td>18,007</td>
<td>14,532</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>480,529</td>
<td>471,501</td>
<td>(9,028)</td>
<td>471,501</td>
<td>174,723</td>
<td>296,778</td>
</tr>
<tr>
<td><strong>DETAILS OF EXPENSES BY SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service 1 – Adult criminal justice services</td>
<td>395,996</td>
<td>436,911</td>
<td>40,915</td>
<td>436,911</td>
<td>177,601</td>
<td>259,310</td>
</tr>
<tr>
<td>Service 2 – Juvenile criminal justice services</td>
<td>59,050</td>
<td>61,005</td>
<td>1,955</td>
<td>61,005</td>
<td>22,195</td>
<td>38,810</td>
</tr>
<tr>
<td>Total appropriations provided to deliver services</td>
<td>455,046</td>
<td>497,916</td>
<td>42,870</td>
<td>497,916</td>
<td>199,796</td>
<td>298,120</td>
</tr>
<tr>
<td>Total income other than income from State Government</td>
<td>(12,215)</td>
<td>(16,296)</td>
<td>(4,081)</td>
<td>(16,296)</td>
<td>(5,716)</td>
<td>10,580</td>
</tr>
<tr>
<td>Net cost of services</td>
<td>442,831</td>
<td>481,620</td>
<td>38,789</td>
<td>481,620</td>
<td>194,080</td>
<td>(287,540)</td>
</tr>
<tr>
<td>Adjustments</td>
<td>(13,318)</td>
<td>(28,126)</td>
<td>(14,808)</td>
<td>(28,126)</td>
<td>(33,889)</td>
<td>(5,763)</td>
</tr>
<tr>
<td><strong>TOTAL APPROPRIATIONS PROVIDED TO PURCHASE SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>429,513</td>
<td>453,494</td>
<td>23,981</td>
<td>453,494</td>
<td>160,191</td>
<td>(293,303)</td>
</tr>
</tbody>
</table>
### Summary of Consolidated Fund Appropriations and Income Estimates

For the year ended 30 June 2007

<table>
<thead>
<tr>
<th></th>
<th>2007 Estimate $'000</th>
<th>2007 Actual $'000</th>
<th>2007 Variation $'000</th>
<th>2006 Actual $'000</th>
<th>Actual $'000</th>
<th>Variation $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CAPITAL EXPENDITURE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of non-current physical assets</td>
<td>70,327</td>
<td>37,699</td>
<td>(32,628)</td>
<td>37,699</td>
<td>16,653</td>
<td>21,046</td>
</tr>
<tr>
<td>Adjustment for other funding sources</td>
<td>19,311</td>
<td>19,692</td>
<td>381</td>
<td>19,692</td>
<td>2,121</td>
<td>17,571</td>
</tr>
<tr>
<td><strong>CAPITAL CONTRIBUTION (APPROPRIATION)</strong></td>
<td>51,016</td>
<td>18,007</td>
<td>(33,009)</td>
<td>18,007</td>
<td>14,532</td>
<td>3,475</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td>480,529</td>
<td>471,501</td>
<td>(9,028)</td>
<td>471,501</td>
<td>174,723</td>
<td>(289,828)</td>
</tr>
</tbody>
</table>

The summary of Consolidated Fund Appropriations, Variance to Budget and Actual should be read in conjunction with the accompanying notes. Comparative figures are for the five months ended 30 June 2006.
Notes to the Financial Statements for the year ended 30 June 2007

1. Department of Corrective Services mission and funding
The Department of Corrective Services (the Department) is responsible for the leadership, support and provision of a diverse range of offender management services, including:
- managing adult and juvenile offenders in custody and in the community
- providing support, assistance, advice and counselling to victims of crime
- providing information and support to the Prisoners Review Board and the Supervised Release Review Board.

The Department is predominantly funded by Parliamentary appropriations.

The Department's financial statements encompass all funds through which it controls resources to undertake its functions.

2. Australian equivalents to International Financial Reporting Standards
The Department's financial statements for the year ended 30 June 2007 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS). The standards comprise a Framework for the Preparation and Presentation of Financial Statements (the framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Department has adopted, where relevant to its operations, new and revised standards and interpretations from their operative dates as issued by the Australian Accounting Standards Board (AASB) (formerly the Urgent Issues Group [UIG]).

The Australian Accounting Interpretations are adopted through AASB 1048: Interpretation and Application of Standards and are classified into those corresponding to International Accounting Standards Board (IASB) Interpretations and those only applicable in Australia.

The AASB has decided to maintain the Statements of Accounting Concepts (SAC) one and two and has continued to revise and maintain accounting standards and the interpretations that are of particular relevance to the Australian environment, especially those that deal more specifically with not-for-profit entity issues and/or do not have an equivalent IASB Standard or Interpretation.

Early adoption of standards
The Department cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by Treasurer's Instruction (TI) 1101: Application of Australian Accounting Standards and Other Pronouncements. No standards and interpretations that have been issued or amended but are not yet effective have been early adopted by the Department for the financial year ended 30 June 2007.

3. Summary of significant accounting policies
The following accounting policies have been adopted in the preparation of these financial statements. Unless otherwise stated, these policies are consistent with those adopted in the previous year.

(a) General statement
The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has a material or significant effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.
Notes to the Financial Statements for the year ended 30 June 2007

(a) Basis of preparation
The financial statements have been prepared in accordance with Accounting Standard AAS 29: Financial Reporting by Government Departments, on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities, which are measured at fair value.

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

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars, and in certain cases, to the nearest dollar.

(b) Reporting entity
The reporting entity comprises the Department and no other related bodies.

(c) Service appropriations
Service appropriations are recognised as revenues at nominal value in the period 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 holding account held at the Department of Treasury and Finance. Refer to Note 17 for further commentary on service appropriations.

(d) Contributed equity
UIG interpretation 1038: Contributions by Owners Made to Wholly-Owned Public Sector Entities, requires transfers in the nature of equity contributions 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 contributions (appropriations) have been designated as contributions by owners by TI 955: Contributions by Owners Made to Wholly Owned Public Sector Entities, and have been credited directly to Contributed Equity. Repayable capital appropriations are recognised as liabilities.

(e) Net appropriation determination
Pursuant to section 23 of the Financial Management Act, the Department has entered into a net appropriation arrangement with the Treasurer, where the proceeds from services are retained by the Department. Items covered by the agreement include Commonwealth recoups, sale of personal prisoner services, sale of prison produce surplus to requirements, workers compensation recoups, criminal injuries awards and other miscellaneous revenues.

In accordance with the determination, the Department retained $16.3 million in 2007. Retained revenues may only be applied to the services specified in the 2006-07 Budget Statements.

(f) Grants and other contributions revenue
Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Department obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt. Contributions are recognised at fair value.

(g) Revenue recognition
Revenue is recognised at the fair value of consideration received or receivable where it can be reliably measured, in the period to which it relates. However, where there is not an established pattern of income flow, revenue is recognised on a cash receipts basis.

(h) Depreciation of non-current assets
All non-current assets with a value of more than $5,000 and a useful life of more than two years are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. Furniture items are mostly under this limit and are expensed in the year of purchase. Library and livestock purchases are also expensed in the year of purchase.
Financial statements

Notes to the Financial Statements for the year ended 30 June 2007

Depreciation is calculated on the straight line basis, using rates which are periodically reviewed. Estimated useful lives for each class of depreciable assets are:

- Buildings: 50 years
- Leasehold improvements: 10 years
- Information technology systems: 5 years
- Plant, equipment and vehicles: 4–15 years

Building and information technology projects are reported as Works in Progress until they are commissioned.

(j) Revaluation of land, buildings and infrastructure

The Department has a policy of revaluing land and buildings to fair value, on an annual basis, under AASB 116.31. (See Note 21).

Where market 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 assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. The revaluation of land and buildings is an independent valuation provided on an annual basis by Landgate (Valuation Services).

(k) Impairment of assets

Property, plant and equipment, infrastructure and intangible assets are tested for any indication of impairment at each reporting date. 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 written down to the recoverable amount and an impairment loss is recognised. 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 asset is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of that class of asset’s future economic benefits and to evaluate any impairment risk from falling replacement costs.

(l) Intangible assets

All acquired and internally developed intangible assets are initially recognised at cost. Amortisation for intangible assets with finite lives is calculated for the period of the expected benefit (estimated useful life) on the straight line basis. All intangible assets controlled by the Department have a finite useful life and zero residual value. The expected useful life for departmental intangible assets is five years.

(m) Leases

The Department has entered into a number of operating lease arrangements:

- for buildings through the Department of Housing and Works
- for passenger and light commercial motor vehicles through the State Supply Commission
- for office equipment.

The lessors effectively retain all of the risks and benefits incidental to ownership of the items held under the operating leases.

Equal instalments of the lease payments are charged to the Income Statement over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

Refer to Note 29 (b).

(n) Financial instruments

The Department has two categories of financial instrument:

- receivables (cash and cash equivalents, receivables)
- non-trading financial liabilities (payables).
Notes to the Financial Statements for the year ended 30 June 2007

Initial recognition and measurement is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is immaterial.

The Department considers that there are no embedded derivative implications related to potential increases in contractual costs.

(o) Cash and cash equivalents
For the purpose of the Cash Flow Statement, cash and cash equivalents include restricted cash and cash equivalents. These are comprised of 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.

(p) Accrued salaries
The accrued salaries suspense account (refer to Note 18: Restricted cash and cash equivalents) consists of amounts paid annually into a suspense account over a period of ten financial years, to largely meet the additional cash outflow in each eleventh year when 27 pay days occur in that year instead of the normal 26. No interest is received on this account.

Accrued salaries (refer to Note 25: Other current liabilities) represent the amount due to staff but unpaid at the end of the financial year, if the end of the last pay period for that financial year does not coincide with 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 the net fair value.

The last pay day in 2006-07 was Thursday 28 June. Therefore, an accrual of one day was necessary in this financial year.

(q) Receivables
Receivables are recognised and carried at the original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off. The provision for uncollectable amounts (doubtful debts) is raised where there is objective evidence that the Department will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. An allowance for impairment of receivables can only be raised if there is objective evidence of impairment.

Refer to Note 19: Receivables.

(r) Amounts receivable for services (holding account)
The Department receives funding on an accrual basis that recognises the full annual cash and non-cash cost of services. The appropriations are paid partly in cash and partly as an asset (Holding Account receivable) that is accessible on the emergence of the cash funding requirement to cover items such as leave entitlements and asset replacement.

(s) Expenditure carried forward
Software – significant costs associated with the acquisition or development of computer software are capitalised and amortised on a straight line basis over the periods of the expected benefit, which is usually five years.

Website costs – costs in relation to websites controlled by the Department are charged as expenses in the period in which they are incurred.

(t) Payables
Payables are recognised at the amounts payable when the Department becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See also Note 23: Payables.
Notes to the Financial Statements for the year ended 30 June 2007

(u) Provisions

Annual leave
This benefit is recognised at the reporting date in respect of employees’ services up to
that date and is measured at the anticipated amounts expected to be paid when the
liabilities are settled.

Long service leave
A liability for long service leave is recognised and measured as the present value of
expected future payments to be made in respect of services provided by employees
up to the reporting date. When assessing expected future payments, consideration is
given to expected future wage and salary levels including relevant on-costs, experience
of employee departures and periods of service. Expected future payments are
discounted using interest rates to obtain the estimated future cash outflows. The long
service leave liability is based on a shorthand method provided by Price Waterhouse
Coopers Actuaries in May 2006 and is compliant with AASB 119: Employee Benefits.

Employment on-costs
Employment on-costs, including workers’ compensation insurance, are not employee
benefits and are recognised as liabilities and expenses when the employment to which
they relate, has occurred. Employment on-costs are included as part of other expenses
and are not included as part of the Department’s employee benefits expense. The
related liability is included in employment on-cost provision. See Notes 13 and 24.

(v) Superannuation
Staff may contribute to the Superannuation and Family Benefits Act Scheme – a
defined benefit pension scheme now closed to new members, or to the Gold State
Superannuation (GSS) Scheme – a defined benefit lump sum scheme now also closed
to new members. Staff who do not contribute to either of these schemes become
non-contributory members of the West State Superannuation (WSS) Scheme – an
accumulation fund complying with the Commonwealth Government’s Superannuation
Guarantee (Administration) Act 1992. All of these schemes are administered by the
Government Employees Superannuation Board (GESB).

Employees who started employment before 16 April 2007, who are not members of
either the Pension or the GSS Schemes, became non-contributory members of the
WSS Scheme. Employees who started employment on or after 16 April 2007, became
members of the GESB Super (GESBS) Scheme. Both of these schemes are accumulation
schemes. The Department makes concurrent contributions to GESB on behalf of
employees in compliance with the Commonwealth Government’s Superannuation
Guarantee (Administration) Act 1992. These contributions extinguish the liability for
superannuation charges related to the WSS and GESBS Schemes.

The superannuation expense is comprised of the following elements:
• defined benefit plans – change in the unfunded employer’s liability in respect of
current employees who are members of the Superannuation and Family Benefits Act
Scheme and current employees who accrued a benefit on transfer from that Scheme
to the GSS Scheme
• defined contribution plans – employer contributions paid to the equivalent of
employer contributions to the GSS and the WSS Scheme.

The superannuation expense does not include payment of pensions to retirees as this
does not constitute part of the cost of services provided by the Department in the
current year.

A revenue ‘Liabilities assumed by the Treasurer’ equivalent to (i) is recognised under
Income from Government in the Income Statement, as the unfunded liability is
assumed by the Treasurer. The GESB makes the benefit payments and is recouped by
the Treasurer.

From 1 July 2001, employer contributions are paid to the GESB for the GSS and the
WSS Scheme. Previously, the unfunded liability for these schemes was assumed by the
Treasurer. An amount equivalent to the employer contributions, which would have been
Financial statements

Notes to the Financial Statements for the year ended 30 June 2007

paid to the GSS and the WSS Scheme if the Department had made concurrent employer contributions to those schemes, was included in superannuation expense. This amount was also included in the revenue item ‘Liabilities assumed by the Treasurer’.

(w) Resources received free of charge or for nominal value
Resources received free of charge or for nominal value that can be reliably measured are recognised as revenues and as assets or expenses as appropriate, at fair value.

(x) Comparative figures
On 1 February 2006, the Department of Justice split into the Department of the Attorney General and the Department of Corrective Services. Comparative figures are therefore for the five months ended 30 June 2006.

4. Services of the Department
Information about the Department’s services is set out in the schedule of Expenses and Revenues by Service. The services of the Department are:

Adult Criminal Justice Services
The custody, containment, care, well-being and rehabilitation of adult offenders and their reintegration into, and reparation to, the community is managed through prisons and the supervision of offenders in the community. This includes the provision of remedial programs; further education and employment skills; sentencing reports; assessment reports outlining offenders’ suitability for release or their progress in the community to releasing authorities such as the Prisoners’ Review Board; providing policy advice; infrastructure management; and planning and collaborating with other agencies.

Juvenile Criminal Justice Services
Juvenile offenders are managed in custody and in the community to fulfil the orders of the courts and through diversion from court programs. Juveniles participate in remedial, educational and rehabilitation programs that address their offending behaviour.

Corporate Services
Corporate services costs have been allocated on a service level agreement basis to services.

5. Disclosure of changes in accounting policy and estimates
Future impact of Australian Accounting Standards not yet operative
The Department cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101: Application of Australian Accounting Standards and Other Pronouncements. Consequently, the Department has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued but are not yet effective. These will be applied from their application date:

(i) AASB 7: Financial Instruments – Disclosures (including consequential amendments in AASB 2005-10: Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]).
This Standard requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative, of the Department’s exposure to risks, enhanced disclosure regarding components of the Department’s financial position and performance, and possible changes to the way certain items are presented in the financial statements. The Department does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.

(ii) AASB 2005-10: Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038).
The amendments are a result of the issue of AASB 7: Financial Instruments – Disclosures, which amends the financial instrument disclosure requirements in these standards. The Department does not expect any financial impact when the
Financial statements

Notes to the Financial Statements for the year ended 30 June 2007

Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.

(iii) AASB 101: Presentation of Financial Statements.
This Standard was revised and issued in October 2006 so that AASB 101 has the same requirements as IAS 1: Presentation of Financial Statements (as issued by the IASB) in respect of for-profit entities. As a not-for-profit entity, the Department does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.

This Standard introduces policy options and modifies disclosures. These amendments arise as a result of the AASB decision that, in principle, all options that currently exist under IFRSs should be included in the Australian equivalents to IFRSs and additional Australian disclosures should be eliminated, other than those now considered particularly relevant in the Australian reporting environment. The Department of Treasury and Finance has indicated that it will mandate to remove the policy options added by this amending Standard. This will result in no impact as a consequence of application of the Standard. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.

(v) AASB 2007-5: Amendment to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities (AASB 102).
This amendment changes AASB 102 ‘Inventories’ so that inventories held for distribution by not-for-profit entities are measured at cost, adjusted when applicable for any loss of service potential. The Department does not have any inventories held for distribution so does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.

(vi) AASB Interpretation 4: Determining whether an Arrangement contains a Lease [revised].
This Interpretation was revised and issued in February 2007 to specify that if a public-to-private service concession arrangement meets the scope requirements of AASB Interpretation 12 ‘Service Concession Arrangements’ as issued in February 2007, it would not be within the scope of Interpretation 4. At balance sheet date, the Department has not entered into any arrangements as specified in the Interpretation or within the scope of Interpretation 12, resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

(vii) AASB Interpretation 12: Service Concession Arrangements.
This Interpretation was issued in February 2007 and gives guidance on the accounting by operators (usually a private sector entity) for public-to-private service concession arrangements. It does not address the accounting by grantors (usually a public sector entity). It is currently unclear as to the application of the Interpretation to the Department if and when public-to-private service concession arrangements are entered into in the future. At balance sheet date, the Department has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

(viii) AASB Interpretation 129: Service Concession Arrangements – Disclosures (revised).
This Interpretation was revised and issued in February 2007 to be consistent with the requirements in AASB Interpretation 12: Service Concession Arrangements, issued in February 2007. Specific disclosures about service concession arrangements entered into are required in the notes accompanying the financial statements, whether as a grantor or an operator. At balance sheet date, the Department has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.
## Notes to the Financial Statements for the year ended 30 June 2007

The following Australian Accounting Standards and Interpretations are not applicable to the Department as they will have no impact or do not apply to not-for-profit entities:

**AASB Standards and Interpretations**

- **AASB 8**: Operating Segments
- **AASB 1049**: Financial Reporting of General Government Sectors by Governments
- **AASB 2007-1**: Amendments to Australian Accounting Standards arising from AASB Interpretation 11 (AASB 2)
- **AASB 2007-2**: Amendments to Australian Accounting Standards arising from AASB Interpretation 12: (AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139) paragraphs 1 to 8
- **AASB 2007-3**: Amendments to Australian Accounting Standards arising from AASB 8 (AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038)
- **Interpretation 10**: Interim Financial Reporting and Impairment
- **Interpretation 11**: AASB 2: Group and Treasury Share Transactions

### 6. Employee benefits expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $’000</th>
<th>2006 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>185,914</td>
<td>72,815</td>
</tr>
<tr>
<td>Superannuation – defined contribution plans</td>
<td>17,965</td>
<td>7,482</td>
</tr>
<tr>
<td>Superannuation – defined benefit plans</td>
<td>629</td>
<td>553</td>
</tr>
<tr>
<td>Long service leave</td>
<td>7,972</td>
<td>3,582</td>
</tr>
<tr>
<td>Annual leave</td>
<td>20,500</td>
<td>9,241</td>
</tr>
</tbody>
</table>

**Total**                                           | **232,980**| **93,673** |

Defined contribution plans include West State and Gold State (contribution paid).
Defined benefit plans include Pension Scheme and Gold State (pre-transfer benefits).

### 7. Supplies and services

<table>
<thead>
<tr>
<th>Description</th>
<th>2007 $’000</th>
<th>2006 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services and contracts</td>
<td>78,172</td>
<td>34,202</td>
</tr>
<tr>
<td>Resources free of charge</td>
<td>32,052</td>
<td>13,715</td>
</tr>
<tr>
<td>Goods and supplies purchased</td>
<td>28,900</td>
<td>13,155</td>
</tr>
</tbody>
</table>

**Total**                                           | **139,124**| **61,072** |
### Notes to the Financial Statements for the year ended 30 June 2007

<table>
<thead>
<tr>
<th>8. Depreciation and amortisation</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Depreciation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>11,587</td>
<td>5,420</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>889</td>
<td>378</td>
</tr>
<tr>
<td><strong>Total depreciation</strong></td>
<td>12,476</td>
<td>5,798</td>
</tr>
<tr>
<td><strong>Amortisation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>388</td>
<td>133</td>
</tr>
<tr>
<td>IT systems</td>
<td>491</td>
<td>29</td>
</tr>
<tr>
<td><strong>Total amortisation</strong></td>
<td>879</td>
<td>162</td>
</tr>
<tr>
<td><strong>13,355</strong></td>
<td><strong>5,960</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>9. Accommodation expenses</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building rental operating lease expenses</td>
<td>4,522</td>
<td>1,678</td>
</tr>
<tr>
<td><strong>4,522</strong></td>
<td><strong>1,678</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>10. Grants and subsidies</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offenders gratuities</td>
<td>5,183</td>
<td>2,295</td>
</tr>
<tr>
<td>Non-government organisations</td>
<td>42</td>
<td>37</td>
</tr>
<tr>
<td>Other grants and subsidies</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>5,227</strong></td>
<td><strong>2,334</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>11. Capital user charge</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital user charge expense for the year</td>
<td>46,205</td>
<td>14,254</td>
</tr>
</tbody>
</table>

A capital user charge rate of 8% has been set by the Government and represents the opportunity cost of capital invested in the net assets of the Department used in the provision of services. The charge is calculated on the net assets adjusted to take account of exempt assets.

<table>
<thead>
<tr>
<th>12. Net loss on sale of assets</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from sale of assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross proceeds on disposal</td>
<td>36</td>
<td>45</td>
</tr>
<tr>
<td>Costs of sale of assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>124</td>
<td>54</td>
</tr>
<tr>
<td><strong>Net loss</strong></td>
<td><strong>(88)</strong></td>
<td><strong>(9)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>13. Other expenses</th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building repairs and maintenance</td>
<td>10,182</td>
<td>5,520</td>
</tr>
<tr>
<td>Electricity and water</td>
<td>4,037</td>
<td>1,622</td>
</tr>
<tr>
<td>Communication expenses</td>
<td>5,046</td>
<td>2,387</td>
</tr>
<tr>
<td>Plant, equipment and vehicle operating lease expenses</td>
<td>3,491</td>
<td>1,090</td>
</tr>
<tr>
<td>Plant, equipment and vehicle repairs and maintenance</td>
<td>7,884</td>
<td>2,704</td>
</tr>
<tr>
<td>Vehicle hire, fuel, registration and management fees</td>
<td>2,842</td>
<td>1,167</td>
</tr>
<tr>
<td>Insurance</td>
<td>5</td>
<td>–</td>
</tr>
<tr>
<td>Other staff costs</td>
<td>12,471</td>
<td>4,894</td>
</tr>
<tr>
<td>Other expenses</td>
<td>10,457</td>
<td>1,432</td>
</tr>
<tr>
<td><strong>56,415</strong></td>
<td><strong>20,816</strong></td>
<td></td>
</tr>
</tbody>
</table>
Notes to the Financial Statements for the year ended 30 June 2007

14. User charges and fees
   Miscellaneous fees and charges 90 19

15. Commonwealth grants and contributions
   Commonwealth recoup other 797 244

16. Other revenues
   Sale of produce and goods 2,220 883
   Canteen sales 4,954 1,663
   Recoup of salaries and workers compensation 4,313 1,425
   Recoup of telephones, postage and other reimbursements 1,723 614
   Other miscellaneous revenue 2,199 868

17. Income from State Government
   Appropriation revenue received during the year(1)
   Service appropriations 453,494 160,191

   Liabilities assumed by the Treasurer during the financial year(2)
   Superannuation – employees 629 553

Resources received free of charge(3), determined on the basis of estimates provided by agencies
- Department of Treasury and Finance
  Provision of integrated procurement services 231 195
- Department of the Attorney General
  Provision of bureau and legal services 31,117 12,790
- Departments of Treasury and Housing and Works (Commercial Property Branch)
  Notional management fee 137 32
- Department of Land Information
  Valuation services, land registration and information 15 130
- Health Department of Western Australia
  Provision of medical, health, dental services and forensic services for post mortems 551 568

32,051 13,715

(1) Service appropriations are accrual amounts reflecting the full price cost of services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(2) The superannuation liability by the Treasurer is a notional revenue offsetting the notional superannuation expense reported in respect of current employees who are members of the pension scheme and current employees who have a transfer benefit entitlement under the GSS Scheme.

(3) Where assets or services have been received free of charge or for nominal consideration, the Department recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.
Notes to the Financial Statements for the year ended 30 June 2007

18. Restricted cash and cash equivalents
Accrued salaries suspense account 1,584 567

Amounts held in the salaries suspense account are to be used only for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.

19. Receivables
Trade debtors 1,525 692
GST receivable 4,154 2,191
Pre-payments 243 174

5,922 3,057

The Department does not have any significant exposure to any individual customer or counterparty.

20. Amounts receivable for services
Current 20,300 19,311
Non-current 14,984 14,044

35,284 33,355

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

21. Property, plant and equipment & vehicles

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At fair value (1)</td>
<td>80,675</td>
<td>67,919</td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At fair value (1)</td>
<td>602,681</td>
<td>501,608</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>3,963</td>
<td>3,796</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(2,127)</td>
<td>(1,739)</td>
</tr>
</tbody>
</table>

1,836 2,057

Property, plant and equipment & vehicles

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>At cost</td>
<td>13,803</td>
<td>13,866</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(8,355)</td>
<td>(8,040)</td>
</tr>
</tbody>
</table>

5,448 5,826

Work in progress

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>35,918</td>
<td>16,194</td>
</tr>
<tr>
<td>IT systems</td>
<td>1,811</td>
<td>9,893</td>
</tr>
</tbody>
</table>

37,729 26,087

Total property, plant and equipment & vehicles

|                         | 728,369    | 603,497    |

(1) Land and buildings were revalued during the year ended 30 June 2007, in accordance with an independent valuation by Landgate. Fair value has been determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, ie, depreciated replacement cost. In accordance with AASB 116.35 (b), accumulated depreciation has been netted off against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset. The 2005-06 comparatives have been restated to reflect this change in accounting treatment.
### Notes to the Financial Statements for the year ended 30 June 2007

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

#### Land
- **Carrying amount at the beginning of the period**: $67,919,000
- **Distributions from owner**: $56,278,000
- **Revaluation increments**: $12,756,000
- **Carrying amount at the end of the period**: $80,675,000

#### Buildings
- **Carrying amount at the beginning of the period**: $501,608,000
- **Additions**: $16,593,000
- **Disposals**: $175,000
- **Distributions from owner**: $438,855,000
- **Revaluation increments**: $96,242,000
- **Depreciation**: $11,587,000
- **Carrying amount at the end of the period**: $602,681,000

#### Leasehold improvements
- **Carrying amount at the beginning of the period**: $2,057,000
- **Additions**: $167,000
- **Distributions from owner**: $1,760,000
- **Depreciation**: $388,000
- **Carrying amount at the end of the period**: $1,836,000

#### Property, plant and equipment & vehicles
- **Carrying amount at the beginning of the period**: $5,826,000
- **Additions**: $611,000
- **Disposals**: $120,000
- **Distributions from owner**: $20,000
- **Depreciation**: $889,000
- **Carrying amount at the end of the period**: $5,448,000

#### Work in progress
- **Carrying amount at the beginning of the period**: $26,087,000
- **Additions**: $37,019,000
- **Distributions from owner**: $14,579,000
- **Transfers to non-current assets**: $25,377,000
- **Carrying amount at the end of the period**: $37,729,000
Notes to the Financial Statements for the year ended 30 June 2007

22. Intangible assets

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer software</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>19,709</td>
<td>10,924</td>
</tr>
<tr>
<td>Accumulated amortisation</td>
<td>(11,246)</td>
<td>(10,756)</td>
</tr>
<tr>
<td></td>
<td>8,463</td>
<td>168</td>
</tr>
</tbody>
</table>

Reconciliations

Reconciliations of the carrying amounts of Intangible assets at the beginning and end of the reporting period are set out below.

IT systems

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying amount at the beginning of the period</td>
<td>168</td>
<td>–</td>
</tr>
<tr>
<td>Additions</td>
<td>8,786</td>
<td>–</td>
</tr>
<tr>
<td>Distributions from owner</td>
<td>–</td>
<td>197</td>
</tr>
<tr>
<td>Amortisation</td>
<td>(491)</td>
<td>(29)</td>
</tr>
<tr>
<td></td>
<td>8,463</td>
<td>168</td>
</tr>
</tbody>
</table>

23. Payables

Current

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other creditors</td>
<td>20,460</td>
<td>18,119</td>
</tr>
<tr>
<td></td>
<td>20,460</td>
<td>18,119</td>
</tr>
</tbody>
</table>


Current

Employee benefits provisions

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual leave</td>
<td>17,004</td>
<td>14,509</td>
</tr>
<tr>
<td>Long service leave</td>
<td>20,332</td>
<td>18,500</td>
</tr>
<tr>
<td>Superannuation</td>
<td>3,520</td>
<td>3,285</td>
</tr>
<tr>
<td></td>
<td>40,856</td>
<td>36,294</td>
</tr>
</tbody>
</table>

Other provisions

Employment on-cost provisions

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying amount at the beginning of the period</td>
<td>742</td>
<td>–</td>
</tr>
<tr>
<td>Additional provisions recognised</td>
<td>73</td>
<td>742</td>
</tr>
<tr>
<td>Carrying amount at the end of the period</td>
<td>815</td>
<td>742</td>
</tr>
<tr>
<td></td>
<td>41,671</td>
<td>37,036</td>
</tr>
</tbody>
</table>

Non-current

Employee benefits provisions

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long service leave</td>
<td>11,890</td>
<td>10,818</td>
</tr>
<tr>
<td>Superannuation</td>
<td>1,272</td>
<td>1,157</td>
</tr>
<tr>
<td></td>
<td>13,162</td>
<td>11,975</td>
</tr>
</tbody>
</table>

Other provisions

Employment on-cost provisions

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying amount at the beginning of the period</td>
<td>434</td>
<td>–</td>
</tr>
<tr>
<td>Additional provisions recognised</td>
<td>43</td>
<td>434</td>
</tr>
<tr>
<td>Carrying amount at the end of the period</td>
<td>477</td>
<td>434</td>
</tr>
<tr>
<td></td>
<td>13,639</td>
<td>12,409</td>
</tr>
</tbody>
</table>

Note: The content is extracted from a financial report and represents the financial statements and notes for the year ended 30 June 2007.
Notes to the Financial Statements for the year ended 30 June 2007

25. Other current liabilities

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued salaries and wages</td>
<td>882</td>
<td>1,862</td>
</tr>
<tr>
<td></td>
<td>882</td>
<td>1,862</td>
</tr>
</tbody>
</table>

The last pay day of the 2006-07 financial year was 28 June 2007. A salary accrual of one working day was required to be taken up.

Accrued salaries and wages are settled within a few days of the financial year end. The carrying amount is equivalent to the net fair value.

26. Equity

Equity represents the residual interest in the net assets of the Department. The Government holds the equity interest in the Department on behalf of the community. The asset revaluation reserve represents that portion of equity from the revaluation of non-current assets.

Contributed equity

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the period</td>
<td>531,277</td>
<td>–</td>
</tr>
<tr>
<td>Capital contributions</td>
<td>18,007</td>
<td>14,532</td>
</tr>
<tr>
<td>Distributions from owner</td>
<td>–</td>
<td>516,745</td>
</tr>
<tr>
<td>Balance at the end of the period</td>
<td>549,284</td>
<td>531,277</td>
</tr>
</tbody>
</table>

Distributions from owner represent assets and liabilities distributed as a result of the transfer of the custodial functions from the Department of Justice to the Department of Corrective Services.

Asset revaluation reserve

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the period</td>
<td>11,641</td>
<td>–</td>
</tr>
<tr>
<td>Net revaluation increments</td>
<td>12,756</td>
<td>11,641</td>
</tr>
<tr>
<td>Balance at the end of the period</td>
<td>24,397</td>
<td>11,641</td>
</tr>
<tr>
<td>Buildings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the period</td>
<td>64,254</td>
<td>–</td>
</tr>
<tr>
<td>Net revaluation increments</td>
<td>96,235</td>
<td>64,254</td>
</tr>
<tr>
<td>Balance at the end of the period</td>
<td>160,489</td>
<td>64,254</td>
</tr>
<tr>
<td>Total asset revaluation reserve</td>
<td>184,886</td>
<td>75,895</td>
</tr>
</tbody>
</table>

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy Note 3 (j).

Accumulated surplus/(deficit)

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of the period</td>
<td>(19,621)</td>
<td>–</td>
</tr>
<tr>
<td>Operating surplus/(deficit)</td>
<td>4,554</td>
<td>(19,621)</td>
</tr>
<tr>
<td>Balance at the end of the period</td>
<td>(15,067)</td>
<td>(19,621)</td>
</tr>
<tr>
<td>Total equity</td>
<td>719,103</td>
<td>587,551</td>
</tr>
</tbody>
</table>
## Notes to the Financial Statements for the year ended 30 June 2007

### 27. Notes to the Cash Flow Statement

**2007** | **2006**
--- | ---
$’000 | $’000
--- | ---
(a) Reconciliation of cash
Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:
- Cash and cash equivalents – operating account: 15,646 | 16,068
- Cash and cash equivalents – permanent and temporary advances: 487 | 265
--- | ---
16,133 | 16,333

Restricted cash and cash equivalents (Note 18): 1,584 | 567
--- | ---
17,717 | 16,900

(b) Non-cash financing and investing activities
During the financial year, there were no assets/liabilities transferred/assumed to/from other government agencies not reflected in the Cash Flow Statement.

### 28. Resources provided free of charge

During the year, the following resources were provided to other agencies free of charge:
- Department of the Attorney General for the court security component of the Court Security and Custodial Services (CSCS) contract.

| 2007 | 2006 |
--- | ---
$’000 | $’000
--- | ---
15,101 | 7,314
29. Commitments for expenditure

(a) Capital expenditure commitments

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

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>87,493</td>
<td>79,327</td>
</tr>
<tr>
<td>Later than one year and not later than five years</td>
<td>150,602</td>
<td>72,920</td>
</tr>
<tr>
<td></td>
<td>238,095</td>
<td>152,247</td>
</tr>
</tbody>
</table>

The capital commitments include amounts for:

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and buildings</td>
<td>215,472</td>
<td>121,916</td>
</tr>
<tr>
<td>Other</td>
<td>22,623</td>
<td>30,331</td>
</tr>
<tr>
<td></td>
<td>238,095</td>
<td>152,247</td>
</tr>
</tbody>
</table>

(b) Lease commitments

These are commitments in relation to leases contracted for at the reporting date but not recognised as liabilities payable.

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>5,158</td>
<td>4,365</td>
</tr>
<tr>
<td>Later than one year and not later than five years</td>
<td>7,126</td>
<td>7,082</td>
</tr>
<tr>
<td>Later than five years</td>
<td>1,828</td>
<td>135</td>
</tr>
<tr>
<td></td>
<td>14,112</td>
<td>11,582</td>
</tr>
</tbody>
</table>

(c) Other expenditure commitments

Contracted for at the reporting date but not recognised as liabilities are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2007 $'000</th>
<th>2006 $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>66,036</td>
<td>53,127</td>
</tr>
<tr>
<td>Later than one year and not later than five years</td>
<td>187,864</td>
<td>174,820</td>
</tr>
<tr>
<td>Later than five years</td>
<td>48,055</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>301,955</td>
<td>227,947</td>
</tr>
</tbody>
</table>

Other expenditure commitments include the Acacia Prison contract and building rental costs.

30. Contingent liabilities

In addition to the liabilities incorporated into the financial statements the Department has the following contingent liabilities:

- Claims against the Department of Corrective Services from the general public and offenders. | 950 | 150 |
- Site remediation – contaminated and suspected contaminated sites | 3,050 | – |
Notes to the Financial Statements for the year ended 30 June 2007

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

31. Remuneration and retirement benefits of senior officers

The number of senior officers whose total of fees, salaries, superannuation and other benefits received, or due and receivable, for 2006-07, falls within the following bands:

<table>
<thead>
<tr>
<th>Band</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>$30,001 – $40,000</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>$40,001 – $50,000</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>$60,001 – $70,000</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>$70,001 – $80,000</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>$80,001 – $90,000</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>$90,001 – $100,000</td>
<td>–</td>
<td>1</td>
</tr>
<tr>
<td>$150,001 – $160,000</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>$160,001 – $170,000</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>$190,001 – $200,000</td>
<td>1</td>
<td>–</td>
</tr>
<tr>
<td>$200,001 – $210,000</td>
<td>2</td>
<td>–</td>
</tr>
<tr>
<td>$290,001 – $300,000</td>
<td>1</td>
<td>–</td>
</tr>
</tbody>
</table>

Total remuneration of senior officers 1,219 393

Senior officers are those who take part in the management of the organisation. Deemed to be the Commissioner, Executive Directors and other divisional heads. The superannuation included here represents the superannuation expense incurred by the Department in respect of senior officers.

No senior officers are members of the Superannuation and Family Benefits Act Scheme (Pension Scheme).

The 2005-06 remuneration is for a period of five months and dates from the creation of the Department of Corrective Services on 1 February 2006.

32. Related bodies

The Department had no related bodies during the financial year.

33. Supplementary financial information

Write-Offs

Revenue and debts to the State written off in accordance with Section 48 of the Financial Management Act 2006.

<table>
<thead>
<tr>
<th>Accountable Officer</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

34. Remuneration of Auditor

Remuneration to the Auditor General for the financial year is as follows:

- Auditing the financial statements and performance indicators 90 25
### Financial Instrument Exposure

#### (a) Interest Rate Risk Exposure

The Department's exposure to interest rate risk, repricing maturities and the weighted average interest rates on financial instruments at balance date are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Weighted Average Interest Rate</th>
<th>Floating Interest Rate</th>
<th>Fixed Interest Rate Maturities</th>
<th>Non Interest Bearing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>$'000</td>
<td>1 year or less</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2 to 5 years</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Over 5 years</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>16,133</td>
<td>16,133</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>1,584</td>
<td>1,584</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>5,922</td>
<td>5,922</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts receivable for services</td>
<td>35,284</td>
<td>35,284</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total financial assets</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>58,923</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>20,460</td>
</tr>
<tr>
<td>Payables</td>
<td>20,460</td>
<td>20,460</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total financial liabilities</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>20,460</td>
</tr>
<tr>
<td>Net financial assets/(liabilities)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>38,463</td>
</tr>
</tbody>
</table>

#### (b) Credit Risk Exposure

All financial assets are unsecured.

Amounts owing by other Government agencies are guaranteed and therefore no credit risk exists for those amounts. For other financial assets, the carrying amounts represent the Department's maximum exposure to credit risk in relation to those assets.
Financial statements

Notes to the Financial Statements for the year ended 30 June 2007

(c) Net fair values
All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes. Where a material difference between the carrying amount and fair value exists for financial assets or liabilities, then the aggregate fair value of the class of financial assets or liabilities should be disclosed. An entity shall disclose the methods and significant assumptions applied in determining fair values of financial assets and financial liabilities separately for significant classes of financial assets and financial liabilities. Comparative figures are for the five months ended 30 June 2006.

36. Explanatory Statement
The Summary of Consolidated Fund Appropriations and Revenue Estimates discloses appropriations and other statutes expenditure estimates, the actual expenditure and revenue estimates and payments into the Consolidated Fund, on an accrual basis. The following explanations are provided in accordance with Treasurer’s Instruction 945. Significant variations are considered to be those greater than 5% and $300,000.

<table>
<thead>
<tr>
<th>2007</th>
<th>$’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Details of authorisation to expend in advance of appropriation</td>
<td></td>
</tr>
<tr>
<td>To meet initiatives approved during the financial year and other unavoidable costs, supplementary appropriation requests were approved.</td>
<td></td>
</tr>
<tr>
<td>Delivery of services</td>
<td>23,982</td>
</tr>
<tr>
<td>Capital contribution</td>
<td>(33,009)</td>
</tr>
<tr>
<td>(9,027)</td>
<td></td>
</tr>
</tbody>
</table>

Delivery of services appropriation limits were increased for:
- Offender numbers and safety 6,819
- Section 25 transfer from Attorney General – recurrent 6,067
- Acacia Prison contract re-tender 4,805
- Additional supplementary funding – prisoner numbers 3,696
- Court security and custodial services 3,644
- Offender management 1,347
- 2006 CSA wages related outcome 1,083
- Group workers unfunded PSGA wage increase 345
- Management of juvenile offenders 146
- SAT determination – special Act salaries 58

These increases were offset by:
- 2007-08 approved capital program (3,554)
- Funding adjustments – building maintenance (474)

Increase in net amount appropriated to deliver outputs 23,982
### Notes to the Financial Statements for the year ended 30 June 2007

#### (b) Significant variations between actual expenditure and budget estimates for 2006-07

<table>
<thead>
<tr>
<th>Service 1 – Adult Criminal Justice Services</th>
<th>Excess</th>
<th>40,915</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recurrence</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reporting resources free of charge on a gross rather than a net basis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funding for increased offender numbers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer of functions from the Department of the Attorney General</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acacia contract re-tender (court and custodial services)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Service 2 – Juvenile Criminal Justice Services</strong></td>
<td>Excess</td>
<td>1,955</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The 2006-07 capital works program budget of $79.3 million was to be financed from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriation for services</td>
<td>9,000</td>
<td></td>
</tr>
<tr>
<td>Drawdowns from holding account</td>
<td>19,311</td>
<td></td>
</tr>
<tr>
<td>Capital contribution</td>
<td>51,016</td>
<td></td>
</tr>
<tr>
<td><strong>Total Payments in 2006-07</strong></td>
<td>79,327</td>
<td></td>
</tr>
</tbody>
</table>

Total payments in 2006-07 for the Department of Corrective Services were $45.9 million (2005-06: $24 million). These were financed from:

| Appropriation for services | 11,397 |  |
| Drawdowns from the holding account | 16,449 |  |
| Capital contribution | 18,007 |  |
| **Total Payments in 2006-07** | 45,853 |  |

#### Details of significant variances in capital expenditure from budget

<table>
<thead>
<tr>
<th>Condition upgrade to existing Broome Regional Prison</th>
<th>Saving</th>
<th>10,907</th>
</tr>
</thead>
<tbody>
<tr>
<td>This project was re-scoped during the mid-year review and re-flowed to out years mainly because of delays in tendering the works.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bandyup facilities redevelopment</td>
<td>Saving</td>
<td>8,173</td>
</tr>
<tr>
<td>This project was re-scoped during the mid-year review and re-flowed to out years mainly because the start of construction was delayed. The project is now fully committed and construction is underway.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bunbury minimum security (70 beds)</td>
<td>Saving</td>
<td>6,151</td>
</tr>
<tr>
<td>This project was re-scoped during the mid-year review and re-flowed to out years.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Metro site acquisitions – Prisons</td>
<td>Saving</td>
<td>4,783</td>
</tr>
<tr>
<td>This project was re-scoped during the mid-year review and re-flowed to out years. This is mainly due to delays in sourcing material from other Government departments.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Justice Services – Office establishment and refurbishment</td>
<td>Saving</td>
<td>4,746</td>
</tr>
<tr>
<td>This project was re-scoped during the mid-year review and re-flowed to out years. This is mainly due to a conflict between scope and budget which delayed the implementation of various office accommodation upgrades. An improved governance framework has now been established to address this issue.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Notes to the Financial Statements for the year ended 30 June 2007

Juvenile Accommodation Strategy
This project was unable to proceed with available capital due to escalation of construction costs relative to scope. Supplementary funding was provided by the Department of Treasury and Finance in the 2007/08 budget. The project is now progressing on a revised budget.

Eastern Goldfields Regional Prison – Security and fence
This project was re-scoped during the mid-year review and will no longer go ahead.

Wooroloo – New accommodation (29 beds)
Delays in awarding the contract for these works have resulted in a project underspend. This funding is committed and will be required in 2007/08 to complete the works.

Eastern Goldfields Regional Prison – Prison replacement
This project was re-scoped during the mid-year review and re-flowed to out years mainly because of ongoing planning and consultation relating to the development of the Goldfields Custodial Strategy and planning for the replacement of the existing Eastern Goldfields Regional Prison.

Pilbara facility replacement
This project was unable to proceed with available capital due to escalation of construction costs relative to scope. Supplementary funding was requested from the Department of Treasury and Finance in the 2007-08 budget but was not supported. An alternative project based on available funding is now being considered. The project is now progressing on a revised budget.

Kalgoorlie Juvenile Remand Centre
This project was re-scoped during the mid-year review and subsequently downsized.

Building maintenance/infrastructure – Adult Custodial Services
There was a section 25 transfer for $5.498 million from the Department of the Attorney General to cover this over-expenditure, which is not reflected in the original budget figures.

Wooroloo perimeter fencing
This project current shows an overspend for the 2006-07 financial year. It is suggested that this overspend be carried forward to 2007-08 and reconciled against the Karnet project where an underspend has occurred against the revised budget.

Karnet perimeter fencing
During the mid-year review, this project was accelerated but significant delays during construction due to non-availability of skilled labour has resulted in a projected underspend against the revised budget. The original budget for this project was only $200,000.

(c) Significant variations between actual services for the financial year and services for the immediately preceding financial year
Due to the split of the Department of Justice on 1 February 2006, an explanation on variations does not provide information that is useful for decision making and is therefore not provided.
37. Trust and Treasurer’s Advance Accounts

<table>
<thead>
<tr>
<th>Account</th>
<th>Opening balance $'000</th>
<th>Receipts $'000</th>
<th>Payments $'000</th>
<th>Closing balance $'000</th>
<th>Opening balance $'000</th>
<th>Receipts $'000</th>
<th>Payments $'000</th>
<th>Closing Balance $'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prisoners’ Private Cash Trust Account (1)</td>
<td>179</td>
<td>3,395</td>
<td>3,433</td>
<td>141</td>
<td>2,949</td>
<td>2,770</td>
<td>179</td>
<td></td>
</tr>
<tr>
<td>Juveniles’ Private Cash Trust Account</td>
<td>2</td>
<td>10</td>
<td>7</td>
<td>5</td>
<td>–</td>
<td>2</td>
<td>–</td>
<td>2</td>
</tr>
</tbody>
</table>

(1) This does not include Acacia Prison which is managed under contract by Serco.
(2) Comparative figures are for the five months ended 30 June 2006.

Prisoners’ Private Cash Trust Account
To hold monies for and on behalf of prisoners.

Juveniles’ Private Cash Trust Account
To hold monies in trust for children under the care of the Juvenile Justice Program.

38. Commonwealth Grant – Christmas and Cocos Island

<table>
<thead>
<tr>
<th>OPENING BALANCE</th>
<th>–</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>100,919</td>
</tr>
<tr>
<td>Total receipts</td>
<td>100,919</td>
</tr>
<tr>
<td>Expenses</td>
<td>80,999</td>
</tr>
<tr>
<td>Operating costs</td>
<td>52,805</td>
</tr>
<tr>
<td>Additional services for prisoner costs</td>
<td>28,194</td>
</tr>
<tr>
<td>Total payments</td>
<td>80,999</td>
</tr>
<tr>
<td>CLOSING BALANCE</td>
<td>19,920</td>
</tr>
</tbody>
</table>

Operating costs are based on both actuals plus identified estimated services provided as agreed in the Standard Delivery Service Agreement signed by the Commonwealth and the State.

In 2006, the Department of Justice split into the Department of the Attorney General and the Department of Corrective Services. In that year, the Commonwealth grant was reported in the financial statements for the Department of the Attorney General.

Commonwealth reimbursements include $9,801 to be carried forward to the 2007-08 financial year.
Certification of Performance Indicators

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the performance of the Department of Corrective Services and fairly represent the performance of the Department of Corrective Services for the financial year 2006-07.

Mark Kuzminski
CHIEF FINANCE OFFICER
Department of Corrective Services
28 August 2007

Ian Johnson
COMMISSIONER
Department of Corrective Services
28 August 2007
**Key performance indicators (KPIs)**

**Adult Offenders**

The custody, containment, care, well-being and rehabilitation of offenders and their re-entry into the community is a critical element affecting the community’s sense of safety and security. The quality and effectiveness of Western Australia’s prison system and the rehabilitation programs it offers has a direct bearing on the perception of a safe and orderly community.

**Service Description:**

Adult offenders are managed in custody and in the community to fulfil the orders of the courts and releasing authorities. This is achieved through the provision of case management, remedial programs, further education and employment skills, sentencing reports, assessment reports outlining an offender’s suitability for release or their progress in the community to releasing authorities such as the Prisoners Review Board, providing policy and advice and collaborating with other agencies.

**Effectiveness Indicators:**

1.1 Abscond/Escape Rate

This indicator measures the abscond/escape rate for prisoners in the custody of prisons by security rating – maximum, medium and minimum. It is a measure of the protection provided to the community through safe and secure custodial systems. It is also indicative of effective management and assessment policies and practices.

The indicator is derived by calculating the number of absconds/escapes, by security rating, as a percentage of the average daily population by security rating.

The abscond/escape rate continues to show a yearly downward trend this year, indicating ongoing improved performance in this area. The 2006-07 rates are based on a total of 24 absconds/escapes, of which 21 were minimum security, one medium security and two maximum security.

**1.2 Imprisonment Rate – Adults / 100,000 Population**

This performance indicator measures the number of prisoners per 100,000 people in the State’s corresponding adult population. It highlights the extent to which the Department is achieving its aim to contribute to reduced rates of imprisonment. However, care should be taken when interpreting this indicator as imprisonment rates are also affected by police operations, court efficiency and other welfare services and functions.

This indicator is calculated by the Australian Bureau of Statistics (ABS). The Department of Corrective Services provides prisoner population data to the ABS, which calculates the rate based on national population estimates. It is then published in *Corrective Services Australia* (Cat 4512.0) each quarter.

Assumptions apply to the estimated resident population (ERP) that the ABS uses to calculate the imprisonment rates. The population used to calculate the rates is a sub-population of the ERP and further assumptions therefore also apply. The assumptions underpinning the ERP can be found in the Explanatory Notes of the ABS publication *Australian Demographic Statistics* (Cat 3101.0). The additional assumptions underpinning the population subset used in the calculation of the rates can be found in the Explanatory Notes of *Corrective Services Australia* (Cat 4512.0).
Key performance indicators (KPIs)

1.3 Rate of Return – Adults

The rate of return is defined as the rate of return to the offender management system, by distinct adult offenders, within two years of release from custody or the termination of a community-based order. Changes in the rate of re-offending provide some indication of the effectiveness of personal development activities and rehabilitation programs, however effectiveness also depends on other factors such as sentencing legislation, changes in the nature of offences committed, the rate at which community orders are breached for non-compliance and factors outside the direct control of the Department such as policing practices, housing availability and other social issues.

Research has shown offenders are most likely to re-offend within two years of their release from correctional services. The two-year cut-off period is consistent with standards developed by all national correctional jurisdictions and the independent review and advisory body, the Industry Commission.

To be consistent with the national standards, the rate of re-offending excludes fine default sentences, exits to and commencements of post-prison community corrections orders, conditional/monitored bail orders and work and development orders.

1.4 Successful Completion of Community Corrections Orders – Adults

This indicator measures the completion rate of community corrections orders. It is an indicator of offenders’ responsible and law-abiding behaviour while under the supervision of the Department of Corrective Services.

Generally, the higher the completion rate, the better the performance. However, where offenders are non-compliant and pose a risk, breach action is warranted and contributes to community safety. As a result, a decrease in the completion rate may not necessarily be due to poor performance. It may reflect tighter responses to breaches by offenders and more accountable supervision practices by community corrections officers.

Orders are considered to be successfully completed if they run their full course without a breach action being finalised or pending. Types of community corrections orders include:
- Intensive supervision – Community-based parole
- Parole Work release
- Re-entry
- Monitored bail
- Pre-sentence Work and development.

Note: A distinct offender means an offender is counted only once, even if the offender re-enters correctional services several times during the reporting period.

There is a three-month lag between the publication of the ABS report and the Department’s reporting requirement. The June 2007 quarter figures are not available in time for the Department’s annual reporting process and as a result, March 2007 quarter figures are used. As at the March 2007 quarter, the rate was 230.3 – marginally higher than the March 2006 quarter and almost identical to the March 2005 quarter figure.

This indicator has shown little variation from the previous two financial years and is marginally above the target for 2006-07.

Note: A distinct offender means an offender is counted only once, even if the offender re-enters correctional services several times during the reporting period.
Key performance indicators (KPIs)

SERVICE 1 ADULT OFFENDER SERVICES (cont.)

Intensive supervision and community-based orders were established in 1996 as a result of the Sentencing Act, to replace probation and community service orders. CEO parole and re-entry orders (which replace the work release orders), as well as pre-sentence orders, were established as a result of the Sentencing Legislation effective from August 2004. Home detention bail and community bail were replaced by monitored bail and conditional bail. The indicator is derived by calculating the number of orders completed as a proportion of all orders validly terminated, completed or expired.

1.5 Average Out-of-Cell Hours

This performance indicator is measured according to national standards. Providing a secure, safe and decent custodial environment includes managing prisoners in a manner that minimises the risks they pose to the community, while enabling them to achieve an acceptable quality of life. Time spent out of cells provides a greater opportunity for prisoners to participate in activities such as work, education, well-being, recreation and treatment programs, visits, and interaction with other prisoners and staff.

This indicator is new for 2006-07 and supports the decent aspect of the outcome.

Higher average out-of-cell hours per day indicates better performance towards achieving this outcome.

1.6 Serious Assault Rate per 100 Prisoners

This performance indicator is measured according to national standards. Providing a safe, secure and decent custodial environment includes providing a prison environment where there is a low level of violence, whether perpetrated by a prisoner on other prisoners or on staff.

Serious assaults are defined as an act of physical violence committed by a prisoner against another prisoner or staff member, resulting in actual bodily harm including:

- Requiring medical treatment and assessment by a medical officer resulting in overnight hospitalisation in a medical facility (eg. prison clinic, infirmary, hospital or public hospital)
- Requiring extended periods of ongoing medical treatment
- All acts of sexual assault.

The rate is per 100 prisoners and is calculated based on the number of assaults classified as serious by prisoners on prisoners and prisoners on staff.

This indicator is new for 2006-07 and supports the safety aspect of the outcome.

Low assault rates indicate better performance towards achieving the objective.

The average out-of-cell hours per day for 2006-07 was 11.82. This figure is marginally higher than the target of 11.70 hours and is viewed as a positive result.
Key performance indicators (KPIs)

1.7 Community Corrections Rate – Adults /100,000 Population

The community corrections rate represents the number of offenders managed by community corrections per 100,000 people in the corresponding adult population. The indicator is a measure of levels of community corrections activity. Care should be taken when interpreting this indicator as, just like the imprisonment rate, community corrections rates are also affected by police operations, court efficiency and other welfare services.

The Department of Corrective Services provides community corrections population data to the Australian Bureau of Statistics (ABS), which calculates the rate based on national population estimates. It is then published in Corrective Services Australia (Cat 4512.0) each quarter. There is a three-month lag between the publication of the report and the Department’s reporting requirements. Therefore, each quarter, the previous quarter’s rate is reported.

Assumptions apply to the estimated resident population (ERP) that the ABS uses to calculate the community corrections rate. The population used to calculate the rates is a sub-population of the ERP and further assumptions therefore also apply. The assumptions underpinning the ERP can be found in the Explanatory Notes of the ABS publication Australian Demographic Statistics (Cat 3101.0). The additional assumptions underpinning the population sub-set used in the calculation of the rates can be found in the Explanatory Notes of Corrective Services Australia (Cat 4512.0).

This indicator is new for 2006-07. Previous years' data is based on the ABS publication: Corrective Services Australia (Cat 4512.0).
Key performance indicators (KPIs)

Efficiency Indicators:

1.8 Cost Per Day of Keeping an Offender in Custody

This indicator measures the full accrual cost of managing an adult offender in custody per day. It is calculated by dividing the total accrual cost of managing an adult offender in custody by the average daily number of adult offenders, divided by 365 days.

1.9 Cost Per Day of Managing an Offender through Community Supervision

This indicator measures the unit cost of managing an adult offender per day through community supervision. It is calculated by dividing the total accrual cost of managing an adult offender through community supervision by the average daily number of offenders supervised, divided by 365 days.

The actual cost per prisoner per day of keeping an offender in custody in 2006-07 was $285.68 – an increase of 10.6% over 2005-06 and 3.5% above the 2006-07 target. The average daily population for 2006-07 was 3,622.45.

Significant increases in the prisoner population during 2006-07 brought about the provision of supplementary Government funding and a range of budgetary revisions. The original target estimate of $276 became artificially low.

The actual cost of managing an offender through community supervision in 2006-07 was $23.04 per day, which is 4% less than the target of $24.00. Expenditure for this indicator is less than the budget, mainly as a result of project start-up delays, resulting in Mahoney expenditure. The average daily population for 2006-07 was 5,243.85.
Key performance indicators (KPIs)

Juvenile Offenders

**SERVICE 2 – JUVENILE OFFENDER SERVICES**

**Service Description:**
Juvenile offenders are managed in detention and in the community to fulfil the orders of the courts and through diversion from court programs. Juveniles participate in remedial, educational and rehabilitation programs that address their offending behaviour.

**Effectiveness Indicators:**

**2.1 Rate of Return to Detention**
The rate of return to detention is defined as the proportion of juvenile offenders who return to sentenced detention within two years of release from sentenced detention. This indicator is measured over two previous financial years.

The rate of return to detention provides an indication of the effectiveness of personal development activities and rehabilitation programs. The rate of return to detention is also dependent on other factors such as sentencing legislation, changes in the nature of offences committed and the rate at which offenders on community orders are breached for non-compliance.

**2.2 Escape Rate**
This indicator measures the escape rate from all juvenile detention centres. It is a measure of the protection provided to the community through the provision of safe and secure custodial systems. It is also indicative of effective management and assessment policies and practices.

This indicator is derived by calculating the number of escapes as a percent of the average daily population.

**2.3 Successful Completion of Community Corrections Orders**
This indicator measures orders having run their full course without breach action finalised or pending. It provides an indication of the completion rate of community corrections orders, and an offender’s responsible and law-abiding behaviour while under the supervision of the Department of Corrective Services.

Generally, the higher the completion rate the better the performance. However, as in the adult system, where offenders are non-compliant and pose a risk, breach action can be warranted which, when actioned, contributes to community safety. As a result, a decrease in the completion rate may not necessarily indicate poor performance but may reflect more stringent supervision of offenders.

*Note: A detainee is counted only once, even if the detainee re-enters the system several times.*

The rate of return to detention in 2006-07 was 50.75%, well within the target of 56% and consistent with the result for 2005-06. It should be noted that due to the small number of juveniles involved in calculating the rate of return to detention, an increase or decrease in the juvenile population has a significant impact on the rate.

No escapes occurred during 2006/07.
Key performance indicators (KPIs)

Service 2 Juvenile Offender Services (cont.)

It is derived by calculating the number of orders successfully completed as a proportion of all orders validly terminated, completed or expired.

Types of community corrections orders include:
- Youth community-based
- Intensive youth supervision
- Intensive youth supervision (with detention)
- Supervised release orders.

Efficiency Indicators:

2.4 Cost Per Day of Keeping a Juvenile in Detention

This indicator measures the unit cost per day of managing a juvenile offender in detention.

It is calculated by dividing the total accrual cost of managing a juvenile offender in detention by the average daily population, divided by 365 days.

2.5 Cost Per Day of Managing a Juvenile Offender through Community Supervision

This indicator is calculated by dividing the total accrual cost of managing a juvenile offender through community supervision by the average daily number of offenders supervised, divided by 365 days.

The successful completion of community corrections orders in 2006-07 was on target at 65.94%, and an improvement over the previous two years of more than 5%.

The actual cost of keeping a juvenile in detention in 2006-07 was $656.83 per day, which is 0.48% less than the target of $660. The average daily population for 2006-07 was 139.01.

The cost per day of managing juveniles in the community in 2006-07 was $79.47, 1.9% higher than the target of $78. The actual expenditure for the output is less than the budget as a result of delays in project start-up and difficulties in recruiting regional staff in Mahoney reform projects and the Intensive Supervision Unit. However, a significant decrease in the average daily population of juveniles in the community at 710.38 (which is 9.9% lower than the forecast of 788), outweighed the reduced expenditure and resulted in a slightly higher cost per day calculation.
Pricing policies of services provided

The Department does not charge user fees for its services.

Major capital projects

**TABLE 11**

<table>
<thead>
<tr>
<th>Project</th>
<th>Completion date</th>
<th>Original estimated total cost</th>
<th>Revised estimated total cost</th>
<th>Explanation of any cost variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prison Industries – Mobile Plant 2006–07</td>
<td>2006–07</td>
<td>$19,000</td>
<td>$54,000</td>
<td>This is an ongoing replacement program. Variance is due to timing of purchases.</td>
</tr>
<tr>
<td>CJS Office Establishment and Refurbishment 2006–07</td>
<td>2006–07</td>
<td>$1,665,000</td>
<td>$1,665,000</td>
<td>--</td>
</tr>
<tr>
<td>Geraldton Juvenile Remand Centre</td>
<td>2006–07</td>
<td>$516,000</td>
<td>$522,000</td>
<td>Project was redefined during the year and is no longer a construction project.</td>
</tr>
<tr>
<td>Kalgoorlie Juvenile Remand Centre</td>
<td>2006–07</td>
<td>$516,000</td>
<td>$450,000</td>
<td>Project was redefined during the year and is no longer a construction project.</td>
</tr>
<tr>
<td>Regional Prisons Strategy Planning</td>
<td>2006–07</td>
<td>$974,000</td>
<td>$1,007,000</td>
<td>Marginally higher cost to be offset against future year provisions for prisons projects.</td>
</tr>
</tbody>
</table>
### UNCOMPLETED PROJECTS

#### TABLE 12

<table>
<thead>
<tr>
<th>Project description</th>
<th>Expected year of completion</th>
<th>Original estimated total cost</th>
<th>Revised estimated total cost</th>
<th>Explanation of any cost variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bunbury Regional Prison Additions and Upgrade – Provide Additional 70 Bed Minimum Security Unit and Support Infrastructure</td>
<td>2007–08 financial year</td>
<td>$15,970,000</td>
<td>$15,970,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Eastern Goldfields Regional Prison Structural Upgrade and Perimeter – Interim Structural Repairs and Security Upgrades</td>
<td>2007–08 financial year</td>
<td>$2,100,000</td>
<td>$2,100,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Minimum Security Accommodation Expansion – Wooroloo – Additional 44 Beds, New Education Programs, New Health Centre and Prisoner Reception</td>
<td>2007–08 financial year</td>
<td>$8,726,000</td>
<td>$8,726,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Replace Eastern Goldfields Regional Prison – Planning</td>
<td>2007–08 financial year</td>
<td>$1,800,000</td>
<td>$1,800,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Site Acquisitions Metro and Regional Prisons – Site Acquisitions – Various Locations</td>
<td>2008-09 financial year</td>
<td>$6,706,000</td>
<td>$6,706,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Karnet Perimeter Fencing – Fencing Karnet</td>
<td>2007–08 financial year</td>
<td>$7,286,000</td>
<td>$7,286,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Wooroloo Perimeter Fencing – Fencing Wooroloo</td>
<td>2007–08 financial year</td>
<td>$7,938,000</td>
<td>$7,938,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Condition Upgrade Existing Broome Regional Prison – Upgrade Conditions at Broome Regional Prison</td>
<td>2007–08 financial year</td>
<td>$11,226,000</td>
<td>$11,226,000</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### Major capital projects to be completed

<table>
<thead>
<tr>
<th>Project description</th>
<th>Expected year of completion</th>
<th>Original estimated total cost</th>
<th>Revised estimated total cost</th>
<th>Explanation of any cost variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bandyup Facilities Redevelopment (Self-care, Entry) – 40 New Self-care Beds and New Entry</td>
<td>2007–08 financial year</td>
<td>$17,115,000</td>
<td>$17,115,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Metropolitan Low Security Prison for Women – Miscellaneous Minor Works</td>
<td>2007–08 financial year</td>
<td>$501,000</td>
<td>$501,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Prison Reform Strategy – IT Support Infrastructure</td>
<td>2007–08 financial year</td>
<td>$1,350,000</td>
<td>$1,350,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Juvenile Accommodation Strategy – Additional Accommodation for Young Women and Girls – Rangeview</td>
<td>2008-09 financial year</td>
<td>$6,596,000</td>
<td>$6,596,000</td>
<td>N/A</td>
</tr>
<tr>
<td>CJS Facility Replacement in the Pilbara – Office Accommodation</td>
<td>2008-09 financial year</td>
<td>$3,270,000</td>
<td>$3,270,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Acacia Contract Re-tender</td>
<td>2007–08 financial year</td>
<td>$1,200,000</td>
<td>$1,200,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Replace Broome Regional Prison (Planning)</td>
<td>2007–08 financial year</td>
<td>$1,624,000</td>
<td>$1,624,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Safety and Security Upgrade Program</td>
<td>2007–08 financial year</td>
<td>$13,650,000</td>
<td>$13,650,000</td>
<td>N/A</td>
</tr>
<tr>
<td>Additional Prisoner Accommodation – Infrastructure and Systems Upgrade and Replacement Programs</td>
<td>2010-11 financial year</td>
<td>$64,869,000</td>
<td>$64,869,000</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Other financial disclosures

Our people

At 30 June 2007, the Department employed some 3,411 people in a wide range of interesting and challenging positions for people of all levels of skill and experience.

EMPLOYEE PROFILE

Most of the Department’s staff in 2006–07 were public servant employees and prison officers. A diverse range of professions are represented throughout the Department and are covered by various awards and agreements.

The Department recognises that having sufficient staff who understand their role and are well trained is critical to the successful management of offenders in a complex and difficult environment.

This year, 163 new prison officers were trained and employed to work in the State’s prisons. About 95 officers left the service in the same period. Additional community corrections officers were also employed to cater for increased demand and improve case management of community based offenders.

### TABLE 13

<table>
<thead>
<tr>
<th>Employees by award/occupational grouping</th>
<th>2005–06</th>
<th>2006–07</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>F</td>
<td>M</td>
<td>Total</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>-------</td>
</tr>
<tr>
<td>Aboriginal visitors (transferred from DotAG in 2006–07)</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Gardeners</td>
<td>0</td>
<td>35</td>
</tr>
<tr>
<td>Government school teachers</td>
<td>69</td>
<td>35</td>
</tr>
<tr>
<td>Hospital workers</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Juvenile custodial officers (previously group workers)</td>
<td>54</td>
<td>130</td>
</tr>
<tr>
<td>Medical officers</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Nurses</td>
<td>110</td>
<td>20</td>
</tr>
<tr>
<td>Prison officers</td>
<td>275</td>
<td>1195</td>
</tr>
<tr>
<td>Public service employees</td>
<td>947</td>
<td>524</td>
</tr>
<tr>
<td>Salaries &amp; Allowances Tribunal (SAT)</td>
<td>1</td>
<td>3</td>
</tr>
</tbody>
</table>

(1) This figure included employees who received overpayment adjustments or arrears payments. Only 13 employees received ordinary pays for the time the data was collected.
Other financial disclosures

**SENIOR EMPLOYEES**
There was an increase in the number of senior positions at levels 7 and 8 in 2006–07. This follows the creation of the Department and the development of new divisional structures such as Professional Standards, Strategic and Executive Services and Corporate Support. Table 14 reflects a breakdown of senior employees.

**TABLE 14**
Senior employees (Level 7 and above – head count) at 30 June 2006

<table>
<thead>
<tr>
<th>Classification</th>
<th>2005–06</th>
<th></th>
<th>2006–07</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>M</td>
<td>Total</td>
<td>%</td>
</tr>
<tr>
<td>SAT Group 3</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>SAT Group 1</td>
<td></td>
<td>1</td>
<td>2</td>
<td>33%</td>
</tr>
<tr>
<td>Class 3</td>
<td></td>
<td>1</td>
<td>2</td>
<td>33%</td>
</tr>
<tr>
<td>Class 2</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>0%</td>
</tr>
<tr>
<td>Level 9</td>
<td>3</td>
<td>8</td>
<td>11</td>
<td>27%</td>
</tr>
<tr>
<td>Level 8</td>
<td>14</td>
<td>36</td>
<td>50</td>
<td>28%</td>
</tr>
<tr>
<td>Level 7</td>
<td>35</td>
<td>60</td>
<td>95</td>
<td>37%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>53</td>
<td>109</td>
<td>162</td>
<td>33%</td>
</tr>
</tbody>
</table>

**APPOINTMENT POOLS**
Appointment pools provide an opportunity for the Department to combine positions for advertising to save on advertising costs, increase applicant numbers and provide a ready source of suitable applicants for positions as they arise in subsequent months. Table 15 reflects appointment pools conducted during the year.

**TABLE 15**
Appointment pools advertised between 1 July 2006 and 28 June 2007

<table>
<thead>
<tr>
<th>Division/Position</th>
<th>Level</th>
<th>Date advertised</th>
<th>Total Number of Applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Custodial</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prison officers</td>
<td>N/A</td>
<td>August 2006</td>
<td>234</td>
</tr>
<tr>
<td>Prison officers</td>
<td>N/A</td>
<td>January 2007</td>
<td>216</td>
</tr>
<tr>
<td>Prison officers</td>
<td>N/A</td>
<td>June 2007</td>
<td>379</td>
</tr>
<tr>
<td>Community &amp; Juvenile Justice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community corrections/ juvenile justice officers</td>
<td>3/4</td>
<td>September 2006</td>
<td>191</td>
</tr>
<tr>
<td>Juvenile education advisory officers</td>
<td>4</td>
<td>November 2006</td>
<td>10</td>
</tr>
<tr>
<td>Classroom teachers</td>
<td>N/A</td>
<td>January 2007</td>
<td>20</td>
</tr>
<tr>
<td>Community corrections officers</td>
<td>3/4</td>
<td>February 2007</td>
<td>23</td>
</tr>
<tr>
<td>Mediation officers</td>
<td>3/4</td>
<td>March 2007</td>
<td>0</td>
</tr>
<tr>
<td>Clinicians (intensive supervision)</td>
<td>5 or 6</td>
<td>April 2007</td>
<td>20</td>
</tr>
<tr>
<td>Community corrections officers</td>
<td>3/4</td>
<td>June 2007</td>
<td>0</td>
</tr>
<tr>
<td>Corporate Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project officers</td>
<td>6</td>
<td>February 2007</td>
<td>10</td>
</tr>
<tr>
<td>Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive assistants</td>
<td>3</td>
<td>December 2006</td>
<td>41</td>
</tr>
<tr>
<td>Offender Management &amp; Professional Development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrolled nurses</td>
<td>N/A</td>
<td>February 2007</td>
<td>4</td>
</tr>
<tr>
<td>Clinical nurses</td>
<td>N/A</td>
<td>February 2007</td>
<td>6</td>
</tr>
<tr>
<td>Registered nurses</td>
<td>N/A</td>
<td>April 2007</td>
<td>4</td>
</tr>
<tr>
<td>Professional Standards</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior investigators</td>
<td>5 or 6</td>
<td>June 2007</td>
<td>48</td>
</tr>
</tbody>
</table>
Other financial disclosures

GRADUATES

Ten graduates completed the Department’s graduate program this year. The program involved six-monthly rotations through various business areas within the Department of Corrective Services and the Department of the Attorney General, and provided participants with extensive training and professional development opportunities.

Three of the graduates were placed into permanent positions within the Department. The remaining seven are now with the Department of the Attorney General.

AWARDS AND AGREEMENTS

Public servants

In July 2006, the Department of Consumer and Employment Protection (DOCEP) registered a new industrial agreement, the Public Service General Agreement 2006. Amendments were made to the Public Service Award as part of the new agreement. The amendments were implemented across the Department.

Juvenile custodial officers (formerly Group Workers)

The Department worked with DOCEP to negotiate a new industrial agreement, the Department of Corrective Services Juvenile Custodial Officers General Agreement 2006, which was registered in October 2006 and has since been implemented. The Department began negotiating with DOCEP and the union to update the award for Juvenile Custodial Officers. A new award is expected to be registered in 2007–08.

Prison officers

Negotiations to replace the Department of Justice Prison Officers’ Enterprise Bargaining Agreement 2005 were underway at year end. They are expected to be finalised by September 2007.

The Department also negotiated with the union to update the award for prison officers. The new award was registered with the WA Industrial Relations Commission in March 2007.

Nurses

Nurses are employed under the Department of Corrective Services Registered Nurses Certified Agreement 2006. Negotiations for a replacement agreement will begin later in 2007, when the outcome of the public sector health industry negotiations for a new registered nurses agreement is known.

Other

The DOCEP registered the Government Services (Miscellaneous) General Agreement 2007 in May 2007. The new industrial agreement replaced a number of other agreements applicable to miscellaneous employees working in the Department. The three-year agreement provides annual annual pay increases of 4.5%, 4%, and 4%.

VOLUNTEERS

Volunteers are an invaluable link between the Department and the community and play a vital role to re-integrate offenders into the community. The Department commends the commitment of its dedicated band of volunteers who again gave their time and energy to provide a range of services during the year.

The Boronia Pre-release Centre for Women makes use of a wide range of volunteers to assist prisoners with a variety of skills and activities. At any one time, up to twenty volunteers provide services to the residents at Boronia.

In Community Justice Services, six volunteers acted as mentors and worked with offenders undertaking work through the Community Work Support Unit. Two of the volunteers secured employment within the Department as community work officers. The unit also acted as a recruitment and referral point for nine volunteers working in other areas, for example assisting with case management for CJS branches.

In 2006–07, key improvements were made to the Department’s volunteer services and management. There is now a better governance framework and resolution process for volunteering issues through a volunteers standing committee and volunteers coordinators network.
Other financial disclosures

POLICIES AND GUIDELINES

The Department reviewed and developed a number of policies in 2006-07, including:

- **Position classification and reclassification**
  A revised policy was implemented in early 2007.

- **Identification cards**
  A policy to clarify the use and security of employee identity cards was introduced in 2006.

- **Working with children (criminal record check)**
  A Working with Children Policy and Procedure was implemented across the Department in early 2007. The policy is a legislative requirement under the *Working with Children (Criminal Record Checking) Act 2004*.

- **Bullying in the workplace**
  The Department worked with the Community and Public Sector Union/Civil Service Association (CPSU/CSA) during the year to review its Bullying in the Workplace policy. The new policy was endorsed in June 2007 and will be implemented across the Department early in the coming year. (See page 21).

- **Critical incident response**
  A review of critical incident response policies, procedures and plans was completed in February 2007 and will be rolled out in September 2007.

- **Workplace grievance management**
  New workplace grievance management procedures were endorsed in line with the revised Workplace Grievance Policy and Procedures. The new policy and procedures underpin the Department’s commitment to maintaining an equitable and harmonious workplace. All employees have the opportunity to express and resolve work-related grievances in a timely manner, and in accordance with the principles of natural justice.

INDUSTRIAL ISSUES

**Industrial action**
Department employees did not undertake any industrial action during 2006–07.

**Unions**
Department employees are covered by a range of unions including the CPSU/CSA; Western Australian Prison Officers Union (WAPOU); Australian Liquor, Hospitality and Miscellaneous Workers Union; and the Australian Nurses Federation.

Formal joint consultative committees within each division of the Department met regularly during the year to address key workplace issues. Other, informal consultative groups were undertaken at workplace levels.

The *Prison Officers’ Enterprise Bargaining Agreement 2005* provided for the creation of Local Consultative Committees at each prison and a peak Prisons Consultative Committee including the Commissioner, senior union representatives and Department staff. These committees met regularly during the year.
Other financial disclosures

**EMPLOYEE WELFARE**

**Occupational safety and health**

Occupational safety and health (OSH) is a priority for the Department. Some 22 audits were conducted at Department workplaces across the State, including community justice services offices, juvenile justice team work areas, prisons (including eight work camps), juvenile detention centres and head office.

OSH education was critical in preventing workplace injuries and hazards. The Department conducted 39 employee awareness sessions in 2006-07 on various topics, including changes to legislation, ergonomics, investigations, hazard reporting, and injury management in the workplace. In addition, managers and supervisors received specific training in managing OSH issues.

An independent review of the Department’s Occupational Safety and Health (OSH) Management System, as it applies to prisons, made recommendations on identified system gaps. This report formed the basis for an OSH Business Plan, which also draws on recommendations relating to OSH issues raised in the Mahoney Inquiry.

**Employee assistance**

The Department has a comprehensive employee assistance program for staff and their immediate families, including counselling services.

**Staff support officers (Prisons)**

Staff support teams are located at each prison and provide support and assistance to staff, in conjunction with the Department’s staff psychologist. Since the early 1990s, the teams have proven to be a positive influence on employee well-being and a frontline support in stressful situations. There are currently 98 trained staff support officers within the prisons and 11 within Community Justice Services.

**Workers’ compensation**

**TABLE 16**

<table>
<thead>
<tr>
<th>Workers’ compensation claims 2006–07</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. workers’ compensation claims</td>
</tr>
<tr>
<td>Lost time frequency rate</td>
</tr>
<tr>
<td>Incident rate</td>
</tr>
<tr>
<td>Total working days lost</td>
</tr>
<tr>
<td>Lost time claims</td>
</tr>
<tr>
<td>Stress claims</td>
</tr>
</tbody>
</table>

Data from previous years is not included for comparison as it reflects the Department of Justice. Figures for 2006–07 will be used for comparison in 2007–08.
Conflict of interest

An indeterminate number of conflict of interest declarations were made by staff in regard to personal and business associations, this year. A formal conflict of interest register will be set up in 2007-08, through the Department’s newly-created Professional Standards division.

Enabling legislation

The Department of Corrective Services began operating on 1 February 2006 after the Parliamentary Executive Council approved that the Department of Justice be separated into the Department of Corrective Services and the Department of the Attorney General.

Compliance with legislation

Legislation administered by the Department of Corrective Services:

- Prisons Act 1981
- Young Offenders Act 1994
- Sentence Administration Act 2003 (Act, other than Pt. 2 Div. 3 and 4, Pt. 3, s. 72(2), 73 & 74, Pt. 9 & Sch. 1)
- Prisoners (Interstate Transfer) Act 1983
- Prisoners (International Transfer) Act 2000
- Prisons and Sentencing Legislation Amendment Act 2006

Changes to Legislation


The new legislation is the result of recommendations from the Mahoney Inquiry. It is the first of two stages in the development of a Corrective Services Act that will enable the Department to better manage offenders in WA.

Changes under the Act largely provide for clearer, simpler and more flexible guidelines to improve offender management and prisoner rehabilitation. However, several also promote the interests of victims of crime and the safety of the community.

Most of the changes will have minimal impact on the day-to-day running of the State’s prisons and community justice services, but will affect the way specific functions and policies are carried out within these environments.

Main changes under the Act are:
- more flexible management of temporary absences from prison
- the exchange of information between Government agencies and non-government agencies to facilitate offender management, research and victim support
- the use of pre-sentence reports to assist in the management of subsequently sentenced offenders
- enhanced rehabilitation and well-being provisions for prisoners

- formalised provisions for the operation of work camps
- expanded provision of information to victims of crime and others and the ability to request that mail from a particular prisoner not be sent to them
- clarification of powers and functions of key positions within the Department of Corrective Services
- contractual penalties for prison services
- consequential amendments to Acts required as a result of the separation of the Department of Justice into the Department of Corrective Services and the Department of the Attorney General.
Advertising

(Electoral Act 1907, S175ZE)

Recruitment advertising and advertising for tenders accounted for most of the Department’s advertising expenditure for 2006–07.

**TABLE 17**

<table>
<thead>
<tr>
<th>Advertising Expenditure 2006-07</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising agencies</td>
<td>–</td>
</tr>
<tr>
<td>Direct mail organisations</td>
<td>–</td>
</tr>
<tr>
<td>Market research organisations</td>
<td>–</td>
</tr>
<tr>
<td>Media advertising organisations</td>
<td></td>
</tr>
<tr>
<td>Community Newspapers</td>
<td>158</td>
</tr>
<tr>
<td>Countrywide Media</td>
<td>400</td>
</tr>
<tr>
<td>Examiner Newspapers (WA)</td>
<td>22</td>
</tr>
<tr>
<td>Marketforce Productions</td>
<td>303,169</td>
</tr>
<tr>
<td>Media Decisions WA</td>
<td>70,220</td>
</tr>
<tr>
<td>State Law Publisher</td>
<td>11,406</td>
</tr>
<tr>
<td>TMP Worldwide</td>
<td>28,536</td>
</tr>
<tr>
<td>WA Newspapers Ltd</td>
<td>492</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>414,403</strong></td>
</tr>
</tbody>
</table>

Disability access and inclusion

(Disability Services Act 1993, S29)

The Department continued its commitment to ensuring the provision of professional and appropriate services for stakeholders with physical, intellectual, sensory or cognitive disabilities, their carers and families. The range of measures used to support access by people with disabilities are reported against the key standards outlined in the Disability Services Act 1993 and the Department’s own Disability Access and Inclusion Plan (DAIP) 2005–2008.

Key issues progressed in 2006–07 are outlined against the Government’s six disability standards:

**Standard one**

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

The Department’s Disability Services unit provides support and advice to prisoners, their families, carers and staff relating to the needs of prisoners with intellectual disability and impairment and the services available to them. The unit assists prisoners and people on remand to access programs and services that have been adapted to their needs. Two prisons and two community programs are available to them.

The Transitional Accommodation and Support Service (TASS) provides pre and post-release services for offenders with cognitive disabilities. The Department of Housing and Works provides transitional accommodation for six months, in conjunction with contracted specialist support services provided by Mosaic Family Support Services. Individual support is given for employment, training, transport, budgeting and personal care. The joint accommodation and support services are specialised programs for offenders with intellectual impairment, that endeavour to provide appropriate and practical contributions to preventing re-offending. The Frequent Offenders Program continues to provide pre and post-release services for offenders with a recognised intellectual disability.

**Standard two**

**People with disabilities have the same opportunities as other people to access the buildings and facilities of the Department.**

The Department ensures that the requirements of the building code are met as part of the planning for all major upgrades and new works in relation to providing access to people with disabilities.
Other legal requirements

Standard three
People with disabilities receive information from the Department in a format that will enable them to access the information as readily as other people are able to access it.

The Department produces brochures for offenders, carers and court staff to explain some of the processes within the corrections system. Specialist staff provide advice and advocacy for victims, offenders and carers with literacy difficulties, in custody and the community.

People with disabilities can receive information in a format that will enable them to access it readily.

Standard four
People with disabilities receive the same level and quality of service from Department staff as other people receive.

The Department's staff training and induction programs include modules about the needs of people with disabilities and the services and facilities available to them. The Disability Services unit provides specialist advice and information on the full range of Department services and programs to staff, carers and other agencies. All new prison officers receive specific disability awareness training to help them identify and manage prisoners with intellectual impairment.

The Department continues to manage an intellectual disability diversion program in partnership with the Disability Services Commission and the Department of the Attorney General, through the Magistrates Court. The program uses early intervention to divert people with an intellectual disability away from the justice system by linking them with relevant community agencies and services. In 2006–07, 83 people were referred to the program and 71 subsequently took part in it. (See page 16).

Standard five
People with disabilities have the same opportunities as other people to make complaints to the Department.

Prisoners with disabilities have access to the grievance and complaints process at a local level throughout the State's prison system. A review of the grievance process and procedures is undertaken annually to identify and provide strategies that address issues and obstacles that may prevent prisoners, including those with a disability, from participating in the prisoner grievance system.

Standard six
People with disabilities have the same opportunities as other people to participate in any public consultation by the Department.

Planning for a joint Consultative Committee between the Department and the Department of the Attorney General took place in late-2006. The Committee completed the Department's Disability Inclusion and Access Plan in early 2007 and made it available on the Department's website. Agencies and individuals had an opportunity to provide input.

The committee can also provide advice on engaging the community and consulting with external stakeholders that have a disability focus, on justice-related initiatives. It invites external stakeholders to provide feedback and contribute to the development of a model for external consultation on disability services initiatives.
Other legal requirements

Equal employment opportunity

(Equal Opportunity Act 1984, s146)

The Department worked towards achieving the objectives set out in its Equal Opportunity and Diversity Improvement Plan 2006–07, as part of its commitment to the Government’s Equity and Diversity Plan for the Public Sector Workforce. The Department’s achievements this year included:

Strategy 1.3.1 – Contact officer network
- Recruited, trained and appointed 31 extra grievance officers to cover most of the Department’s business areas and regional offices.

Strategy 2.2.1 – Fostering equal employment opportunity principles
- Established an anti-bullying committee
- Reviewed the Department’s bullying policy and grievance procedures
- Developed an anti-bullying communication strategy and a poster and brochures for staff.

Strategy 1.3.2 – Complaints administration centre
- Established a Complaints Administration Centre to manage complaints from employees, prisoners and external stakeholders. The centre will be operational later in 2007
- Established a 50d (section of Equal Opportunity Act that enables the employer to specify that they want an Aboriginal employee) position to manage complaints from Aboriginal people

<table>
<thead>
<tr>
<th>Equity Group</th>
<th>Equity Index</th>
<th>Actual representation at 30 June 2007 (%)</th>
<th>2007 objective set by the Department</th>
<th>Outcome against objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>96</td>
<td>43%</td>
<td>95</td>
<td>Objective exceeded</td>
</tr>
<tr>
<td>People from culturally diverse backgrounds</td>
<td>76</td>
<td>4%</td>
<td>4.5% (Equity index)</td>
<td>0.5% below</td>
</tr>
<tr>
<td>Indigenous Australians</td>
<td>89</td>
<td>5%</td>
<td>5%</td>
<td>Objective met</td>
</tr>
<tr>
<td>People with disabilities</td>
<td>40</td>
<td>0%</td>
<td>0.5%</td>
<td>0.5% below</td>
</tr>
<tr>
<td>Youth</td>
<td>n/a</td>
<td>2%</td>
<td>3.5%</td>
<td>1.5% below</td>
</tr>
</tbody>
</table>

- Made a place on the Prisoner Grievance Panel for an Aboriginal Visitors Scheme member to ensure appropriate cultural representation and consideration.

Strategy 3.1.1 – Aboriginal cultural awareness training
- Provided general Aboriginal cultural awareness training for 384 employees
- Provided training to 171 Community Justice Services staff on how to work effectively with Aboriginal people
- Reviewed the contract for the provision of Aboriginal cultural awareness training.

Strategy 3.1.3 – Building inclusive recruitment practices
- Developed, endorsed and promoted the document Guidelines for managers and supervisors on attraction, recruitment and retention of Aboriginal staff
- Developed skills among Aboriginal employees

- Placed eight Aboriginal trainees in permanent positions
- Placed three Aboriginal cadets in positions.

Strategy 3.1.9 – Attracting Aboriginal employees in the regions
- Developed employment branding, attraction and recruitment strategies to encourage Aboriginal applicants for prison officer positions in metropolitan and regional areas.

In accordance with the Government’s equity and diversity plan, the Department provided the Equal Opportunity Commission with its 2006–07 equity targets for improved employment outcomes for Indigenous Australians. The current baseline is 5% Aboriginal employees. The Department has identified a number of initiatives to achieve a target of 8% Aboriginal employees over the next four years.
Compliance with public sector standards and ethical codes

(Public Sector Management Act 1994, s31 [1])

COMPLIANCE WITH PUBLIC SECTOR STANDARDS

Recruitment, selection and appointment standard

In 2006–07, the Department advertised 590 permanent and fixed-term vacancies of more than six months, including 16 appointment pools, which complied with the recruitment, selection and appointment standard.

Of 27 claims handled, nine were withdrawn, one was resolved within the agency, five are still pending in the agency and 11 were referred to the Office of Public Sector Standards Commission. Of the 11 referred to OPSSC, ten were dismissed and one claim is still pending.

Other standards

Summary of breach of standards claims

| TABLE 19 | Summary of breach of standard claims for the Department of Corrective Services – 2006-07: |
| --- | --- | --- |
| | Recruitment, selection & appointment | Grievance resolution | All |
| Claims lodged in 2006–07 | 26 | 1 | 27 |
| Claims carried over from previous financial year | 1 | | |
| Total claims handled in 2006–07 | 26 | 1 | 27 |

(b) Outcome of claims handled

<table>
<thead>
<tr>
<th></th>
<th>Withdrawn in agency</th>
<th>Resolved in agency</th>
<th>Still pending in agency</th>
<th>Referred to OPSSC</th>
<th>Agreement reached OPSSC</th>
<th>Dismissed at OPSSC</th>
<th>Upheld at OPSSC</th>
<th>Still pending at OPSSC</th>
<th>Total claims handled in 2006–07</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9</td>
<td>1</td>
<td>5</td>
<td>11</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>26</td>
</tr>
</tbody>
</table>

The Department carried over one claim of a breach against the grievance resolution standards from 2005–06. The claim was withdrawn in 2006–07.
Other legal requirements

COMPLIANCE WITH WA PUBLIC SECTOR CODE OF ETHICS
The public sector code of ethics continued to be made available to all staff in 2006–07 through various mediums including, but not limited to, the intranet, noticeboards and reference in relevant policies and procedures.

AGENCY CODE OF CONDUCT
The Department’s own code of conduct continued to be made available to new staff who attend induction training and to all staff through the intranet. The internal website provides a range of information, resources and examples of acceptable behaviour standards in the workplace.

The Code of Conduct is being reviewed to better reflect the functions of the new Department and the needs of staff. An updated interim version will be released in September 2007, while a fully revised code is scheduled for release in June 2007.

ACTION TO PREVENT NON-COMPLIANCE
The Department’s code of conduct is made available to all staff through induction and the intranet. Managers and other leaders throughout the Department are particularly made aware of the practice of the public sector code of ethics and the Department’s own code of conduct in their work areas. The revised code of conduct will incorporate updated processes to prevent non-compliance.
Other legal requirements

Information management

INFORMATION STATEMENT
(Freedom of Information Act 1992, 596-97)

The Freedom of Information Act 1992 requires the Department to publish an information statement. The Department’s Information Statement is published in its 2007 handbook, which is available in hard copy from the Department’s Media and Public Affairs branch and online at www.correctiveservices.wa.gov.au.

INFORMATION AVAILABLE

The Department produces a range of information about its services and activities, for use by those involved in the justice system and other interested groups and members of the community. Items include a handbook, brochures, annual reports and reviews. These are available in print and online.

Publications

Some 40 publications, posters or videos were produced in 2006–07. These ranged from brochures and posters promoting prisoner work camps to a handbook of the Department’s services.

Internet and intranet

The Department operates a website at www.correctiveservices.wa.gov.au and an intranet site for staff. CSinet (Corrective Services Intranet) was launched to all staff in November 2006 to provide employees with access to information relating to their everyday work. There are also 21 portal communities to give staff easier access to specific information and help them collaborate and share data. More than 660 distinct visits per day were made to the Department’s website this year.

Staff communication

Staff publications produced for the year included 12 editions of Inside Out including one special edition relating to the State budget. (See page 56).

FREEDOM OF INFORMATION
(Freedom of Information Act 1992, 596-97)

The Western Australian Freedom of Information Act (FOI) 1992 allows access to information held by the Department. Under the Act, the Department must deal with applications for information within 45 days of receipt.

The Freedom of Information branch manages all requests made to the Department for information under the Act and issues decisions on access to documents under authority delegated by the Commissioner. In some cases, section 23 of the Act may apply and applicants can be refused access on a range of grounds. In these cases applicants have the right of appeal – first to the Department and then to the Government’s independent Information Commissioner.

All FOI applications made to the Department are coordinated by an FOI Manager, who can also help with requests for documents available for purchase or free of charge. Arrangements to inspect Department information available to the public can be made by telephoning the FOI Manager on 9264 1133. Access is from 8am-4pm, Monday to Friday at 141 St Georges Terrace, Perth.
In 2006–07, the Department received 432 FOI applications and finalised 428 applications. Of 11 internal reviews completed, ten original decisions were confirmed and one was withdrawn. Eight external reviews were finalised by the Information Commissioner and all were withdrawn by the complainants following conciliation. A decision is pending on one external review. (See Table 20).

TABLE 20

<table>
<thead>
<tr>
<th>Freedom of Information applications made to the Department of Corrective Services in 2006–07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal information requests</td>
</tr>
<tr>
<td>Non-personal information requests</td>
</tr>
<tr>
<td>Amendment of personal information</td>
</tr>
<tr>
<td>Applications transferred in full</td>
</tr>
<tr>
<td><strong>Total applications received</strong></td>
</tr>
<tr>
<td>Applications completed</td>
</tr>
<tr>
<td>Applications withdrawn</td>
</tr>
<tr>
<td>Internal reviews completed</td>
</tr>
<tr>
<td>External reviews completed</td>
</tr>
<tr>
<td><strong>Applications outstanding</strong></td>
</tr>
</tbody>
</table>

NB. A comparison with 2005–06 data cannot be made as the Department only reported on its first five months of operation in that year.

**RECORDKEEPING PLANS**


The Department shares the service for administrative recordkeeping and compliance with the Department of the Attorney General to implement recordkeeping requirements under the State Records Act 2000.

The Department’s 2006–07 Recordkeeping Plan was approved by the State Records Commission on 8 March 2007. In accordance with the Commission’s Standard 2, Principle 6 – Compliance, the Department complied with the following minimum record requirements:

**Requirement 1**

The efficiency and effectiveness of the organisation’s recordkeeping systems is evaluated not less than once every five years.

- The Department evaluated the efficiency and effectiveness of current recordkeeping systems as it implemented its reform agenda and systematically built recordkeeping into new business processes and information needs.
- Recordkeeping reviews were conducted at Greenough Regional Prison and Geraldton Community Justice Services.
- Security was improved and faster access was made to electronic offender records.
- A pilot to provide recordkeeping functions to business information systems was set up through a Total Records Information Management (TRIM) system.

**Requirement 2**

The organisation conducts a recordkeeping training program.

- From March 2007, the online Records Awareness Training package was rolled out to 1,980 staff across the Department, with 511 having completed the program and 339 in progress.
- A Recordkeeping community was established through the Department’s portal to provide access to records management policy and procedures.

**Requirement 3**

The efficiency and effectiveness of the recordkeeping training program is reviewed from time to time.

- Feedback from training participants is collected when the Department’s Records Awareness Training course is completed. The feedback is incorporated into planning further training activities.

**Requirement 4**

The organisation’s induction program addresses employee roles and responsibilities in regard to their compliance with the organisation’s recordkeeping plan.

- The Records Awareness Training program is mandatory for all new staff and covers employee roles and responsibilities regarding recordkeeping. Induction programs are also conducted for specialist business functions.
Compliance with government policies

Corruption prevention

(Premier’s Circular 2005/02: Corruption Prevention)

A Department-wide approach to building a corruption-resistant culture began in January 2007, with the appointment of a Corruption Prevention Coordinator. A new corruption prevention strategy was ratified in June 2007 and will be implemented later in 2007.

The strategy identifies 17 areas for reform and addresses systemic and targeted corruption risk areas. The first phase focuses on developing a common understanding of corruption throughout the Department, setting up ways to identify corruption risk and introducing corruption prevention plans to all business areas. (See page 49).

Substantive equality


The Department continued to demonstrate its commitment to the Government’s Policy Framework for Substantive Equality, which is part of the Public Sector Anti-Racism and Equality Program to ensure equitable outcomes for all clients of public sector services. It provided a commitment to the Equal Opportunity Commissioner to implement the policy framework.

The Department achieved Level 1 compliance under the substantive equality framework by drafting a five-year plan for the implementation of substantive equality across the Department and nominating Bandyup Women’s Prison to start its roll-out.

The five-year plan contains:

• a clearly-stated Substantive Equality Policy for the Department
• a five-year implementation plan, detailing management and reporting structures, roles and responsibilities and initial service areas.

The policy framework acknowledges that some services may need to be provided differently to meet the diverse needs of some client groups, to ensure equitable outcomes. It aims to achieve substantive equality in the Department by eliminating systemic racial discrimination in the provision of services and promoting sensitivity to the different needs of client groups.

Sustainability

(Premier’s Circular 2004/14: Sustainability Code of Practice for Government Agencies)

The Department has a Sustainability Action Plan to provide practical guidelines on applying sustainability principles. The Department continually seeks new solutions to deliver better social, economic and environmental outcomes.

Leadership development across the Department was identified as a priority focus for long-term sustainability. A leadership development program was created to identify potential leaders from across the Department and provide them with relevant management and supervisory skills.

All new works across the Department follow sustainable design principles. For example, the head-office refurbishment project incorporates energy-saving and environmentally sustainable principles.

The Department also undertook a range of activities to provide sustainable prison industries, including a fully-operational farm at Karnet. It participated in community support work by recycling bicycles through the Activ Foundation, providing handyman-type activities for seniors in Derby and producing under-arm cushions for breast cancer surgery patients through Zonta International.