



VICTORIA POLICE

ANNUAL REPORT

2014-2015



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YEAR IN REVIEW



The 2014-15 financial year was characterised by change for our organisation, including the retirements of Chief Commissioner of Police Mr Ken Lay APM and Acting Chief Commissioner Tim Cartwright APM. Mr Graham Ashton AM was appointed as Victoria's 22nd Chief Commissioner of Police commencing 1 July 2015.

In light of a heightened security environment, including the elevation of the National Terrorism Public Alert Level in September 2014, we increased our focus and resourcing in this area, through increased enforcement, engagement and prevention activities.

We continued to develop and implement a range of strategies aimed at improving police responses to family violence and sexual assault, including the establishment of a Victoria Police Command dedicated to tackling Family Violence.

Our efforts are reflected through continued increases in recorded family violence and sexual assault offences, indicating increasing confidence within our community to report these crimes to police.

We also maintained our focus on strategies to address methylamphetamine related crime and reduce alcohol related harm, as well as continuing our commitment to reducing the road toll and creating a safer environment for all road users.

Throughout these changes however, our organisation continued to deliver against our areas of focus in our Corporate Plan – the Blueprint, as well as against our State Government Budget Paper 3 performance measures.

On 1 January 2015, the Victorian Crime Statistics Agency assumed the responsibility for the collation, analysis and publication of statistical crime data in Victoria. All crime statistics presented in this report have been sourced from the Crime Statistics Agency .

A summary of our key achievements in 2014-15, aimed at delivering a safer Victoria, is shown on page 3, along with page references for further detail on each achievement.

TABLE 1.1: 2014-15 ACHIEVEMENTS

OBJECTIVE	ACHIEVEMENTS	PG
Effective Police Service Delivery (policing services are efficient and effective in meeting stakeholder needs and expectations)	Recorded decreases in non family violence related offences	20
	Increased detected crime in key categories including drug offences and weapons/explosives offences	24
	Improved clearance rates for property and personal crime offences	21
	Completed the deployment of the 1,700 additional frontline police and continued deployment of 1,036* Protective Services Officers (PSOs) and associated police station infrastructure works	38
	Commenced operation from our new City West Police Complex in Melbourne's CBD	63
	Improving Community Safety (focus on the greatest harm so that individuals and communities feel, and are, safe)	Established a dedicated Family Violence Command to drive ongoing improvements to our response
	Continued our focus on Counter Terrorism activities to ensure the safety of the community and our members	42
	Implemented our strategy to tackle methylamphetamine (ICE) related crime to drive reductions in associated harm	55
	The number of reported fatalities, collisions and injuries on our roads remained stable, through our ongoing partnerships with the community and our road safety partners	34
	Implemented the <i>Safer Country Roads Plan 2014-18</i>	49
Working With Our Stakeholders (work collaboratively and respond to stakeholder expectations)	Implemented the 'Receipting Proof of Concept' trial, in which receipts are issued following certain types of interactions between the public and our police or PSOs	58
	Developed our accessibility action plan	58
	Introduced our Pride in Diversity program	70
Achieving Through Our People (people are skilled, safe and supported)	Opened our new Operational Safety and Tactics Training (OSTT) facility at Craigieburn to ensure our members skills remain current and effective	63
	Launched our new Occupational Health and Safety (OHS) strategy 'Zero Harm' to ensure all members and staff are committed to OHS	69
	Established 'Task Force Salus' to investigate predatory behaviour, sexual harassment and sexual discrimination within Victoria Police	57
	Engaged the Victorian Equal Opportunity and Human Rights Commission (VEOHR) to conduct an independent review into sex discrimination and sexual harassment, including predatory behaviour	57
Developing Our Business (business systems and processes support effective police service delivery)	Upgraded 30,000 devices across 500 sites as part of our IT Refresh Program, and commenced our new IT services contract to enhance our IT capability	64
	Continued internal development on the themes of the <i>Victoria Police Blue Paper: A Vision for Victoria Police in 2025</i> (the Blue Paper), which will inform our long-term strategic plan	11
	Established our new Executive Services and Governance Division to demonstrate our continued commitment to effective governance and management	17
	Achieved and/or exceeded the majority of our Budget Paper 3: Service Delivery performance measures	20

* 1,036 PSOs comprises of 940 PSOs funded in 2011-12 State Budget and an additional 96 PSOs funded in 2014-15.

FINANCIAL SUMMARY

Victoria Police's net result from transactions for 2014-15 is a deficit of \$17 million, compared to a deficit of \$7 million in 2013-14. The \$17 million deficit is primarily driven by expenditure on information technology (IT) (IT refresh costs) and an increase in long service leave expenses associated with the employee entitlement provision. These items were funded from prior year accumulated surpluses with the approval of the Treasurer of Victoria under the *Financial Management Act 1994*.

TABLE 1.2: 2014-15 FINANCIAL SUMMARY

	2013-14 (\$m)	2014-15 (\$m)	Change (%)
Income	2,285.3	2,448.2	7.1
Expenditure	2,292.3	2,465.2	7.5
Surplus/(Deficit)	(7.0)	(17.0)	143.2

Note:
Figures have been rounded to the nearest decimal point.



FOREWORD FROM THE ACTING CHIEF COMMISSIONER



In accordance with the *Financial Management Act 1994*, I am pleased to present the Victoria Police Annual Report for the reporting period ending 30 June 2015.

The Annual Report is a record of our performance against a range of statutory requirements, the *Victoria Police Blueprint 2012-15*, and the Government's Budget Paper performance measures. We have also included some of our most important programs, initiatives and achievements.

Victoria Police exists to deliver a safer Victoria, and during 2014-15 we faced many challenges.

These included:

- the emergence of terrorism as a significant issue in Victoria and throughout Australia
- crimes committed by those suffering mental illness and/or affected by ICE
- reports of family violence and sexual abuse continuing to increase
- the increased complexity of serious crime, especially associated with Outlaw Motorcycle Gangs and other areas of organised crime
- the continued emergence of technologically enabled and aided crime, including on-line child-exploitation, fraud, weapons and drug trafficking.

We have tackled these issues through a range of actions across the organisation over the past 12 months.

For example, family violence continues to be a key focus and we continue to work hard to increase the community's confidence to report incidents, and to improve our response to reports of family violence. We have expanded our Family Violence teams throughout the state and I am proud to report that Victoria Police has established a Family Violence Command. This new Command brings together all relevant specialists under one Assistant Commissioner and is an Australian first.

The Command will position Victoria Police to further develop best practice in this area and will ensure we continue to contribute positively and significantly to the community debate in this area.

Family Violence was a key focus of the former Chief Commissioner, Ken Lay. His national leadership in this area is well known, especially highlighting male attitudes towards women and spearheading major awareness campaigns around this issue.

He also drove internal changes within Victoria Police during 2014, including commissioning an independent review by the Victorian Equal Opportunity and Human Rights Commission (VEOHRC) into sexual harassment and sex discrimination within Victoria Police.

The review will be undertaken throughout 2015 and a public report and action plan will be produced at the end of the year. The VEOHRC will then monitor the implementation of the plan by Victoria Police for the next three years. Implementation of recommendations from the review will ensure that Victoria Police remains a workplace that is inclusive, respectful and responsive at all levels of the organisation.

The *Victoria Police Blue Paper: A Vision for Victoria Police*, launched in June 2014, will deliver a modern and effective contemporary face of policing, and will also form a major part of Ken Lay's legacy. Consultations with Government, The Police Association and the community regarding the roll-out of the Blue Paper continued throughout 2014-15.

During 2014-15, there has been an escalation in the threat of home grown terrorism in Australia. In September 2014, Australia's terrorist alert was raised to "High" and we need to continue to work with our partner agencies to minimise the opportunities for people to be radicalised. Throughout the year, Victoria Police continued to develop the capacity within the organisation to meet this challenge, as well as strengthening our existing partnerships with national and international crime and intelligence agencies.



In addition, Victoria Police continued to expand on the valuable relationships we have with our community leaders, young people, and our many faith and cultural groups. The promotion of social cohesion is critical in addressing extremism.

Finally, the delivery of the recruiting, training and deploying 1,700 new police members and over 940 PSOs by November 2014 was a major achievement for the organisation.

The safety of all our employees continues to remain our first priority as we strive towards understanding and addressing our preventable injuries. This year saw the conclusion of the third year of our *Safety First Strategy 2012-15*. Despite our successes, the fact remains that unsafe behaviours and attitudes still exist in our organisation. The new *Zero Harm Strategy* will build on the foundations of the *Safety First Strategy* and will be introduced on 1 July 2015. The vision for Zero Harm is for every Victoria Police employee to be personally responsible for the health and safety of themselves, their colleagues and the community.

In closing, I again acknowledge the leadership of Ken Lay, who left Victoria Police during the year. It has been a privilege to lead the organisation as the Acting Chief Commissioner for the last six months of the financial year. I take great pride in leaving the organisation under the strong leadership of Graham Ashton who was appointed to the permanent role and commenced his post on 1 July 2015, as Victoria's 22nd Chief Commissioner.

Tim Cartwright APM
Acting Chief Commissioner
Victoria Police

FOREWORD FROM THE CHIEF COMMISSIONER



It is an honour to be appointed as the 22nd Chief Commissioner of Victoria Police, and I am looking forward to the challenges ahead.

This role comes with enormous responsibility and my intention is to ensure Victoria Police continues to be a confident and humble organisation, and that Victoria remains a safe place to work and raise a family. I am committed to honouring the traditions of Victoria Police, but also recognise the importance of maintaining a police force that is modern, effective and contemporary.

Fundamental to our success is having people with the right skills, equipment and technology to meet current and future challenges head on. This must be done with a safety focus.

Currently, we have many competing priorities, including tackling family violence, counter terrorism, road safety, organised crime and the use of ICE. The way we engage with Victorians, especially victims of crime, and making sure we are an inclusive police force, are also really important elements of policing.

We will be engaging with the community and our stakeholders in further discussions around the issues raised in the Blue Paper, and from these discussions, will establish priorities to be included in our future corporate plan.

The implementation of the recommendations from the VEOHRC review, which will be released later in 2015, will also be a high priority for our organisation.

I am passionate about this job and like all members of Victoria Police, I really want to make a positive difference in our community. I am joined by an experienced and equally passionate command team, committed to making Victoria a safer place.

Finally, I would like to thank Tim Cartwright for his 41 years of service to Victoria Police, including three years as Deputy Commissioner (Regional Operations) and the last six months as Acting Chief Commissioner. I am confident that the year ahead will build on the achievements of my predecessors.

Graham Ashton AM
Chief Commissioner
Victoria Police

01 ABOUT VICTORIA POLICE



OUR ORGANISATION

Victoria Police was established in 1853. It provides policing services to the Victorian community 24 hours a day, seven days a week, working to keep over 5.9 million Victorians safe.

Police officers and protective services officers (PSOs) are supported in their roles by public service professionals who work as administrators, managers and specialists in a range of functions such as legal services, accounting, psychology and forensic sciences.

Our workforce will be expanded in 2015-16 through the commencement of the recruitment of 400 police custody officers (PCOs) to take on prisoner management functions and supervise prisoners in police cells. Transitioning the supervision of prisoners to PCOs will increase our capacity to provide effective policing services to the community. We will also be expanding our PSO and transit police workforce further to support the State Government's *Homesafe* trial.

Through the combined efforts of our workforce, we give effect to our mission to ensure a safe, secure and orderly society through:

- Preserving the peace
- Protecting life and property
- Preventing offences
- Detecting and apprehending offenders
- Helping those in need of assistance.

During 2014-15, our organisation was led by two Chief Commissioners of Police. Former Chief Commissioner of Police Mr Ken Lay APM announced his retirement (effective from 31 January 2015) from Victoria Police on 29 December 2014, with Mr Tim Cartwright APM stepping into the role in an acting capacity for the remainder of the financial year.

On 25 May 2015, Mr Graham Ashton AM was announced as Victoria Police's 22nd Chief Commissioner of Police, commencing on 1 July 2015.

LEGISLATIVE OVERSIGHT

The Chief Commissioner of Police (CCP) reports directly to the Minister for Police, the Hon. Wade Noonan MP, and also works closely with the Minister for the Prevention of Family Violence (the Hon. Fiona Richardson MP) and the Minister for Roads and Road Safety (the Hon. Luke Donnellan MP).

During the 2014-15 reporting period, Victoria Police also reported to the previous Minister for Police and Emergency Services, the Hon. Kim Wells MP (until the swearing in of the current Government on Thursday 4 December 2014).

On 1 July 2014, the *Victoria Police Act 2013* (the Act) became the principal act for the administration and governance of Victoria Police, replacing the *Police Regulation Act 1958*.

The Act represents a fundamental advancement in the governance of our organisation, and was created to support the delivery of a more modern and efficient police force. Importantly, the Act clarifies the relationship between the CCP and the Minister, while protecting the operational independence of the CCP as Chief Constable for Victoria. It also clarifies the CCP's executive management authority within Victoria Police, including greater clarity on their authority to appoint, direct, discipline and dismiss police members, PSOs and public servants.

OUR SERVICES

Our organisation provides policing services to 54 Police Service Areas (PSAs) across Victoria. These PSAs cover 21 divisions within four regions - North West Metro, Southern Metro, Eastern and Western. Maps of our regions, divisions and police stations are shown on pages 172 and 173 of this Annual Report.

Our services include:

- Responding to calls for assistance in matters of personal and public safety, emergencies and serious incidents
- Preventing crime through a range of proactive community safety programs
- Detecting and investigating offences, and bringing to justice those responsible for committing them
- Supporting the judicial process to achieve efficient and effective court case management, providing safe custody for alleged offenders, supporting victims and ensuring fair and equitable treatment of victims and offenders
- Promoting safe road-user behaviour.

TABLE 1.3: 2014-15 FAST FACTS

	AS AT 30 JUNE 2015	AS AT 30 JUNE 2014	CHANGE
Victoria Police Operating Budget	\$2,434.6 m	\$2,282.7 m	6.6%
Victoria Police Expenditure*	\$2,463.7 m	\$2,291.0 m	7.5%
Total Employees (FTE)			
Police	13,151.7	12,956.1	195.6
Police Recruits	107.0	265.0	-158.0
PSOs (security and transit)	1,186.7	1,086.7	100.0
Reservists	4.0	5.0	-1.0
Victorian Public Service (VPS)**	2,698.8	2,590.0	108.8
Total:	17,148.2	16,902.8	245.4

* As per Appendix C - Total Expenses from Transactions

** VPS includes executive officers, forensic officers and senior technical specialists. VPS numbers are based on DTF Financial Reporting Direction 29A as at 28 June 2014 and 27 June 2015

TABLE 1.4: 2014-15 VICTORIA POLICE - REGIONAL SNAPSHOT

VICTORIA POLICE – REGIONAL SNAPSHOT

North West Metro

Size:	2,980 km ²
Resident population*	1.8 million
Five divisions:	Melbourne, Westgate, Brimbank, Fawkner, Diamond Creek.
14 PSAs:	Wyndham, Melton, Hume, Whittlesea, Nillumbik, Brimbank, Moreland, Moonee Valley, Maribyrnong, Hobsons Bay, Melbourne, Yarra, Darebin, Banyule.
Stations:	36

Eastern

Size:	84,620 km ²
Resident population*	2.0 million
Six divisions:	Nunawading, Knox, Goulburn Valley, Wangaratta, Morwell, Bairnsdale.
17 PSAs:	Bass Coast, Baw Baw, Benalla, Boroondara, East Gippsland, Greater Shepparton, Knox, LaTrobe, Maroondah, Manningham, Mitchell, Monash, Wangaratta, Wellington, Whitehorse, Wodonga, Yarra Ranges.
Stations**:	116

Southern Metro

Size:	2,884 km ²
Resident population*	1.4 million
Four divisions:	Prahran, Moorabbin, Dandenong, Frankston.
9 PSAs:	Stonnington, Port Phillip, Glen Eira, Kingston, Greater Dandenong, Casey, Cardinia, Frankston, Mornington Peninsula.
Stations:	29

Western

Size:	136,700 km ²
Resident population*	927,300
Six divisions:	Geelong, Ballarat, Horsham, Warrnambool, Bendigo, Mildura.
14 PSAs:	Mildura, Horsham, Swan Hill, Northern Grampians, Southern Grampians, Warrnambool, Surf Coast, Ballarat, Moorabool, Geelong, Macedon Ranges, Bendigo, Central Goldfields, Campaspe.
Stations:	148

Notes:

* Population is an approximate only.

** Does not include Forest Hill which opened in August 2015.

OUR CORPORATE PLAN: THE BLUEPRINT

The Blueprint served as a three-year strategic plan for the organisation implemented through the annual setting of priorities and actions (2014-15 being the final year of the Blueprint). The Blueprint identified five key areas of focus:

1. *Effective police service delivery:* policing services are efficient and effective in meeting stakeholder needs and expectations
2. *Improving community safety:* Victoria Police focuses on the issues causing the greatest harm so that individuals and communities feel, and are, safe
3. *Working with our stakeholders:* Victoria Police works collaboratively and responds to stakeholder expectations
4. *Achieving through our people:* People are skilled, safe and supported
5. *Developing our business:* Business systems and processes support effective police service delivery.

Outcomes and priorities with a three-year outlook (2012-15) were identified under each of the five areas of focus. These priorities set the direction for the yearly actions, which then formed our annual business plan.

Each action in the Blueprint was allocated to an accountable executive sponsor, who is a member of Victoria Police Command. Blueprint actions were implemented through a dedicated project plan that set out the scope, timelines, consultation and deliverables, with work overseen by the executive sponsor and by the Blueprint committee established for each area of focus (refer to Appendix E for further detail).

**OUR VISION STATEMENT:
THE VICTORIA POLICE BLUE PAPER**

In recognition of the need to evolve and develop our organisation, we launched the *Victoria Police Blue Paper: A Vision for Victoria Police in 2025* (the Blue Paper) on 3 June 2014, a long-term vision statement for Victoria Police that would inform and guide the development of a new Victoria Police strategic plan.

The Blue Paper proposed three strategic directions to enhance public safety, and increase value for money for the Victorian community through its investment in Victoria Police:

- Better matching of resources to demand, by rethinking the traditional operating model
- Improving capability through workforce reform and technology
- Collaborating more closely through partnerships.

The following table highlights some of our most notable achievements against the Blueprint areas of focus over the last three years. Many of these achievements contribute to several outcomes.

AREAS OF FOCUS	OUTCOMES	KEY ACHIEVEMENTS 2012-13 to 2014-15	FOCUS FOR 2015-16	
<p>EFFECTIVE POLICE SERVICE DELIVERY: "Policing services are efficient and effective in meeting stakeholder needs and expectations".</p>	<p>Victoria Police is capable of deploying resources according to the range of harms, types of community and jurisdictional requirements</p> <p>The service delivery model provides organisational, divisional and local responses to call for assistance, in a timely and efficient manner</p> <p>Multi-agency service delivery provides simple and streamlined pathways from police to community services to address individual needs and reduce their risk of further police contact</p>	<p>Repeat calls for service are reduced over time by effective and targeted intervention strategies</p> <p>Service delivery is more efficient due to better planning, demand rostering, business re-engineering and multi-agency approaches</p> <p>Flexible reporting and notification options complement face to face police service delivery and provide convenient and tailored access</p>	<p>Recruited and deployed an additional 1,700 Police and 940 Protective Service Officers.</p> <p>The Operations Response Unit (ORU) has been embedded into our service delivery model</p> <p>Established collaborative inter-agency taskforces with State and Federal agencies</p> <p>Family Violence Referral Pathway Protocol between the Department of Health and Human Services and Victoria Police extended</p> <p>Reviewed and enhanced the <i>Victoria Police Accessibility Action Plan</i></p> <p>Introduced Police and Clinician Emergency Response (PACER) units and rolled out new Multi-Disciplinary Centres (MDC) across Victoria</p> <p>Launched the Victoria Police e-referral system (VPeR), a consent-based, non-crisis, non-family violence referral system</p> <p>Improved DNA, fingerprint and ballistics processes</p> <p>Expanded the Eyewatch program to 11 additional locations and delivered other social media improvements.</p>	<p>Provide responsive, agile and visible policing services.</p>
<p>IMPROVING COMMUNITY SAFETY: "Victoria Police focuses on the greatest harm so that individuals and communities feel safe".</p>	<p>The drivers as well as the symptoms of community harm are known, anticipated and mitigated</p> <p>New and existing interventions are routinely evaluated and enhanced to ensure vitality, effectiveness and value for money</p> <p>Intelligence driven road policing practices identify, prioritise and target road user behaviours to reduce road trauma</p> <p>Knowledge is captured, contributed to and valued within the organisation</p> <p>Repeat victimisation and serious and/or repeat offending receive a heightened policing response, drawing on specialist resources, targeted intervention and appropriate support from other agencies</p>	<p>Members of the community, businesses and other organisations have a good understanding of the steps they can take to minimise their risk of harm and have the confidence to report matters to police where harm does occur</p> <p>Intelligence and identified good practice determine the priorities for police action and the type of responses delivered</p> <p>Police have a continuum of interventions and options available to respond effectively to particular circumstances and to each unique combination of person, place and problem they encounter</p>	<p>Development of a service demand model</p> <p>Establishment of Australia's first Family Violence Command</p> <p>Launched the <i>Methylamphetamine Strategic Approach 2014-15</i></p> <p>Launched the <i>Policing Alcohol Harm in Victoria 2014-24</i> position statement, and the <i>Reducing Alcohol Related Harm Strategic Approach 2014-17</i></p> <p>Launched the <i>Victoria Police Road Safety Strategy 2013-18</i>, <i>Road Safety Action Plan</i>, <i>Safer Country Roads Plan 2014-18</i> and <i>Road to Zero</i> initiatives</p> <p>Establishment of a world-first research project into the culpability of drug using drivers in road trauma</p> <p>Developed a victim-centric service delivery strategy – <i>Future Directions for Victim-Centric Policing</i></p> <p>The Victoria Police Intelligence Doctrine continues to evolve to ensure consistent processes, products and practices across the organisation</p> <p>A proactive monitoring capability has been designed that will identify emerging trends and issues and inform police tasking and coordination activities.</p>	<p>Minimise crime and improve safety.</p>
<p>WORKING WITH OUR STAKEHOLDERS: "Victoria Police works collaboratively and responds to stakeholder expectations".</p>	<p>Every manager is responsible for structured and ongoing engagement with their key stakeholders to identify issues early and develop collaborative responses where possible</p> <p>Victoria Police ensures that all stakeholders and customers get the right information, in the way they need, and that is understandable to them</p> <p>Stakeholders contribute to the way that police prioritise and deliver services and are kept informed of the things that matter to them</p>	<p>Victoria Police embraces the principles of openness and transparency, making available the information that will enable stakeholders to understand our priorities, be aware of our actions, assess our performance and contribute to our planning</p> <p>Other stakeholders share the responsibility for fostering a safe, secure and orderly society and possess the skills and expertise to work with police on this outcome</p> <p>Our workforce is well informed and engaged</p>	<p>Development of a systematic approach to defining, and interacting with our stakeholders, providing local engagement strategies that are specific to each work area's stakeholders and requirements</p> <p>Developed data sharing principles that give guidance to our workforce in relation to what data can be shared and for what purposes</p> <p>Establishment of the Priority Communities Division, and the delivery of the <i>Equality Is Not The Same... Year One Report</i></p> <p>A number of pilots have been developed over the last three years with external stakeholders to facilitate shared ownership in improving public safety.</p>	<p>Develop strong partnerships with stakeholders.</p>
<p>ACHIEVING THROUGH OUR PEOPLE: "Our people are skilled, safe and supported".</p>	<p>Workforce planning is part of the Integrated Planning and Risk Management Model (IPRMM) so that capacity, service demand and performance are linked to service delivery at local, regional and state levels</p> <p>Victoria Police is recognised as an employer of choice and is an equitable, diverse and fair workplace</p> <p>The Victorian Public Service profile is consistent with objectives and requirements of the Sustainable Government Initiative</p> <p>Staff confidently apply knowledge and skills that reflect a high level of integrity in their service delivery</p> <p>Organisational capability gaps are identified and addressed through an education, training and development framework</p> <p>Future senior managers and leaders are identified and developed through tailored internal and external programs</p> <p>Managers have the flexibility to move, transfer, promote and place staff according to existing and forecast service demand and requirements such as supervision ratios</p>	<p>Automated rostering links resource demand and supply and generates reports</p> <p>Vacancies are filled fairly and efficiently through scheduled recruiting for similar positions and levels of vacancies that risk workforce capacity are prioritised</p> <p>Our people are safe at work, with managers at every level having the information they need and accepting their role in promoting the health, wellbeing, job satisfaction and morale of all their staff. People management risks are identified early and mitigated</p> <p>All employees recognise their role in achieving all five mission objectives, and are equally recognised and rewarded for proactive and preventative activities as for reactive and enforcement activities</p> <p>Victoria Police embraces a Learning Management System which provides access to a personalised learning program, connected to the performance development assessment system that links development gaps, mandated development programs and provides for professional growth in line with career aspirations</p>	<p>Developed the <i>Victoria Police Strategic Workforce Plan</i></p> <p>Implementation of the <i>Equity and Diversity Action Plan</i></p> <p>We commissioned the Victorian Equal Opportunity and Human Rights Commission (VEOHRC) and established Task Force Salus to conduct an independent review into sex discrimination and sexual harassment, including predatory behaviour, among Victoria Police personnel</p> <p>The Victoria Police Integrity Framework was developed</p> <p>Introduced the <i>Education Master Plan (EMP)</i></p> <p>Implementation of the Senior Managers' Leadership Development Program (SMLDP) 2014-15</p> <p>We have continued to development management tools to understand issues of workforce capacity impacting on service delivery within Victoria Police, using forecasted Computer Aided Dispatch (CAD) service demand</p> <p>We have developed a proof of concept for the automation of leave and rostering</p> <p>Enhancements have been made to the Transfer and Promotion process for sworn vacancies, and the police appeals process</p> <p>The <i>Safety First Strategy 2012-15</i> concluded in 2014-15</p> <p>A number of strategies have been implemented under the Policing for Prevention project.</p> <p>The HR Assist Learning Management System continues to be evolved.</p>	<p>Create a capable, flexible and professional workforce.</p>
<p>DEVELOPING OUR BUSINESS: "Business systems and processes support effective police service delivery and information management".</p>	<p>Frontline, divisional and organisational priorities, risks and actions are set annually across the organisation's five areas of focus: Improving Community Safety, Effective Police Service Delivery, Working With Our Stakeholders, Achieving Through Our People Development and Developing Our Business</p> <p>Operational support functions are more directly responsive to operational service delivery</p> <p>Subject matter expertise and corporate services are centralised to simplify and improve responsiveness and value for money</p> <p>Functions that do not require police powers are considered for civilisation, outsourcing, or public service delivery – if still required</p> <p>Consolidated suite of management reporting is focussed on key strategic and policing delivery activities</p>	<p>Information technology governance and responsiveness is improved</p> <p>Electronic processes and reports replace manual processes and paper-based reports</p> <p>Asset management is closely linked to operational requirements – including the potential rationalisation of facilities</p> <p>Executive Command focuses on delivery of key strategic priorities over a three year period</p> <p>Budgets and finance accountability is actively prosecuted</p> <p>A clear investment vision is established and acknowledged by Government (and other stakeholders) which is responsive to service demand drivers</p>	<p>Upgrade of Compstat to reflect the Blueprint's five areas of focus whilst also aligning it more closely with the IPRMM planning process, organisational priorities and strategies</p> <p>Implementation of the Policing Information Process and Practice (PIPP) Reform Program</p> <p>The LEAP Electronic Direct Reporting (LEDR) Mk2 program continues to be enhanced</p> <p>Opening of City West Police Complex at 313 Spencer Street in Melbourne's CBD</p> <p>Development of a long term investment vision for Victoria Police (the Blue Paper).</p>	<p>Modernise technology and information management.</p>

LOOKING FORWARD: VICTORIA POLICE CORPORATE PLAN 2015-16

The commencement of our new corporate plan in 2015-16 draws on the themes of the Blue Paper, whilst maintaining a focus on the key areas identified in the Blueprint.

However, the Blue Paper themes have driven some revisions to the outcomes underpinning each of the five areas of focus. The new plan will also carry over some of the longer term priorities and actions from the Blueprint, as outlined below.

The corporate plan will guide a range of reforms and projects to ensure our services to the Victorian community are contemporary and fit-for-purpose now and into the future.

VISION	MISSION
Delivering a safer Victoria	To ensure a safe, secure and orderly society by serving the community and the law. Victoria Police will achieve its mission by: Preserving the peace; Protecting life and property; Preventing offences; Detecting and apprehending offenders; Helping those in need of assistance
AREA OF FOCUS	DESIRED OUTCOMES 2015 - 25
EFFECTIVE POLICE SERVICE DELIVERY Provide responsive, agile and visible policing services	> <ul style="list-style-type: none"> - Fit-for-purpose police service delivery to enable more police to keep the community safe - Rostering and development of employees that provides responsive services aligned to demand - Service delivery that focuses on core policing functions
IMPROVING COMMUNITY SAFETY Minimise crime and improve safety	> <ul style="list-style-type: none"> - Evidence and intelligence based strategies to address serious and organised crime, family violence, road policing, volume crime and terrorism - Crime prevention embedded into policing activities - Practices that strongly support victims of crime and prevent re-victimisation
WORKING WITH OUR STAKEHOLDERS Develop strong partnerships with stakeholders	> <ul style="list-style-type: none"> - Working with other public and community sector agencies to prevent crime and other harm and improve services to victims - Effective and meaningful engagement with the community - Partnerships with the community and business to prevent and detect crime and other harm
ACHIEVING THROUGH OUR PEOPLE Create a capable, flexible and professional workforce	> <ul style="list-style-type: none"> - Enhance health, safety and wellbeing of the workforce - Diversity of the workforce that better reflects the community - Education and training that reflects the professionalisation of policing activities and expected performance standards
DEVELOPING OUR BUSINESS Modernise systems for business process, technology and asset management	> <ul style="list-style-type: none"> - Mobile technology for operational police, integrated with central information management systems - Information management systems and security that better support policing, underpinned by realtime shared data - Web-based service delivery, reflecting shifts in how the community engage with police

ORGANISATIONAL STRUCTURE AND CORPORATE GOVERNANCE

Victoria Police Executive Command is comprised of the Chief Commissioner of Police, three Deputy Commissioners, two Executive Directors and the Chief Information Officer (CIO). Retired Air Chief Marshall Sir Angus Houston AK AC AFC is an independent member of Executive Command.

Executive Command is responsible for setting the strategic direction of Victoria Police, as well as for organisational performance, determining key priorities and risks, and managing organisational capacity and capability.

Executive Command is supported by the Command group, which is comprised of 14 Assistant Commissioners and 13 Directors, each responsible for a key area of Victoria Police.

The Corporate Advisory Group (CAG) provides strategic advice to the leadership of Victoria Police on a comprehensive program of organisational reform. CAG is chaired by Sir Angus Houston, an external representative, and has overseen progress in relation to the Victoria Police long-term vision for reform.

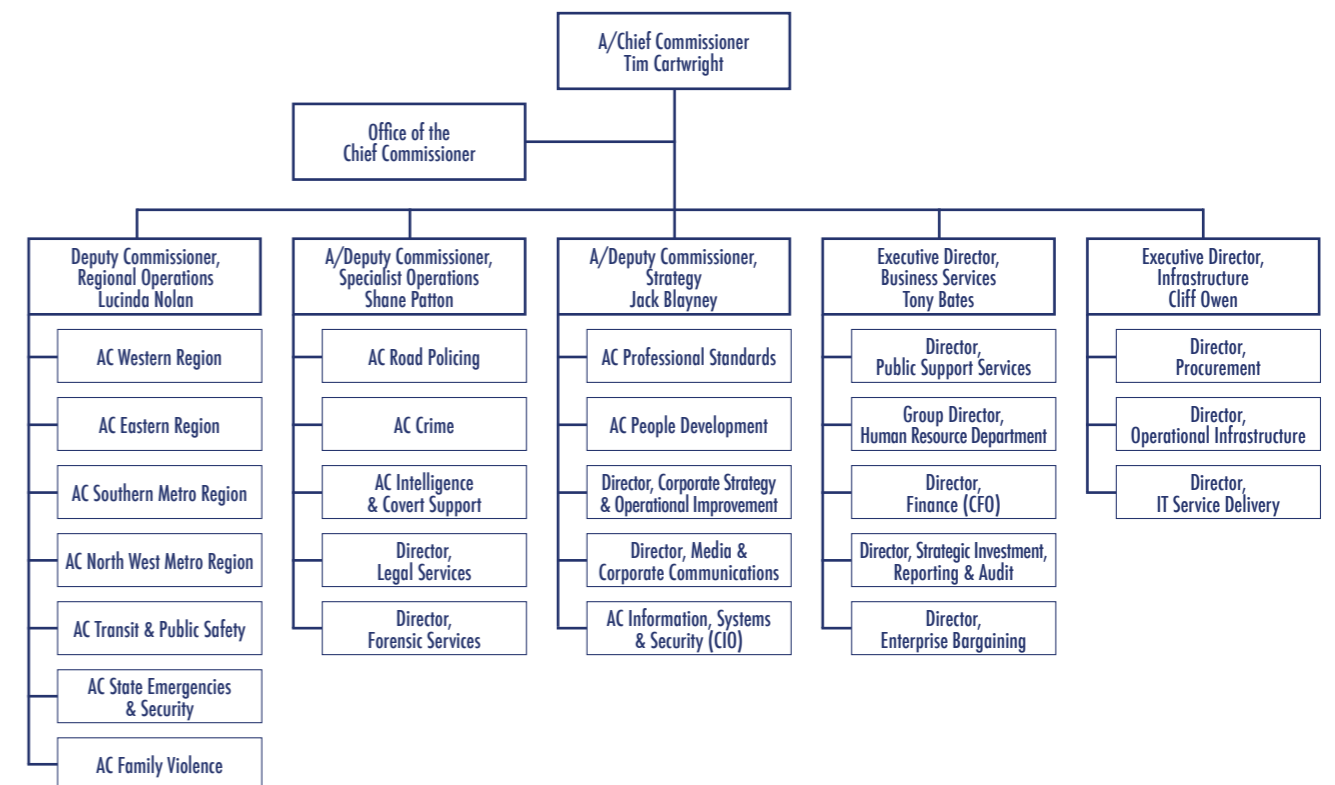
At Victoria Police, we prioritise and manage our service delivery through corporate governance arrangements modelled on best practice. Our governance structure supports effective and transparent service delivery through rigorous accountability systems, decision making and performance management.

Each Executive Command member is responsible for driving the actions in our Corporate Plan (the Blueprint), as well as the leadership, management and performance of their respective portfolios.

A range of sub-committees including five committees aligned to the areas of focus outlined in our Blueprint and the Victoria Police Command provide support and advice to Executive Command in relation to strategies, projects, actions and issues within their respective portfolios.

The organisational chart below outlines portfolio responsibilities for each Executive Command member. Appendix E outlines the purpose, membership and functions of each sub-committee, which are aligned to the Blueprint areas of focus.

VICTORIA POLICE ORGANISATIONAL CHART AS AT 30 JUNE 2015



IMPLEMENTING GOVERNMENT PRIORITIES

In 2014-15, we have continued to implement a range of projects. Summarised in the table below, all projects represent important initiatives to improve policing services to the Victorian community.

TABLE 1.5: 2014-15 IMPLEMENTATION OF GOVERNMENT PRIORITIES

INITIATIVE FUNDED	SUMMARY	OUTCOME / BENEFIT	STATUS
Arrest Warrants – System Improvements	Implementation of system improvements	Optimise force-wide visibility of outstanding bench warrants to improve community safety	In progress
Ballarat West Emergency Services Precinct	Construction of a new police station as part of a future emergency services hub	Provide effective, modern, responsive service delivery in the Ballarat West region	In progress
Conducted Energy Devices	Rollout of Conducted Energy Devices (CEDs) to 24-hour police stations in 29 regional locations	Provide an alternative, safer enforcement option for members	In progress
Echuca Police Station Replacement	Replacement of the existing Echuca Police Station with a larger, fit-for-purpose building	Improve community safety and service delivery	In progress
PSO – Radio Black Spot Funding	Rectification of existing radio network coverage black spots, across the rail network where PSOs are being deployed	Improve PSO safety and service delivery at railway stations	In progress
St Kilda Road Police Station Replacement	Relocation of the St Kilda Road Police Station to a central location within Southbank	Ensure continued frontline service delivery	In progress
Victoria Police Critical Equipment	Replacement of Victoria Police's speed measuring devices	Ensure continued frontline service delivery	Completed
Victoria Police Mounted Branch Relocation Project	Relocation of Victoria Police's Mounted Branch to redeveloped stables in Attwood	Enable co-location with the Dog Squad and increase operational efficiency	In progress
Multi-Disciplinary Centres (MDC)	Implementation of inter-agency model that integrates services for victims of sexual offences and child abuse	Integrated support for victims throughout investigations	In progress
Policing Information Process and Practice (PIPP) Reform Program	Maintain performance of core information systems and commence planning for longer term reforms to ICT systems and processes	Improve organisational performance	In progress

Looking forward, we will focus on the implementation of the following government election commitments and priorities:

TABLE 1.6: 2015-16 COMMITMENTS AND PRIORITIES

GOVERNMENT PRIORITY	SUMMARY	OUTCOME / BENEFIT
Police Custody Officers to Manage Prisoners at Police Cells	Funding for the introduction of 400 PCOs to replace police officers in the management of prisoners in police cells	Increase our capacity to provide effective policing services to the community
Mernda Police Station	Funding to build a 24 hour police station in Mernda to service the Whittlesea PSA	Ensure continued frontline service delivery
Assessment and Referral Court List	Funding to continue a specialist mental health/ cognitive impairment court list at the Melbourne Magistrates Court	Reduction in recidivist offenders with mental health issues
ICE Action Plan: New Booze and Drug Buses and Forensic Officers	Funding to provide Victoria Police with new booze and drug buses, additional drug testing capability and forensic services officers	To improve road safety and reduce drug crime
Police Digital Radio Upgrade	Funding to replace the analogue radio communications system in regional areas with an encrypted digital network and new radios	To provide a safer, more secure network for police members
Bellarine and Geelong Community Safety Package	Funding for a further 15 sworn officers to be allocated to Geelong and the Bellarine Peninsula	Increase service delivery to the Bellarine and Geelong areas
Homesafe	Funding for additional PSOs and police to support the Homesafe trial. Homesafe is a trial of 24 hour public transport over weekends	Improved commuter safety on weekends
Wyndham Multi-Disciplinary Centre	Preliminary scoping for asset requirements to support an MDC at Wyndham pending recommendations of the Royal Commission into Family Violence	Expansion of services to support victims of sexual abuse

IMPROVING OUR GOVERNANCE CAPABILITY

In 2014-15, we demonstrated our continued commitment to effective governance through the establishment of the Executive Services and Governance Division (ESGD) and the Risk Executive within the Corporate Strategy and Operational Improvement Department (CSOID).

The ESGD provides dedicated support to the operational activities of Executive Command and the Blueprint sub-committees. This delivers effective and efficient functions in support of organisational decision-making, and drives continuous improvement in governance, by increasing the clarity and accountability to our

decision making and rigour to our processes across the organisation.

The Risk Executive was also established to assist the Chief Risk Officer in providing strategic risk management advice and support to the Chief Commissioner, Executive Command, regional/departmental/command heads and other managers within our organisation. The Risk Executive ensures that our risk management framework and processes are properly enacted, documented and maintained.

02 OUR PERFORMANCE



Victoria Police delivers a range of policing services to prevent, detect, investigate and prosecute crime, and to promote safer road user behaviour.

In this chapter, we analyse our performance against a range of other measures, including:

- the 2014-15 Victorian *Budget Paper No. 3: Service Delivery* performance measures
- underlying drivers in key crime trends
- road trauma data.

THE TRANSITION OF THE PUBLICATION OF CRIME STATISTICS FROM VICTORIA POLICE TO THE CRIME STATISTICS AGENCY

On 1 January 2015, the Victorian Crime Statistics Agency (CSA) commenced operation within the Department of Justice & Regulation. The CSA is responsible for the publication of statistical crime data in Victoria.

All crime statistics presented in this report have been sourced from the CSA 2014-15 Statistics Release, which was published on 1 October 2015. We have worked collaboratively with the CSA to facilitate the transition.

The CSA has re-categorised certain crimes with the aim of improving the collation and reporting of crime statistics. The primary difference is the expansion of offences that are now categorised as 'crimes against the person'.

Due to these changes in methodology, the published CSA statistics are not comparable to the crime statistics previously published by Victoria Police prior to 31 December 2014.

OUR PERFORMANCE AGAINST BUDGET PAPER OBJECTIVES

Effective police service delivery is measured through 18 key performance measures under the Policing Services output as published in the 2014-15 *State Budget Paper No. 3 Service Delivery (BP3)*.

The medium-term departmental objectives, associated indicators and linked outputs for the Justice portfolio, as set out in BP3 are shown in Table 2.1 below. Results for each indicator are shown in Table 2.2 below.

This output group contributes towards enabling individuals and families to undertake their lawful pursuits confidently, safely and without fear of crime. Victoria Police significantly contributes to this outcome by striving to reduce violence and crime through community policing, assisting in the administration of justice, community assistance, guidance and leadership.

TABLE 2.1: DEPARTMENTAL OBJECTIVES, INDICATORS AND LINKED OUTPUTS

DEPARTMENTAL OBJECTIVES	INDICATORS	OUTPUTS
Improving community safety through policing, law enforcement and prevention activities.	Community feelings of safety during the day	Policing Services
	Community feelings of safety during the night	Infringement and Orders Management
	Road deaths (rate per 100 000 registered vehicles)	Enhancing Community Safety

TABLE 2.2: IMPROVING COMMUNITY SAFETY THROUGH POLICING, LAW ENFORCEMENT AND PREVENTION ACTIVITIES.

INDICATOR	RESULT	COMMENT
Community feelings of safety during the day	91.7 per cent (a 1.6 per cent decrease from 2012-13 result of 93.3 per cent)	There was a minor decrease in these measures based on the 2015 RoGS results.
Community feelings of safety during the night	58 per cent (a 1.2 per cent decrease from 2012-13 result of 59.2 per cent)	Key initiatives including 1,700 additional police and 940 PSOs aim to assist in improving perceptions of safety through increased policing presence and more effective service delivery in the community.
Road deaths (rate per 100 000 registered vehicles)	5.7 (a 0.1 per cent decrease from 2012-13 result of 5.8)	Victoria Police continue to work closely with the Victorian community and road safety partners to reduce road trauma and create safer Victorian roads through key strategies including the <i>Victoria Police Road Safety Strategy 2013-18</i> and the <i>Safer Country Roads Plan 2014-18</i> .

Note:

These results are based on 2013-14 data only. The 2014-15 results for these measures will be reported in the 2016 RoGS, to be published by the Productivity Commission in January 2016.

POLICING SERVICES: 2014-15 BP3 PERFORMANCE MEASURES

Victoria Police has performed well against its BP3 measures in an ever-evolving and challenging environment. It is important to note that the transition to the CSA has impacted the measurement of outcomes against BP3 targets for the 2014-15 financial year, which were set using Victoria Police crime categorisation methods. As a result, different counting rules apply to the target when compared to the CSA actual.

However, to ensure consistency with the information provided in the 2015-16 Budget Papers, we have provided the actual results for crime measures based on both the CSA and Victoria Police methods of categorisation in the table below. The 2015-16 Budget Papers reflect the CSA methodology.

TABLE 2.3: 2014-15 BP3 PERFORMANCE MEASURES

PERFORMANCE MEASURES	UNIT OF MEASURE	2014-15 ACTUAL	2014-15 TARGET	VARIATION (%)	RESULT
QUANTITY					
Criminal history checks conducted to contribute to community safety	Number	477,500	508,000	-6.0	X
<i>The variance is due to the demand for national police checks shifting from direct requests to Victoria Police to various CrimTrac accredited organisations.</i>					
Community calls for assistance to which a Victoria Police response is dispatched	Number	864,020	800,000	8.0	√
<i>The increase in community calls for assistance to which a Victoria Police response is dispatched has been primarily driven by calls in the Eastern Region, which has more than doubled in recorded events since the start of 2012. The Western Region has also showed a significant increase.</i>					
Crimes against the person - excluding family violence related crime (rate per 100,000 population)					
VicPol methodology*	Number	594.2	≤653.8	9.1	
CSA methodology	Number	654.0	≤653.8	0.0	√
Crimes against the property - excluding family violence related crime (rate per 100,000 population)					
VicPol methodology*	Number	4,516.0	≤4,667.1	3.2	
CSA methodology	Number	4,491.9	≤4,667.1	3.8	√
Crimes against the person - family violence related crime (rate per 100,000 population)					
VicPol methodology*	Number	451.6	≥323.0	39.8	
CSA methodology	Number	509.0	≥323.0	57.6	√
<i>The primary drivers of this increase are family violence related assaults, as well as stalking, harassment and threatening behaviour.</i>					
Crimes against the property - family violence related crime (rate per 100,000 population)					
VicPol methodology*	Number	150.5	≥95.2	58.1	
CSA methodology	Number	146.7	≥95.2	54.1	√
<i>The primary driver of this measure is Property Damage (it is important to note that Property Damage is only increasing for family violence related crime, overall Property Damage has been decreasing).</i>					
Number of alcohol screening tests conducted	Number	1,136,326	1,100,000	3.3	√
Number of prohibited drug screening tests conducted	Number	79,986	40,000	100.0	√
<i>The 2014-15 actual is higher than the target due to additional funding received by the Transport Accident Commission to expand our drug testing capacity to 100,000 tests from 30 September 2014 to 30 September 2015.</i>					

PERFORMANCE MEASURES	UNIT OF MEASURE	2014-15 ACTUAL	2014-15 TARGET	VARIATION (%)	RESULT
QUALITY					
Proportion of community satisfied with policing services (general satisfaction)	Per Cent	77.8	70.0	11.1	√
<i>Community members are surveyed through the National Survey of Community Satisfaction with Policing (NSCSP) and recorded above target satisfaction. Over time general satisfaction with policing services has been displaying an upward trend.</i>					
Proportion of the community who have confidence in police (an integrity indicator)	Per Cent	88.7	83.0	6.9	√
<i>Community members are surveyed through the NSCSP and recorded above target confidence. Over time general confidence with policing services has been displaying an upward trend.</i>					
Proportion of drivers tested who comply with alcohol limits	Per Cent	99.8	99.5	0.3	√
Proportion of drivers tested who comply with posted speed limits	Per Cent	99.5	99.5	0.0	√
Proportion of drivers tested who return clear result for prohibited drugs	Per Cent	94.3	90.0	4.8	√
Proportion of successful prosecution outcomes	Per Cent	92.8	92.0	0.9	√
Victoria Police regions with plans, procedures and resources in place for the bushfire season	Per Cent	100	100	0.0	√
TIMELINESS					
Proportion of crimes against the person resolved within 30 days					
VicPol methodology*	Number	37.9	36.0	5.3	
CSA methodology	Number	36.8	36.0	2.2	√
Proportion of property crime resolved within 30 days					
VicPol methodology*	Number	20.4	19.0	7.4	
CSA methodology	Number	20.5	19.0	7.9	√
<i>The positive variation in this measure is due to a steady increase in Theft and Deception offences.</i>					
COST					
Total Output Cost	\$ million	2,463.7	2,434.6	1.2	○
<i>Total Output Cost - Policing services as represented in Appendix C (Comprehensive Operating Statement) under 'Total Expenses From Transactions'.</i>					
* Variance commentary is based on target compared to CSA actual result.					
KEY					
X Performance target not achieved – exceeds 5 per cent variance.			√ Performance target achieved or exceeded.		
○ Performance target not achieved – but within 5 per cent variance.					

ANALYSIS OF CRIME STATISTICS

Crime statistics are based on reports from the public and what is detected by police. Changes to recorded crime trends can be due to increased police detection and enforcement activity, the introduction of new offences, or increases in legal powers to enforce certain offences. Changes may also be due to social, economic and environmental factors, or increasing or changing public confidence to report crime to police.

CRIME RATE OVER THE LAST FIVE YEARS

Crime statistics figures in this section have been sourced from the Crime Statistics Agency, unless otherwise stated.

The total number of offences recorded in Victoria has been steadily increasing over the last five years. When population growth is taken into account through the offence rate per 100,000 population, crime has also increased, but at a lesser rate (see Table 2.4 below).

Justice procedures and drug offences are the biggest drivers in the increase in recorded crime since last financial year.

Our analysis of the crime trends identified in the CSA data attempts, as much as possible, to provide greater context in the analysis of the different drivers of crime statistics. This section will provide analysis of key trends and relationships identified in the 2014-15 CSA statistics release based on the following themes:

- Recorded crime driven by legislative changes
- Recorded crime driven by increased police efforts and public policy reforms
- Impact of drugs and alcohol on crime
- Youth offenders and crime
- Harassment offences are driven by increased use of communications technology
- Property security is impacting crime volumes.

TABLE 2.4: OFFENCES RECORDED - JULY 2010 TO JUNE 2015

	Jul 2010 - Jun 2011	Jul 2011 - Jun 2012	Jul 2012 - Jun 2013	Jul 2013 - Jun 2014	Jul 2014 - Jun 2015	% Change 2013-14 to 2014-15	% Change Over 5 Years
Total Offences Recorded	377,952	406,862	425,249	449,307	469,830	4.6	24.3
Total Offence Rate per 100,000 Population	6,824.9	7,223.4	7,409.4	7,691.4	7,894.9	2.6	15.7

RECORDED CRIME DRIVEN BY LEGISLATIVE CHANGES

Crime statistics can increase when new offences are introduced or powers to enforce certain offences are enhanced. This section looks at offences which have been influenced by legislative change over the last two years.

Justice procedure offences account for 12.3 per cent of all crime and drove the majority (72.2 per cent of the number increase in total offences) of the overall increase in crime in Victoria in 2014-15. Justice Procedure offences relate to 'an act or omission that is deemed to be prejudicial to the effective administration of justice procedures.'¹ This includes breaches of orders, which was the most significant driver in the overall increase in justice procedures, with a 39.4 per cent increase since 2013-14, as shown in Table 2.5.

In response to growing community concern about bail violations and to improve enforcement of bail conditions, and family violence orders, two amendments to the *Bail Act 1997* were introduced in December 2013:

- S30A *Offence to contravene certain conduct conditions*
- S30B *Offence to commit indictable offence whilst on bail.*

These new offences accounted for 19.3 per cent of all justice procedure offences in 2014-15, and revealed high levels of non-compliance shown by offenders to bail processes, with breach of bail conditions increasing over the last two years, by 57.4 per cent since 2013-14 and breach of other orders increasing by 45.4 per cent. These increases are significantly driven by these two legislative amendments, enhancing the powers of police and the courts to enforce bail conditions. Figure 2.1 shows a sharp increase in breaches of bail conditions and family violence orders commencing in 2012-13.

It is important to note that of the 50,888 breach of order offences in 2014-15, 29,906 were family violence related. This was notably driven by increases in breach of family violence orders, which increased by 29.6 per cent since last year (from 21,488 to 27,845). The notable increase over the past five years in breaches of family violence orders is illustrated in Figure 2.1 on the next page.

Victoria Police's ongoing commitment to whole-of-community engagement to address family violence, generated a significant increase in the number of breach offences being reported and recorded.

RECORDED CRIME DRIVEN BY INCREASED POLICE EFFORTS AND PUBLIC POLICY REFORMS

Increased police focus on particular offences can assist in raising community awareness of those offences and encourage greater reporting. Increased police resourcing and attention can also result in increased proactive detection of crime. Public policy reforms aimed at making the criminal justice system more accessible and supportive may assist in increasing public confidence to report crime, and participate as witnesses through the prosecutions of crime. This section analyses areas where we believe increased police effort and policy reforms have positively contributed to increased reporting of crime.

TABLE 2.5: OFFENCES RECORDED FOR JUSTICE PROCEDURES AND BREACHES OF ORDERS - JULY 2010 TO JUNE 2015

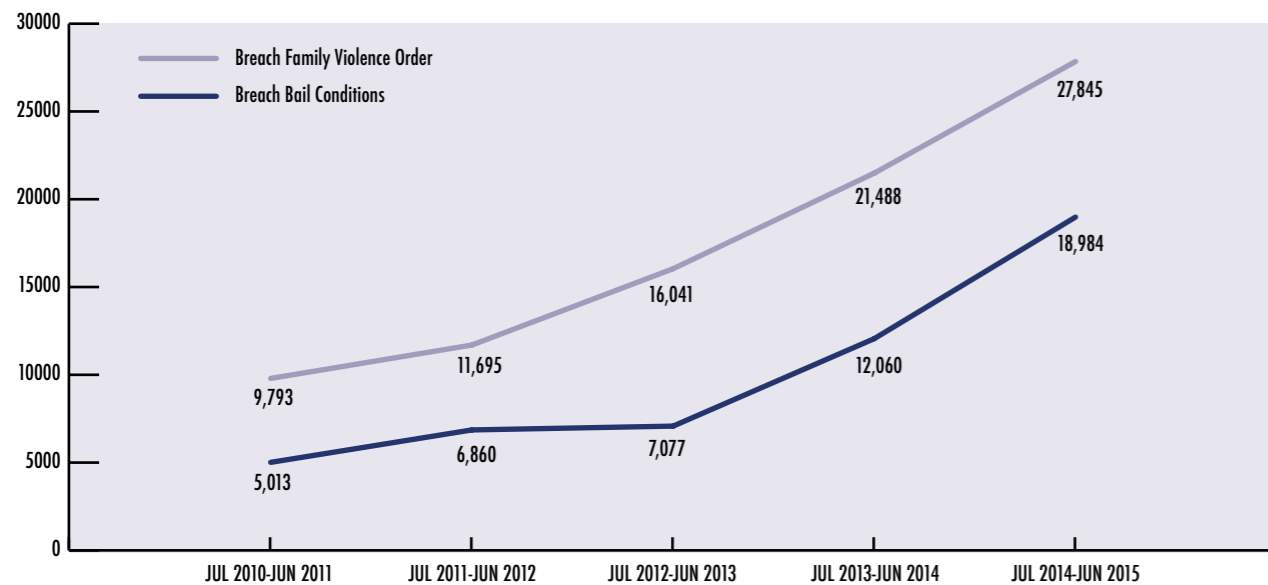
	Jul 2010 - Jun 2011	Jul 2011 - Jun 2012	Jul 2012 - Jun 2013	Jul 2013 - Jun 2014	Jul 2014 - Jun 2015	% Change 2014-2015
Justice Procedures						
Escape Custody	156	178	200	175	194	10.9
Resist or Hinder Officer	2,457	2,625	2,713	3,282	3,620	10.3
Pervert the Course of Justice or Commit Perjury	726	781	773	783	879	12.3
Prison Regulation Offences	480	605	834	970	757	-22.0
Other Justice Procedures Offences	545	1,266	1,466	1,139	1,329	16.7
<i>Subtotal</i>	<i>4,364</i>	<i>5,455</i>	<i>5,986</i>	<i>6,349</i>	<i>6,779</i>	<i>6.8</i>
Breaches of Orders						
Breach Family Violence Order	9,793	11,695	16,041	21,488	27,845	29.6
Breach Intervention Order	299	758	1,361	2,164	2,919	34.9
Breach Bail Conditions	5,013	6,860	7,077	12,060	18,984	57.4
Breach of Other Orders	577	715	840	784	1,140	45.4
<i>Subtotal</i>	<i>15,682</i>	<i>20,028</i>	<i>25,319</i>	<i>36,496</i>	<i>50,888</i>	<i>39.4</i>
Total Justice Procedures Offences	20,049	25,491	31,305	42,847	57,667	34.6

Note:

Does not include Fail to Appear as the majority of Fail to Appear bail offences are captured under the Breach Bail Conditions category. The Fail to Appear sub-category had 13 offences recorded over the past five years.

1. <http://www.crimestatistics.vic.gov.au/home/about+the+data/data+dictionary/>

FIGURE 2.1: JULY 2010 - JUNE 2015 BREACH OF BAIL CONDITIONS AND FAMILY VIOLENCE ORDERS



Increased Detections

The introduction of an additional 1,700 police and over 940 PSOs has increased our capacity to detect, reduce and prevent crime.

In 2014-15, greater police presence and capacity contributed to increased detection of crime relating to drug offences (↑20.6 per cent), as well as justice procedures (↑34.6 per cent), as mentioned in the previous section. Increased police capacity also contributed to increases in detection of weapons/explosives offences (↑12.0 per cent) within the Public Order and Security Offences category.

Increases in Detection and Reporting of Sex Offences

Our commitment to keep the Victorian community safe demands that we develop innovative approaches to emerging crime challenges. For example, we have strengthened our investigative capability with Task Force Astraea and the E-Crime Squad to address the rise in child exploitation online. These initiatives have contributed to an increase in the detection of online child exploitation offences. Figure 2.2 shows we have nearly doubled our detection of sexual offences against children where the offence includes 'the use of a carriage service' or 'online' over the last five years. Although

these figures are relatively small compared to other offence categories, these offences can cause significant harm. Increased police focus on investigating these offences plays an important role in increasing detections of these offences.

Crime statistics show an increase in the reporting of sex offences, with a 5.4 per cent increase since last year. Table 2.6 shows that these offences have been increasing over the past five years, with the most significant increase recorded between 2012-13 and 2013-14 (an increase of 13.1 per cent).

The increase in historical sex offences may be attributed to our awareness programs and the Royal Commission into Institutional Responses to Child Sex Abuse, which commenced in January 2013 and likely contributed to the notable increase from the 2012-13 financial year. We observed that in 2014-15, 24.1 per cent of all sexual offences recorded were committed over 10 years ago. In 2014-15, 2,648 out of 10,980 sex offences were reported where the actual offence occurred prior to 2005.

Further incremental increases in reporting are likely over the next two years as the Royal Commission and a focus on this issue continues.

FIGURE 2.2: SEXUAL OFFENCES AGAINST CHILDREN WHERE OFFENCE INCLUDES THE USE OF A CARRIAGE SERVICE OR ONLINE

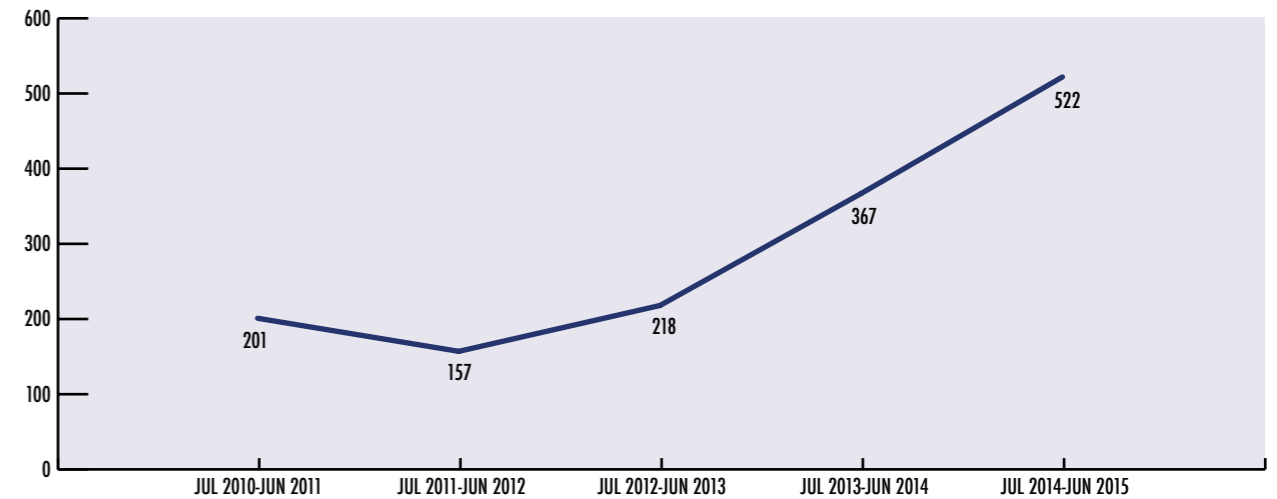


TABLE 2.6: SEX OFFENCES - JULY 2010 TO JUNE 2015

	Jul 2010 - Jun 2011	Jul 2011 - Jun 2012	Jul 2012 - Jun 2013	Jul 2013 - Jun 2014	Jul 2014 - Jun 2015	% Change 2013-14 to 2014-15	% Change Over 5 Years
Sexual Offences	7,799	8,388	9,209	10,415	10,980	5.4	40.8

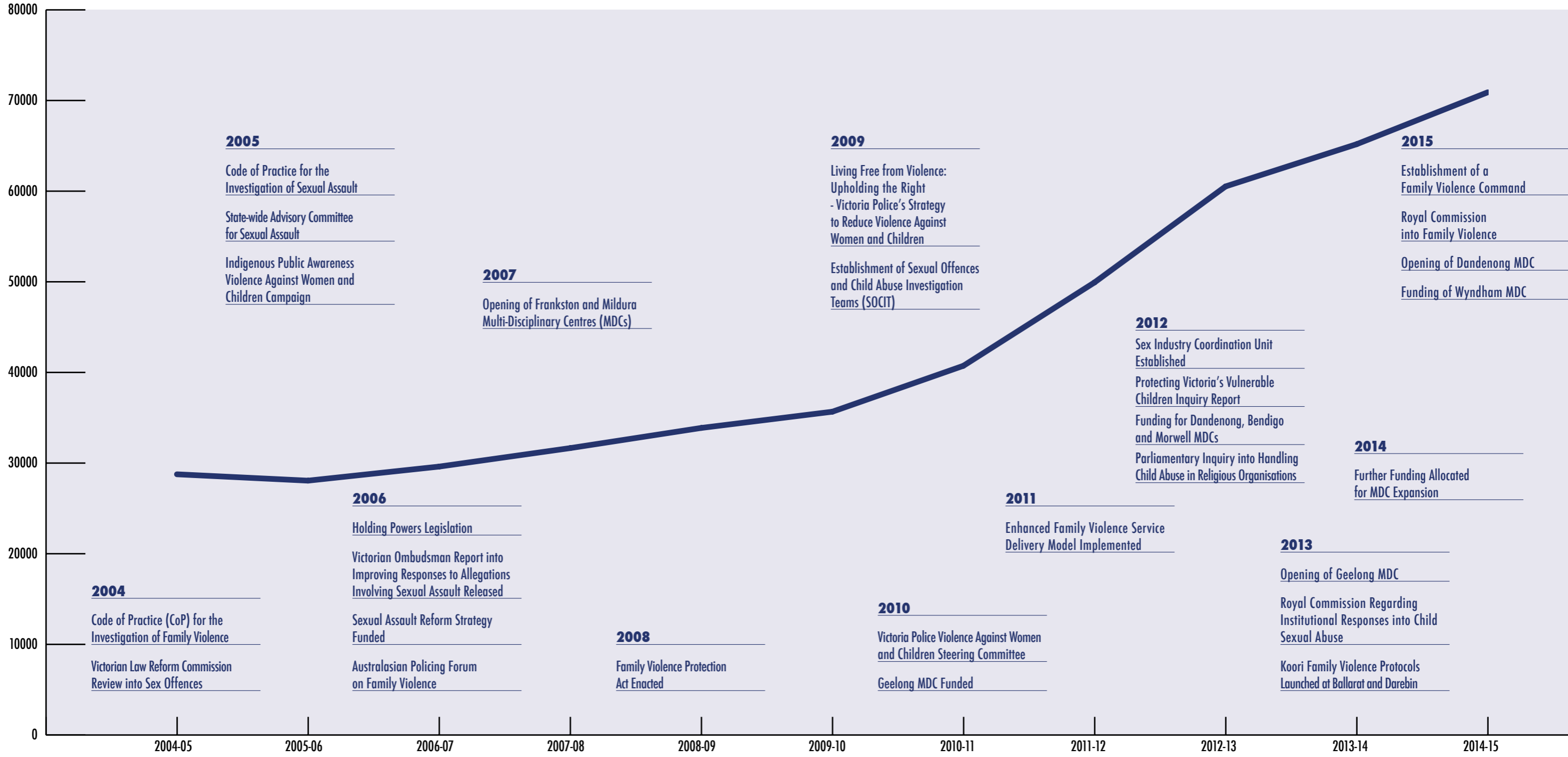
Increases in Reporting of Family Violence Offences

Throughout 2014-15, we continued to make progress in influencing the community to be more confident in reporting family violence. Increases in breaches of family violence orders were highlighted in a previous section. Since 2001, our organisation has pursued a number of reforms to our operational policies and processes to improve our response to family violence. We have also worked with our partners in developing and implementing reforms to the broader criminal justice and support systems, aimed at improving victim confidence to report crimes. Figure 2.3 over page shows the key reforms over the last decade and the increased reporting rates for family incidents.

However, more needs to be done. Challenges to addressing the insidious and pervasive issue of family violence remain. Our submission to the Victorian Royal Commission into Family Violence highlighted that "Despite considerable reporting increases, intimate partner violence remains heavily under reported. Comparing the volume of distinct victims of intimate partner violence in 2014 against those reporting intimate partner violence in the most current ABS Personal Safety Survey suggests more than two thirds of violence perpetrated by an intimate partner is not reported." Chapter 3: Regional Operations provides an overview of our progress in responding to Family Violence for the 2014-15 financial year.

2. Victoria Police Submission to the Royal Commission into Family Violence: <http://www.rcfv.com.au/getattachment/440B6C34-0343-48CB-B109-67787D44972D/Victoria-Police>

FIGURE 2.3: 2004-05 TO 2014-15 NUMBER OF FAMILY VIOLENCE INCIDENTS AND KEY REFORMS



IMPACT OF DRUGS AND ALCOHOL ON CRIME

This section explores some of the relationships between alcohol, drugs and crime. Crimes may be committed by people to fund their drug addiction, or may be motivated by the profits involved with the sale and distribution in this illegal market. Some offences are also linked to the side effects of drug use.

Drug use remains the biggest driver of profit-motivated crime with drug users perceiving theft and burglary as low-risk methods for financing their drug use³. Research indicates the number of problematic drug users in Victoria has increased since 2011⁴. Drug users are more likely to commit other crimes.

As shown in Table 2.7, in 2014-15, 39.2 per cent of all weapons/explosives offences involved an offender who was also charged with a drug offence at the same time.

Drug and alcohol use in respect of family violence can be an exacerbating factor⁵. Table 2.8 shows the number of family violence incidents where drugs and/or alcohol was possibly or definitely present for other parties. Other parties refers to a person other than the victim present at the incident. It is important to note that there will be duplicates between the alcohol and drug categories, as for some instances police may have noted the presence or involvement of both alcohol and drugs.

According to Table 2.8, alcohol was possibly or definitely present in 33.4 per cent of incidents, and drugs were possibly or definitely present in 30.9 per cent of incidents.

Interestingly, Figure 2.4 shows that the number of parties with any alcohol present in a family violence incident has decreased in proportion over the last five years, while the proportional representation of the number of other parties with drugs present has increased over the same period.

None-the-less, alcohol continues to be identified as a risk factor in 33.4 per cent of family violence incidents as well as a contributing factor in other crime categories. This is consistent with 2013 research by the National Drug Strategy Household Survey which found that more than seven times as many Australians reported drinking at problematic levels in 2013 than reported methylamphetamine use⁶. Chapter 5: Strategy provides more detail on the progress of our strategies and action plans to combat the harms caused by alcohol and drug abuse.

Proposed system enhancements are being introduced to improve future analysis of drug and alcohol's distinct contribution to crime.

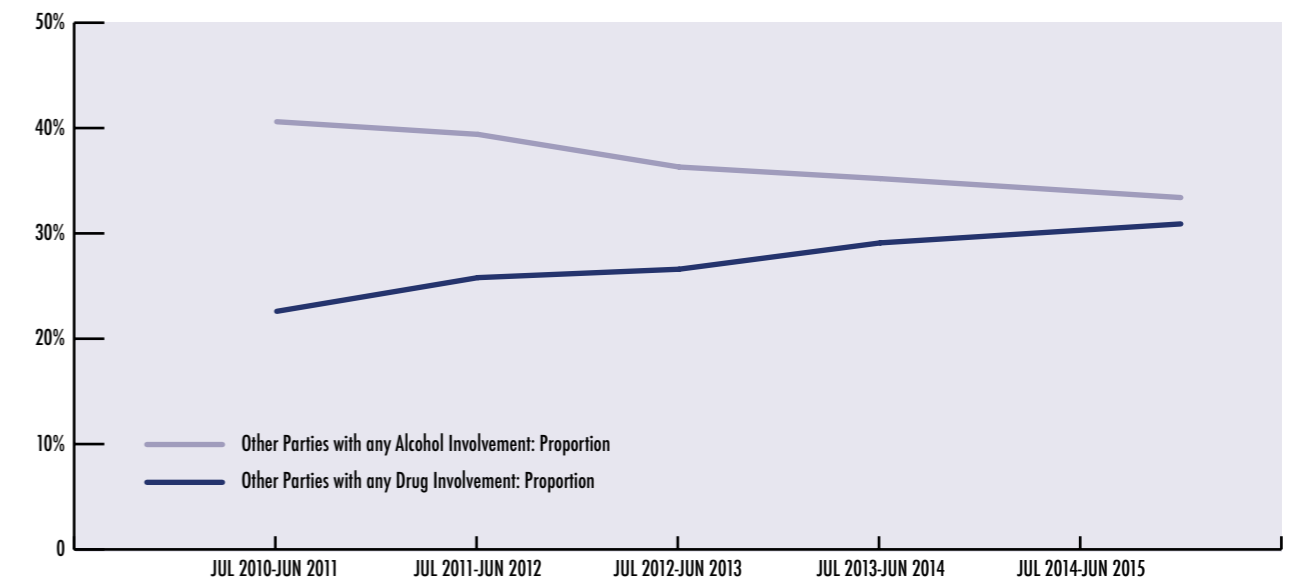
TABLE 2.7: NUMBER OF WEAPONS OFFENCES WITH A CO-OCCURRING DRUG OFFENCE - JULY 2010 TO JUNE 2015

	Jul 2010 - Jun 2011	Jul 2011 - Jun 2012	Jul 2012 - Jun 2013	Jul 2013 - Jun 2014	Jul 2014 - Jun 2015
Total Weapons Offences	6,922	8,767	11,501	12,859	14,404
Weapon Offences with a Co-Occurring Drug Offence	2,030	2,863	4,149	4,971	5,648
Proportion of Weapon Offences with a Co-Occurring Drug Offence	29.3%	32.7%	36.1%	38.7%	39.2%

TABLE 2.8: FAMILY INCIDENTS WHERE ALCOHOL OR DRUGS WERE PRESENT FOR OTHER PARTIES, JULY 2010 TO JUNE 2015

Alcohol	Other Parties	Proportion	Drugs	Other Parties	Proportion
Alcohol Possible	10,925	15.4%	Drugs Possible	14,787	20.9%
Alcohol Definite	12,375	17.5%	Drugs Definite	6,862	9.7%
Alcohol Possible and Definite	353	0.5%	Drugs Possible and Definite	297	0.4%
Alcohol Possibly or Definitely Present (Total)	23,653	33.4%	Drugs Possibly or Definitely Present (Total)	21,946	30.9%
Total Number of Other Parties			70,910		

FIGURE 2.4: OTHER PARTIES WITH ANY DRUG OR ALCOHOL INVOLVEMENT: PROPORTION



3. Cogger, S., Dietze, P. and Lloyd, B. Victorian Drug Trends 2013: Findings from the Illicit Drug Reporting System (IDRS). Australian Drug Trends Series No. 112. Sydney, National Drug and Alcohol Research Centre, UNSW, Australia: 2014, p.71.

4. As measured by various external studies, including: Sweeney, J. and Payne, J. Drug use monitoring in Australia: 2009-10 report on drug use among police detainees, Monitoring Reports No. 17: Australian Institute of Criminology: 2012 (with comparisons made to 2014 statistics provided directly from the Australian Institute of Criminology in September 2014); Australian Institute of Health and Welfare. National Drug Strategy Household Survey detailed report 2013. Drug Statistics Series no. 28. Cat. No. PHE 183. Canberra: AIHW. 2014, p.57.

5. Gao, C., Ogeil, R., and Lloyd, B. Alcohol's burden of disease in Australia. Canberra: FARE and VicHealth. 2014 July, p.51. in collaboration with Turning Point.

6. Australian Institute of Health and Welfare. National Drug Strategy Household Survey detailed report 2013. Drug Statistics Series no. 28. Cat. no. PHE 183. Canberra: AIHW. 2014

YOUTH OFFENDERS AND CRIME

There are fewer young offenders now than five years ago. Table 2.9 shows a 31.9 per cent reduction in youth offenders since July 2010, whilst adult offenders have increased by 18.5 per cent. The proportion of youth offenders has decreased from 15.3 per cent in 2010-11 to 9.4 per cent in 2014-15. This is less than their representation in the general population (11.9 per cent) according to the latest release of the Australian Bureau of Statistics.

Of our youth offenders, 35.0 per cent are recidivist (more than 1 offender incident in the reference period). This is an increase from 30.0 per cent in 2010-11. On average, across all age categories, 1.9 offender incidents were recorded per offender. However, there was a 2.7 average in the 10 to 14 age groups and a 2.3 average in the 15 to 19 age groups, meaning our youth have a higher rate of re-offending.

In 2014-15, youth aged 10 to 19 were responsible for:

- 17.3 per cent of all crimes against the person (7,511 out of 43,485 offender incidents)
- 27.8 per cent of all property and deception offences (15,570 out of 55,987 offender incidents)
- 13.9 per cent of all drug offences (2,147 out of 15,445 offender incidents)
- 12.3 per cent of all public order and security offences (2,865 out of 23,365 offender incidents)
- 11.4 per cent of all justice procedure offences (2,865 out of 25,184 offender incidents)
- 26.2 per cent of all other offences (175 out of 667 offender incidents).

Our community engagement approach has and will continue to explore new and innovative ways to improve youth engagement and address risk factors to prevent youth offending.

TABLE 2.9: UNIQUE YOUTH OFFENDERS BY SEX AND AGE - JULY 2010 TO JUNE 2015

	Jul 2010 - Jun 2011	Jul 2011 - Jun 2012	Jul 2012 - Jun 2013	Jul 2013 - Jun 2014	Jul 2014 - Jun 2015	% Change 2013-14 to 2014-15	% Change Over 5 Years
17 years and under (male)	7,995	7,097	6,464	5,860	5,508	-6.0	-31.1
17 years and under (female)	3,220	2,844	2,590	2,151	2,126	-1.2	-34.0
Total 17 years and under	11,215	9,941	9,054	8,011	7,634	-4.7	-31.9
Proportion representation in crime (%)	15.3	13.3	11.3	10.0	9.4	-10.0	-40.0
18 years and over (male)	49,305	51,741	55,944	56,641	58,053	2.5	17.7
18 years and over (female)	12,699	12,986	14,739	15,105	15,401	2.0	21.3
Total 18 years and over	62,004	64,727	70,683	71,746	73,454	2.4	18.5
Proportion representation in crime (%)	84.7	86.7	88.7	90.0	90.6	1.1	7.1
Total	73,219	74,688	79,737	79,757	81,088	1.7	10.7

Harassment Offences are Driven by Increased Use of Communications Technology

Technology is having a diverse range of impacts on crime due to a high level of anonymity and greater accessibility. Stalking, harassment and threatening behaviour offences have risen by 12.9 per cent since last year and by 83.4 per cent over the last five years, as shown in Figure 2.5.

This is almost universally linked to easy access to technology (ie. smartphones), with Figure 2.6 showing a breakdown in offences, with sharp increases in 'use a carriage service to harass' offences.

FIGURE 2.5: STALKING, HARASSMENT AND THREATENING BEHAVIOUR

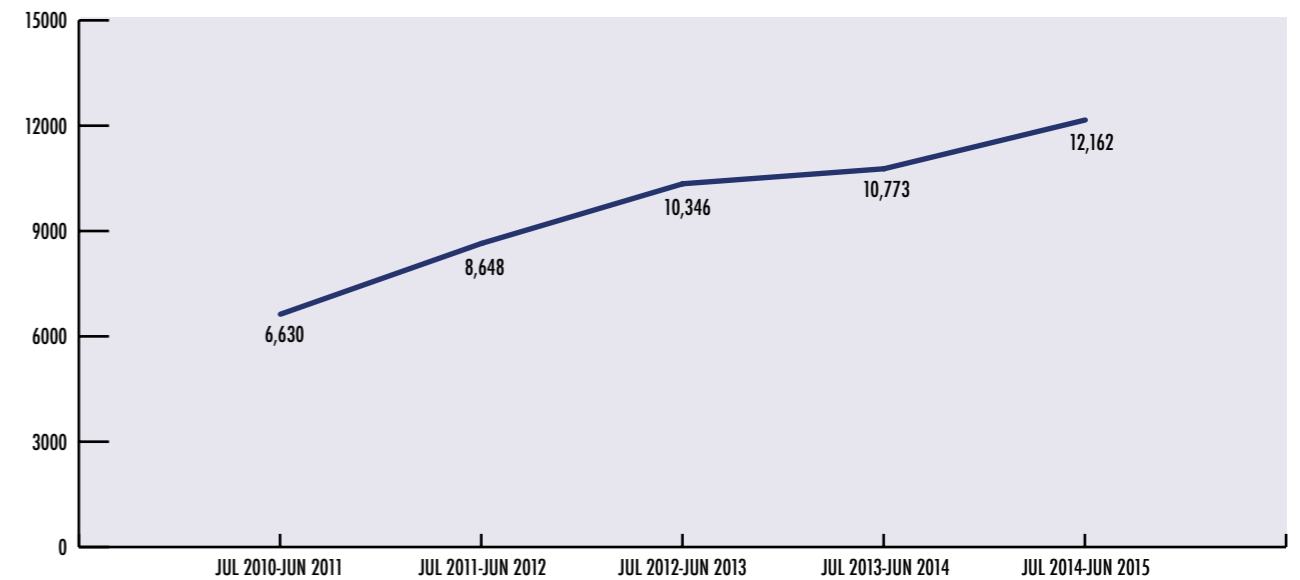
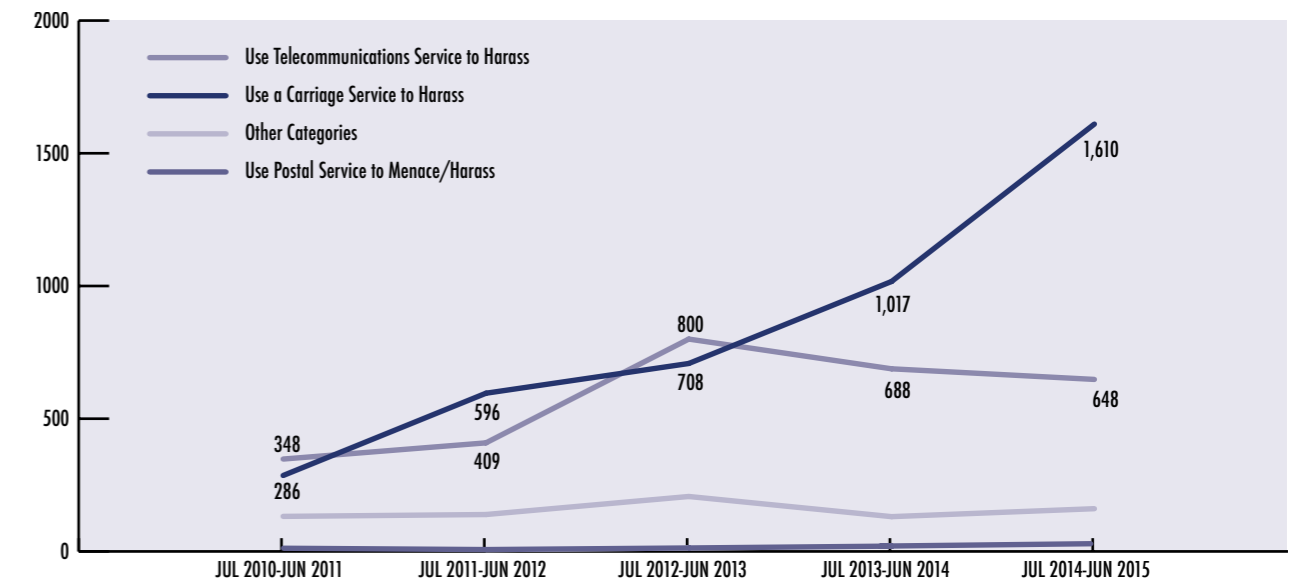


FIGURE 2.6: OFFENCES RECORDED FOR HARASSMENT AND PRIVATE NUISANCE BY OFFENCE



* Other categories include: Harass witness (Summary Offences Act 1966 S52A); send victim distressing/traumatic letter, incite racial contempt/revulsion/ridicule; use carriage service to menace/harass; use carriage service/content of comm-harass, use postal/similar service to harass, interfere with radio trans to harass, permit dog to worry person (Summary Offences Act 1966 S8.E)

Property Security is Impacting Crime Volumes

Property security and location is driving the methods and approaches used by offenders who are well-informed as to the location and goods they identify as high-value. An example of this is the increase of 51.9 per cent in theft of tools (from 8,013 to 12,174 offences) in 2014-15, where offenders understand where the tools will be (often in vehicles) and the high value return for these goods. Theft of power tools, for example, increased by 43.0 per cent (from 6,297 to 9,010) in 2014-15.

While the number of residential burglary offences has slightly increased by 6.9 per cent over the last five years (from 29,599 in 2010-11 to 31,633 in 2014-15), the rate of residential burglaries has slightly decreased by

0.6 per cent (from 534.5 in 2010-11 to 531.5 in 2014-15) when population change is taken into account.

As shown in Table 2.10 below, in approximately 72 per cent of offences, offenders forced entry (broke door/window, cut hole, cut/broke lock, cut/remove flywire). In less than 1 per cent of residential burglaries, the method of entry was an unlocked/open window, while in 5 per cent of offences, the method of entry was unknown.

Key Terms and Definitions

Table 2.11 below outlines key terms and definitions used in this section of the report.

TABLE 2.10: RESIDENTIAL BURGLARY OFFENCES BY POINT OF ENTRY - 1 JULY 2014 TO 30 JUNE 2015

Point of Entry	Number of Offences	% of Total Number of Offences
Cut Hole	3,831	12.1
Cut/Broke Lock	1,801	5.7
Cut/Remove of Flywire	2,924	9.2
Forced/Broke Door	8,236	26.0
Forced/Broke Window	5,875	18.6
Unlocked/Open Window	200	0.6
All Other Methods of Entry*	251	0.8
Unknown	1,570	5.0
Not Specified	6,945	22.0
TOTAL	31,633	100.0

* Includes Ignition Not Forced, Nil Visible Force, Remove Louvre/Window, Remove Roof Tile/Iron, Smashed Window and Unscrew Hinges.

TABLE 2.11: KEY TERMS AND DEFINITIONS

TERM	DEFINITION
Justice Procedures	An act or omission that is deemed to be prejudicial to the effective administration of justice procedures. Includes Escape custody, Fail to appear and Resist or hinder officer. <i>Source: CSA Glossary</i>
Breaches of Orders	An act or omission breaching the conditions of a justice order. This includes breaches of family violence orders, intervention orders, bail conditions and other orders. <i>Source: CSA Glossary</i>
Poly Drug	Poly drug use occurs when two or more drugs are used at the same time or on the same occasion. Mixing drugs can also occur when the manufacturer combines different drugs to achieve a specific effect or to save money by mixing in cheaper chemicals. <i>Source: http://drugaware.com.au/Stay-Safe/Know-About/Polydrug-Use.aspx</i>

TERM	DEFINITION
Drug Offences	Drug Offences are broken down into four main categories: <i>Cultivate or manufacture drugs</i> Cultivating or manufacturing of drugs or other substances prohibited under legislation. Includes Cultivate drugs, Manufacture drugs and Possess drug manufacturing equipment or precursor. <i>Drug dealing and trafficking</i> Dealing and trafficking of drugs or other substances prohibited under legislation. <i>Drug use and possession</i> Use and possession of drugs or other substances prohibited under legislation. <i>Other drug offences</i> Drug offences not elsewhere classified in the above categories. <i>Source: CSA Glossary</i>
Carriage Service	Carriage services include services for carrying communications, for example telephone services, Internet access services and Voice Over Internet Protocol (VoIP) services. Examples of what would constitute a "carriage service" include Mobile phones; Phone calls; SMS; MMS; Internet; Email; Facebook (including Facebook chat); Chat programs such as mIRC, ICQ, Windows Live Messenger, Skype, AIM, Google chat, Yahoo!, Messenger. <i>Source: http://www.acma.gov.au/Industry/Telco/Carriers-and-service-providers/Licensing/carriers-carriage-providers-licensing-i-acma</i>
Number of Weapons Offences with a Co-Occurring Drug Offence	Where multiple offences are recorded within the same incident for weapons and explosives offences and drug offences. Weapons and explosives offences are offences involving prohibited or regulated weapons and explosives. Includes firearms offences; prohibited and controlled weapons offences; explosives offences. <i>Source: CSA Report and Glossary</i>
Methylamphetamines	A synthetic stimulant that can be presented in several forms including powder, paste, crystalline (ICE) or liquid forms, which are often indicative of trends in the illicit market and the mode of drug use. <i>Source: Victoria Police Methylamphetamine Strategic Approach 2014-15</i>
Unique Youth Offenders	A youth offender is an alleged offender between the age of 10 and 17 years at the time they were linked to a recorded offence in LEAP (Law Enforcement Assistance Program). Where there is only a single offence attached to a unique incident, that offence is the principal offence by default. <i>Source: CSA Glossary</i>
Offender Incidents (referring to Alleged Offender Incidents)	An alleged offender incident is an incident involving one or more offences to which an individual, business or organisation has been linked as an alleged offender. An alleged offender incident represents one alleged offender but may involve multiple victims and offences. One incident may involve offences that occur over a period of time but if processed by Victoria Police as one incident it will have a count of 1 in the data presented. If there are multiple alleged offenders related to a criminal event, each will have their alleged offender incident counted once. <i>Source: CSA Glossary</i>
Stalking, Harassment and Threatening Behaviour	Acts intended to cause physical or mental harm, or arouse apprehension or fear through a repeated course of unreasonable conduct. This includes actions that are intended to harass, threaten or invade the privacy of an individual. Includes stalking; harassment and private nuisance; threatening behaviour. Other includes: Harass witness (SOA S52A), send victim distressing/traumatic letter, incite racial contempt/revulsion/ridicule, use carriage service to menace/harass, use carriage service/content of comm-harass, use postal/similar service to harass, interfere with radio trans to harass, permit dog to worry person (SOA S8.E) <i>Source: CSA Glossary</i>

ROAD SAFETY

We continue to work closely with the Victorian community and our road safety partners to reduce road trauma and create safer Victorian roads.

The number of reported fatalities, collisions and injuries remained stable in 2014-15, with only marginal movements:

- Reported road fatalities slightly decreased by 1.2 per cent (from 256 to 253)
- Total injuries increased by 0.3 per cent (from 18,521 to 18,568)
- Total collisions increased by 1.4 per cent (from 14,963 to 15,166).

While there were more fatalities, collisions and injuries recorded on metropolitan roads, there were fewer fatalities and injuries recorded on regional roads.

TABLE 2.12: ROAD POLICING STATISTICS - 2013-14 TO 2014-15

	METRO			REGIONAL			STATE		
	2013-14	2014-15	% Change	2013-14	2014-15	% Change	2013-14	2014-15	% Change
Fatalities	115	134	16.5	141	119	-15.6	256	253	-1.2
Injuries	13,554	13,661	0.8	4,967	4,907	-1.2	18,521	18,568	0.3
Collisions	11,054	11,202	1.3	3,909	3,964	1.4	14,963	15,166	1.4

* Data extracted from TIS and CMIS as of 10 August 2015 and subject to variation.

Pedestrians are the only road user group where a decrease was recorded in 2014-15, down 24 per cent (6 fewer). Drivers account for the greatest increase in fatalities, increasing by 7 (13 per cent).

Victoria Police conducted a series of dedicated state-wide road policing operations throughout 2014-15, including over key high risk holiday periods, Christmas/New Year, Easter and designated long weekend public holidays. Some of the key outcomes from these operations are shown in Table 2.13 opposite.

These state-wide operations provided a highly visible road policing presence resulting in community reassurance and demonstrated a strong commitment to enforcement of the law.

TABLE 2.13: ROAD POLICING OPERATIONS

OPERATION	DURATION	OUTCOMES
Furlong (Melbourne Cup)	31 October – 4 November 2014	301 BAC offences 67 OFT offences 9,055 traffic offences 1,211 crime offences
<i>Summerstay Campaign 2014-2015 comprising:</i> Break Up Crossroads Fresh Start	8-21 December 2014 22 December 2014 – 3 January 2015 4 January 2015	1,306 BAC offences 478 OFT offences 41,308 traffic offences 5,948 crime offences
R.A.I.D. (Remove All Impaired Drivers)	14 November – 7 December 2014	1,247 BAC offences 338 OFT offences 34,458 traffic offences 4,898 crime offences
Amity (Australia Day)	23-26 January 2015	258 BAC offences 99 OFT offences 7,642 traffic offences 980 crime offences
Arid (Labour Day)	6-9 March 2015	300 BAC offences 141 OFT offences 8,870 traffic offences 1,071 crime offences
Crossroads (Easter)	2-6 April 2015	374 BAC offences 172 OFT offences 12,069 traffic offences 1,190 crime offences
Austrans	18 May – 13 June 2015	29 OFT offences 30 speeding offences 514 defect notices issued
Regal (Queens Birthday)	5-8 June 2015	231 BAC offences 182 OFT offences 6,749 traffic offences 966 crime offences

Note:

BAC = Blood Alcohol Content (alcohol testing)
OFT = Oral Fluid Test (drug testing)

OUR FINANCIAL PERFORMANCE

The financial statements* presented in this annual report (Chapter 9) relate to the controlled operations of Victoria Police.

Table 2.14 below provides a summary of Victoria Police's financial result for the 2014-15 financial year and comparative information for the preceding four years.

TABLE 2.14: FIVE YEAR FINANCIAL SUMMARY

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Total Income from Transactions	1,972,598	2,051,023	2,139,318	2,285,345	2,448,193
Total Expenses from Transactions	1,965,125	2,081,572	2,151,676	2,292,344	2,465,217
Net Result from Transactions	7,473	(30,549)	(12,358)	(6,999)	(17,024)
Net Result for the Period	13,364	(36,286)	798	(848)	(17,668)
Net Cash Flow from Operating Activities	24,466	58,877	51,591	89,874	82,630
Total Assets	1,713,200	1,708,763	1,714,057	1,831,379	1,947,053
Total Liabilities	536,638	551,894	553,249	614,641	667,928



CURRENT YEAR FINANCIAL REVIEW

Financial Performance

Victoria Police's net result from transactions for 2014-15 is a deficit of \$17.0 million, compared to a deficit of \$7.0 million in 2014. The \$17.0 million deficit is primarily driven by expenditure on information technology (information technology refresh costs) and additional long service leave expenses associated with the employee entitlement provision. With the inclusion of a loss on other economic flows of \$0.6 million (mainly resulting from gains on disposal of plant, equipment and motor vehicles of \$7.2 million, offset by losses arising from the revaluation from the long service liability and doubtful debts of \$7.8 million), the net result for the year is a deficit of \$17.7 million, compared to a deficit of \$0.8 million in 2013-14.

The growth in revenue primarily reflects the increased funding in the State Budget for delivery of output initiatives on behalf of the Government and general inflation-related indexation associated with frontline delivery services only.

The growth in expenditure mainly reflects increased payroll expenditure due to additional police/PSOs under the 1700/940 initiative, increased Enterprise Bargaining Agreement (EBA) costs and an increase in long service leave expenses associated with the employee entitlement provision.

Balance Sheet

Victoria Police's net asset base as at 30 June 2015 was \$1,279.1 million, comprising total assets of \$1,947.1 million and total liabilities of \$667.9 million.

The major assets of Victoria Police are property, plant and equipment representing 75 per cent (\$1,463.0 million) of the total assets.

The increase in total assets of \$115.7 million in 2014-15 largely relates to expenditure on the asset investment program and includes the following:

- City West Police Complex (\$46.4 million)
- IT Refresh (\$10.8 million)
- Operational Safety and Tactics Training facility (\$8.8 million)
- Additional infrastructure for the 1,700 police/940 PSO initiative (\$8.5 million)
- Sale Police Station (\$7.8 million)
- Somerville Police Station (\$7.2 million)
- Forest Hill Police Station (\$6.1 million)
- Forensic Services Centre (\$6.0 million).

Liabilities of Victoria Police consist mainly of provisions, totalling \$499.7 million, and represent an increase of \$53.7 million. This is mainly a result of an increase in the long service leave and annual leave provisions due to higher staff numbers and EBA increases on carried forward and current provisions, and an increase in the provision for commuted overtime allowance due to a decision made by the Australian Fair Work Commission, which resulted in backpay claims to police officers. This allowance is for \$18.0 million.

Cash Flows

The decrease in the net cash flows from operations is due mainly to the changes in receivables and payables, arising from the timing of cash payments and receipts against these items.



* Note:

The financial statements exclude the transactions of entities with varying representation of Victoria Police members on their board or executive management teams, including:

- Crime Stoppers Victoria – a not-for-profit organisation helping to keep families and communities safe by collecting crime information from the public and passing it on to Victoria Police to help solve crime
- Victoria Police Provident Fund – established in 1931 for the purpose of funding and supporting police welfare projects through the provision of timely assistance to Police Officers and their immediate families in cases of genuine hardship, welfare or medical needs
- Victoria Police Legacy – a charitable organisation that provides a range of services to police families who have suffered the loss of a loved one
- Victoria Police Memorial Trust – established for the purpose of enabling fellowships and grants to members of Victoria Police, making donations to community charitable institutions and funding community projects of charitable intent.



OUR PORTFOLIOS

The following chapters highlight the key achievements and challenges across our portfolios – Regional Operations, Specialist Operations, Strategy, Infrastructure and Business Services which are overseen by Executive Command members. These chapters will highlight just some of the strategies that contributed to our performance this financial year.

It is important to note that some of our priorities and challenges require cross-portfolio engagement. Improving our response to family violence, for example, has been, and will continue to be a focus across our organisation.

In 2014-15, we have increasingly focussed on strengthening community engagement, social cohesion, inclusion and resilience. These principles, which are key themes in our Blue Paper, are critical to providing better police service delivery in accordance with community needs and expectations. Our services to the community must provide 'tailored' responses, be embedded in human rights and be based on an understanding of diversity.

These principles have guided our responses to the challenges we have faced this year, including our approach to improving responses to family violence and our response to direct and indirect threats to the safety and security of all Victorians. The relationships and networks built as a result of this engagement have contributed to strengthening the inclusion and voice of our diverse communities in response to such issues.

Case Study: The recruitment of an additional 1,700 police and 940 protective services officers

The recruitment of an additional 1,700 police and 940 PSOs was completed in November 2014 and deployment by April 2015. This project increased the overall numbers of frontline police by 1,700, and recruited, trained and deployed 940 PSOs from 2011-12 to 2014-15. The total number of police inducted through the Police Academy during this period was 2,750 and included the 1,700 additional police, whilst also accounting for a forecast attrition of 1,050 during this time. The total number of PSOs trained was 1,026, which included the 940 PSOs and an additional 86 PSOs to cover forecast attrition.

Case Study: Constable Qualifying Program

The Constable Qualifying Program (CQP) was designed and implemented to transition trained PSOs who applied to become Police Constables, with the first cohort graduating on 8 May 2015. This program enables Victoria Police to capitalise on existing skills, resulting in more cost effective recruit training and retaining skills and expertise within the organisation. The bridging course includes core components such as Family Violence and Mental Health training.

03 REGIONAL OPERATIONS



As Deputy Commissioner, Regional Operations, I am responsible for the following areas:

- Victoria's four police regions:
 - North West Metro
 - Southern Metro
 - Eastern
 - Western
- Transit and Public Safety Command
- State Emergencies and Security Command
- Family Violence Command.

This has been a challenging year for our frontline members.

We are proud of the way they have continued to serve their local communities amid a heightened security environment and a number of significant operational demands. In many areas, they have not only worked hard to drive down crime rates but also trialled new approaches to improving community safety and public order.

Lucinda Nolan APM
Deputy Commissioner
Regional Operations

IMPROVING COMMUNITY SAFETY

Family violence and a changing security environment have presented major challenges to the safety of the Victorian community. The Regional Operations portfolio has been tireless in its efforts to respond to these issues, with major achievements including the formation of Australia's first dedicated Family Violence Command, and the establishment of community and agency partnerships to counter the threat of terrorism.

RESPONDING TO FAMILY VIOLENCE: AUSTRALIA'S FIRST DEDICATED FAMILY VIOLENCE COMMAND

Family violence is one of the most significant issues in our community and policing challenges in Victoria today. Chapter 2 of this annual report provided a comprehensive overview of trends in recorded family violence offences. Responding to family violence continues to be a focus for our organisation as we work to increase the community's confidence to report incidents, and to improve our response to these incidents.

In recognition of its harm and complexity, we established the first dedicated Assistant Commissioner and Family Violence Command in Australia; to drive ongoing improvement in police responses; collaborate with other service providers and provide a strategic police perspective to system reforms.

The Command will focus on:

- Examining and improving risk assessment processes used by police
- Strengthening police education regarding the response to incidents
- Collaborating with support services in the sector and other justice agencies
- Contributing to the Victorian Royal Commission into Family Violence.

The Command supports a large number of specialist Victoria Police resources dedicated to combating family violence across the four regions. These include 32 family violence teams, 17 family violence advisors, 14 civil advocates and family violence liaison officers at 24-hour police stations. The increase in recorded family violence offences indicates that the community has increasing confidence in the ability of Victoria Police to effectively respond to family violence. The increase also indicates the amount of harm that all services, and the wider community, have to prevent.

Our Response to the Royal Commission into Family Violence

In 2014-15, the Government established the *Royal Commission into Family Violence* to inform the way services and the community respond to and prevent family violence. In performing its work, the Royal Commission is reviewing the way in which courts, police, corrections, child protection, legal and family violence support services currently operate to provide protection for family violence victims, hold perpetrators to account, reduce repeat family violence offending and examine opportunities for improvement in the short, medium and long term. The *Royal Commission into Family Violence* will provide recommendations to Government by February 2016.

The Family Violence Command prepared the Victoria Police submission to the Royal Commission in June 2015. The submission proposed initiatives for consideration that reflects the principles of being victim-centric, holding perpetrators to account and being effective, efficient and dynamic.

Case Study: Local Innovation - Task Force Alexis

At the local level, our police officers continued to test new ways of intervening early and effectively on complex matters, such as family violence and mental health crises. In December 2014, police in Southern Metro Region launched Task Force Alexis, an integrated team of police officers and external agency staff offering a holistic approach to incidents including family violence, mental health, crime prevention and youth offending issues. Police work alongside Salvation Army family violence specialist workers, Monash Health mental health clinicians and external partners to respond to needs, reduce recidivism and prevent harm in the communities of Glen Eira, Bayside and Kingston.

Since its commencement, Task Force Alexis has:

- Charged 101 offenders
- Remanded 52 recidivist offenders
- Begun intensive counselling with 55 families
- Assisted 530 people experiencing mental health issues.

MULTI-DISCIPLINARY CENTRES

Multi-Disciplinary Centres (MDCs) seek to integrate services for victims of sexual offences and child abuse by creating a 'one stop shop' where agencies work collaboratively to provide better victim support and investigations. MDCs co-locate Victoria Police Sexual Offence Child Abuse Investigation Teams, Department of Health and Human Services Child Protection workers, Centre Against Sexual Assault Counsellor-Advocates and community health nurses. MDCs also have strong linkages to forensic services and other partner agencies. Dandenong opened on 1 October 2014, and it is proposed that Bendigo and Morwell will open during 2015-16, adding to our existing locations at Frankston, Mildura and Geelong.

COUNTERING THE THREAT OF TERRORISM

National and international incidents in 2014-15 raised both the community and police alert levels. On 12 September 2014, the National Terrorism Public Alert Level increased to 'High' (meaning a terrorist attack is likely). Subsequently, on 20 January 2015, the National Terrorism Threat level for police was also raised to 'High'. Recent local and international incidents have involved a small but increasing number of Australians who have been radicalised towards violent extremism to promote perceived political, ideological or religious goals. This presents a growing challenge for policymakers and law enforcement.

Our Response

Victorians should be confident that there are well-tested, co-operative plans in place to enable the community to continue going about their normal day-to-day activities with confidence.

Policing effort in counter terrorism spans:

- *enforcement* (investigating threats and arresting alleged offenders in partnership with other state and federal agencies)
- *engagement* (working with community leaders to provide support and information to local communities)
- *prevention* (seeking to understand and respond to the factors and processes that make individuals susceptible to radicalisation towards violent extremism).

In partnership with other law enforcement and intelligence agencies, our organisation continues to take all reasonable and necessary steps to keep the community and our members safe by reviewing and assessing Victoria's preparedness and response to a range of emergencies and threats. We have implemented additional measures for detecting and investigating threats at the earliest stage, reducing the vulnerability of crowded places, countering explosive threats, mandating the wearing of operational safety equipment, reducing single officer patrols, and enhancing firearm capabilities.

The Portfolio Reference Groups and Chief Commissioner's Human Rights Strategic Advisory Committee, established to provide direct community input to our strategy and policy development, have also proved invaluable in this heightened security environment. Victoria Police has been able to stand with the leaders of the Muslim and other Faith communities to state our joint support and partnership in denouncing criminal acts and threats against community, reiterate the need to speak out against prejudice against faith communities and provide community reassurance and support. We also partnered with community agencies on youth led solutions to promote inclusion and resilience in the face of increasing isolation and vulnerability.

We recognise the need for a whole-of-government and whole-of-community approach to address social cohesion, community resilience, marginalisation and violent extremism.

MAINTAINING PUBLIC ORDER

The Regional Operations portfolio undertakes a number of large-scale planning and response operations to maintain public order within the community. In 2014-15, some of these events included:

- EastWest Link protests
- Deployment to the G20 Summit in Brisbane, November 2014
- Asia Cup matches, January 2015
- The ICC World Cup Cricket tournament, including the final, March 2015.

WORKING WITH OUR STAKEHOLDERS

Collaboration with stakeholders and the community lies at the core of successful frontline policing. Notable achievements in 2014-15 include establishment of:

- co-located Victims Assistance and Counselling program workers at police stations
- an early intervention youth engagement strategy
- a Healthy Workplace Council to address workplace issues that impact employee wellbeing and service delivery to the community
- an alcohol diversion program aimed at people who have been regularly arrested for public drunkenness
- a program aimed at tackling high volume youth crime.

CO-LOCATION OF VICTIMS SUPPORT WORKERS AT POLICE STATIONS (STATE-WIDE)

As part of a broader program of collaboration, Victims Support Agency has arranged for the co-location of Victims Assistance & Counselling Program (VACP) workers at nominated police stations. The selection of police stations is determined by the proximity of existing VACP offices (in order to increase the coverage of the service and therefore its accessibility to victims) and police demand data (such as crime statistics).

The program benefits victims of crime by providing easy and timely access to support, whilst also improving police understanding of the services available. In 2014-15, co-locations were established in Echuca, Benalla, Shepparton, Frankston, the City West Police Complex, Sunbury, Colac and Bairnsdale. Further co-locations are planned for 2015-16.

VISION, POLICE SUPPORTING YOUNG PEOPLE (NORTH WEST METRO)

'*Vision, Police Supporting Young People*' (Vision) is an early intervention initiative aimed at engaging youth in the western suburbs of Melbourne.

Conducted within the Wyndham PSA, the program is led by police youth resource officers, in collaboration with external partners, and uses physical activity as the means of engagement. The program is open to young men aged between 12 and 16 who are identified as being in danger of offending, or of engaging in high risk behaviours. During 2014-15, Vision was piloted over 12 weeks with 10 participants.

Police used activities such as bushwalking and sailing to engage with young people and provided education, advice and support. Some of the outcomes that have been reported include an increase in school attendance and decreased conflict at home and school. The initiative contributed to decreased criminal and antisocial behaviour and improved relationships between the participants, police and their parents. Based on the success of the pilot, the program was expanded to run a further three phases throughout the remainder of 2015.



EASTERN REGION HEALTHY WORKPLACE COUNCIL (EASTERN REGION)

The Healthy Workplace Council (HWC) was established in May 2015 to provide timely 'interest' based intervention, advice and support relating to workplace conflict and stress. The HWC co-ordinates early intervention responses to address identified health, safety and welfare issues that impact employees and workplace effectiveness.

The HWC supports local and divisional managers in managing incidents and workplace conflict with assistance from internal and external specialists and services. Regional benefits include the ability to monitor and implement early intervention strategies to better manage conflict in the workplace, improve employee wellbeing; and create a more effective and healthier work environment. The benefits to the community are improved service delivery through returning more resources, units and shifts to frontline policing.

ALCOHOL DIVERSION PROGRAM (SOUTHERN METRO REGION)

The Alcohol Diversion Program seeks to break the cycle of alcohol-related crime in the community through collective action by multiple agencies. The voluntary program targets people who have been arrested regularly for public drunkenness within the past 12 months. Participants can access treatment to address the underlying causes of their behaviour, including services related to transitional housing, counselling, mentoring, alcohol recovery, peer support and holistic healing.

Participants who successfully complete the program and meet the exceptional circumstances test applied by the Magistrates Court, can have their outstanding fines reduced or waived, potentially breaking the cycle of re-offending, demand for policing services and public order offending.

The shared sense of accountability with the participants and across the support and responding agencies reflects a significant shift from repeated and ineffective crisis driven responses to a preventative and supportive model. The model is supported by the Departments of Health and Human Services and Justice & Regulation, the Victorian Multicultural Commission and other agencies dedicated to breaking the cycle of alcoholism and alcohol related harm.

YOUTH TASKING UNIT (WESTERN REGION)

The Youth Tasking Unit (YTU) was established to tackle high volume crime committed by youths aged 10 to 18 years. Operating within the Geelong PSA, the YTU aims to reduce youth crime recidivism by identifying and targeting persons of interest suspected of negatively influencing youth offenders.

In collaboration with the Department of Health and Human Services and the Geelong Divisional Intelligence Unit, the YTU has successfully worked to separate many youth offenders from persons of interest found to be exposing youth to, and encouraging participation in, criminal behaviours. In conjunction with facilitated access to support services, this initiative resulted in a 69 per cent reduction in youth recidivism in the Geelong PSA between September 2014 and June 2015.

ACHIEVING THROUGH OUR PEOPLE

Police officers in our regions are the core of our workforce. They are our 'frontline', providing critical services to the Victorian community on a daily basis, and supporting our specialist operational areas across various operations. Training of our regional police members is crucial in keeping their skills up to date.

CAPABILITY DEVELOPMENT AND TRAINING IN COUNTER TERRORISM

Our training aims to ensure that our members and VPS employees have a contemporary awareness of issues relating to the current threat environment, radicalisation, countering violent extremism and legislation. This training is delivered through specialists from within the State Emergencies and Security Command to numerous areas of Victoria Police, including recruits, PSOs, Multicultural Liaison Officers, Youth Resource Officers and specialist counter terrorism areas. The scope of this training has increased significantly in 2014-15 as a direct result of the increase in the National Terrorism Threat and Alert levels, and the need to ensure the safety and security of our police members, PSOs and VPS employees.

Case Study: Operation Aerenchemas

Following receipt of a complaint from a member of the wool industry to the 'Head of Practice' – Livestock & Farm Crime Specialist Group, a member of the Agricultural Liaison Officers (AGLO) Group was tasked with investigating the alleged misrepresentation of the quality of wool destined for export.

As a result, Operation Aerenchemas was established and, through use of detailed industry knowledge and experience, including a broad understanding of sale and purchase methodologies within the wool industry, led to the identification and conviction of a leading wool broker found to be selling low grade wool purported to be of a higher grade premium merino fleece.

The availability, and use of, members with specific skill sets within the AGLO Group ensured the prevention of a large scale deception.

Following the success of the operation, leaders within the wool industry advised Victoria Police that the investigation (and subsequent outcome) would act as a significant deterrent to other offenders, and had successfully protected the exporting reputation of the industry.

DEVELOPING OUR BUSINESS

A significant focus for our organisation is ensuring that the support to our frontline police is as efficient as possible, minimising 'red tape' and helping police in our regions and frontline operational areas to focus on service delivery.

BUSINESS PROCESS REFORM

In 2014-15, we focused on building our capability and capacity to refine frontline practices through business process re-engineering, and we initiated a review of operational incident reporting, spanning data collection, debrief and review processes.

The outcomes of this review will inform the training we provide to police, the ways in which we deliver services to the community and the efficiency of our use of time and resources.

The next priorities for review are our family violence processes and offender processing. This methodology will also draw on suggestions made by frontline police via our UpFront program for reducing administrative burdens.

FUTURE FOCUS - 2015-16

Some of our priorities for the year ahead are to:

Establish the PSO and transit police contribution to Government's *Homesafe* 24-hour weekend public transport initiative

Commence the Police Digital Radio Upgrade on the Regional Mobile Radio (RMR) network

Commence implementation of the recommendations from the *Royal Commission into Family Violence*

Update the tasking and deployment practices in the frontline service delivery model.

Case Study: Lake Eildon Rescue

On 3 April 2015 (Good Friday), local police from Alexandra and Eildon commenced a co-ordinated search for a missing child who had disappeared from the Candlebark Camping Ground at Lake Eildon.

Over the next five days (four nights), local police joined the missing child's family, friends and hundreds of searchers from the State Emergency Service, Department of Environment, Water, Land and Planning, Bushwalkers Search and Rescue, Country Fire Authority, Parks Victoria, Ambulance Victoria and civilian volunteers. The search was also supported by police specialist units including Search and Rescue Squad, Police Air Wing, Dog Squad, Mounted Branch, Water Police and Criminal Investigations Unit.

The search area included the cold waters of Lake Eildon and the rugged Eildon National Park. Weather conditions during the search were cold and wet, with temperatures dropping to single figures overnight.

On 7 April 2015 (Easter Tuesday), the missing child was spotted in steep terrain and thick bush by observers in the Police Helicopter. The child was then stabilised and carried out by search teams to a waiting ambulance, reunited with their family and conveyed to hospital.

During the search there was extensive media coverage and exposure of Victoria Police, stakeholders and the community working closely together to achieve this fantastic result. Searchers received congratulations and recognition for their efforts by Premier Daniel Andrews, the Minister for Police, Wade Noonan and Minister for Emergency Services Jane Garrett.

04 SPECIALIST OPERATIONS



As Acting Deputy Commissioner, Specialist Operations, I am responsible for the following areas:

- Crime Command
- Forensic Services
- Intelligence and Covert Support Command
- Legal Services
- Road Policing Command.

These areas provide specialist services to both police officers and the community in responding to crime.

The policing environment is becoming increasingly specialised, requiring Victoria Police officers to retain an ever-increasing body of specialist knowledge.

In an increasingly complex and sophisticated policing environment, specialist intelligence is critical. In 2014-15, we continued to build our capability to detect and prevent crime.

Our collaborations with the community and external agencies enhanced our ability to keep the community safe.

Highlights in the Specialist Operations portfolio included the delivery of a road safety strategy, establishment of multi-agency crime task forces and the piloting of a program to accelerate family violence court outcomes.

These are some of the notable achievements that have acted to support Victoria Police in its efforts to protect and serve our community.

Shane Patton APM
Acting Deputy Commissioner
Specialist Operations

The following section provides more details on strategies and achievements aimed at improving the effectiveness of policing services.

IMPROVING COMMUNITY SAFETY

The Specialist Operations portfolio provides specialist services to both police officers and the community. Notable achievements in 2014-15 include:

- the establishment of task forces to combat key crime issues
- the implementation of a road safety strategy to improve safety on our roads
- the development of a system to improve the visibility and management of outstanding warrants.

We also undertook considerable cross-jurisdictional work in responding to the threat of terrorism.

TASK FORCES

We are involved in a number of collaborations with national and state-level agencies in the fight against crime, particularly against organised crime groups who cross borders and often profit from serious criminal activity. Experience shows us that we achieve more when we work in partnership with government and industry sectors, and build legislative powers to successfully disrupt, investigate, prosecute and prevent serious and organised crime.

The task forces shown overpage demonstrate the breadth of collaborative operational work that we are currently undertaking to combat serious and organised crime.

Case Study: Icarus Joint Task Force

The Icarus Joint Task Force was established in December 2014 to combat the significant quantities of methylamphetamine (ICE) being imported into Victoria through the international mail system and air cargo stream.

Between December 2014 and July 2015, significant achievements of the task force included:

- Five border detections resulting in Commonwealth charges being laid with assistance from Eastern Region
- Assisted Chinese authorities in the detection of three separate consignments containing a total of 65 kilograms of methylamphetamine which was being prepared for export to Victoria.
- 199 border detections of consignments in Victoria, each consignment containing a minimum of 400 grams of Amphetamine Type Stimulant (excluding MDMA). The consignments totalled 405 kilograms with a street value of approximately \$80 million
- A number of strategies have been developed and implemented to counter the importation of methylamphetamine into Victoria.

JOINT COUNTER TERRORISM TEAM

The Joint Counter Terrorism Team (JCTT) comprises members of our Crime Command, Intelligence and Covert Support Command and the AFP and has the role of preventing, responding to and investigating terrorist threats or attacks. The JCTT operates within the National Counter Terrorism Framework and provides a flexible and adaptive response to terrorism investigations with the intention of disrupting terrorism and/or facilitating criminal prosecutions under federal terrorism legislation.

The following operations are just some of the work undertaken by the JCTT in 2014-15:

TABLE 4.1: 2014-15 JOINT COUNTER TERRORISM TEAM OPERATIONS

OPERATION NAME	DESCRIPTION
Hohensalzburg	An operation focusing on Melbourne-based individuals alleged to be funding overseas terrorism, culminating in the identification and charging of a suspect.
Rising	An investigation into Melbourne-based individuals suspected of planning a domestic terrorist attack associated with ANZAC Day celebrations, culminating in the execution of seven search warrants and the arrest and charging of identified suspects.
Amberd	Established following a tip-off to the National Security Hotline, Operation Amberd took only nine days to identify, arrest and charge a Melbourne-based individual alleged to be planning the detonation of multiple homemade bombs.

TABLE 4.2: 2014-15 VICTORIA POLICE TASK FORCES

TASK FORCE	PURPOSE	DESCRIPTION
Joint Anti-Child Exploitation Task Force (JACET)	Disruption of online child exploitation networks.	Unification of existing child exploitation task forces from Victoria Police (<i>Task Force Astraea*</i>) and the Australian Federal Police (AFP) (<i>Child Protection Operations</i>) to enable more effective sharing of resources, skill sets and knowledge between national and international jurisdictions. * <i>Task Force Astraea</i> was established in 2012 in response to contemporary trends in internet child exploitation.
Sano	Investigation of historic and new allegations arising from the <i>Victorian Parliamentary Inquiry into Child Sex Abuse involving Religious and Non-Government Organisations</i> and the <i>Australian Government Royal Commission into Institutional Responses to Child Sexual Abuse</i> .	A task force of specialist investigators trained in sexual assault matters, aiming to identify links between offenders and offences using modern, specialist investigation methods.
Icarus	Prevention of illicit drugs and illegal firearms importation through the international mail system and air cargo stream.	Icarus comprises investigators and intelligence officers from Victoria Police, AFP and the Australian Border Force, and disseminates intelligence products to foreign law enforcement partners to facilitate detection of consignments within their countries of origin as well as conducting local investigations of imports.
PAX	Monitoring and management of people who may pose a risk to the security environment within Victoria.	Detectives, analysts and psychologists work with other counter-terrorism teams and external agencies to understand, identify and manage motivations, risk factors and behaviours of security persons of interest.
Heracles	Investigation of issues arising from the <i>Royal Commission into Trade Union Governance and Corruption</i> .	A joint task force between Victoria Police and the AFP that has been funded by the Commonwealth Government until 31 December 2015. Its primary role is to investigate serious allegations of corruption and criminal offending within the Trade Union arena.



SAFER COUNTRY ROADS PLAN 2014-18

Victorians are three times more likely to be killed and 40 per cent more likely to be seriously injured on regional country roads than they are on those in metropolitan areas. The volatile combination of higher average speeds, lower safety-rated roads and more severe consequences resulting from risky driver behaviour mean that keeping people safe on country roads is a major challenge for Victoria Police.

Launched in October 2014, the *Safer Country Roads Plan 2014-18* promotes community engagement, encouraging local people to work with key partners and to develop and implement initiatives targeting local road safety issues. Dedicated media and communication strategies have been tailored to meet community needs and expectations in promoting the plan throughout Victoria.

REVISED VICTORIA POLICE PURSUIT POLICY

In response to recommendations from a number of coronial reviews, we conducted and completed a comprehensive review of our Pursuit Policy, resulting in the introduction of enhanced safety measures, to minimise the risk of harm to the community and police members.

The review process included extensive consultation with management, our workforce, The Police Association and the community. The revised policy reinforces the view that safety of the community and police members is paramount, and the decision to engage in a pursuit should only occur when exceptional circumstances exist. Police are encouraged to identify safer alternatives regarding the need to immediately apprehend fleeing drivers, and to apply rigorous and continual risk assessments at all times when considering, or engaging in, pursuit or urgent duty driving for any reason.

IMPROVING THE VISIBILITY OF WARRANTS

On 1 April 2014, the *Interim Warrants Solution* was implemented in response to an immediate need to improve the visibility of outstanding warrants of apprehension across Victoria Police. Whilst this process has been successful as an interim remedy, the *Timely Warrants Stabilisation Project* was established in 2014-15 to develop a long-term and sustainable solution to optimise the processing and accessibility of warrant information. The project aims to implement an automated system by the end of March 2016 that will better facilitate the location and apprehension of wanted parties, and improve community safety.

IMPROVING THE EFFICIENCY OF THE CRIMINAL JUSTICE SYSTEM: PRE CHARGE DIVERSION PILOT

In 2014-15, we commenced a *Pre-Charge Diversion Pilot* aimed at establishing a broader policy basis for our police officers to exercise their discretion to officially warn, rather than charge, an accused offender. Applicable to adult offenders and certain offence types only, the pilot is complementary to existing diversion approaches within Victoria Police, including our *Illicit Drug Strategy* released in 2007. This process affords victims the opportunity to achieve a timely outcome with a focus on their needs and priorities (for example, restitution or charitable donation) and allows an offender to avoid a criminal record whilst reducing demand on the court system. The program has already seen a reduction in demands on judicial and police resources, and increases in customer satisfaction with promising results also recorded in timeliness, customer satisfaction, restitution and recidivism.

WORKING WITH OUR STAKEHOLDERS

Engagement and collaboration with stakeholders and the community is fundamental to the work performed by the Specialist Operations portfolio. This year, we worked in partnership with our stakeholders to deliver many significant initiatives, with highlights including our involvement in the Australian Cybercrime Online Reporting Network (ACORN), development of a new Heavy Vehicle National Law and the piloting of a program to accelerate the resolution of family violence offences within the court system.

IMPROVING RESPONSES TO CYBERCRIME

Our organisation is proud to be a partner of ACORN. A national policing initiative of the Commonwealth, State and Territory governments, ACORN was launched in November 2014 and has been designed to enable members of the public to easily and securely report instances of cybercrime. ACORN will also enable police forces Australia-wide to compile a national picture of the types of cybercrime affecting individuals and businesses, improving our responses to, and prevention of, key cybercrime threats.

The introduction of ACORN means that victims can go online as opposed to ringing or visiting their local police station. The website also incorporates a preventative element, with advice and ideas on how to avoid cybercrime risks. ACORN will aid law enforcement in understanding the methods used by cyber criminals, thereby enabling the disruption of future criminal activities.

HEAVY VEHICLE NATIONAL LAW IMPLEMENTATION PROJECT

Over the past year, our Road Policing Command has collaborated with our stakeholders on the development and implementation of a new Heavy Vehicle National Law, advocating strongly for safer legislation and policies related to road safety.

Key initiatives in which Victoria Police has been involved include:

- Development of a national heavy vehicle roadworthiness scheme
- Establishment of a national fatigue data collection framework
- Implementation of an e-learning package for operational police to create a broader awareness and understanding of the new legislation
- Commencement of a research project, in partnership with VicRoads, to improve organisational understanding and awareness of fatigue and its impact on drivers of heavy vehicles.

FAMILY VIOLENCE ACCELERATED JUSTICE OUTCOMES

On 1 December 2014, a fast-tracking process commenced at Dandenong Magistrates Court relating to criminal offences arising from family violence incidents. This Magistrates Court initiative, supported by Victoria Police, aims to expedite the listing and early resolution of family violence matters to better deal with recidivist offending, reduce the likelihood of complaint withdrawals and to increase protection for victims.

In its initial six months, the program dealt with over 600 matters and recorded significant reductions in complaint withdrawals and increases in the number of successful outcomes of contested hearings. Following this success, the pilot is being expanded to further sites at Shepparton, Broadmeadows, Ballarat and Ringwood in 2015-16.

PROSECUTIONS VIDEO LINK PROJECT

In 2014-15, we piloted the use of video-conferencing for remand hearings held by the Weekend Magistrates Court, enabling police and prisoners to give evidence from their police station via video-link. Trialled at selected police stations across regional and metropolitan Victoria, the objective of this pilot was to decrease the travel time and transportation associated with transporting prisoners to court proceedings whilst also increasing the efficiency of court processes.

Since its implementation, the pilot has been very effective in achieving its objectives. Following this success, the pilot is to be expanded to include remandees and prisoners, with the aim of reducing the movement of detainees and further enhancing frontline deployment capacity.

ACHIEVING THROUGH OUR PEOPLE

This year, the Specialist Operations portfolio continued to optimise our organisational intelligence and workforce capability through the enhancement and delivery of training relating to processes and procedures around asset confiscation, and the provision of nationally recognised qualifications to our police prosecutors.

CRIMINAL PROCEEDS SQUAD

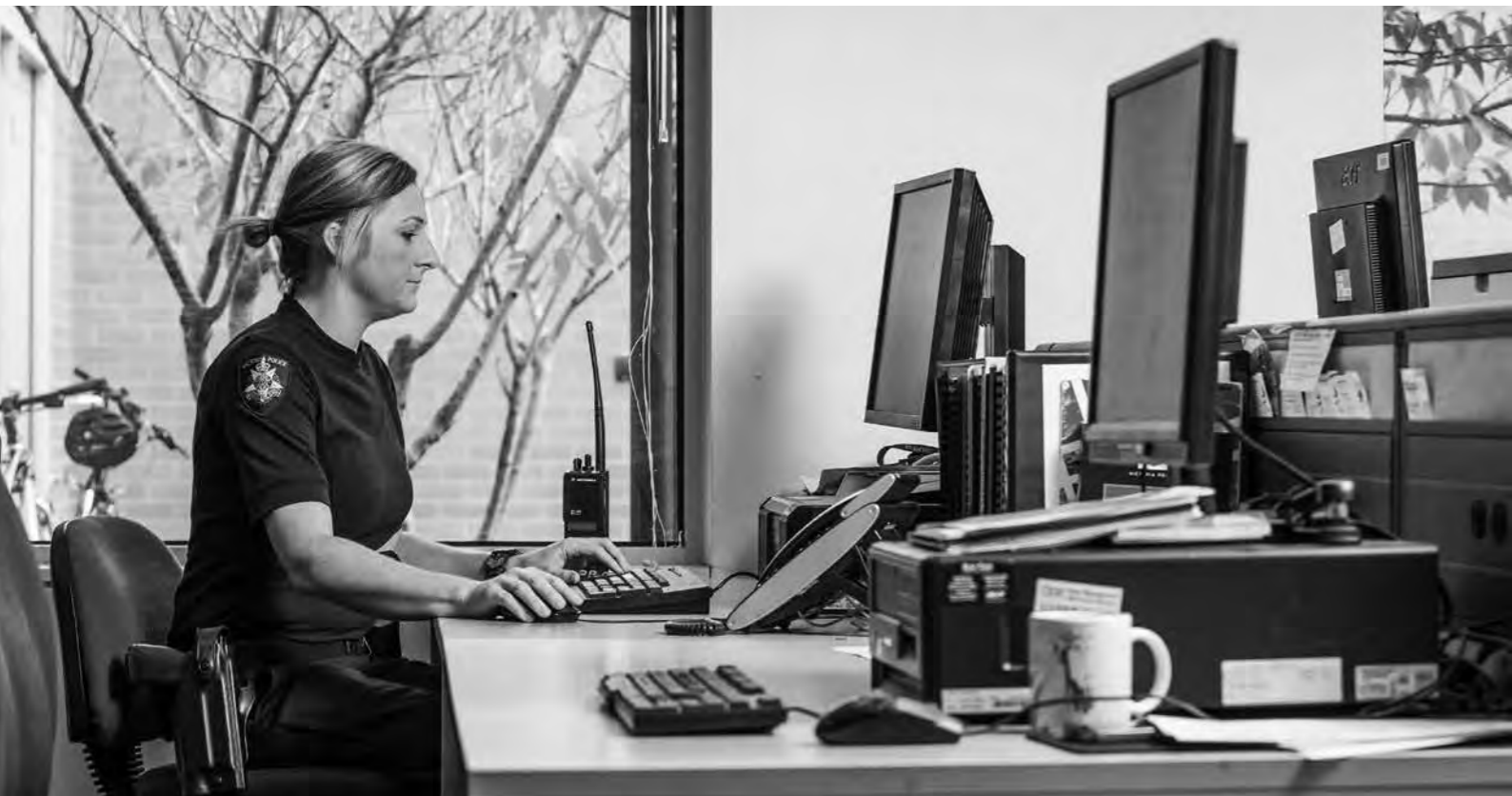
The Criminal Proceeds Squad (CPS) was established to specialise in the application and enforcement of the *Asset Confiscation Scheme*, which aims to combat serious and organised crime through the removal of assets used in connection with the commission of an offence, derived from the commission of an offence, or reasonably suspected of being derived from criminal activity.

During 2014-15, the CPS redefined its approach to asset investigations through the decentralisation and integration of proceeds confiscation into routine state-wide investigations. This has been achieved through the delivery of awareness and training sessions, reaching 66 per cent of front line investigators (1,700 police) and 75 subject matter consultants who will provide support across the organisation.

The improved process will support effective asset confiscation within regional investigative units and has allowed for CPS investigations to be focused on organised crime figures that are vulnerable to newly introduced legislative powers.

To achieve its objectives, CPS works closely with the Office of Public Prosecutions - Proceeds of Crime Directorate and the Asset Confiscation Operations (Department of Justice & Regulation). The three agencies from the Asset Confiscation Scheme returned \$18.5 million to the Consolidated Fund and \$1.4 million to victims of crime where applicable.





Case Study: Operation ELDORRADO

A regional drugs warrant resulted in an e-crime analysis of seized computer equipment and evidence of significant *Silk Road* marketplace activity. Digital forensic analysis uncovered three Bitcoin wallets linked to *Silk Road* trafficking, totalling 24,518 Bitcoin. The Bitcoin were proven to be the 'fruit' of significant online drug trafficking, amounting to a turnover of over \$600,000 in only 120 days of online drug trading.

This remains the first and only successful Australian seizure to date and at the time, the single largest seizure of Bitcoin in the world from an individual offender, who is currently serving 11 years imprisonment. The volatile nature of Bitcoin's pricing resulted in this seizure rapidly increasing in value to over \$30 million, with a current value of approximately \$9.2 million and trending upward. The seized Bitcoin is currently in the process of being liquidated by the Department of Justice & Regulation Asset Confiscations Operations and was previously unreported due to on-going prosecution.

PROFESSIONAL PATHWAYS

Professional Pathways is an initiative developed by our Prosecutions Division to provide police prosecutors with the opportunity to obtain nationally recognised qualifications, in order to ensure a more qualified and capable workforce.

The scheme is delivered in partnership with Victoria University, the University of New England and Deakin University, with available qualifications including the Graduate Certificate in Public Safety (Police Prosecutions).

It is estimated that approximately 60 per cent of all Victoria Police prosecutors will attain the Graduate Certificate. This initiative has greatly increased the productivity and capability of our prosecutions area, and increased flexibility in our capacity to complete legal work in a greater number of jurisdictions.

DEVELOPING OUR BUSINESS

In 2014-15, the Specialist Operations portfolio implemented many important initiatives aimed at developing our business. Significant programs of work include:

SPEED MEASURING DEVICES

In 2014, we secured funding to upgrade hand-held and car-based speed measuring devices. As of June 2015, a total of 171 devices had been replaced, with a further 400 devices scheduled for replacement over the next 12 months. Speed is the greatest killer on our roads and is a contributing factor in approximately 30 per cent of all fatal car crashes.

Acquisition of new speed measuring equipment will assist police to effectively detect motorists who exceed the speed limits, supporting reductions in road trauma across Victoria.

BLUENET AND THE AUTOMATED NUMBER PLATE RECOGNITION INTEGRATION STRATEGY

In 2013-14, we introduced BlueNet - an in-car mobile law enforcement system integrating In Car Video (ICV), Automated Number Plate Recognition (ANPR) and Mobile Data Terminal (MDT) technologies to provide best practice road policing enforcement. Integration of these technologies progressed to a formal pilot program featuring six vehicles across Victoria.

Now mid-way through the second year of a two year data collection phase, the BlueNet system continues to be instrumental in increasing our road policing enforcement capabilities. A recent report by Deloitte found each of the pilot ANPR units fitted to police cars was detecting an average of 53 unregistered vehicles and 33 unlicensed, disqualified or suspended drivers a month, compared with just seven unregistered vehicles and 14 unlicensed, disqualified or suspended drivers a month for regular highway patrols.

FUTURE FOCUS - 2015-16

In 2015-16, we will work to implement *Victoria's ICE Action Plan*.

For Specialist Operations, this will involve the replacement of our booze and drug bus fleet, increased roadside drug testing and an expansion of our forensic services to enhance drug profiling and intelligence analysis capability.



05 STRATEGY



As Acting Deputy Commissioner, Strategy, I am responsible for the following areas:

- Corporate Strategy and Operational Improvement Department
- Media and Corporate Communications Department
- People Development Command
- Professional Standards Command
- Information, Systems and Security Command

The Strategy portfolio builds the organisation's capacity and capability across key functions by:

- improving access to and use of information
- addressing emerging issues
- driving performance.

This is achieved by re-engineering core activities and services to streamline effort, achieve better results and collaborate with other services.

Some of the highlights include development of a strategy to improve service delivery to victims which will be implemented during 2015-16 and beyond. We also implemented Year 2 of the 'Equality Is Not The Same' program of works to improve community engagement, including a trial of a receipting methodology for interactions with the public.

Other achievements include:
Focussed strategies to reduce the harm caused by alcohol and methylamphetamine (ICE)

Development of an Accessibility Action Plan to improve the outcomes for people with disabilities who come into contact with police

Development of focussed leadership capabilities through mentoring and other targeted programs for frontline supervisors, middle and senior level managers for police and VPS

A high priority for Victoria Police is the Policing Information Process and Practice (PIPP) Reform Program. We have successfully implemented major system upgrades and developed a business technology roadmap that identified and prioritises initiatives to deliver an IT platform for a modern police force.

Jack Blayney
Acting Deputy Commissioner
Strategy

IMPROVING COMMUNITY SAFETY

The following section provides detail on some of the key achievements against Blueprint areas of focus across the Strategy portfolio, along with additional strategies and actions to improve the effectiveness of policing services in Victoria.

The Strategy portfolio develops organisation-wide strategies in response to underlying drivers of crime. While we have undertaken policy and strategy work across a number of areas, notable efforts in 2014-15 include:

- reviewing our current policies and procedures to develop a victim-centric service delivery strategy
- tackling methylamphetamine (ICE) related crime
- reducing alcohol related harm.

FUTURE DIRECTIONS FOR VICTIM-CENTRIC POLICING

During 2014-15, the Victims Advisory Unit undertook research and extensive consultations to inform the development of a victim-centric service delivery strategy entitled *Future Directions for Victim-Centric Policing*. This work aims to build on policy and procedures already in place under the *Victims' Charter Act 2006*, which was developed to increase victim participation in, and satisfaction with, the criminal justice system.

Our review focussed on assessing the efficiency and effectiveness of our policies and systems to meet the needs of people affected by crime in an operational setting drawing on a victim-centric framework.

In consultation with State and Commonwealth Government Departments, Victoria Police enhanced our ability to electronically provide referrals through the Victoria Police e-Referral (VPeR) functionality within LEDR MK 2, which was implemented on 1 October 2014. VPeR is an easy-to-use tool that enables members to refer victims and persons in need of support to services in the course of their day-to-day duties. There are currently 17 referral pathway options in place to proactively address the key drivers of crime, such as youth, drugs, alcohol and mental health.

There are a number of benefits across a range of policy areas arising from these referrals:

- Research indicates that referring young persons (under the age of 18) to support services contributes to a 10 per cent reduction in alleged youth offenders being processed by police⁷
- Additionally, 89 per cent of young persons referred to support had no further contact with police, or had positive contact with police⁸.

METHYLAMPHETAMINE STRATEGIC APPROACH: 2014 -15

Methylamphetamine (ICE) related crime is a law and order priority across Australia. In response to growing community concern over an increase in harm related to ICE, the Victoria Police *Methylamphetamine Strategic Approach* (MSA) delivered a 12 month organisation-wide strategy encompassing supply reduction, prevention, treatment, and reducing harms associated with the drug.

Under the MSA, local intelligence is used to identify emerging issues and inform the development responses. Strategies are structured around state, regional and divisional activities. Police work with local services to trial new approaches to divert eligible offenders into appropriate drug treatment, with the aim of breaking the cycle of offending and addiction. Further activities have included the development of partnerships with state and local government agencies and community organisations to achieve more effective delivery of support services for vulnerable and at risk persons.

A comprehensive training and communication package has been provided to police members to assist them in engaging with the community on issues relating to methylamphetamine. Our focus on addressing ICE related crime will continue in 2015-16 in collaboration with the state-wide *ICE Action Plan*, as announced in the 2015-16 Victorian State Budget.

7. Youth Justice Centre Review of un-sentenced detention in the youth justice system remand data: 1 October 2013 – 31 March 2015

8. Youth Support + Advocacy Service (2014), Annual Report 2013-14: http://www.ysas.org.au/sites/default/files/YSASAnnualReport_2013-14_FINAL.pdf

REDUCING ALCOHOL-RELATED HARM IN VICTORIA

Our organisation released a 10-year position statement in 2014 outlining a vision to reduce the harms associated with the misuse of alcohol in the community. Key achievements against each area of focus within the *Reducing Alcohol Related Harm Strategic Approach* in 2014-15 include:

TABLE 5.1: 2014-15 ACHIEVEMENTS – REDUCING ALCOHOL RELATED HARM

AREAS OF FOCUS	ACHIEVEMENTS
Develop Partnerships	<p>Several advisory and working groups have been established (i.e. the Alcohol Advisory Group and the Liquor Licensing Working Group) to provide advice and direction on reducing harm through the Strategic Approach and the <i>Liquor Control Reform Act 1998</i>.</p> <p>Victoria Police has also become an active partner in a number of local government forums, with a particular focus on research into the link between alcohol outlet density and alcohol-related harm.</p>
Build Capability	<p>Data collection and reporting processes have been improved across the organisation to get a clearer picture of the size and scope of alcohol-related crime and harm. This has included conducting a data mapping project and analysis of holdings on alcohol related harm.</p> <p>A specific alcohol indicator was also added within the Law Enforcement Assistance Program (LEAP) to assist with the collection of offence data where alcohol may have been a contributing factor.</p>
Reduce Harm	<p>To protect and improve community safety, we successfully advocated against a proposal to sell powdered alcohol. We also advocated for the introduction of more effective regulatory mechanisms to hold problematic licensed premises accountable.</p> <p>We have also been reappointed on Victoria's Liquor Control Advisory Council and subcommittees to ensure that harm minimisation approaches are considered in the development of all government policy and regulation regarding the supply of alcohol.</p>

POLICING FOR PREVENTION

To raise the operational focus on crime prevention, the Policing for Prevention pilot program ran throughout 2014-15. The pilot focused on burglary and vehicle break-ins – two of the most common high-volume crimes which impact on community safety in Victoria. There were two key activities of the pilot:

1. The use of crime data to predict small areas at increased risk of crime
2. The implementation of a prevention response in the areas predicted to be at highest risk.

The pilot ran throughout 2014-15 in the Dandenong and Ballarat areas. The most visible demonstration of Policing for Prevention for residents in those areas was the increased number of police patrols in the high-risk areas, proactive engagement with residents and provision of crime prevention advice to prevent future crimes from occurring.

An evaluation of Policing for Prevention is currently underway to look at the potential impact of the pilot on crime and community satisfaction. The results will be available in late 2015, from which we will assess the potential for wider implementation of this initiative.

WORKING WITH OUR STAKEHOLDERS

Stakeholder and community engagement is a critical component of every piece of work in the Strategy portfolio. Some of the key highlights in this area in 2014-15 included:

- our work in supporting the Victorian Equal Opportunity and Human Rights Commission (VEOHRC) independent review into sex discrimination and sexual harassment, including predatory behaviour, among Victoria Police personnel
- actioning our commitments under the third iteration of the *Aboriginal Justice Agreement (AJA3)*
- developing the *Victoria Police Accessibility Action Plan 2014-17*, which aims to improve the outcomes for people with disabilities who come into contact with police
- the continued work of the Priority Communities Division
- the implementation of actions under the *"Equality Is Not The Same"* report.

TASK FORCE SALUS AND THE VICTORIAN EQUAL OPPORTUNITY AND HUMAN RIGHTS COMMISSION REVIEW INTO PREDATORY BEHAVIOUR

In November 2014, former Chief Commissioner of Police Ken Lay announced the establishment of Task Force Salus to investigate predatory behaviour, sexual harassment and sexual discrimination within Victoria Police.

Task Force Salus is comprised of 21 staff including investigators, intelligence analysts and support staff. Investigations commenced in January 2015 and are focussing on new reports and historical files, as well as identifying the environmental factors that have enabled the behaviours to occur and, in some cases, continue.

Separately, Chief Commissioner Lay also engaged VEOHRC to conduct an independent review into sex discrimination and sexual harassment, including predatory behaviour, among Victoria Police personnel. Task Force Salus will be responsible for investigating cases of sexual harassment, where the VEOHRC review is an independent and research-focused review that will produce a report and action plan for Victoria Police. The report and action plan will be released in 2015-16. You can find out more about the review at www.victorianhumanrightscommission.com/VPIR.

The establishment of the task force and engagement of VEOHRC recognises the reality of unacceptable behaviours by some of our employees against other

employees and members in the community that must be identified and dealt with to ensure safety of our people and integrity of the organisation.

THE PRIORITY COMMUNITIES DIVISION

The first year of implementation for the Priority Communities Division included the development of the supporting infrastructure to improve our engagement with identified priority communities. This has been achieved through the creation of, and subsequent participation in, a range of community reference groups which include representation from Victoria's Multicultural, Multifaith, Aboriginal, Youth, Seniors, Lesbian/Gay/Bi-sexual/Transgender/Intersex (LGBTI), Mental Health and Disability peak bodies.

The Priority Communities Division assists in providing our members with the tools, resources and support to deliver a policing service that:

- is respectful, culturally capable and understanding of the value of community engagement
- ensures that the diverse community of Victoria receives a police service that is responsive to needs and expectations
- understands and acknowledges the need for 'tailored' responses, embedded in human rights and understanding of diversity.

EQUALITY IS NOT THE SAME: VICTORIA POLICE RESPONSE TO COMMUNITY CONSULTATION

In 2013, Victoria Police undertook extensive community consultation and commissioned independent reviews of our cross-cultural training and current field contact policies, resulting in the *Equality Is Not The Same* report and three year action plan. The three year action plan focused on:

- developing strategies and policies to improve community engagement, communication and respect
- field contact and complaints processes
- cross-cultural training.

Implementation of actions commenced in 2014. These actions are fully detailed within the Year One Report which was published in December 2014 and is available on the Victoria Police website. Achievements for 2014-15 include:

- Establishment of Portfolio Reference Groups for each priority community represented by the Priority Communities Division
- Establishment of the Chief Commissioner's Human Rights Strategic Advisory Committee

- Development of an organisational *Community Engagement Strategy* and a *Cultural, Community and Diversity Education Strategy*
- Reviewing and revising our organisational policies and practices, and developed educational platforms, to incorporate awareness of equity, diversity and racial profiling
- Reforming the Victoria Police complaints processes, including the mechanisms for communication and feedback
- Developing Cultural and Community Awareness Guidelines.

One of the key actions from the plan has been the development and implementation of the 'Receipting Proof of Concept' trial. The trial saw receipts issued following certain types of interactions between the public and general duties police or PSOs. Receipts include details of the interaction as well as the officer's registered number and police station.

The trial has commenced in four PSAs: Moonee Valley and Greater Dandenong PSAs in March 2015; and two further sites, Boroondara PSA and Mildura PSA on 29 June 2015.

ABORIGINAL JUSTICE AGREEMENT

The *Aboriginal Justice Agreement (AJA)* is a partnership between the Victorian Government and the Koori Community. It represents the intent for government agencies and partners to improve the justice outcomes for the Victorian Aboriginal community. The AJA is now in its third iteration (AJA3) and sets the planned justice activities for the next four years until 2018.

As a key agency responsible for contributing to the AJA, we prepared and endorsed our commitments to the AJA3 in the form of the *Victoria Police Aboriginal Justice Agreement Action Plan 2014-18*.

Key features of this action plan include:

- review of the Aboriginal Community Liaison Officer (ACLO) and Police Aboriginal Liaison Officer (PALO) Programs
- strengthening Victoria Police diversion and referral programs with a particular focus on increased diversion for Koori young people and improved responsiveness to family violence
- dedicated training programs to enhance cultural awareness and capability of our members
- a focus on improving our monitoring and review of policy and procedures to ensure the needs and expectations of community are being met.

VICTORIA POLICE ACCESSIBILITY ACTION PLAN 2014-17

The *Victoria Police Accessibility Action Plan 2014-17* aims to improve the outcomes for people with disabilities who come into contact with police as victims, offenders, people in custody, employees or simply those in need of assistance. Whilst it is a requirement for all government departments and agencies to have a Disability Action Plan, Victoria Police has additionally recognised and been responsive to the findings and recommendations from key research reports such as Women with Disabilities Victoria's *'Voices Against Violence'*, and the VEOHRC *'Beyond Doubt'* released in 2014.

The plan comprises four key goals:

- *Accessible and equitable policing service*: ensuring we have the policies, processes, and tools to guide and support police staff and the necessary documentation and information in accessible formats for community members
- *Inclusive and engaging organisation*: making sure we provide opportunities for engagement, feedback and partnerships with community members and organisations
- *Improved capacity to employ, develop and retain persons with disabilities*: providing increased organisational opportunities for employment and professional development with Victoria Police and increased support and inclusion for employees and employees who are carers
- *A workforce with the right attitude and right capability*: enhance cultural capability and inclusiveness of disability issues through education, training and increased support to staff to improve awareness and understanding.

INCREASING OUR MEDIA-BASED ENGAGEMENT

In 2014-15, Victoria Police social media platforms achieved unprecedented community engagement. Our Media and Corporate Communications Department (MCCD) effectively used Facebook, Twitter, Instagram and YouTube to interact with thousands of people on policing, crime and prevention priorities. Key achievements included the Victoria Police Facebook page reaching more than 300,000 'friends', and Twitter exceeding 100,000 followers. Localised Eyewatch Facebook pages were also expanded to cover 19 PSAs across the state, helping to foster closer community relationships with local police on local issues.

To support timely engagement, MCCD acquired a commercial social media monitoring tool which can read and analyse up to 10,000 comments a week. Given the growth of social media and the increasing reliance on these platforms, particularly during major incidents and emergencies, this tool will continue to facilitate fast, effective and direct engagement between Victoria Police and the community.

Participation in reality television also helped Victoria Police engage, inform and educate the community, particularly road users, during 2014-15. Victoria Police Highway Patrol Units participated in the filming of seasons seven and eight of 'Highway Patrol' (Seven Network), which attracts an average of 700,000 viewers a week across Australia. MCCD ensured a balance between entertainment and education during filming to optimise audience engagement on road safety, awareness of at-risk behaviours like speeding and drink driving and influence through documentary-style storytelling.

ACHIEVING THROUGH OUR PEOPLE

People Development Command is responsible for developing the skills, capabilities and confidence for our people to professionally lead and influence the delivery of community safety. Victoria Police developed the *Education Master Plan (EMP)* as a framework for learning and development up until 2020. The centrepiece of the EMP is continuous professional development, with a focus on shared responsibility between Victoria Police and our employees.

During 2014-15, we continued to implement many of the programs under the EMP framework. Some of our notable efforts and achievements in improving the capability of our people are outlined below:

DEVELOPING OUR LEADERS

A number of leadership and executive development programs were conducted to increase the capability of our police officers and VPS employees. These programs are outlined below.

The Leaders Mentoring Program

In association with Rotary District and the Victorian Business community, we have established a successful partnership to deliver the Victoria Police Leaders Mentoring Program for our police officers who are considered to have the potential for more senior roles in the future. During 2014-15, we established two streams:

- **Stream 1 - Strategic Leadership Mentoring:** This stream is targeted to Superintendents, Commanders and Assistant Commissioners. The stream matches participants with business mentors from a range of organisations, including BHP, PWC, KPMG, ANZ, Telstra, Ernst and Young, and NAB. The program aims to provide participants with an insight into other executive leadership styles and organisational leadership approaches, to broaden their understanding of strategic leadership.
- **Stream 2 - Community Engagement Mentoring:** This stream is targeted at middle managers, with participants matched to a Rotary mentor. The program aims to build an understanding of, and capability in, community engagement and partnership building, as well as to provide exposure to alternative leadership approaches.

Since its inception in 2007, the program has provided a valuable mentoring and development experience for more than 160 Victoria Police officers. We currently have 24 participants in the program.

The Senior Managers Leadership Development Program

This program focuses on learning through self-reflection, group/syndicate work, and team-based learning both in the workplace and includes both police officers and VPS employees. During 2014-15, there were 17 participants in the program.

Case Study:
Improving Our Capability Through
State of the Art Training Facilities:

Hydra: Scenario Testing for
Critical Incidents and Emergency
Management

Hydra is a simulation platform that creates a realistic environment by use of video, audio and radio inputs to develop critical decision making, and importantly, consequence management. Participants undertake tasks designed to test their decision making capabilities as either individuals, or as part of teams. During the year, Operation Peninsula presented a real life semi-urban wildfire scenario conducted with over 280 police who were joined by subject matter experts from each of our partner agencies including Parks Victoria, Country Fire Authority, Metropolitan Fire Brigade, Ambulance Victoria, Emergency Management Victoria and State Emergency Services to enhance a joint emergency service decision making response.



VICTORIAN PUBLIC SERVANT CAPABILITY PROGRAMS

Our VPS staff play an important role in supporting frontline police across a range of corporate and operational support areas, including financial services, human resources, policy development and forensic services. A series of programs have been developed and implemented across a range of development areas for general capability building, including strategic thinking, managing change, communicating with influence, understanding team dynamics and leadership styles.

FRONTLINE PRACTICE INITIATIVE

The Frontline Practice Pilot is a highly innovative cultural change pilot in Southern Metro Division 4 (SD4) which commenced in May 2014 and ran throughout 2014-15. The focus of the pilot was victim-centric policing. Learning, leadership and stories (through language/narrative) are a crucial component of the pilot.

The Pilot draws on contextual behavioural science to guide and accelerate on-the-job learning. In police culture, our narrative, the stories we share amongst ourselves, are important. The pilot provides strategies to encourage stories relating to good service delivery to be shared and recognised amongst our people. The Divisional Leadership Group and our first line supervisors play an important part in ensuring that victim-centric service and crime prevention activities are spoken about and actioned. The pilot is currently being evaluated.

DEVELOPING OUR BUSINESS

THE POLICING INFORMATION PROCESS & PRACTICE (PIPP) REFORM PROGRAM

The Policing Information Process & Practice (PIPP) Reform Program is a high priority for Victoria Police, and a central factor to realising the strategic direction of the Blue Paper. The 2013-14 State Budget announced \$23.3 million over four years to address immediate issues to maintain the performance of our core information systems and commence planning for longer-term reforms to ICT systems and processes.

The PIPP Reform Program consists of two distinct streams, with work completed in these streams outlined below:

TABLE 5.2: 2014-15 ACTIONS - PIPP REFORM PROGRAM

STREAM	PURPOSE	ACTIONS TO DATE
Sustain Project	To ensure the sustainability of two critical policing systems (Law Enforcement Assistance Program (LEAP) and Interpose).	Successfully implemented several major system upgrades and enhancements to the LEAP and Interpose systems, ensuring their performance reliability while we scope a long-term solution for managing investigation records and intelligence. An external audit undertaken in 2013 confirmed that the work completed to date will ensure LEAP remains functional and stable.
Transform Project	To enable the ongoing planning, management, development and progression of organisational wide transformation. To develop operational processes and systems that will underpin a modern policing environment which provides members with the capability to access relevant police information.	Development of a business technology roadmap to identify and prioritise initiatives to support a modern police force, future in-field mobility requirements have been fully assessed and a business case developed for the implementation of a mobility solution for Victoria Police frontline officers. Procured a strategic partner to provide specialist project management support and develop business requirements for contemporary systems.

FUTURE FOCUS - 2015-16

Chief Commissioner Graham Ashton has prioritised the development of a Capability Plan for our organisation. The Strategy portfolio has been renamed as the Capability portfolio to reflect this priority.

We will also focus on the commencement of recruitment and training of 400 Police Custody Officers to increase our capacity to provide effective policing services to the community.

06 INFRASTRUCTURE



As the Executive Director of the Infrastructure Portfolio, I am responsible for the following areas:

- Procurement
- Operational Infrastructure
- Information Technology (IT) Service Delivery

These areas support operational policing and other departments with fit-for-purpose operational infrastructure and IT assets and services, as well as Victorian Government Purchasing Board (VGPB) compliant procurement and commercial processes and services.

As an internal service delivery team, the Infrastructure portfolio continues to work closely with all parts of the organisation to support delivery of frontline services to the community.

The Infrastructure portfolio exists to ensure that the organisation has what it needs to deliver policing services to the community. We provide the underpinning physical, technology and logistics infrastructure that allows members to operate in an effective and safe manner.

2014-15 was the culmination of several years of planning and delivery that saw the realisation of many key initiatives for the organisation. A large program of work included the completion of the 1700/940 infrastructure works, several new police buildings and, most significantly, the completion of the City West Police Complex. In addition, the IT Refresh project delivered upgrades to all IT infrastructure and a major contract was established with a new IT service provider.

Cliff Owen
Executive Director
Infrastructure

IMPROVING COMMUNITY SAFETY

Infrastructure plays a key role supporting Victoria Police's visible community presence and in building the capability of our organisation. During 2014-15, we completed an extensive program of service improvement and development. Of particular note was the completion of a number of large scale capital works projects, including the new City West Police Complex, the new Operational Safety and Tactics Training (OSTT) facility at Craigieburn and the completion of infrastructure works to support the rollout of 1,700 additional police and 940 PSOs at over 80 sites across the State.

A number of significant projects were also completed including the expansion of the Forensic Science Centre at Macleod and the completion of new police stations at Waurm Ponds, Sale and Mount Waverley.

THE CITY WEST POLICE COMPLEX

The completion of the new City West Police Complex included the successful transition of approximately 1,500 people from the outdated St Kilda Rd and 452 Flinders Street complexes, to a purpose built facility which became fully operational before the end of the financial year.

The new 27,000m² complex enabled the co-location of our Crime and Intelligence and Covert Support Commands. The City West Complex is the first purpose-built facility of its kind since the Russell St police building in 1943, and reflects contemporary office-based design and specific operational design features. The complex also houses the Melbourne West Police Station, North West Metropolitan Division 1 Headquarters, and two Forensic Services Department units. The new site is highly visible and provides greater reassurance and accessibility to the community, with a strong policing presence in the Docklands area, Southern Cross Station and the nearby entertainment precincts.

CRAIGIEBURN OPERATIONAL SAFETY AND TACTICS TRAINING

The Craigieburn OSTT Facility opened in March 2015 and includes an indoor firing range, scenario training village, classrooms, an auditorium and conference centre. Police are required to undertake training twice a year to ensure their tactical and other operational skills remain current. The new facility replaces the previous

training centre location at Essendon Fields and its proximate location to the Victorian Emergency Management Training Centre will promote interoperability between Victoria Police and other emergency response agencies. The centre was designed in close consultation with police members. The OSTT facility at Craigieburn, and a similar facility at the Academy in Glen Waverley, will provide critical training for 70 per cent of our frontline members each year.

WORKING WITH OUR STAKEHOLDERS

As an internal service delivery team, the Infrastructure portfolio continues to support frontline police service delivery and to ensure that organisation-wide, our staff have the resources required to perform our business. Engaging with the wider organisation has been a feature of 2014-15 with a 'customer centric' theme emerging as a key platform of focus.

The Infrastructure portfolio worked closely across all areas of Victoria Police to develop a vehicle replacement strategy which will ensure continuity of police vehicle supply once the existing vehicle manufacturers in Victoria cease operation in 2016 and 2017. Until that time, Victoria Police remains committed to sourcing vehicles from these Australian suppliers.

Our Procurement area conducted a dedicated supplier engagement strategy on local, divisional and regional levels to build new capability to acquire products and services from suppliers which represent value for money and transparency. Similarly, work continued on the development of a more holistic approach to strategic asset management. During 2014-15, we created an informed asset management and long-term replacement plan for the many items of equipment and assets used by our police members and VPS employees. Understanding the critical equipment needs of Victoria Police has been a focus to ensure a clear understanding of funding needs now and into the future to sustain and improve operational capability.

Our IT and Property teams also delivered services to maintain continuity of operational policing activity across more than 400 police sites and supporting more than 150 IT applications and systems.

INTER-AGENCY COLLABORATIONS

Efficiently and effectively sharing information with other departments and agencies was a priority for the organisation during 2014-15. Our IT systems were enhanced to improve links with other government and community agencies through the VPeR e-Referral project, as outlined in Chapter 5, which allows automatic referrals to be created and sent to other government and community agencies. Technical work was also undertaken to enable provision of police data to support commencement of operations by the Crime Statistics Agency. Similarly, work commenced on technological solutions to better integrate warrants and bail information between Victoria Police and systems operating in the Department of Justice & Regulation.

ACHIEVING THROUGH OUR PEOPLE

The Infrastructure portfolio contributed to a number of programs to support the organisation as a whole:

ORGANISATIONAL CAPABILITY

Strengthening our capability to deliver complex projects and drive improved commercial outcomes, both within the portfolio and across the organisation, emerged as a key theme in 2014-15. Already we have seen considerable gains as a result of initial work with better financial outcomes and lower levels of risk in our contractual arrangements. In particular, material financial efficiencies were achieved through a widespread program of contract reviews.

PROCUREMENT RE-ACCREDITATION AND REFORM

In 2014-15, Victoria Police achieved re-accreditation to Corporate Certification standard from the Chartered Institute of Procurement and Supply (CIPS). CIPS is an internationally recognised procurement professional association and corporate certification signifies that Victoria Police has all the procurement governance mechanisms in place for effective supply assurance and compliance. CIPS corporate certification is awarded only after an in-depth assessment process that measures the procurement function against CIPS world class standards and demonstrates continued improvement in our procurement capability.

DEVELOPING OUR BUSINESS

IT initiatives during 2014-15 have focussed on the implementation of two key IT infrastructure platforms to bring Victoria Police up to a more contemporary standard operating environment, including transition to a new IT service provider and the rollout of new IT devices across the organisation.

To support the timeliness of service improvement, initiatives to increase the procurement performance of the organisation were also implemented.

IT REFRESH

We significantly enhanced our IT capacity through the IT Refresh, a project to replace all desktop, laptop, network and operating system software across Victoria Police. This three year project included the refresh of IT equipment that police use on a day-to-day basis, including personal computers, monitors and printers, the replacement of the distributed server network and design of new corporate data centres. It also encompassed the transition of the operating environment from Windows XP to Windows 7. While some further infrastructure works are programmed for 2015-16, the project has successfully replaced more than 30,000 IT devices across 500 sites and is largely now complete.

TRANSITION TO A NEW IT SERVICE PROVIDER

We also completed replacement of a number of large central IT contracts. Kinetic IT was selected as our new service provider after a rigorous and complex procurement process conducted in accordance with the Government's High Value High Risk (HVHR) process. The transition to the new service provider has been occurring since February 2015 with full operation commencing successfully at the start of the 2015-16 financial year. Significant efficiencies will be delivered as a result of the new contract and an increase in capability to manage and deliver IT projects is a key feature of new accountabilities for the service provider.

IT GOVERNANCE

With a focus on strengthening our organisation's risk management and investment decision making in IT projects, revised governance arrangements were established including the renewal of the Information Management Committee. The Committee has responsibility for improving the process for establishing business needs and prioritising investment, whilst also placing greater focus on effective project delivery.

ENHANCEMENT OF PROCUREMENT PROCESSES

With Victoria Police's transition to the new Victorian Government Procurement Board (VGPB) guidelines approved and implemented, the Procurement Department has continued to focus on strengthening policy, planning and governance. We have implemented a category management approach, which has improved control and effectiveness of procurement activities. Substantial attention has been paid to ensuring supplier integrity with an independent audit undertaken into the supply chain. While no concerns were found, the organisation has implemented improved controls around declarations of conflict of interests and fraud prevention measures. During 2014-15, our Procurement area drove substantial savings across the organisation through improved commercial negotiations and competitive tendering processes

FUTURE FOCUS – 2015-16

Over the coming year, the portfolio will continue to focus on driving a more "customer centric" approach to supporting the organisation. In doing so, it will focus its attention on further reform to ensure there is greater focus on enabling front line operations while driving further efficiencies through the business.

Over 2014-15, the portfolio has been working toward a better understanding of the capabilities (skills, resources and assets) that the organisation needs to drive service delivery. As a result, this will see investment in real time management and location technology for vehicles, delivery of critical equipment for members and further investment in an IT mobility solution.

Several other new projects that were initiated in 2014-15 will be substantially progressed in 2015-16 with the expansion of Conducted Energy Devices, the scoping of asset requirements for an MDC at Wyndham, the construction of a purpose built facility for the Mounted Branch and the development of the new Ballarat West police station.

A new 24 hour police station in Mernda will also be commenced to support a key growth area of Melbourne. This project offers the opportunity to design a facility that integrates the evolving service delivery approach that was outlined in the Blue Paper.

Strengthening our capability to deliver complex projects and drive improved commercial outcomes, both within the portfolio and across the organisation, has emerged as a key theme in 2014-15 and will be further explored in the year ahead.

07 BUSINESS SERVICES



As the Executive Director of the Business Services Portfolio, I am responsible for the following areas:

- Strategic Investment, Reporting and Audit
- Financial Services
- Human Resource Department
- Public Support Services Department
- Enterprise Bargaining.

In 2014-15, staff across the Business Services portfolio continued to support Victoria Police to deliver its services to the community.

This year, we serviced nearly 730,000 information requests and customer contacts from the community and various organisations to support the administration of justice and crime prevention.

In conjunction with our collaboration, nationally, on reviewing the technical elements of the National Firearms Agreement (NFA) and a working group relating to the expungement of historical homosexual offences, we have also been actively engaged in exploring ways to reform the transactions conducted across multiple Victorian government agencies in order to deliver more effective services and reduce the burden on the Victorian community.

We are proud of our achievements and continuing commitment to becoming a truly inclusive and safe employer.

During 2014-15, we launched our *Zero Harm* strategy, which aims to ensure that every employee is personally committed to the health and safety of themselves, their colleagues and the community in which they serve. Victoria Police also participated in the National Lesbian, Gay, Bisexual, Transgender Intersex workplace inclusion (Pride in Diversity) program for the first time.

Tony Bates
Executive Director
Business Services

IMPROVING COMMUNITY SAFETY

Staff in the Business Services portfolio have worked to optimise our licensing and regulatory procedures, both within Victoria and nationally.

FIREARM REGISTRATIONS, LICENCES AND PRIVATE SECURITY LICENCES

In 2014-15, we processed 136,837 applications and renewals for firearm registrations, licences and private security licences. This is a 3.5 per cent increase on 2013-14. Of these applications, 94.8 per cent were approved.

There has been a significant focus on compliance and ensuring only fit and proper people are licensed, which has resulted in an increase in the cancellation and suspension of firearm and security licences.

In accordance with recommendations made following the siege at Martin Place in Sydney in December 2014, Licensing and Regulation Division (LRD) has incorporated a process to continually reconfirm firearm(s) held by, and information of, licence holders.

As at 30 June 2015*, there are:

- 214,936 current Victorian Firearm Licences
- 767,304 registered firearms
- 32,711 private security licences and registrations.

* Note: Data extracted as at the end of the financial year is subject to variation depending on time of extraction

We are working closely with CrimTrac and other jurisdictions to implement the National Firearms Interface. We are also working with the Federal Attorney General's Department and other policing jurisdictions to review the technical elements of the NFA, with a view to further improving information sharing and consistency in the firearm regulatory framework nationally.

WORKING WITH OUR STAKEHOLDERS

This year, our collaboration with key stakeholders has seen the progression and achievement of many substantial initiatives. Of particular significance was our involvement in a working group relating to the expungement of historical homosexual offences, our contribution to the formulation of the NFA, and the servicing of nearly 730,000 information requests supporting, amongst other things, the administration of justice and crime prevention.

EXPUNGEMENT OF HISTORICAL HOMOSEXUAL OFFENCES WORKING GROUP

In 2014-15, we worked collaboratively as members of an interagency working group to actively assist the implementation of new Victorian legislative provisions concerning the expungement of historical homosexual convictions. Commencing on 1 September 2015, the new legislation will enable confidential applications to be made for the expunging of convictions, which would entail the annotation or deletion of criminal records held by agencies such as Victoria Police.

With the Department of Justice & Regulation, we presented to the LGBTI Police Reference Group to formulate the process for expungement applications. This involved the progression of pilot application examples to guide the development of the optimal application process. Our organisation will continue to provide specialist advice to the working group until the commencement of the scheme and then work on implementation to ensure any data held by Victoria Police reflects the legislative intent.

SUPPORTING THE ADMINISTRATION OF JUSTICE, CRIME PREVENTION, REGULATORY, LICENSING AND EMPLOYMENT

Our Records Services Division serviced nearly 730,000 information requests and customer contacts from the community and various organisations to support a range of purposes such as administration of justice, crime prevention, regulatory, licensing and pre-employment checks. In excess of 820,000 information requests were also serviced in order to directly support various operational policing functions of Victoria Police and other police agencies. We also continued to demonstrate our commitment to transparency, with the continuing achievement of zero overdue freedom of information (FOI) requests for the full financial year.

We have been actively engaged in exploring ways to reform the transactions conducted across multiple Victorian government agencies in order to reduce the burden on the Victorian community and deliver more effective services to the community. We will continue to support the efforts by the newly established Service Victoria to improve the way that customers transact with government services and to drive a new culture of service improvement.

We delivered outstanding results in actioning FOI requests and subpoenas, with 2,823 FOI requests and 3,920 subpoenas received. These figures represent a 16 per cent increase in FOI requests received and a 3 per cent increase for subpoenas received compared to the previous financial year.

ACHIEVING THROUGH OUR PEOPLE

In 2014-15, Business Services staff continued to prioritise the health and wellbeing of our workforce, and strived to ensure that our organisation remains a leading workplace of choice. Amongst many achievements, notable milestones included the launch of our *Zero Harm* strategy, completion of our three-year diversity action plan, and the introduction of our Pride in Diversity program.

PEOPLE PROFILE

As at 30 June 2015, there were an additional 195.6 FTE police than at the close of the 2013-14 financial year. There continues to be a decrease in new police recruits (-158.0 FTE). This downward trend is due to the completion of the recruitment process for the additional 1,700 police funded in the 2010-11 Budget, and 940 PSOs funded in the 2011-12 Budget.

Public servants have increased by 108.8 FTE since 30 June 2014.

TABLE 7.1: 2014-15 OUR PEOPLE

TOTAL EMPLOYEES (FTE)	AS AT 30 JUNE 2015	AS AT 30 JUNE 2014	CHANGE
Police	13,151.7	12,956.1	195.6
Police Recruits	107.0	265.0	-158.0
PSOs (security and transit)	1,186.7	1,086.7	100.0
Reservists	4.0	5.0	-1.0
Victorian Public Service (VPS)*	2,698.8	2,590.0	108.8
Total:	17,148.2	16,902.8	245.4

* VPS includes executive officers, forensic officers and senior technical specialists. VPS numbers are based on DTF Financial Reporting Direction 29A as at 28 June 2014 and 27 June 2015.

SAFETY FIRST STRATEGY

During 2014-15, our organisation's aim to deliver an injury-free workplace for members continued to be a focus. Launched in 2012, our *Safety First Strategy* achieved its objective of raising awareness and increasing action across the organisation through the introduction of robust safety management systems that have provided a strong foundation for achieving sustainable safety performance.

Lost time injuries (based on the Lost Time Injury Frequency Rate (LTIFR)) continued to trend down over this period reducing to 15.75 at the end of 2015, slightly short of our 2015 goal for a LTIFR of 15. During the year, serious injuries improved on the base year by 23 per cent, with WorkCover claims and physical lost time injuries decreasing by 15.9 per cent and 19.7 per cent respectively. Please refer to Appendix D for further information.

While these achievements reflect the commitment of Victoria Police in making safety our number one priority, it has not been without challenge. The incidence of mental health injuries has continued to increase on base year by 21 per cent and will require our full attention in the coming year to ensure our members are provided the support and services needed to support them in the delivery of our policing services to the community.

To this end, our *Zero Harm* strategy, launched in February 2015 and commenced on 1 July 2015, aims to propel the Victoria Police safety culture to one of accountability and ownership across all levels of the organisation. *Zero Harm* leverages the achievements of previous years and heralds a new vision for Victoria Police where safety not only remains at the forefront of every decision we make, but promotes a culture of leaders who care about safety above all else in the workplace. We have achieved some truly remarkable results since our *Safety First Strategy* was launched over the last 3 years and can be proud of how all employees have embraced the challenge of achieving our goal of *Zero Harm* to employees.

ENTERPRISE BARGAINING AGREEMENT

The 2011 Victoria Police Enterprise Bargaining Agreement (EBA) will expire on 30 November 2015. Preparations for the 2015 EBA commenced in 2014-15, with a focus on ensuring Victoria Police has the right people, with the right capabilities in the right roles.

Extensive staff consultation was undertaken over a six-month period to identify staff initiated opportunities for service improvement. This was a key input into the development of the Victoria Police Log of Claims. Negotiations with The Police Association (TPA) commenced on 29 May 2015.

The 2015 EBA will underpin the maintenance of a well-resourced police force, with a strong commitment to community engagement and smarter policing which is critical to reducing crime, improving responsiveness and keeping the community safe. This will be achieved by the delivery of an EBA that:

- Supports improved service delivery, productivity and flexibility
- Provides for remuneration outcomes for all staff covered under the EBA
- Emphasises a proactive and positive working relationship with TPA.

IMPROVING DIVERSITY AMONGST OUR EMPLOYEES

Through its *Equity and Diversity Action Plan*, our organisation continues to strive to become a truly inclusive and diverse organisation, reflective of the community in which it serves.

Over the past three years, the *Equity and Diversity Action Plan* has provided a framework for how we attract, recruit, support and retain a diverse workforce that enhances our capability in the delivery of public safety and essential services to the community. Key focus areas over the last year have been to:

- Ensure Victoria Police equal opportunity and diversity policies appropriately reflect our commitment and intent to our workforce and community partners
- Increase the opportunity for culturally diverse groups to access employment opportunities
- Actively recognise and celebrate significant cultural events such as International Women's Day, Cultural Diversity week, NAIDOC Week and International Day of People with Disabilities
- Develop and Implement the *Victoria Police Aboriginal and Torres Strait Island Employment Plan* and the *Victoria Police Accessibility Action Plan*.

During the year, Victoria Police was the first state government organisation to join Pride in Diversity, Australia's national employer support program for Lesbian Gay Bisexual Transgender Intersex (LGBTI) employees. This involved participating in Pride in Diversity's workplace inclusion program for the first time, demonstrating our commitment to being an inclusive and equitable employer to all employees.

Of the 9,048 employees from across 58 organisations who responded, Victoria Police had 1,004 employees respond, equating to 11 per cent of the total responses nationally. This is a remarkable achievement in our first year of participation and we are committed to ensure we build on our results over the coming years.

Strategies are underway to improve diversity in our workforce. We have focussed on improving the proportion of women across the organisation and have improved the ratio of our female recruits. As at 30 June 2014, women represented approximately 31 per cent of police recruits. As at 30 June 2015, 50 per cent of all recruits joining Victoria Police were female. Other achievements include:

- Improvement in capturing and reporting of diversity related information through our HR Systems and Employment forms
- Development and promotion of an Aboriginal and Torres Strait Islander protocol guide aimed at creating inclusive workplaces for Aboriginal and Torres Strait Islander employees
- Our involvement in the Pride March for the 13th consecutive year, where Acting Chief Commissioner Tim Cartwright led the largest contingent of 60 employees to demonstrate support for our LGBTI workforce.

DEVELOPING OUR BUSINESS

This year, we have strived to ensure the continual improvement of our business, notably through the audit and review of business practices across the organisation.

GOVERNANCE AND ORGANISATIONAL REVIEW INITIATIVES

In 2014-15, the Internal Audit Unit implemented a risk-based internal audit program with 28 audits completed. These audits focussed on key risk themes, including:

- Emergency response
- Cyber threats
- Prisoner management
- Workplace safety.

We also continued to provide control monitoring and data quality assurance to senior management, through the use of our Continuous Auditing Programs and our audit recommendations tracking system, *TeamCentral*, which enables the recording and monitoring of audit recommendations received from internal and external audits, in conjunction with those received from oversight bodies (such as the Ombudsman), and is a critical tool in ensuring the timely implementation of audit recommendations.

IMPROVING FINANCIAL GOVERNANCE CAPABILITY

With the increasing external oversight and focus on government expenditure and budget management, we continued to improve our financial governance capability and accountability in 2014-15. We did this through formal committees including the Financial Management Committee and the Financial Reporting Process Steering Committee, as well as increased focus on process and practice improvement in our financial management.

FUTURE FOCUS - 2015-16

Over the coming year, we will continue to focus on the optimisation of employee health and wellbeing, and our continued improvements in safety management.

A key priority will be the mental health of our workforce, and we will work to ensure that managers and employees are provided the right access to services and information on this critical issue.

We will also be working collaboratively with our insurer to ensure that where injuries do occur, we are able to achieve the best possible return-to-work outcomes for our employees. We will also be focussed on completing a fair and reasonable EBA negotiation, and will continue to work with Service Victoria to continue improving our service standards.

08 APPENDICES



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APPENDIX B – WORKFORCE DATA

Victoria Police Headcount and Full Time Equivalent (FTE) Numbers of Employees as at 30 June 2015

Sworn Rank	Head Count	Full Time Equivalent (FTE)
Chief Commissioner	0	0.0
Deputy Commissioner	2	2.0
Assistant Commissioner	14	14.0
Commander	9	9.0
Chief Superintendent	0	0.0
Superintendent	89	89.0
Chief Inspector	1	1.0
Inspector	281	280.7
Senior Sergeant	719	717.1
Sergeant	2,419	2,394.4
Senior Constable	7,231	6,962.9
Constable	2,691	2,681.7
Total Police	13,456	13,151.7
Recruits in Training	107	107.0
PSO Security	170	169.7
PSO Transit	994	994.0
PSO in Training	23	23.0
Total PSOs	1,187	1,186.7
Reservists	4	4.0
Total Sworn	14,754	14,449.5
Public Servant Classification		
Executive Officer EO1	0	0.0
Executive Officer EO2	9	9.0
Executive Officer EO3	13	12.8
Senior Medical Advisor	9	5.2
Forensic Officer 7	2	2.0
Forensic Officer 6	14	13.8
Forensic Officer 5	29	26.5
Forensic Officer 4	64	56.8
Forensic Officer 3	55	50.6
Forensic Officer 2	72	67.9
Forensic Officer 1	1	1.0
Senior Technical Specialist VPS7	17	16.8
Victorian Public Service Officer VPS6	162	158.8
Victorian Public Service Officer VPS5	206	203.0
Victorian Public Service Officer VPS4	491	457.2
Victorian Public Service Officer VPS3	618	592.2
Victorian Public Service Officer VPS2	1,138	1,051.0
Victorian Public Service Officer VPS1	28	25.8
Total Public Servants	2,928	2,750.3
Total Workforce	17,682	17,199.8

Notes:

1. FTE Totals may not tally due to rounding.
2. Excludes EO1s at Office of Chief Examiner (all other employees included).
3. Police Medical Officers are included with VPS, though are employed as Senior Medical Advisors
4. 'PSO Security' replaces the 'PSO Existing' category. 'PSO Transit' replaces the 'PSO New Deployed' category.
5. This table includes VPS staff who were not on salary at the end of the pay period. As a result, totals will not reconcile with FRD29A tables.

Statutory and Nationally Funded Bodies Administered by Victoria Police (Headcount and Full Time Equivalent Numbers of Employees as at 30 June 2015)

Public Servant Classification

Governor In Council Appointments	5	4.2
Executive Officer EO1	0	0.0
Executive Officer EO2	1	1.0
Executive Officer EO3	3	3.0
Forensic Officer 7	1	1.0
Forensic Officer 6	0	0.0
Forensic Officer 5	0	0.0
Forensic Officer 4	0	0.0
Forensic Officer 3	0	0.0
Forensic Officer 2	0	0.0
Forensic Officer 1	0	0.0
Senior Technical Specialist VPS7	0	0.0
Victorian Public Service Officer VPS6	4	1.8
Victorian Public Service Officer VPS5	13	9.6
Victorian Public Service Officer VPS4	11	10.4
Victorian Public Service Officer VPS3	4	4.0
Victorian Public Service Officer VPS2	2	1.8
Victorian Public Service Officer VPS1	0	0.0
Total Public Servants	44	36.8

Notes:

1. FTE Totals may not tally due to rounding.
2. Statutory and nationally funded bodies included in the above table in the annual report: Commissioner for Privacy and Data Protection, Australia New Zealand Policing Advisory Agency and Police Registration and Services Board. Executive Officers from the Office of the Chief Examiner are also included in this category.

FRD29A Compliant Headcount and FTE VPS Numbers at Victoria Police as at 27 June 2015

Public Servant classification	Ongoing		Fixed Term		Casual		Total	
	Headcount	Full time equivalent (FTE)	Headcount	Full time equivalent (FTE)	Headcount	Full time equivalent (FTE)	Headcount	Full time equivalent (FTE)
Executive Officer EO1	0	0.00	0	0.00	0	0.00	0	0.00
Executive Officer EO2	0	0.00	9	9.00	0	0.00	9	9.00
Executive Officer EO3	0	0.00	13	12.80	0	0.00	13	12.80
Senior Medical Advisor	7	4.61	2	0.60	0	0.00	9	5.21
Forensic Officer 7	2	2.00	0	0.00	0	0.00	2	2.00
Forensic Officer 6	14	13.80	0	0.00	0	0.00	14	13.80
Forensic Officer 5	28	25.90	1	0.60	0	0.00	29	26.50
Forensic Officer 4	63	55.65	0	0.00	0	0.00	63	55.65
Forensic Officer 3	51	47.53	1	0.60	0	0.00	52	48.13
Forensic Officer 2	64	59.85	8	8.00	0	0.00	72	67.85
Forensic Officer 1	0	0.00	1	1.00	0	0.00	1	1.00
Senior Technical Specialist VPSG7	10	9.80	7	7.00	0	0.00	17	16.80
Victorian Public Service Officer VPSG6	149	147.10	9	8.70	0	0.00	158	155.80
Victorian Public Service Officer VPSG5	184	181.37	15	14.60	0	0.00	199	195.97
Victorian Public Service Officer VPSG4	444	418.16	27	27.00	3	0.70	474	445.85
Victorian Public Service Officer VPSG3	578	553.56	29	28.70	0	0.00	607	582.26
Victorian Public Service Officer VPSG2	1,027	957.12	78	75.25	11	2.38	1,116	1,034.75
Victorian Public Service Officer VPSG1	25	24.23	2	1.18	0	0.00	27	25.41
Total Public Servants	2,646	2,500.69	202	195.04	14	3.07	2,862	2,698.80

Notes:

1. FTE Totals may not tally due to rounding.
2. This table is prepared in accordance with Financial Reporting Direction (FRD) 29A requirements. It therefore excludes VPS staff who were not on salary at the end of the last pay period of the financial year (which ended on 27 June 2015). It also excludes VPS staff who are employed within statutory and nationally funded bodies administered by Victoria Police. Totals will not reconcile with other tables in this appendix due to different counting rules.
3. Police Medical Officers are counted with VPS, though are employed as Senior Medical Advisors.

FRD29A Compliant Headcount and FTE VPS Numbers at Victoria Police as at 28 June 2014

Public Servant classification	Ongoing		Fixed Term		Casual		Total	
	Headcount	Full time equivalent (FTE)	Headcount	Full time equivalent (FTE)	Headcount	Full time equivalent (FTE)	Headcount	Full time equivalent (FTE)
Executive Officer EO1	0	0.00	0	0.00	0	0.00	0	0.00
Executive Officer EO2	0	0.00	7	7.00	0	0.00	7	7.00
Executive Officer EO3	0	0.00	11	10.80	0	0.00	11	10.80
Senior Medical Advisor	8	4.61	2	0.80	0	0.00	10	5.41
Forensic Officer 7	2	2.00	0	0.00	0	0.00	2	2.00
Forensic Officer 6	15	14.60	0	0.00	0	0.00	15	14.60
Forensic Officer 5	28	25.16	0	0.00	0	0.00	28	25.16
Forensic Officer 4	56	48.85	0	0.00	0	0.00	56	48.85
Forensic Officer 3	50	46.91	0	0.00	0	0.00	50	46.91
Forensic Officer 2	61	57.45	6	6.00	0	0.00	67	63.45
Forensic Officer 1	0	0.00	1	1.00	0	0.00	1	1.00
Senior Technical Specialist VPSG7	11	11.00	3	3.00	0	0.00	14	14.00
Victorian Public Service Officer VPSG6	136	134.90	8	7.80	0	0.00	144	142.70
Victorian Public Service Officer VPSG5	184	180.68	17	17.00	0	0.00	201	197.68
Victorian Public Service Officer VPSG4	423	403.83	34	33.00	7	0.99	464	437.82
Victorian Public Service Officer VPSG3	529	507.58	24	23.60	0	0.00	553	531.18
Victorian Public Service Officer VPSG2	1,010	943.91	68	65.59	13	2.80	1,091	1,012.30
Victorian Public Service Officer VPSG1	23	21.96	3	3.00	5	4.20	31	29.16
Total Public Servants	2,536	2,403.45	184	178.59	25	8.00	2,745	2,590.03

Notes:

1. FTE Totals may not tally due to rounding.
2. Police Medical Officers are counted with VPS, though are employed as Senior Medical Advisors.
3. This table is prepared in accordance with Financial Reporting Directions (FRD) 29A requirements. It therefore excludes VPS staff who were not on salary at the end of the last pay period of the financial year (which ended on 28 June 2014). It also excludes VPS staff who are employed within statutory and nationally funded bodies administered by Victoria Police. Totals will not reconcile with other tables in this appendix due to different counting rules.

Victoria Police Employees by Employment Type and Gender as at 30 June 2015 - Headcount

	Ongoing						Fixed Term			Casual			Total Staff	
	Full Time			Part Time			Full Time			Part Time				
	M	F	Total	M	F	Total	M	F	Total	M	F	Total		
Sworn Rank														
Chief Commissioner														0
Deputy Commissioner							1	1	2					2
Assistant Commissioner							11	3	14					14
Commander	8	1	9											9
Chief Superintendent														0
Superintendent	84	5	89											89
Chief Inspector	1		1											1
Inspector	242	37	279	2		2								281
Senior Sergeant	619	93	712	3	4	7								719
Sergeant	2,052	296	2,348	31	40	71								2,419
Senior Constable	4,877	1,555	6,432	137	662	799								7,231
Constable	1,844	822	2,666	3	22	25								2,691
Total Police	9,727	2,809	12,536	176	728	904	12	4	16					13,456
Recruits in Training														
PSO Security	151	18	169	1		1								170
PSO Transit	908	86	994											994
PSO in Training	17	6	23											23
Total PSOs	1,076	110	1,186	1		1								1,187
Reservists	1	3	4											4
Total Sworn	10,858	2,975	13,833	177	728	905	12	4	16					14,754
Public Servant Classification														
Executive Officer EO1														0
Executive Officer EO2							8	1	9					9
Executive Officer EO3							4	8	12		1	1		13
Senior Medical Advisor	2		2	2	3	5				2		2		9
Forensic Officer 7	2		2											2
Forensic Officer 6	9	4	13		1	1								14
Forensic Officer 5	13	8	21		7	7				1		1		29
Forensic Officer 4	19	24	43	1	20	21								64
Forensic Officer 3	17	26	43		11	11				1		1		55
Forensic Officer 2	13	40	53	1	10	11	4	4	8					72
Forensic Officer 1							1		1					1
Senior Technical Specialist VPSG7	7	2	9		1	1	5	2	7					17
Victorian Public Service Officer VPSG6	91	51	142		10	10	4	4	8		1	1	1	162
Victorian Public Service Officer VPSG5	97	83	180		11	11	8	6	14		1	1		206
Victorian Public Service Officer VPSG4	162	221	383	11	63	74	18	9	27				3	491
Victorian Public Service Officer VPSG3	182	340	522	11	57	68	8	19	27	1		1		618
Victorian Public Service Officer VPSG2	192	660	852	6	186	192	29	45	74	1	6	7	2	1,138
Victorian Public Service Officer VPSG1	15	7	22	2	1	3				1	2	3		28
Total Public Servants	821	1,466	2,287	34	381	415	89	98	187	7	11	18	6	2,928
Total Workforce	11,679	4,441	16,120	211	1,109	1,320	101	102	203	7	11	18	6	17,682

Note:
All public servants within the following statutory and nationally funded bodies are excluded from the above table: Commissioner for Privacy and Data Protection, Australia New Zealand Policing Advisory Agency and Police Registration and Services Board. Executive Officers from the Office of the Chief Examiner are also excluded. This table includes VPS staff who were not on salary at the end of the pay period. As a result, totals will not reconcile with FRD29A tables

M Male
F Female

FO Forensic Officer
STS Senior Technical Specialist
(otherwise referred as VPSG7)

PSO Protective Services Officer
EO Executive Officer

VPSG Victorian Public Service Officer Grade
SMA Senior Medical Advisors

Victoria Police Employees by Employee Type and Gender as at 30 June 2015 – Headcount

Employee Type	Male	Female	Total	% (Male)	% (Female)
Police	9,915	3,541	13,456	73.7	26.3
Recruits	54	53	107	50.5	49.5
Reservists	1	3	4	25.0	75.0
PSOs	1,077	110	1,187	90.7	9.3
Sworn	11,047	3,707	14,754	74.9	25.1
Public Servants	957	1,971	2,928	32.7	67.3
Total Workforce	12,004	5,678	17,682	67.9	32.1

Notes:

- 1: All public servants within the following statutory and nationally funded bodies are excluded from the above table in the annual report: Commissioner for Privacy and Data Protection, Australia New Zealand Policing Advisory Agency and Police Registration and Services Board. Executive Officers from the Office of the Chief Examiner are also excluded.
- 2: Public Servants include VPS, Forensic Officers, Executive Officers and Senior Medical Advisors.
- 3: This table includes VPS staff who were not on salary at the end of the pay period. As a result, totals will not reconcile with FRD29A tables.

Victoria Police Employees by Employee Type and Age Grouping as at 30 June 2015 – Headcount

Age Grouping (Years)	Police	Recruits	Reservists	PSO Security	PSO Transit	PSO in Training	Public Servants	Total
<25	505	34		1	153	4	162	859
25-34	3,544	48		24	464	9	777	4,866
35-44	4,172	21		35	228	4	706	5,166
45-54	3,979	4		67	126	5	727	4,908
55-64	1,219		2	38	21	1	497	1,778
65+	37		2	5	2		59	105
Total Workforce	13,456	107	4	170	994	23	2,928	17,682

Notes:

- 1: All public servants within the following statutory and nationally funded bodies are excluded from the above table in the annual report: Commissioner for Privacy and Data Protection, Australia New Zealand Policing Advisory Agency and Police Registration and Services Board. Executive Officers from the Office of the Chief Examiner are also excluded.
- 2: Public Servants include VPS, Forensic Officers, Executive Officers and Senior Medical Advisors.
- 3: This table includes VPS staff who were not on salary at the end of the pay period. As a result, totals will not reconcile with FRD29A tables.

Total Executive Numbers as at 30 June 2015 – Headcount

Table 1: Number of Executive Officers Classified into ‘Ongoing’ and ‘Special Projects’

Class	All		Ongoing		Special Projects	
	No.	Var	No.	Var	No.	Var
EO1	0	0	0	0	0	0
EO2	9	+2	9	+2	0	0
EO3	13	+2	12	+2	1	0
	22	+4	21	+4	1	0

Table 2: Breakdown of Executive Officers into Gender for ‘Ongoing’ and ‘Special Projects’

Class	Ongoing					Special Projects				
	Male		Female		Vacancies	Male		Female		Vacancies
	No.	Var	No.	Var	No.	No.	Var	No.	Var	No.
EO1	0	0	0	0	0	0	0	0	0	0
EO2	8	+2	1	0	0	0	0	0	0	0
EO3	4	+2	8	0	2	0	0	1	0	0
	12	+4	9	0	2	0	0	1	0	0

Table 3: Reconciliation of Executive Numbers

	2015	2014	2013	2012	2011	2010
Executives with remuneration over \$100,000	22	18	16	14	15	16
Add Vacancies (table 2)	2	2	3	5	4	3
Executives employed with total remuneration below \$100,000	0	0	0	0	0	0
Accountable Officer (Secretary)						
Less Separations	1	1	3	4	4	0
Total Executive Numbers as at 30 June 2015 (FRD15B)	23	19	16	15	15	19

Notes:

- 1: The statutory positions [Police Registration and Services Board, the Office of Chief Examiner and the Commissioner for Privacy and Data Protection] and nationally funded executive positions within Australia New Zealand Policing Advisory Agency have been excluded.
- 2: This listing of executive numbers only includes Victorian Public Servants and excludes Police Commissioners.
- 3: The list above details total executive numbers as at 30 June 2015, positions shown vacant may have since had appointments made to them after this date.
- 4: This table is headcount and includes staff who were not on salary at the end of the pay period. As a result, totals will not reconcile with FRD 29A tables in this report.

Selecting on Merit – Section 20 PAA Exemptions

Exemption from notification of vacancies pursuant to section 20 of the *Public Administration Act* 2004. During 2014-15, the Chief Commissioner approved the exemption of 102 positions from the requirement for advertisement.

The breakdown of these exemptions is below:

Exemptions by Department		Exemptions by Classification	
Business Services	3	VPSG7	3
Crime Command	5	VPSG6	5
Corporate Strategy & Operational Improvement	3	VPSG5	6
Executive Command	1	VPSG4	17
Forensic Services	5	VPSG3	25
Human Resource	13	VPSG2	37
Intelligence and Covert Support	25	VPSG1	5
Legal Services	3	FO3	1
Media and Corporate Communications	2	FO2	2
North West Metro Region	4	POLMEDOF	1
Operational Infrastructure	3	Total	102
People Development	5		
Procurement	1		
Professional Standards	3		
Public Support Services	15		
Road Policing	3		
Southern Metro Region	4		
State Emergencies and Security	4		
Total	102		

APPENDIX C – BUDGET PORTFOLIO OUTCOMES

The budget outcome statements provides comparisons between the actual financial statements and the published budget papers for the financial year. The budget portfolio outcome statements are comprised of the comprehensive operating statement, balance sheet, cashflow statement, administered items and changes in equity.

The budget portfolio outcome statements are not subject to audit by the Victorian Auditor-General's Office, and they are not prepared on the same basis as Victoria Police's financial statements.

Comprehensive Operating Statement for the Year Ended 30th June 2015	2015 Actual \$'000	2015 Budget \$'000	2015 Variance (%)
Income from Transactions			
Output Appropriations	2,432,158	2,428,687	0.1
Special Appropriations	2,137	2,100	1.8
Interest	59	50	17.7
Sale of Goods and Services	1,080	0	0.0
Grants	8,543	3,700	130.9
Fair Value of Assets and Services Received Free of Charge or for Nominal Consideration	81	0	0.0
Other Income	2,597	1,514	71.6
Total Income from Transactions	2,446,655	2,436,051	0.4
Expenses from Transactions			
Employee Expenses	1,834,698	1,780,780	3.0
Depreciation and Amortisation	76,746	76,906	-0.2
Interest Expense	1,836	3,492	-47.4
Grants and Other Transfers	0	532	-100.0
Capital Asset Charge	93,716	93,716	0.0
Other Operating Expenses	456,684	477,746	-4.4
Total Expenses from Transactions (i)	2,463,679	2,433,171	1.3
Net Result from Transactions (Net Operating Balance)	(17,025)	2,880	-691.1
Other Economic Flows Included in Net Result			
Net Gain/(Loss) on Non-Financial Assets	7,164	10,700	-33.0
Net Gain/(Loss) on Financial Instruments and Statutory Receivables/Payables (1,976)		0	0.0
Other Gains/(Loss) from Other Economic Flows	(5,831)	0	0.0
Total Other Economic Flows Included in Net Result	(643)	10,700	-106.0
Comprehensive Result	(17,668)	13,580	-230.1

Note:

(i) The Budget Total Expenses from Transactions does not include \$1.4 million in relation to funding for the Adult Parole Board.

Balance Sheet as at 30 June 2015	2015 Actual \$'000	2015 Budget \$'000	2015 Variance (%)
Assets			
Financial Assets			
Cash and Deposits	35,446	46,318	-23.5
Receivables	420,133	448,745	-6.4
Total Financial Assets	455,580	495,063	-8.0
Non Financial Assets			
Inventories	6,740	8,101	-16.8
Non-Financial Physical Assets Classified as Held for Sale, Including Disposal Group Assets	9,148	5,619	62.8
Property, Plant and Equipment	1,462,952	1,443,869	1.3
Intangible Assets	12,849	12,578	2.2
Other Non-Financial Assets	551	405	36.2
Total Non Financial Assets	1,492,240	1,470,571	1.5
Total Assets	1,947,820	1,965,634	-0.9
Liabilities			
Payables	93,781	107,437	-12.7
Borrowings	75,594	55,157	37.1
Provisions	499,321	466,406	7.1
Total Liabilities	668,696	629,000	6.3
Net Assets	1,279,124	1,336,634	-4.3
Equity			
Accumulated Surplus / (Deficit)	24,919	56,166	-55.6
Physical Assets Revaluation Surplus	570,491	570,491	0.0
Contributed Capital	683,714	709,977	-3.7
Total Equity	1,279,124	1,336,634	-4.3

Cash Flow Statement for the Financial Year Ended 30 June 2015	2015 Actual \$'000	2015 Budget \$'000	2015 Variance (%)
Cash Flow from Operating Activities			
Receipts from Government	2,320,405	2,383,056	-2.6
Other Cash Receipts	7,729	2,700	186.3
Interest Received	59	50	18.6
Payments of Grants and Other Transfers	(655)	(1,518)	-56.9
Payments to Suppliers and Employees	(2,244,512)	(2,232,363)	0.5
Capital Asset Charge	(93,716)	(93,716)	0.0
Goods and Services Tax Paid to the ATO	2,947	0	0.0
Interest and Other Costs of Finance Paid	(1,836)	(3,492)	-47.4
Net Cash Flows from / (Used) in Operating Activities	(9,577)	54,718	-117.5
Cash Flows From Investing Activities			
Proceeds from The Sale of Non-Financial Assets	27,268	34,000	-19.8
Payments for Non-Financial Assets	(198,066)	(168,678)	17.4
Net Cash Provided by / (Used) in Investing Activities	(170,797)	(134,678)	26.8
Cash Flows from Financing Activities			
Owner Contributions	82,559	106,316	-22.4
Proceeds from Borrowings	0	(1,757)	-100.0
Proceedings from Borrowings and Finance Leases	101,021	(10,522)	-1,060.1
Net Cash Flows from / (Used) in Financing Activities	183,580	94,037	95.2
Net Increase / (Decrease) in Cash and Cash Equivalents	3,205	14,077	-77.2
Cash and Cash Equivalents at the Beginning of the Financial Year	32,241	0	0.0
Cash and Cash Equivalents at the End of the Financial Year	35,446	14,077	151.8

Administered Items Statement for the Year Ended 30th June 2015	2015 Actual \$'000	2015 Budget \$'000	2015 Variance (%)
Administered Income			
Interest	61	17	257.3
Sales of Goods and Services	30,498	27,750	9.9
Grants	5,100	5,600	-8.9
Other Income	7,621	2,823	170.0
Total Administered Income	43,279	36,190	19.6
Administered Expenses			
Employee Expenses	3,514	2,321	51.4
Depreciation and Amortisation	4	43	-91.3
Grants and other transfers	9,556	0	0.0
Payments into Consolidated Fund	31,628	30,997	2.0
Other Operating Expenses	885	2,038	-56.6
Total Administered Expense	45,587	35,399	28.8
Income Less Expenses	(2,307)	791	-391.7
Other Economic Flows Included in Net Result			
Net Gain/(Loss) on Non-Financial Assets	80	700	-88.5
Net Result	(2,227)	1,491	-249.4
Items that will not be Reclassified to Administered			
Other Non-Owner Changes in Equity	(602)	0	0.0
Comprehensive Result	(2,829)	1,491	-289.8
Administered Assets			
Cash and Deposits	21,862	24,634	-11.3
Receivables	1,432	1,616	-11.4
Other Financial Assets	0	2,000	-100.0
Property, Plant and Equipment	14	(25)	-155.0
Other Non-Financial Assets	1	1	0.0
Total Administered Assets	23,309	28,225	-17.4
Administered Liabilities			
Payables	20,512	21,928	-6.5
Provisions	561	497	12.8
Total Administered Liabilities	21,073	22,425	-6.0
Net Assets	2,236	5,800	-61.5

Statement of Changes in Equity for the Financial Year Ended 30 June 2015	2015 Actual \$'000	2015 Budget \$'000	2015 Variance (%)
Accumulated Surplus/(Deficit)			
Opening Balance	42,586	42,586	0.0
Comprehensive Result	(17,668)	13,580	-230.1
Transactions with Owners in Their Capacity as Owners	0	0	0.0
Closing Balance	24,919	56,166	-55.6
Contributions by Owners			
Opening Balance	603,660	603,660	0.0
Transactions with Owners in Their Capacity as Owners	80,055	106,316	-24.7
Closing Balance	683,716	709,977	-3.7
Asset Revaluation Reserve			
Opening Balance	570,491	570,491	0.0
Transactions with Owners in Their Capacity as Owners	0	0	0.0
Closing Balance	570,491	570,491	0.0
Total Equity	1,279,125	1,336,634	-4.3

APPENDIX D – OHS KEY PERFORMANCE INDICATORS

	2012-13	2013-14	2014-15
1 Compensated Fatalities	0	0	0
2 Lost Time Injury Frequency Rate (LTIFR)			
Lost Time Injury Frequency Rate (All Lost Time Injuries)	19.34	17.19	15.75
Serious Lost Time Injury Frequency Rate (Lost Time Injuries > 5 Days)	14.02	11.95	10.85
3 Shifts Lost All Claims	40,265	35,190	38,662
<i>Rate Per 100 FTE</i>	<i>256.3</i>	<i>208.2</i>	<i>224.8</i>
4 Number of Claims Lodged this Year that Exceeded 13 Weeks Where a Compensation Payment was Made	72	74	100
Number of Claims that were Active this Year that Exceeded 13 Weeks of Compensation Payments	139	164	180
5 All Claims	1,018	914	948
<i>Rate per 100 FTE</i>	<i>6.5</i>	<i>5.4</i>	<i>5.5</i>
Time Lost Claims	477	466	458
<i>Rate per 100 FTE</i>	<i>3.0</i>	<i>2.8</i>	<i>2.7</i>
Standard Claims	769	616	603
<i>Rate per 100 FTE</i>	<i>4.9</i>	<i>3.6</i>	<i>3.5</i>
6 Average Cost per Claim	\$5,242	\$5,123	\$6,314
Costs Plus Estimates	\$41,292	\$34,757	\$50,138
7 Number of Incidents	3,724	3,246	3,619
<i>Rate per 100 FTE</i>	<i>24.3</i>	<i>19.2</i>	<i>21.04</i>

8 Management Commitment: Evidence of OHS Policy statement; OHS objectives; regular reporting to Senior Management of OHS and OHS plans (signed by Chief Executive Officer or equivalent)	<p>The Victoria Police safety management system <i>Safe-T-Works</i> is embedded into the Victoria Police Manual and communicated across the organisation through the intranet.</p> <p>The <i>Safety First Strategy</i> formally closed in June 2015 and was superseded by <i>Zero Harm</i>, which was launched in February 2015 as the next generation strategy.</p> <p>The Executive Command receives monthly and quarterly reports with health and safety data presented outlining progress against strategic goals and specific action items.</p> <p>The formal audit program is now complemented by a streamlined Smart Safety Audit Program support continuous improvement across 16 core audit topics.</p> <p>OHS objectives were also actively reported through the CompStat process by which each major region is accountable to deliver upon and report against their local health and safety performance.</p>
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9 **Management Commitment:**
Evidence of OHS criteria in purchasing guidelines (including goods, services and personnel)

The *Safe-T-Works* management system includes specific procedures for purchasing, contractor management and workplace design.

OHS assessments are to be considered as part of the procurement process of goods or services to be used by, or for Victoria Police personnel.

Examples of procurement processes involving OHS consideration in specification development include the continuing design and transition to the City West Complex, the process for the implementation and review of the CED (Conducted Energy Devices), local pilots for the improvement of eye protection, the invitation of OHS Consultant involvement in specialist area purchasing and a closer relationship between the Centre for Operational Safety and OHS Operations.

10 **Consultation**
(a) Evidence of agreed structure of designated work groups (DWG), health and safety representatives (HSRs) and issue resolution procedures (IRPs)

There are agreed DWG structures and HSR numbers across the organisation. There are currently nearly 500 active HSRs and deputies of whom 76 per cent are sworn members and 24 per cent are unsworn.

Both the TPA and the CPSU have been heavily involved in negotiation of HSR numbers and DWG structures. For example, in consultation Southern Metro Region doubled their HSR and deputy numbers to 72 positions, along with a review to ensure unsworn members are adequately represented on all OHS Committees.

Issue Resolution Procedures are available on the Intranet and through OHS noticeboards in each workplace.

(b) Compliance with agreed structure DWG, HSRs and IRPs

Consultation at the local level and beyond has been undertaken with unions, HSRs and regional and departmental representatives on specific projects, major works and renovations

11 **Risk Management:**
Regular internal audits/inspections conducted

The *Safe-T-Works* safety management system audit program has continued throughout 2014-15. A focus on the Smart Safety Audit process and various other priority shifts have seen a number of formal audit reports from the financial year carried over to 2015-16.

A major program of Smart Safety Audit development and implementation saw over 20 regional and command based members trained in the delivery of local audits, measuring compliance against the VPM guidelines and policies. The four Regions, Road Policing Command, Crime Command and Transit and Public Safety Command continue to show their true commitment to improving the knowledge and use of the safety management system by their active involvement in carrying out the Smart Safety Audits. Over 200 Smart Safety Audits have been conducted throughout the organisation in the 2014-15 periods.

12	Risk Management:	<p>Issues identified and actioned:</p> <ul style="list-style-type: none"> - Internal audits - WorkSafe notices 	<p>OHS Projects in this area included:</p> <ul style="list-style-type: none"> • Effective OHS committee training. • Dissemination of safety fact sheets for identified issues. • Incident investigation training. • Major risk assessments for new equipment, such as SAP holsters, Ammunition Gauge and Mk3 OC Cone Spray. • 9 Hazard Alerts developed on: <ul style="list-style-type: none"> - Pedestrian fencing at tram stops - Safety at railway stations - Suicide by carbon monoxide poisoning using heat beads - OC MK9 canister inspection - Discharge of semi-automatic pistol whilst holstered - Safe handling of ammunition - State mobile radio (SMR) security - Use of body worn personal video recorders - Needle positioned external of premises. <p>Internal audit programs included the formal audit process, as well as the supplementary Smart Safety Audit Program.</p> <p>Local areas perform quarterly inspections as a requirement of the safety management system <i>Safe-T-Works</i>, to identify hazards within the workplaces.</p> <p>Thirty (30) entry reports and provisional improvement notices (PINs) issued and attended to in 2014-15.</p> <p>In support of the new <i>Zero Harm</i> strategic approach, a weekly review of incidents is undertaken with proactive risk management opportunities identified. This forum is led by the Health and Safety Executive Command Champion.</p>
13	Staff and Managers with OHS Training	<p>Safety induction is delivered to all police recruits in their first weeks of employment. A health, safety and wellbeing induction program for VPS employees and temporary staff is in place with all new starters required to complete the online program within three months of commencement.</p> <p>Safety training for recruits continues as part of the preliminary training program and all new recruits have a mandatory requirement to complete the online induction program prior to commencement of operational duties.</p> <p>The <i>Zero Harm</i> health and safety leadership conference was conducted for over 200 of Victoria Police's health and safety champions.</p> <p>Significant emphasis has been placed on training for mental health support with the rollout of programs including Health Minds at Work, Resilience at Work, ASSIST (for critical trauma) and Change at Work.</p>	
14	Health and Safety Representatives Training	<p>Training is available to HSRs and deputies, 124 attended training in 2014-15.</p>	
15	OHS Survey	<p>The People Matter survey was conducted with the assistance of the Victorian Public Sector Commission in May 2015.</p> <p>The results will provide valuable information for the <i>Safety First Strategic Plan</i>.</p>	

APPENDIX E – CORPORATE GOVERNANCE

VICTORIA POLICE COMMITTEES

COMMITTEE	FOCUS	CHAIR	MEETS
<p>Executive Command Chief Commissioner of Police Deputy Commissioners Executive Directors Chief Information Officer (CIO) Sir Angus Houston AK AC AFC</p>	<p>Organisational The primary advisory and decision making body for Victoria Police. Executive Command sets strategic direction, identifies changes to existing priorities and commitments, advances initiatives and reforms</p>	<p>Chief Commissioner of Police</p>	<p>Monthly</p>
<p>Corporate Advisory Group Sir Angus Houston (Chair) Mr Ken V Loughnan AO (Deputy Chair) Chief Commissioner of Police Deputy Commissioner Strategy Executive Director Business Services Secretary Department of Premier and Cabinet Secretary Department of Treasury and Finance Secretary Department of Justice Mr David Evans Dr Ian Reinecke AM Mr Alex Malley</p>	<p>Organisational Providing strategic advice to the Chief Commissioner of Police and Executive Command on a range of internal reforms including:</p> <ul style="list-style-type: none"> • cultural change • integrated planning and risk • management • information management • workforce planning and flexibility <p>Reviewing the planning and implementation of strategic projects and critical non-operational business activities, including IT procurement and project management, organisational governance and corporate strategy</p>	<p>Sir Angus Houston (Chair) Mr Ken V Loughnan AO (Deputy Chair)</p>	<p>Quarterly</p>
<p>Standing Committees Victoria Police Audit and Risk Committee (VPARC)</p>	<p>Organisational Provides independent assurance and assistance to the Chief Commissioner of Police regarding Victoria Police's risk, control and compliance framework and its external accountability responsibilities</p>	<p>Independent: Mr Mark Peters Ms Barbara McLure (Deputy Chair)</p>	<p>Bi-monthly</p>
<p>Financial Management Committee</p>	<p>Monitors and reports financial performance against Victoria Police goals and approved budgets, and formulates strategies for improving the organisation's financial position, including the approval and monitoring of budget processes</p>	<p>Executive Director, Business Services</p>	<p>Monthly</p>
<p>Police Procurement Board</p>	<p>Oversees commercial process and approves requisitions within Victoria Police's accreditation limit, and ensures that procurement policies, strategies and practices are consistent with Victorian Government Purchasing Board policies</p>	<p>Director, Corporate Strategy and Operational Improvement Department</p>	<p>Monthly</p>
<p>Operational Policing Risk Committee</p>	<p>Provides an ongoing organisational focus on current and emerging strategic operational risks, issues, or other related priorities and to ensure the necessary interventions/mitigation strategies are in place</p> <p>The committee routinely collaborates with the other committees to ensure that executive management maintains a contemporary and comprehensive shared understanding of progress, outcomes, value, return on investment and effort and to ensure the committee is supporting organisational requirements and priorities</p>	<p>A/Deputy Commissioner, Strategy (Chair) Executive Director, Business Services (Deputy Chair)</p>	<p>Monthly</p>

Information Management Committee	Provides ongoing focus on information management (IM) and information security initiatives and priorities, development of organisational IM strategy, and ensuring compliance with, and support for CPDP	AC Information Systems and Security (Chief Information Officer)	Monthly
Community Safety	Provides an ongoing organisational focus on current community safety priorities and to take a strategic view of emerging priorities and the necessary interventions Identifies emerging issues and trends that impact community safety outcomes and elicit and examine innovative ideas and reforms relating to community safety	Deputy Commissioner, Regional Operations	Monthly
People	Provides an ongoing organisational focus on current people priorities and to take a strategic view of emerging priorities and the necessary interventions Identifies emerging issues and trends that impact people outcomes and elicit and examine innovative ideas and reforms relating to people	Executive Director, Business Services	Monthly
Stakeholder Engagement	Provides an ongoing organisational focus on current stakeholder engagement priorities and to take a strategic view of emerging priorities and the necessary interventions Identifies emerging issues and trends that impact stakeholder engagement outcomes and elicit and examine innovative ideas and reforms relating to stakeholder engagement	A/Deputy Commissioner, Strategy	Monthly
Service Delivery	Provides an ongoing organisational focus on current service delivery priorities and to take a strategic view of emerging priorities and the necessary interventions Identifies emerging issues and trends that impact Service Delivery outcomes and elicit and examine innovative ideas and reforms relating to service delivery	A/Deputy Commissioner, Specialist Operations	Monthly
Business Development	Provides an ongoing organisational focus on current business development priorities and to take a strategic view of emerging priorities and the necessary interventions Identifies emerging issues and trends that impact business development outcomes and elicit and examine innovative ideas and reforms relating to business development	Executive Director, Infrastructure	Monthly
Command Chief Commissioner of Police Deputy Commissioners Executive Directors Assistant Commissioners Directors Chief Finance Officer Chief Information Officer Chief Technology Officer Chief Procurement Officer	Regional/Departmental/Commands Provides advice to Executive Command on key issues, and ensures the strategic direction of Victoria Police is responsive to community needs and expectations. Command also provides an opportunity for executive managers to be briefed on matters affecting the organisation.	Chief Commissioner	Quarterly

EXECUTIVE MANAGEMENT CHANGES

APPOINTMENTS

Name	Position	Date
Ms Tess Walsh	Assistant Commissioner, Western Region	4 August 2014
Mr Anthony Ramsay	Director, IT Service Delivery	28 August 2014
Mr Tim Cartwright APM	Acting Chief Commissioner of Police	29 December 2014
Ms Lucinda Nolan APM	Deputy Commissioner, Regional Operations	30 December 2014
Mr Jack Blayney	Acting Deputy Commissioner, Strategy	30 December 2014
Mr Shane Patton APM	Acting Deputy Commissioner, Specialist Operations	30 December 2014
Mr Andrew Jarvis	Group Director, Human Resource Department	10 March 2015
Mr Dean McWhirter	Assistant Commissioner, Family Violence Command	16 March 2015
Ms Carol Orfanos	Assistant Director, Organisational Planning and Research	30 March 2015
Mr Cameron Bray	Assistant Director, Strategy and Policy Division	1 April 2015
Mr Christopher O'Farrell	Director, Executive Services and Governance	9 April 2015

CEASED EMPLOYMENT

Name	Position	Date
Ms Alison Smith	Assistant Director, Strategy and Policy Division	1 July 2014
Mr Graham Ashton AM	Deputy Commissioner, Specialist Operations	4 January 2015

RETIREMENTS

Name	Position	Date
Mr Ken Lay APM	Chief Commissioner of Police	31 January 2015

ORGANISATIONAL AUDITS AND REVIEWS

Internal Audit 2014-15

The Internal Audit Unit implemented the 2014-15 internal audit program as approved by the Victoria Police Audit & Risk Committee (VPARC) and Executive Command.

The 2014-15 risk-based program was performed by a panel of two outsourced service providers (Ernst and Young and Oakton, with Oakton completing their contract with Victoria Police during 2014-15). An in-house internal audit team of four sworn police members also completed a series of audits, primarily focusing on the Crime and Intelligence and Covert areas.

Twenty-eight planned internal audit projects were undertaken by the outsourced service providers and the in-house team in 2014-15, addressing the following key risk themes:

Risk Theme	Audits Undertaken
Change Management	4
Emergency Response	1
Failure to Comply with Established Policy & Procedures	1
Cyber Threats	3
Prisoner Management	1
Information Management and Security	4
Physical Security of Victoria Police Premises and Property	2
Workplace Safety	3
Financial and Compliance	9
TOTAL	28

Continuous Auditing

In 2014-15, Continuous Auditing Programs (CAPs) provided control monitoring and data quality assurance to senior management. The progress of all existing and newly developed CAPs is reported to VPARC on a bi-monthly basis.

The Computer-Assisted Audit Techniques (CAATs) Strategy 2012-15 was implemented to maintain and further enhance IAU's capability to apply CAATs effectively. CAATs refer to any computer program used to improve the audit process, ranging from data analytics software, working papers applications to risk management and project management tools.

Force-Wide Tracking System for Recommendations

TeamCentral is Victoria Police's force-wide tracking system for recommendations. The system enables the recording and monitoring of internal audit recommendations, as well as recommendations from reviews conducted by external agencies and oversight bodies.

The status of pending recommendations is reported to Executive Command and VPARC on a bi-monthly basis.

As at 30 June 2015, there were a total of 1,507 recommendations recorded on TeamCentral, with 1,223 of these recommendations (81.1 per cent) completed

SUMMARY OF RECOMMENDATIONS BY REVIEW TYPE (AS AT 30 JUNE 2015):

Review Type	Completed	Pending	Total
CPDP/Ex-CLEDS	214	47	261
Internal Audit	638	168	806
Ombudsman	152	4	156
IBAC/Ex-OPI	111	15	126
VAGO	88	34	122
Other	20	16	36
Total	1,223	284	1,507

RISK MANAGEMENT ATTESTATION

2015 Risk Management Attestation

(In accordance with Standing Direction 4.5.5 of the Minister for Finance)

I, Graham Ashton, Chief Commissioner, certify that Victoria Police has risk management processes in place consistent with the Australian / New Zealand Risk Management Standard and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Victoria Police Audit and Risk Committee verifies this assurance and has critically reviewed the risk profile of the organisation within the last 12 months.



Graham Ashton AM
Chief Commissioner

20/07/2015

APPENDIX F – DISCIPLINARY ACTION (VICTORIA POLICE ACT 2013)

ANNUAL REPORT OF THE CHIEF COMMISSIONER – 2014-15

Section 12(1)(a)

Any action taken by the Chief Commissioner under Division 6 of Part 4 during that year and the outcome of that action (including the result of any review of that action by the PRS Board)

No action was undertaken in accordance with this section of the Act in 2014-15.

Section 12(1)(b)

Any action taken by the Chief Commissioner or an authorised officer under Part 7 during that year and the outcome of that action (including the result of any review of that action by the PRS Board)

Results of Discipline Charges Determined by Hearing Officers Part 1: Full Year 2014-15

	Discipline Hearings Victoria Police Act 2013 (Sec 125) 2014-15	Inquiries into Convictions Victoria Police Act 2013 (Sec 136) 2014-15
Total Discipline Charges Laid Against Victoria Police Officers (Charge Authorisation Date)	74	6
Total Victoria Police Officers Charged (Charge Authorisation Date)	60	6
Victoria Police Officers Appearing Before A Hearing Officer (Last Hearing Date)	70	7
Victoria Police Officers Dismissed From Force (Date Dismissed)	4	0
Victoria Police Officers – All Charges Dismissed After a Discipline Hearing (Last Hearing Date)	2	0

Notes:

- A Victoria Police Officer can be charged with one or more discipline charges
- This data only includes discipline statistics under the *Victoria Police Act 2013* Part 7
- Data relates to distinct types of discipline outcomes under the *Victoria Police Act 2013* that occurred within 2014-15.
- The initial charges related to these outcomes may have been laid in 2014-15 or previous reporting periods.
- The above data includes Police Officers and PSOs
- The data for this report was taken from the Register of Complaints Serious Incidents and Discipline System (ROCSID) on 12 August 2015

Results of Discipline Charge Notices and Hearings

Hearing Level	Level 1 Superintendent or Above	Level 2 Assistant Commissioner or Above	Total	%
Financial Year	2014-15	2014-15		
Discipline Charges Found Proven (Last Hearing Date)	4	45	49	75
Charge Dismissed (Last Hearing Date)	0	2	2	3
Not Heard Victoria Police Officers Issued with Discipline Charges (Last Hearing Date) (Resigned/Retired Prior to Discipline Hearing – (Count Of Charges)	1	13	14	22
Total Charges	5	60	65	100

Notes:

- This table includes discipline proceedings arising from public complaints and internally initiated investigations.
- The data relates to action taken during the 2014-15 year notwithstanding the year in which the public complaint/internal discipline matter was received.
- The initial charges related to these outcomes may have been laid in 2014-15 or previous reporting periods.
- The data for this report was taken from the Register of Complaints Serious Incidents and Discipline System (ROCSID) on 12 August 2015

Results of Discipline Charges Determined by Hearing Officers Review of Sanctions Part 2: 1 July 2014 - 30 June 2015

	Number of Sanctions Reviewed	Review Result			
		Sanction Affirmed	Sanction Withdrawn	Sanction Varied	
Discipline Sanctions (s.132 <i>Victoria Police Act 2013</i>) (Last Review Date)	PRSB	31	30	0	1
Discipline Inquiry (s.136 <i>Victoria Police Act 2013</i>) (Last Review Date)	PRSB	6	2	0	4

Notes:

- Section 146 of the *Victoria Police Act 2013* only permits the Police Registration and Services Board (PRSB) to review specific sanctions (i.e.; a fine in excess of 5 times a penalty unit, reduction in rank, seniority, remuneration; transfer to other duties, or dismissal from the Victoria Police).
- Data relates to reviews completed during the 2014-15 reporting period. The initial sanctions in relation to these reviews may have been handed down in 2014-15 or previous reporting periods.
- Discipline sanctions (s.132 *Victoria Police Act 2013*) relate to sanctions imposed if a Victoria Police Officers is charged with a breach of discipline under section 125 *Victoria Police Act 2013*, whereas Discipline Inquiry (s.136 *Victoria Police Act 2013*) relates to sanctions imposed if a Victoria Police Officer has been charged under the criminal law with an offence punishable by imprisonment (whether in Victoria or elsewhere) and the offence has been found proven.
- The data for this report was taken from the Register of Complaints Serious Incidents and Discipline System (ROCSID) on 12 August 2015.

Section 12(1)(c)

Any action taken by the Chief Commissioner under section 195 during that year.

No action was undertaken in accordance with this section of the Act in 2014-15.

Section 12(1)(d)

The prescribed information in relation to Part 5.

Drug and Alcohol Testing of Members

Requirement	2014-15 Result
The number of tests involving taking of samples conducted during the relevant year	1,774
The number of persons tested	897
The number of those tests that indicated the presence of a drug of dependence or alcohol in a person's body	14

APPENDIX G – SUMMARY OF THE APPLICATION AND OPERATION OF THE *PROTECTED DISCLOSURE ACT 2012*

Protected disclosures are required to be included in the Annual Report in accordance with section 69 of the *Protected Disclosure Act 2012*.

a)	Information about how to access the procedures established by the investigating entity under Part 9		Guidelines for making, handling and investigating Protected Disclosures are available on the Victoria Police internet www.police.vic.gov.au
b)	For the 2014-15 Financial Year:		
i)	the number and types of disclosures notified to the Independent Broad-based Anti-Corruption Commission (IBAC) under section 21(2) or 22	24	Include allegations of – <ul style="list-style-type: none"> • Pervert the course of justice • Sexual assault • Misuse of information • Unlawful assault • Detrimental action • Theft
ii)	the number and types of protected disclosure complaints referred to the investigating entity by the IBAC	35	Include allegations of – <ul style="list-style-type: none"> • Theft • Unlawful assault • Misuse of information • Improper behaviour • Duty failure • Pervert the course of justice
iii)	the number and types of protected disclosure complaints investigated by the investigating entity	35	Allegations of – <ul style="list-style-type: none"> • Theft • Unlawful assault • Misuse of information • Improper behaviour • Duty failure • Pervert the course of justice
iv)	the number and types of protected disclosure complaints dismissed by the investigating entity	N/A	Victoria Police is not an investigating entity that can dismiss a protected disclosure
c)	the number of applications for an injunction made by the investigating entity under section 50 during the financial year	0	

Note:

Each complaint may consist of one or more allegations of misconduct, for example, a complaint of unlawful assault may consist of allegations of assault, misuse of equipment, duty failure and fail to obey instructions.

APPENDIX H – CONSULTANCIES AND CONTRACTORS

Consultants and contractors were engaged in 2014-15 primarily for the following purposes:

- technical and specialist roles of a medical, security, communications, human resources, and evidentiary nature
- business/policy advice
- finance
- IT and communications
- recruitment and training
- security
- strategy development.

Details of consultancies valued at \$10,000 or greater

In 2014-15, there were 26 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2014-15 in relation to these consultancies was \$2,836,284 (excl. GST). Details of individual consultancies can be viewed at www.police.vic.gov.au.

Details of consultancies under \$10,000

In 2014-15, there were 18 consultancies engaged during the year, where the total fees payable to the consultants was less than \$10,000. The total expenditure incurred during 2014-15 in relation to these consultancies was \$97,025 (excl. GST).

DISCLOSURE OF MAJOR CONTRACTS

The following contracts with a value of greater than \$10 million were awarded in 2014-15:

Contract Number	Contract Title	Contract Dates	Contract Value	Instrument of Authorisation	Supplier
P2361-2019	DNA Profiling Consumables, Equipment and Instrument Maintenance	01/07/2014 -30/06/2019	\$14,000,000	\$14,000,000	Promega Corporation Beckman Coulter Australia Pty Ltd
C2462-2019	VIFM Forensic Medical Services	01/07/2014 – 30/06/2019 (including 2 x 12 month option to extend)	\$55,000,000	\$55,000,000	Victorian Institute of Forensic Medicine
C2451-2018	Microsoft Enterprise Licence Agreement	01/04/2015 -31/03/2018	\$13,223,106	\$16,087,000	Insight Enterprises Pty Ltd
C2426-2023	Information Technology Services Contract (ITSC)	01/02/2015 – 30/06/2023 (including 2 x 12 month option to extend)	\$165,068,200	\$181,568,200	Kinetic IT Pty Ltd

All contracts above \$10 million that were awarded during 2014-15 have been published on the Victorian Government's Contract Publishing System.

APPENDIX I – DISCLOSURE OF GOVERNMENT ADVERTISING EXPENDITURE

Victoria Police did not undertake any government advertising campaigns of a value of \$150,000 or greater in the 2014-15 financial year.

APPENDIX J - IMPLEMENTATION OF THE VICTORIAN INDUSTRY PARTICIPATION POLICY (VIPP)

Victoria Police is required by legislation to provide details on local industry participation for all government procurement and projects where the value exceeds \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

Contracts/Projects Commenced to Which VIPP Applied:

During 2014-15, Victoria Police commenced eight contracts totalling \$218,952,822 in value to which the VIPP applied. Of the contracts that commenced, three contracts were in metropolitan Melbourne (totalling \$21,600,780), four contracts were state-wide (totalling \$195,918,558) and one contract is regional-based (totalling \$1,433,484).

A summary of the skills and technology transfer commitments in the above contracts/projects includes:

- an estimated 189 FTE jobs created (including apprentices and trainees)
- an estimated 269 FTE equivalent jobs retained
- benefits to the Victorian economy in terms of skills and technology transfer include attendance at training courses to improve skills.

Contracts/Projects Completed to Which VIPP Applied:

Victoria Police completed six contracts during 2014-15 to which VIPP applied.

APPENDIX K - NATIONAL COMPETITION POLICY COMPLIANCE

The National Competition Policy promotes greater competition and encourages economic growth.

One of the key requirements of the policy is in regards to competitive neutrality. Competitive neutrality requires government businesses to ensure, where services compete with the private sector, advantages arising from their government ownership are removed if they are not in the public interest.

This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

During 2014-15, Victoria Police was not required to apply the competitive neutrality policy as we did not procure goods and services within this context.

APPENDIX L – SUMMARY OF THE APPLICATION AND OPERATION OF THE FREEDOM OF INFORMATION ACT 1982

The *Freedom of Information Act* 1982 gives people the right to request access to information held by the Victorian Government and its agencies, including personal documents and documents relating to government activities. The Act also allows people to request that incorrect or misleading information held by an agency is amended and provides an appeal process to review access decisions.

In 2014-15, Victoria Police received 2,823 requests for access to documents under the *Freedom of Information Act* 1982, including requests from applicants to amend personal information. Of those applications, 1,488 related to personal requests and 1,335 were non-personal requests. Two (2) applications were received from Members of Parliament, 74 were received from the media and the remainder (2,747) were from the general public.

Reviews of decisions made since 1 December 2012 are the responsibility of the Freedom of Information Commissioner. Details of the number of applications for review and the decisions are published in the Freedom of Information Commissioner's Annual Report.

Fourteen (14) appeals were lodged with the Victorian Civil and Administrative Tribunal (VCAT) for final determination, with 9 cases being decided upon in 2014-15, including cases from previous years. Eight (8) cases were withdrawn.

Requests for Access to Documents

Type of Request	
Personal	1,488
Non Personal	1,335
Total	2,823

Appeals to VCAT	14
Appeals actually determined	9

Compliance

For the 12 months ending 30 June 2015, Victoria Police processed 69 per cent of requests within statutory requirements, 31 per cent within 46 – 90 days and 0 per cent in over 90 days. The average processing time taken to finalise requests was 39 days.

Application Procedure

The Principal Officer for the purpose of administering the requirements of the *Freedom of Information Act* 1982 is the Chief Commissioner of Police, Graham Ashton AM. The authorised officer is the Manager of the Freedom of Information Division, who is responsible for all decisions relating to Freedom of Information applications received by Victoria Police.

Applications for documents under the provisions of the *Freedom of Information Act* 1982 must be in writing and addressed to:

Freedom of Information Division
GPO Box 913
MELBOURNE VIC 3001
PH: (03) 9247 6801

Alternatively, you may apply online at the Freedom of Information Victoria website at: www.foi.vic.gov.au

Categories of Documents

The general types of documents which may be the subject of an FOI request include briefs of evidence, patrol duty returns and incident reports.

Additional Information

Additional information about Victoria Police is available from our web site located at: www.police.vic.gov.au

Publication Requirements

Victoria Police publishes a range of material regarding crime prevention and community safety issues. Members of the community requiring such information should contact:

Media & Corporate Communications Department
Victoria Police Centre
GPO Box 913
MELBOURNE VIC 3001
PH: (03) 9247 5276

Documents Available for Purchase

The Victoria Police Manual is available for purchase from the Corporate Strategy & Operational Improvement Department within the Victoria Police Centre. The contact telephone number is (03) 9247 6719.

Accident reports and crime reports (insurance) are also available for purchase. Further information is available at: www.police.vic.gov.au

The Corporate Statistics Unit collects, collates, analyses and disseminates statistical data collected by Victoria Police. Reports that provide non-crime statistics are available upon request. Further information is available at: www.police.vic.gov.au

Documents Available for Public Inspection

The Victoria Police Manual is available for perusal at the Supreme Court Library and the State Law Library, Melbourne.

Privacy Policy Statement

Victoria Police is bound by the *Privacy and Data Protection Act* 2014 and *Health Records Act* 2001 in how it collects, uses and/or discloses and secures personal and health information. Victoria Police is committed to protecting the personal and health information of the persons with whom it interacts in the course of its functions and activities. In line with the provisions of the Freedom of Information Act, individuals can request access to personal and health information held by Victoria Police. Applications should be addressed to the Freedom of Information Officer, Freedom of Information Division.

Further information about the Privacy and Data Protection Act or Health Records Act can be obtained from:

Privacy Unit
Victoria Police Centre
GPO Box 913
MELBOURNE VIC 3001
PH: (03) 9628 7349

APPENDIX M – STATEMENT OF EXPECTATIONS

PUBLIC SUPPORT SERVICES DEPARTMENT - LICENSING & REGULATION DIVISION

The Statement of Expectations (SOE) dated 5 June 2014 sets out the Minister's expectations of the regulator of private security and firearms (Licensing & Regulation Division (LRD)) to reduce red tape.

The SOE is aimed at promoting greater efficiency and effectiveness in the administration and enforcement of regulation and applies for the 2014-15 and 2015-16 period.

LRD continues to progress performance objectives, required by June 2016, and provide the following update to the Minister:

1. Private Security Licence application forms converted to online e-forms

Phase 1 of the implementation of the External Lodgement Process (ELP) is currently in progress and is aimed at delivering an e-forms platform that will enable online fill and print functionality. The new private security forms have been developed, with forms soon to be tested with phase 1 completed by December 2015.

2. Complex form requirements are underpinned by online instructions/ help features

The new private security forms have been developed with instructions and help features, including roll over text. Data validation systems have also been incorporated into the forms which are aimed to improve data quality and accuracy.

3. Information previously provided to LRD is automatically pre-populated in renewal applications

The pre-populating of data for renewals will be incorporated within phase 3 of the rollout of ELP.

4. Increase the rate of new private security applications approved within 28 days of receipt by up to 30 per cent

The LRD has contributed to a 5.9 per cent improvement from the previous year, with 47.5 per cent of new applications being approved within 28 days of receipt as at 30 June 2015.

5. Reduce the incidence of incomplete private security application forms by up to 10 per cent

Current processes aimed at addressing frequency of incomplete applications received include internet and application form updates as well as industry newsletters and stakeholder consultations aimed at ensuring application forms are informative and comprehensive for customers.

As at 30 June 2015, the number of incomplete private security forms was 1,448. This baseline figure will significantly reduce with ELP expected to deliver this improvement within the first quarter of the 2016 calendar year.

APPENDIX N – STATEMENT ON COMPLIANCE WITH THE BUILDING AND MAINTENANCE PROVISIONS OF THE BUILDING ACT 1993

Victoria Police complies with the requirements of the *Building Act 1993*, the *Building Regulations 2006*, and other Victorian legislation referenced by the Building Commission. Victoria Police controls a large property portfolio comprising: 8, 16 and 24 hour police stations; police residences; educational and training complexes; forensic laboratories; and other special purpose facilities.

New Buildings Conforming to Standards

For the 2014-15 financial year, Victoria Police conducted its works in compliance with the *Building Act 1993*, other relevant building regulations and statutory requirements. Victoria Police maintains the appropriate mechanisms to ensure all building conformity is met. Capital commitments completed during the year were:

- new 24hr Police Stations at Sale and Castlemaine
- a joint Police / SES Complex at Waurnd Ponds
- a new Operational Safety & Tactics Training facility at Craigieburn
- the refurbishment of the Mount Waverley Police Station
- completion of all works throughout the State at various facilities to accommodate 1,700 new frontline police and 940 PSOs.

Maintenance of Buildings in Safe and Serviceable Condition

Maintenance of Victoria Police owned buildings, including Essential Safety Measures (ESM), was arranged through internal resources. The Victorian Government Shared Services Provider (SSP) continues to manage all maintenance, including ESM, for leased facilities. Occupational health and safety, functionality for service delivery and upkeep of plant and equipment are the key corporate priorities for the allocation of funding for maintenance. All legislative requirements for asbestos inspections and monitoring have been met. Victoria Police has no cooling towers at its owned sites.

Registered Building Practitioners

Victoria Police continues to maintain a contractor list to ensure that only registered building practitioners perform work on its properties. Victoria Police also complies with the Ministerial Directions issued pursuant to the *Project Development and Construction Management Act 1994* by engaging contractors and consultants from the Department of Treasury and Finance's Construction Supplier Register where required.

APPENDIX O – OFFICE-BASED ENVIRONMENTAL IMPACTS

Since its establishment in the mid-2000's, our Environment & Efficiency Division has progressively developed and introduced a wide range of initiatives to assist Victoria Police in significantly reducing its adverse impacts on the environment.

From its inception, the Division focused on delivering its programs across all areas of the organisation, rather than just the required office-based locations, with the result that improvements have been made across all 350 buildings and 150 residences.

Some of the cumulative environmental and financial benefits achieved on a business-as-usual basis are shown below:

Stationary Energy:

Over 413,950,000 MJ of energy saved.

Greenhouse Gas Emissions:

In excess of 120,000 tonnes of greenhouse gas avoided.

Potable Water:

More than 570,000,000 litres of potable water saved.

Copier Paper:

Almost 17,500,000 sheets of copy paper saved.

Financial savings:

Collectively, the initiatives and programs developed and implemented by the Environment and Efficiency Division are estimated to have saved Victoria Police in excess of \$60 million.

Explanatory Notes – General.

1. Effort has been made to ensure the reliability and validity of all reported information but notes that in some instances it is dependent upon:
 - an assumption of the accuracy and veracity in third party data;
 - assumptions regarding coverage of third party data, and
 - the extrapolation of data where unavoidable information gaps exist.
2. During the reporting cycle, Victoria Police experienced challenges in the collection of environmental data from third party providers. In some instances, discrepancies in assembled data varied significantly between providers. These variations appear to be in relation to data capture techniques as well as subsequent data analysis processes and methodologies. Consequently, there were challenges in relation to how best to interpret and analyse the various data outputs to achieve overall data integrity for Victoria Police. In some, data has been produced according to best practice estimation techniques.
3. With reference to any limitations noted in this summary all listed targets for 2015-16 and beyond are qualitative at this stage.
4. FTEs – In accordance with the FRD24C definition of FTE, no contractors or consultants have been included in the Victoria Police figures.
5. Historical environmental data is periodically amended as more accurate and relevant conversion factors and coefficients are developed by national environmental bodies and/or where more accurate historical data is subsequently obtained.

ENERGY MANAGEMENT PROGRAM

Victoria Police consumes (stationary) energy at many different facilities including police stations, administration offices, training facilities, transport complexes and storage warehouses. The bulk of energy consumption falls within three keys areas of activity - lighting, information technology operation and HVAC, (heating, ventilation and air-conditioning).

The data below was obtained from a variety of sources including energy providers, external data systems as well as legacy in-house systems and covers up to 99 per cent of the sites occupied by Victoria Police. Residences are not included in these figures as their energy consumption is paid for by the occupants

Actions Undertaken During 2014-15

New Buildings Much of the work being performed under the umbrella of the Sustainable Buildings Program will have specific efficiency outcomes for buildings being constructed in the future. One outcome of the Project has been to require all new buildings to use only LED lighting rather than the traditional meld of T5 fluorescents and CFL down-lights. Furthermore, strict performance criteria have been developed to ensure only quality LED products are used within Victoria Police sites.

Adoption of high efficiency HVAC is now a core part of design guidelines as well as the application of passive energy management design features wherever possible.

Police stations built today are 20-25 per cent more energy efficient than those built prior to 2000.

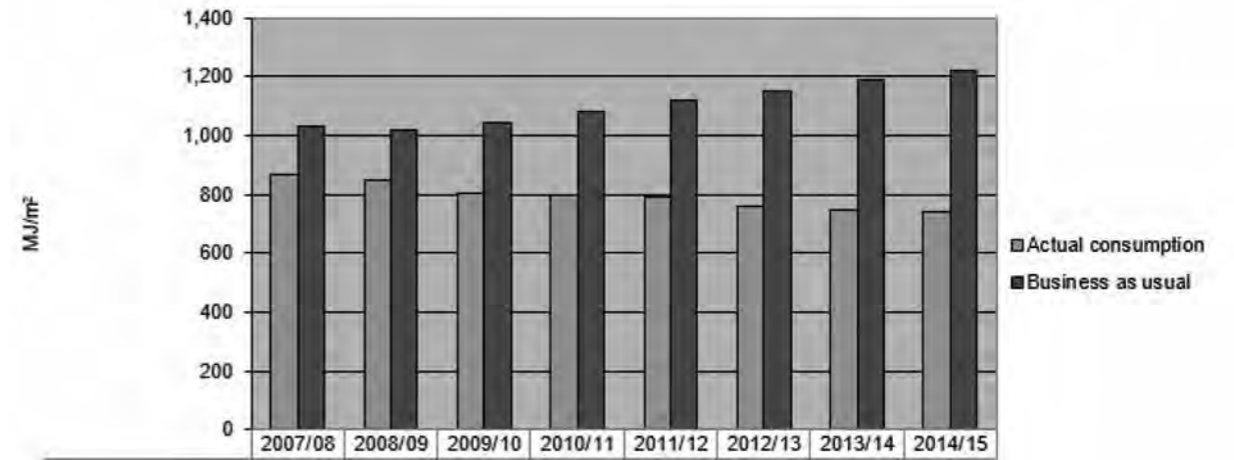
Existing Buildings As with new buildings, all future maintenance and renovations works undertaken on existing buildings will require them to comply with the standards being developed for new buildings. As such, all works involving lighting replacements and upgrades will require the fitting of LED alternatives. Furthermore, the effectiveness of wireless lighting control systems was also piloted during the current reporting period. If successful, such technology will prove far cheaper to install in existing building than traditional hard-wired alternatives.

Investigative works were undertaken into various options to improve the thermal performance of buildings as well as opportunities to improve the performance of existing HVAC systems. Several options subsequently became the subject of pilots with the results of these expected to be available for assessment during the 2015-16 financial year. Where the use of improved technologies and materials is proven via the pilot process these will, in turn, be fed back into the requirements for new buildings, as well.

Energy Results for 2014-15

Indicator	2013/14					2014/15					% Change from previous f/y
	Electricity	Natural Gas	LPG	Green Power	Total Energy	Electricity	Natural Gas	LPG	Green Power	Total Energy	
Total Energy Usage (GJ)	237,295	97,350	1,250	0	335,895	240,801	101,480	1,250	0	343,531	2.27%
Greenhouse Gas Emissions (Tonnes of CO₂e)	79,757	5,053	75	N/a	84,885	80,936	5,267	75	N/a	86,277	1.64%
Percentage of electricity purchased as Green Power	0%	N/a	N/a	N/a	0%	0%	N/a	N/a	N/a	0%	N/a
Energy use per unit of area (MJ/m²)	528.18	216.69	2.78	N/a	747.65	520.38	219.30	2.70	N/a	742.38	0.71%

Total Energy Consumption by Floor Area, (MJ/m²). (Actual Consumption Compared to Estimated Business-As-Usual Consumption)



During the current reporting period staff increases of approximately 2.3 per cent combined with an estimated 3 per cent increase in floor area resulting in a modest increase in total energy consumption of around 2.27 per cent.

However, the energy intensity metric, (MJ/m²), decreased by 0.71 per cent. The achievement this financial year brings to eight the number of consecutive years in which a reduction in this important measurement has been achieved.

Purchase of Green Power was discontinued in the past couple of years with part of the cost savings being used to invest in energy efficiency initiatives. In the future, this approach will result in reduced Greenhouse Gas emissions and associated recurrent costs as the benefits of more efficient equipment are realised.

Targets for 2015-16

Several existing energy-related pilots will be concluded during the 2015-16 financial year. Analysis of the performance outcome of these pilots together with a lifecycle costing examination will determine their potential for implementation at specific sites across the organisation. These initiatives include investigations into improving the thermal efficiency of window systems, assessment of wireless lighting control systems and options to improve the performance of refrigerated air-conditioning compressors. Any one of these pilots has the potential to deliver significant environmental and financial savings for the organisation.

Preliminary investigations have already commenced on a joint venture with one of the metropolitan councils in relation to the feasibility of implementing a large-scale solar PV installation straddling two adjacent buildings – one belonging to Victoria Police; the other to the council. It is anticipated this project will proceed in 2015-16. The outcome of this initiative is expected to provide valuable information on the benefits and viability of such projects for similar sites around the metropolitan area.

Research into traditional and emerging technologies will continue in the coming reporting cycle and, where justified, additional pilots will be undertaken to determine the environmental and financial viability of suitable options.

SUSTAINABLE IT PROGRAM

The focus of this program is to ensure all aspects of the organisation's IT services are acquired, operated and disposed of in the most energy and environmentally efficient manner possible. To date, the impact of this program has been far greater than any of the other programs developed by the Environment & Efficiency Division.

Actions Undertaken During 2014-15

Printer Rationalisation Project Phase 2 (PRP2)

The design and implementation of the PRP2, which was established along the lines of the highly successful original PRP, was finalised during the current reporting period. Essentially, the outcome of the PRP2 resulted in the delivery of significantly more efficient print management solutions for the organisation.

Improved Energy Efficiency of Equipment Delivered During the IT Refresh

The (Environmental) IT Standard, previously developed by the Environment & Efficiency Division, set out the minimum energy efficiency and environmental standards required for any equipment acquired under the IT Refresh. This requirement has, and will, deliver significant energy savings during the life of the associated equipment.

Replacement of MFD Fleet

Research was conducted into the various multi-function devices in the marketplace and advice provided to executive management in relation to the most environmentally efficient models and those devices which had advanced features which could deliver additional efficiency benefits. The models suggested by the Environment & Efficiency Division were ultimately adopted by the organisation.

SUSTAINABLE BUILDINGS PROGRAM

The purpose of the Sustainable Buildings Program is to investigate, assess and, where appropriate, recommend the implementation of initiatives to improve the efficiency and environmental performance of Victoria Police's building stock. Under the auspices of the Police Building Efficiency Project (PBEP), all aspects of building design, construction, maintenance and operation are being reviewed to identify opportunities to reduce the life-cycle costs of our buildings.

Actions Undertaken During 2014-15

Significant investigative and analytical work into existing buildings was undertaken during the cycle. This information will be used to develop baseline data on a range of building performance metrics.

A comprehensive Lighting Standard was developed which will require the exclusive use of LED lighting technology in all new and refurbished police buildings.

A range of other initiatives have been investigated and are at various stages of assessment with regard to their potential to improve the performance of existing and new buildings thereby delivering environmental as well as financial benefits.

Targets for 2015-16

The PBEP will continue to be the main focus of work within this program in the coming years.

MANAGEMENT OF WATER PROGRAM

The data provided in this section is based on water meter readings from approximately 75 per cent¹ of Victoria Police buildings; covering approximately 99 per cent of FTEs.

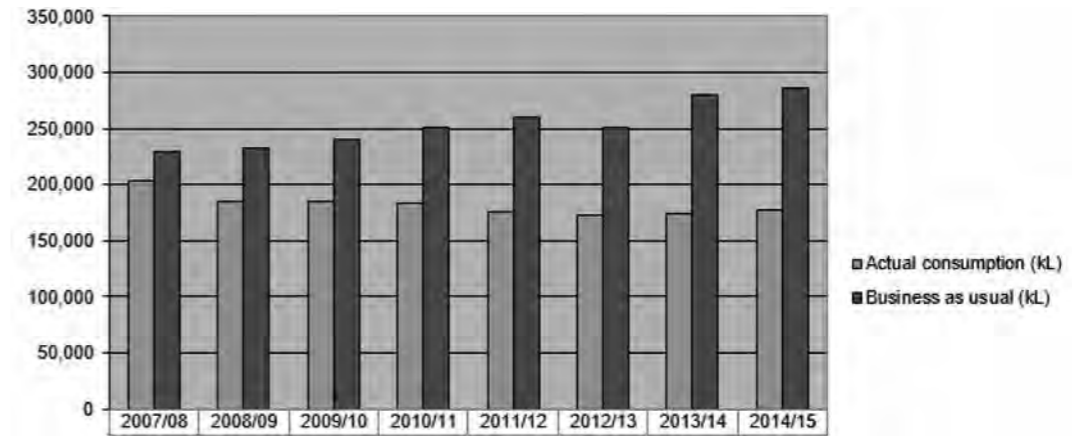
Water Results for 2014-15

Indicator	2013-14	2014-15	% Change from Previous F/Y
Total units of metered water consumed (kl)	174,894	177,985	1.8
Units of metered water consumed per FTE (kl/FTE)	10.41	10.35	-0.6

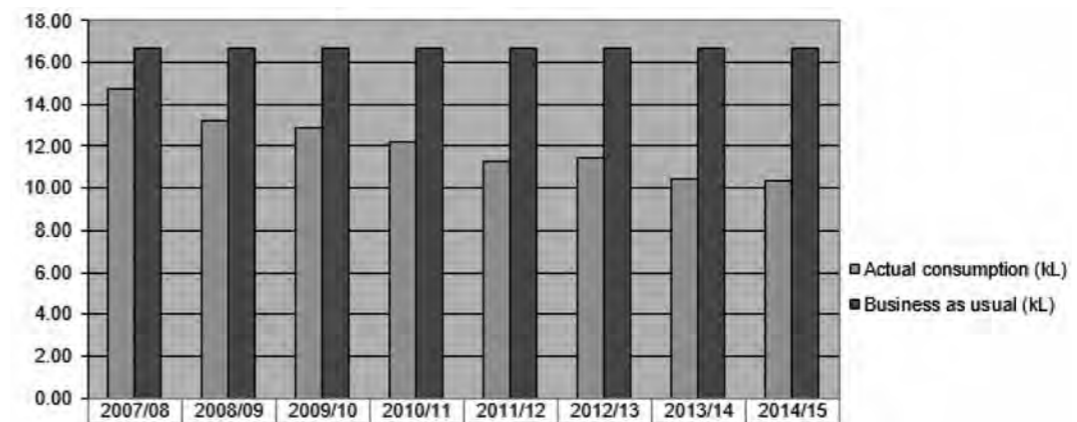
Overall water consumption increased slightly during the reporting period and this has been ascribed to the increase in staff numbers during the year. However, the usage per FTE fell slightly due, in the main, to the use of more efficient equipment including a reduced reliance on water chillers for air-conditioning.

With the exception of the 2012-13 financial year, (in which water consumption per FTE rose slightly due, in part, to a fall in overall staffing levels late in the financial year), the organisation has achieved a steady decrease in water consumption per FTE from a high of 16.66, in 2006-07 when records began, to a low of 10.35 in the current reporting period. This represents a reduction of 37.8 per cent in terms of a business-as-usual consumption comparison.

Total Water Consumption (kL) (Actual Consumption Compared to Estimated Business-As-Usual Consumption)



Total Water Consumption by FTE (kL/FTE) (Actual Consumption Compared to Estimated Business-As-Usual Consumption)



¹ One man stations not included in the analysis, as residential and operational consumption is not separable in many instances. They account in total for around 25 per cent of sites but only 0.007 per cent of FTEs

PAPER MANAGEMENT

Victorian Government policy requires all copy paper to be purchased through the Victorian Government nominated provider and all the data represented in the following table relates to paper acquired via this arrangement.

Actions Undertaken During 2014-15

Continued focus on the use of duplex rather than simplex printing in addition to using mono rather than colour printing during the reporting period.

Paper Usage for 2014-15

Indicator (A4 ream equivalent)	2013-14	2014-15	% Change from Previous F/Y
Total units of copy paper used	192,368	193,622	0.7
Units of copy paper used per FTE (reams/FTE)	11.45	11.26	-1.7
Percentage of 76-100% recycled content copy paper purchased	34.3%	16.9%	-50.5
Percentage of 50-75% recycled content copy paper purchased	47.1%	21.7%	-53.7
Percentage of 1-49% recycled content copy paper purchased	0.8%	19.8%	2,492.3
Percentage of virgin fibre copy paper purchased	17.8%	41.7%	235.6

The continuing decrease in paper consumption, per FTE, highlights one of the ongoing successes of the Paper Management Program which seeks to reduce staff reliance on this resource. A slight increase in overall paper consumption is attributed to a slight increase in staff numbers which occurred during the reporting period.

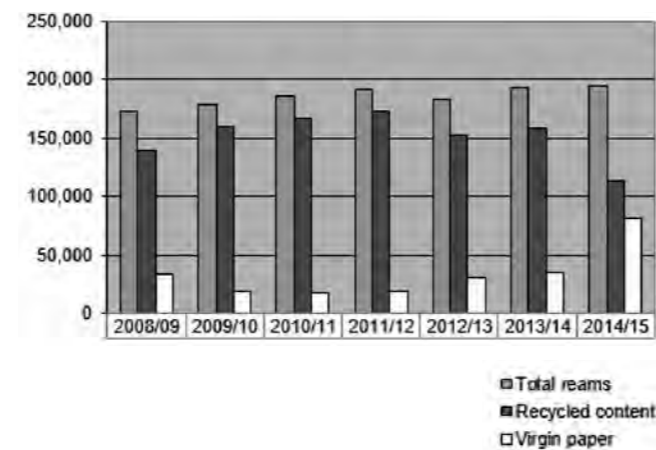
Use of paper products with a recycled content of 50 per cent or higher decreased markedly during the reporting period with a commensurate increase in virgin-fibre and low recycled-content alternatives.

While the use of some virgin-fibre products will be necessary, as coloured paper only comes in virgin fibre, the unwelcome escalation in the use of virgin white paper products may be related more to cost-pressures than a preference for non-recycled paper.

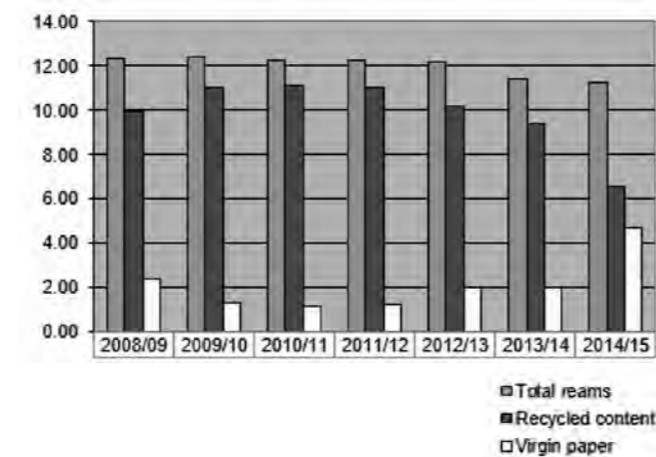
A surge in the use of 20 per cent recycled-content paper during the second half of the reporting period enabled the 1-49 per cent recycled-content category to record an overall usage of 19.81 per cent rather than the 0.001 per cent which existed at the end of December 2014.

The preference for Australian-made products continues and is directly related to the Environment & Efficiency Division's decision, several years ago, to support the viability of the local waste paper recycling industry. Use of foreign-made products supports their waste challenges with the potential that excessive use of imported recycled-content paper products may result in local waste ending up in landfill should insufficient local demand for its use result.

Total Paper Consumption (A4-Equivalent Reams)



Total Paper Consumption by FTE (A4-Equivalent Reams/FTE)



Targets for 2015-16

Investigation into the reasons for the increasing use of virgin-fibre and low-content recycled copy paper products will be undertaken to enable the development of strategies to reduce the current consumption levels.

WASTE MANAGEMENT PROGRAM

Since 2008, a range of projects and systems have been developed and implemented to reduce the quantities of waste Victoria Police sites send to landfill each year. Among the initiatives to be introduced were the Waste Minimisation System, (WMS), the Paper Management System, metals recycling, and a range of other targeted waste solutions.

Waste initiatives and systems have been implemented at sites covering around 35 per cent of all Victoria Police staff. Prior to the suspension of this program, it had been planned to implement the WMS at all sites across the state by the end of 2014.

Many of the locations where the WMS has been introduced use municipal waste collection services which do not allow for the accurate collection of waste statistics. In the past, the conduct

of random waste audits was used as the basis for estimating the overall quantities of waste diversion from landfill.

Actions Undertaken During 2014-15

Actions during the reporting period were limited to the provision of general advice and guidance to staff and management.

Continued provision of specific and detailed advice to management and staff across the organisation in areas where waste initiatives have previously been implemented.

Targets for 2015-16

At this stage, other than for the provision of advice on existing initiatives and general information, no specific targets have been set for the Waste Management Program.

SUSTAINABLE TRANSPORT

The Transport Branch is responsible for the management of Victoria Police's fleet and, at present, this includes the associated environmental reporting responsibilities.

Energy and Emissions Data	2010-11	2011-12	2012-13	2013-14	2014-15
Total Energy Consumption by Vehicles (Megajoules)	368.6	372.82	373.05	369.01	365.33
Total Vehicle Travel Associated with Victoria Police Operations (Kilometres)	87,171,188	86,227,501	87,035,882	87,201,544	89,129,503
Total Greenhouse Gas Emissions from Vehicle Fleet (tonnes CO2-e)	27,643	27,962	27,979	27,676	27,400
Greenhouse Gas Emissions from Vehicle Fleet per 1000 Kilometres Travelled (CO2-e)	0.317	0.324	0.321	0.317	0.307

APPENDIX P - REPORT UNDER THE *CORRECTIONS ACT 1986*

In accordance with section 9D(3A) of the *Corrections Act 1986*, key actions and achievements in relation to prisoner management in 2014-15 include:

Melbourne Custody Centre, Moorabbin Justice Centre and the Ringwood Court Cells

Victoria Police manage the Melbourne Custody Centre (MCC), Moorabbin Justice Centre (MJC) and the Ringwood Court Cell facilities under contract with G4S.

Ringwood Magistrates Court Cells

In April 2014, Victoria Police recommissioned the Ringwood Magistrates Court cells with the MJC contract being used to engage G4S to provide the required custody and escort services. This initiative has positively impacted both the courts and police cells at Ringwood.

G4S Contract services

During 2014-15, G4S provided the following contract services:

- Melbourne Custody Centre
 - Managed 25,104 prisoner movements (counted in and out). In addition, 1,655 intoxicated persons were lodged
 - Managed 12,744 court movements between the MCC, Melbourne Magistrates Court and County Court (sitting as the Melbourne Magistrates Court)
 - Provided full time security of prisoners in 14 Melbourne Magistrates Courts
 - Facilitated a total of 18,019 visits to prisoners, including 1,333 visits by relatives and friends, 16,038 legal visits to prisoner clients and 648 police visits to prisoners
 - Escorted 28 prisoners to hospital and provided 342 hours of guard duties whilst prisoners received medical treatment.
- Moorabbin Justice Centre
 - Managed 1,338 prisoner movements (counted in and out)
 - Managed 804 court movements
 - Facilitated a total of 1,041 legal visits to prisoner clients.
- Ringwood Magistrates Court Cells
 - Managed 3,028 prisoner movements (counted in and out)
 - Managed 2,037 court movements
 - Facilitated a total of 2,639 legal visits to prisoners.

The high number of remanded and sentenced prisoners remaining in police cells is still an issue for Victoria Police, which is impacting on prisoner numbers at MCC.

G4S work collaboratively with Victoria Police to ensure compliance with the *Charter of Human Rights and Responsibilities Act 2006*, which took effect on 1 January 2008. G4S have ongoing mandatory Human Rights and Responsibilities training for all staff. G4S Australia is accredited with an AS/NZS ISO 9001:2000 Certified Quality Management System.

Procurement planning has begun for a new custody contract anticipated to come into effect on 29 March 2017. The scope of the services that will be required will be managed via engagement with the operational business owner.

APPENDIX Q – COMPLIANCE WITH OTHER LEGISLATION

CONTROL OF WEAPONS ACT 1990 (SECTION 10B)

The Chief Commissioner of Police is required to report on searches without warrant undertaken in accordance with section 10B of the *Control of Weapons Act 1990*.

Search Type	2013-14	2014-15
Searches Conducted	363	710

Prohibited, Dangerous & Controlled weapons found as result of *Control of Weapons Act* search.

Weapon	2013-14	2014-15	
Prohibited Weapons	Slingshot	1	2
	Capsicum Spray	1	3
	Offensive/Noxious Liquid/Gas	0	1
	Electric Current Emit Article	3	3
	Laser Pointer	3	5
	Mace Or Similar	0	2
	Baton/Bo-Chucks	0	2
	Nunchaku	0	2
	Sai/Jitte	0	2
	Tonfa	0	2
	Flick Knife	3	4
	Dagger	3	1
	Knuckle Knife	0	1
	Butterfly Knife	0	3
	Double-End Knife	0	1
	Push Knife	0	2
	Throwing Blade	0	2
Dangerous Articles	Ballistic Knife	1	0
	Extendable Baton	4	0
	Knuckle Duster	6	15
	Imitation Handgun	3	4
	Imitation Longarm	2	0
	Bottle/Glass	0	1
	Axe/Tomahawk	7	2
	Bat/Bar/Club	20	19
	Syringe	2	6
	Other Weapon	10	17
Controlled Weapons	Knife	88	144
	Crossbow	0	1
	Baton or Cudgel	0	6
	Sword	9	2
	TOTAL	166	255

Note:

Data extracted from LEAP on 18 July 2015 and subject to variation. New method of recording Field Contact data implemented mid-2012-13. Weapon seizure data only partially available.

DRUGS, POISONS AND CONTROLLED SUBSTANCES ACT 1981 (SECTION 60S)

The Chief Commissioner of Police is required to report on searches without warrant undertaken in accordance with section 60S of the *Drugs, Poisons and Controlled Substances Act 1981*.

Number of searches without warrant under section 60E conducted during financial year

Persons under 18 years searched: 4 persons

Number of searches of persons irrespective of age without warrant under section 60F conducted during financial year

Persons searched irrespective of age: 7 persons

Number and type of volatile substances and items used to inhale a volatile substance seized as a result of conducting those searches

Number of substances seized:	
Aerosol	7
Solvent (Glue)	0
Plastic Bag	5
Paper Bag	2
Gases	0
Other	1

Number and type of volatile substances and items used to inhale a volatile substance received by members of the police force when produced in accordance with a request under section 60H(1)(b)

Surrendered substances and items on request of police officer:	
None	0
Some	0
All	15
Unknown	0

Number and type of volatile substances and items used to inhale a volatile substance returned to persons under section 60N

Returned substances and items:	
None	15
Some	0
All	0
Unknown	0

Number and type of volatile substances and items used to inhale a volatile substance disposed of or made safe under section 60O

Disposed of substances and items	
None	0
Some	0
All	15
Unknown	0

Number and type of volatile substances and items used to inhale a volatile substance forfeited to the Crown under section 60P

Forfeited substances and items	
None	0
Some	0
All	15
Unknown	0

Number of persons apprehended and detained without warrant under section 60L during financial year

4 persons (under 18 years) apprehended and detained
7 persons (irrespective of age) apprehended and detained
Total: 11 persons apprehended and detained

Males	8
Females	3
Unknown	0
Indigenous	0
Non Indigenous	11
Unknown	0

FIREARMS ACT 1996 (SECTION 153C)

The Chief Commissioner of Police must provide to the Minister for inclusion in the Annual Report of Operations under Part 7 of the *Financial Management Act 1994* a report containing:

a) Number of searches without warrant under section 149 conducted during that financial year

	2013-14	2014-15
Searches	66	96

b) Number and type of firearms, cartridge ammunition, silencers and prescribed items found during the course of those searches

Firearms found*	2013-14	2014-15
Rifle	1	6
Air rifle/gun	0	1
Shotgun	6	2
Handgun	0	4
Machine Gun	0	0
Sawnoff Firearm	0	6
Imitation Firearm	0	8
Cartridge Ammunition	7	6
Other Firearm	3	9
TOTAL	17	42

c) Any other information requested by the Minister

No information requested.

* Data extracted from LEAP and is subject to variation. This data is held in a free text field, not coded, and may not be complete.

GRAFFITI PREVENTION ACT 2007 (SECTION 17)

The Chief Commissioner of Police is required to report on searches without warrant undertaken in accordance with section 17 of the *Graffiti Prevention Act 2007*.

Persons searched during graffiti related search without warrant

Age Group	2013-14	2014-15
14-17	98	117
18-23	57	59
24+	28	21
Unspecified	21	11
TOTAL PERSONS CONTACTED	204	208
TOTAL REPORTS	141	131

Graffiti implements found during graffiti related search without warrant

Implement Type	2013-14	2014-15
Aerosol Paint Container	28	43
Texta/Marker	22	57
Other Graffiti Implement	5	14
TOTAL IMPLEMENTS	55	114

Note:

Data extracted from LEAP on 18 July 2015 and subject to variation. A field contact report may have multiple persons recorded.

SEX OFFENDERS REGISTRATION ACT 2004 (SECTION 62)

Throughout the 2014-15 Financial Year, the Sex Offender Registry has been working closely with the Department of Justice & Regulation to deliver amendments to the *Sex Offenders Registration Act 2004* that came into force on 1 June 2015.

These changes enhance the capability for Victoria Police to monitor Registered Sex Offenders (RSOs) in the community. To prepare for these amendments we have:

- Presented forums across the state to Victoria Police Compliance Managers, Department of Health & Human Services (DHHS) and Corrections Victoria staff
- Served all RSOs in Victoria with notices of their new reporting obligations.

The Sex Offender Registry has continued an internal focus on ensuring our compliance managers maintain to contemporary standards and improve their response with respect to managing RSOs.

The recent establishment of an Inter-agency Working Group incorporating Victoria Police, DHHS and Corrections Victoria will ensure that we continue to support a co-ordinated approach to managing RSOs in the community.

Composition of the Sex Offender Registry

	Community	Other
Total Males	3,671	2,271
Total Females	84	30
TOTAL	3,755	2,301
Total Juveniles <18 Years	0	2
Reporting Period		
4 Years	5	
7.5 Years	18	
Custom	35	
8 yrs	1,041	
15 yrs	1,488	
Life	1,168	
Other Status		
In Custody		777
Interstate/Overseas		675
De-registered		576
Deceased		262
Suspended		11
Total	3,755	2,301
Registry Total	6,056	

- Data extracted from the Sex Offender Registry (SOR) database on Tuesday 30 June 2015
- Data is subject to change
- 'Community' denotes RSOs currently living in the community under the management of Victoria Police compliance managers
- 'Other' refers to RSOs that are in custody, deceased, interstate / overseas, de-registered or suspended.

SENTENCING ACT 1991 (SECTION 89DH)

In accordance with section 89DH of the *Sentencing Act 1991*, the Chief Commissioner of Police must provide to the Minister for inclusion in the annual report of operations under Part 7 of the *Financial Management Act 1994* a report containing—

Reporting requirement	Results for 2014-15
a) the number of applications made for alcohol exclusion orders during that financial year	Not reported*
b) the number of applications for alcohol exclusion orders that were withdrawn during that year	Not reported*
c) the number of applications for alcohol exclusion orders that were dismissed during that year	Not reported*
d) the number of alcohol exclusion orders made during that year	Eight (8) Orders have been made in the Magistrates Court.
e) the number of persons charged with an offence against section 89DF(1) or (2) during that year	There is no record of any person being charged with an offence against section 89DF(1) or (2)
f) the number of charges for an offence under section 89DF(1) or (2) that resulted in a finding of guilt in that year	There is no record of any person being charged with an offence against section 89DF(1) or (2)
g) the number of contraventions of an alcohol exclusion order that were recorded by members of the police force during that year in respect of which no charge sheet was filed	Not reported
h) a comparison with the immediately preceding 3 financial years of the information required under this subsection.	Not applicable, as this is the first year of the scheme.

Note:

Victoria Police does not separately capture this data, as the application is part of a brief of evidence. Data cannot be disaggregated for this purpose.

APPENDIX R – 2014-15 VICTORIA POLICE HONOURS AND AWARDS

2014-15 VICTORIA POLICE HONOURS AND AWARDS

Australian Police Medal (APM)

(Awarded in recognition of distinguished service by a member of an Australian police force)

Assistant Commissioner	Kevin Patrick CASEY	20718
Assistant Commissioner	Robert John HILL	21127
Assistant Commissioner	Shane Andrew PATTON	22129
Superintendent	Cindy Anthea MILLEN	27923
Detective Inspector	Michael John HUGHES	21228
Inspector	Neil Robert CHENEY	20254
Inspector	Thomas John MANLEY	18112
Inspector	Bernard Anthony RANKIN	18373
Senior Sergeant	Paul Martin MELLICK	20986
Senior Sergeant	Wayne Andrew NEWMAN	29340
Senior Sergeant	Raymond PARLANTI	24579
Senior Sergeant	Marilynn ROSS	26191
Senior Sergeant	Wayne SPENCE	20491
Leading Senior Constable	Raymond John STOMANN	18520

Public Service Medal (PSM)

(Awarded for outstanding public service)

VPS4	Tina KALLIFIDAS
VPS3	Jemmes HANDY

Medal for Courage

(Awarded to an employee/s who has/have performed an act of courage in fulfilment of their duties in dangerous and volatile operational circumstances)

Sergeant	Matthew SIMPSON	29514
Leading Senior Constable	Andrew PAYNE	32134
First Constable	Cameron WALLACE	37911

Group Citation Medal for Merit

(Awarded to an employee/s who has/have demonstrated exemplary service to Victoria Police and the Victorian community)

Acting Superintendent	Timothy Austin TULLY	27557
Inspector	Dennis Leslie WATSON	21637
Senior Sergeant	Dearne Maree DUMMETT	31385
Senior Sergeant	Phillip Robert EDGE	28645
Senior Sergeant	Katriona Maree KARLOV	29646
Sergeant	Geraldine Mary BATES	23262
Senior Constable	Cheree Ann PEDLER	35990
VPS5	Dolores RHODES	
VPS3	Doyle JASON	
VPS2	James DIONEDA	
VPS2	Ashlee THOMAS	

Medal for Merit

(Awarded to an employee/s who has/have demonstrated exemplary service to Victoria Police and the Victorian community)

Inspector	Richard Edward MARVIN	22801
Sergeant	Paul BREEN	25126
Sergeant	Valerie Joy ELLIS	30394
Sergeant	Scott WILLIAMS	34509
VPS6	Mark BARNETT	
VPS6	Patrick TIDMARSH	

APPENDIX S - ACRONYM GLOSSARY

Citizens Commendations

(Awarded to a community member who has performed a conspicuous act of bravery or provided exemplary service in connection with Victoria Police operations or for the community)

Ross BASHAM
Sheri GEORGE
Sean GRAY
Marlon LAW
Glenn McIVER
Craig ROWSTON
Grant ROWSTON
Mark WEEDEN
Andrew WOOD

Australian Bravery Award

(Awarded for acts of (the most) conspicuous courage in circumstances of extreme/great peril or for acts of bravery in hazardous circumstances)

Sergeant	David Thomas COOPER	29316
Leading Senior Constable	Colin Richard COOPER	29859

Royal Humane Society Awards

(Awarded to an employee/s who has/have performed an act of courage in fulfilment of their duties in dangerous and volatile operational circumstances)

<i>Bronze Medal</i>		
Sergeant	David Thomas COOPER	29316

<i>Certificate of Merit</i>		
Leading Senior Constable	Andrew PAYNE	32134

Victoria Police Stars

(An award for employees killed or seriously injured, on or off duty)

Inspector	Craig Bernard MATTERS	22844
Inspector	Mark STUBBERFIELD	17040
Senior Sergeant	David REITHER	26440
Sergeant	Christopher Andrew HOLLIS	23071
Sergeant	Michael KENNEDY	2009
Sergeant	Anthony Bernard SCULLY	21927
Leading Senior Constable	Christopher John BULLEN	32387
Leading Senior Constable	Ross MARTIN	30702
Senior Constable	Julie LOWE	36256
First Constable	Emma QUICK	39055
Constable	Varli Jade BLAKE	39950
Constable	Thomas LONIGAN	2423
Constable	John VINCS	20404
PSO	James VONGVIXAY	480

Departmental and Regional Commendations

Senior Sergeant	Robert Charles HOPE	27174
Senior Sergeant	Eric Charles STRIK	26738
Leading Senior Constable	Bronwyn Joy JACKSON	24559
Senior Constable	Lea-Taylor BOLTON	34194
First Constable	Timothy John BRYAN	39231
Victoria Police Welfare Unit		
VPS6	Dr Alexandra WEST	

AC	Assistant Commissioner	JCTT	Joint Counter Terrorism Team
ACLO	Aboriginal Community Liaison Officer	LEAP	Law Enforcement Assistance Program
ACORN	Australian Cybercrime Online Reporting Network	LEDR	LEAP Electronic Data Recorder
AGLO	Agricultural Liaison Officer	LGA	Local Government Area
AFP	Australian Federal Police	LGBTI	Lesbian/Gay/Bisexual/Transgender/Intersex
AJA3	Aboriginal Justice Agreement	LRD	Licensing and Regulation Division
AM	Member of the Order of Australia	LTIFR	Lost Time Injury Frequency Rate
ANPR	Automated Number Plate Recognition	MCC	Melbourne Custody Centre
APM	Australian Police Medal	MCCD	Media and Corporate Communications Department
BAC	Blood Alcohol Content	MDC	Multi-Disciplinary Centre
BP3	Budget Paper No. 3	MDMA	3,4-methylenedioxy-methamphetamine (Ecstasy)
CAAT	Computer-Assisted Audit Techniques	MDT	Mobile Data Terminal
CAD	Computer Aided Dispatch	MJC	Moorabbin Justice Centre
CAG	Corporate Advisory Group	MSA	Methylamphetamine Strategic Approach
CAP	Continuous Auditing Program	NFA	National Firearms Agreement
CCP	Chief Commissioner of Police	NSCSP	National Survey of Community Satisfaction with Policing
CED	Conducted Energy Device (Commonly known as 'Taser')	OFT	Oral Fluid Test
CIO	Chief Information Officer	OHS	Occupational Health and Safety
CIPS	Chartered Institute of Procurement and Supply	ORU	Operational Response Unit
CMIS	Collision Management Information System	OSTT	Operational Safety and Tactics Training
CoP	Code of Practice	PACER	Police and Clinician Emergency Response
CPDP	Commissioner for Privacy and Data Protection	PALO	Police Aboriginal Liaison Officer
CPS	Criminal Proceeds Squad	PIPP	Policing Information Process and Practice
CSOID	Corporate Strategy and Operational Improvement Department	PBEP	Police Building Efficiency Project
CSA	Crime Statistics Agency (Victorian)	PCO	Police Custody Officer
CQP	Constable Qualifying Program	PRSB	Police Registration and Services Board
DHHS	Department of Health and Human Services	PSA	Police Service Area
DJR	Department of Justice & Regulation	PSM	Public Service Medal
DTF	Department of Treasury and Finance	PSO	Protective Services Officer
DWG	Designated Work Groups	RMR	Regional Mobile Radio
EBA	Enterprise Bargaining Agreement	ROCSID	Register of Complaints Serious Incidents and Discipline
ELP	External Lodgement Process	RSO	Registered Sex Offender
EMP	Education Master Plan	SD	Standing Direction
ESGD	Executive Services and Governance Division	SMLDP	Senior Managers Leadership Development Program
ESM	Essential Safety Measures	SOCIT	Sexual Offences and Child Abuse Investigation Teams
EO	Executive Officer	SOR	Sex Offender Registry
FTE	Full-Time Equivalent	TIS	Traffic Incident System
FOI	Freedom of Information	TPA	The Police Association
FRD	Financial Reporting Direction	VACP	Victims Assistance Counselling Program
HSR	Health and Safety Representative	VEOHRC	Victorian Equal Opportunity and Human Rights Commission
HVHR	High Value High Risk	VGPB	Victorian Government Procurement Board
HWC	Healthy Workplace Council	VIPP	Victorian Industry Participation Policy
IBAC	Independent Broad-based Anti-corruption Commission	VPARC	Victoria Police Audit and Risk Committee
ICE	Crystalline Methylamphetamine (street term)	VPeR	Victoria Police eReferrals
ICT	Information and Communications Technology	VPM	Victoria Police Manual
ICV	In Car Video	VPS	Victorian Public Service
IPRMM	Integrated Planning and Risk Management Model	YTU	Youth Tasking Unit
IT	Information Technology		
JACET	Joint Anti-Child Exploitation Task Force		

09 FINANCIALS



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Accountable Officer's and Chief Finance and Accounting Officer's declaration

The attached financial statements for Victoria Police have been prepared in accordance with Standing Directions 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity, and accompanying notes, present fairly the financial transactions during the year ended 30 June 2015 and financial position of Victoria Police as at 30 June 2015.

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

We authorise the attached financial statements for issue on 16 September 2015.

Graham Ashton AM
Chief Commissioner
Victoria Police

Melbourne
16 September 2015

Peter Froutzis
Chief Finance and
Accounting Officer
Victoria Police

Melbourne
16 September 2015

VAGO

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INDEPENDENT AUDITOR'S REPORT

To the Chief Commissioner, Victoria Police

The Financial Report

The accompanying financial report for the year ended 30 June 2015 of Victoria Police which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the accountable officer's and chief finance and accounting officer's declaration has been audited.

The Chief Commissioner's Responsibility for the Financial Report

The Chief Commissioner of Victoria Police is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Chief Commissioner determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Chief Commissioner, as well as evaluating the overall presentation of the financial report.

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

Auditing in the Public Interest

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Victoria Police as at 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.



MELBOURNE
23 September 2015

Dr Peter Frost
Acting Auditor-General

COMPREHENSIVE OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$'000	2014 \$'000
Income from Transactions			
Revenue from Victorian Government	2(a)	2,434,295	2,275,790
Other income	2(b)	13,898	9,555
Total Income from Transactions		2,448,193	2,285,345
Expenses from Transactions			
Employee expenses	3(a)	1,833,773	1,676,849
Depreciation and amortisation	3(b)	76,756	76,536
Capital asset charge	3(c)	93,716	86,928
Supplies and services	3(d)	458,820	449,161
Interest expense	3(e)	1,836	2,870
Bad debts from transactions	3(f)	316	0
Total Expenses from Transactions		2,465,217	2,292,344
Net Result from Transactions (Net Operating Balance)		(17,024)	(6,999)
Other Economic Flows Included in Net Result			
Net gain/(loss) on non-financial assets	5(a)	7,164	7,450
Net gain/(loss) from other economic flows	5(b)	(7,807)	(1,299)
Total Other Economic Flows Included in Net Result		(643)	6,151
Net Result		(17,668)	(848)
Comprehensive Result		(17,668)	(848)

Note:
The above comprehensive operating statement should be read in conjunction with the accompanying notes.

BALANCE SHEET AS AT 30 JUNE 2015

	Note	2015 \$'000	2014 \$'000
ASSETS			
Financial Assets			
Cash and deposits	20(a)	35,446	32,241
Receivables	6	402,142	379,814
Total Financial Assets		437,588	412,055
Non-Financial Assets			
Other non-financial assets	8	17,776	17,630
Inventories	7	6,740	8,101
Non-financial physical assets classified as held for sale	9	9,148	5,619
Property, plant and equipment	10	1,462,952	1,376,008
Intangible assets	11	12,849	11,966
Total Non-Financial Assets		1,509,465	1,419,323
TOTAL ASSETS		1,947,053	1,831,379
LIABILITIES			
Payables	12	92,608	101,159
Borrowings	13	75,594	67,436
Provisions	14	499,726	446,047
TOTAL LIABILITIES		667,928	614,641
NET ASSETS		1,279,125	1,216,738
EQUITY			
Accumulated surplus		24,918	42,586
Contributed capital		683,716	603,660
Physical asset revaluation surplus	21	570,491	570,491
NET WORTH		1,279,125	1,216,738
Commitments for expenditure	17		
Contingent liabilities	18		

Note:
The above balance sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Physical Asset Revaluation Surplus \$'000	Accumulated Surplus \$'000	Contributed Capital \$'000	Total \$'000
Balance at 1 July 2013	570,491	43,436	546,881	1,160,808
Net result from transactions for the year	0	(6,999)	0	(6,999)
Other comprehensive income for the year	0	6,151	0	6,151
Capital contribution from /(to) other state departments/entities	0	0	(6,016)	(6,016)
Capital contribution by Government as part of annual grants	0	0	62,793	62,793
Balance at 30 June 2014	570,491	42,586	603,660	1,216,738
Net result from transactions for the year	0	(17,024)	0	(17,024)
Other comprehensive income for the year	0	(643)	0	(643)
Capital contribution from /(to) other state departments/entities	0	0	(2,505)	(2,505)
Capital contribution by Government as part of annual grants	0	0	82,560	82,560
Balance at 30 June 2015	570,491	24,918	683,716	1,279,125

Note:

The above statement of changes in equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$'000	2014 \$'000
Cash flows from operating activities			
Receipts from Government		2,411,959	2,246,462
Other income		9,524	6,760
Sales of goods and services		1,080	1,005
Interest received		59	62
GST received from ATO (i)		63,615	65,882
Payments to suppliers and employees		(2,308,055)	(2,140,499)
Capital asset charge		(93,716)	(86,928)
Interest paid		(1,836)	(2,870)
Net cash flows from/(used in) operating activities	20(c)	82,630	89,874
Cash flows from investing activities			
Proceeds from sale of property, motor vehicles, plant and equipment		29,773	31,251
Payments for property, plant & equipment		(136,479)	(131,979)
Net cash flows from/(used in) investing activities		(106,706)	(100,728)
Cash flows from financing activities			
Proceeds from capital contributed by Government		80,055	56,779
Repayment of finance leases		(52,774)	(48,285)
Net cash flows from/(used in) financing activities		27,281	8,494
Net increase/(decrease) in cash and cash equivalents		3,205	(2,360)
Cash and cash equivalents at the beginning of the financial year		32,241	34,601
Cash and cash equivalents at the end of the financial year	20(a)	35,446	32,241

Note:

The above cash flow statement should be read in conjunction with the accompanying notes.

(i) Goods and Services Tax presented on a net basis.

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements represent the audited general purpose financial statements for Victoria Police for the year ended 30 June 2015.

The purpose of the report is to provide users with information about Victoria Police's stewardship of resources entrusted to it.

(A) STATEMENT OF COMPLIANCE

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994 (FMA)* and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 29 Glossary of terms.

The annual financial statements were authorised for issue by the Chief Commissioner of Police on 16 September 2015.

(B) BASIS OF ACCOUNTING PREPARATION AND MEASUREMENT

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, plant and equipment, refer to Note 1 (M) Non-financial assets;
- superannuation expense – refer to Note 1 (H); and
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates, refer to Note 1 (N) Liabilities.

These financial statements are presented in Australian dollars, and are prepared in accordance with the historical cost convention except for:

- non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value;
- the fair value of an asset other than land is generally based on its depreciated replacement value; and
- the long service leave liability that is calculated with regard to actuarial assessments of the future inflation factor.

Consistent with AASB 13 Fair Value Measurement, Victoria Police determines the policies and procedures for both recurring and fair value measurements such as property, plant and equipment, and financial instruments and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Victoria Police has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Victoria Police determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is Victoria Police's independent valuation agency. Victoria Police, in conjunction with VGV, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

(C) REPORTING ENTITY

The financial statements cover Victoria Police as an individual reporting entity. Victoria Police is an administrative agency acting on behalf of the Crown. Its principal address is:

Victoria Police Centre
637 Flinders Street
Docklands VIC 3008

The financial statements include all the controlled activities of Victoria Police, including all funds through which Victoria Police controls resources to carry on its functions.

A description of the nature of Victoria Police's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Objectives and Funding

The role of Victoria Police is to serve the Victorian Community and uphold the law and to promote a safe, secure and orderly society. Funding is provided to carry out its statutory obligations of preserving the peace, protecting life and property, preventing the commission of offences, detecting and apprehending offenders and helping those in need of assistance.

Victoria Police is predominantly funded by grants received from the Victorian Government.

Outputs of Victoria Police

The policing services output reports on activities relating to the provision of effective police and law enforcement services that aim to prevent, detect, investigate and prosecute crime, and promote safer road user behaviour. It focuses on activities which enable Victorians to undertake their lawful pursuits confidently, safely and without fear of crime.

(D) BASIS OF CONSOLIDATION

In accordance with AASB 10 *Consolidated Financial Statements* the comprehensive operating and balance sheet exclude bodies within Victoria Police's portfolio that are not controlled by Victoria Police. Bodies and activities that are administered (see explanation below under administered items) are also not controlled and not consolidated. The latter is disclosed in Note 22 Administered Items.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of Victoria Police.

Administered Items

Certain resources are administered by Victoria Police on behalf of the State. While Victoria Police is accountable for the transactions involving administered items, it does not have the discretion to deploy the resources for its own benefit or the achievement of its objectives. Accordingly, transactions and balances relating to administered items are not recognised as Victoria Police income, expenses, assets or liabilities within the body of the financial statements.

Administered income includes fees and fines and the proceeds from the sale of administered surplus property. Administered assets include government income earned but yet to be collected. Administered liabilities include government expenses incurred but yet to be paid.

Except as otherwise disclosed, administered resources are accounted for on an accrual basis using the same accounting policies adopted for recognition of the Victoria Police items in the financial statements. Both controlled and administered items of Victoria Police are consolidated into the financial statements of the State.

Disclosures related to administered items can be found in Note 22 Administered Items.

Funds Held in Trust - Other Trust Activities on Behalf of Parties External to the Victorian Government

Victoria Police has responsibility for transactions and balances relating to trust funds on behalf of third parties external to the Victorian Government. Income, expenses, assets and liabilities managed on behalf of third parties are not recognised in these financial statements as they are managed on a fiduciary and custodial basis, and therefore are not controlled by Victoria Police or the Victorian Government. These transactions and balances are reported in Note 24 (c) Third party funds under management.

(E) SCOPE AND PRESENTATION OF FINANCIAL STATEMENTS

Comprehensive Operating Statement

The comprehensive operating statement comprises three components, being 'net result from transactions', 'other economic flows included in net result', as well as 'other economic flows – other comprehensive income'. The sum of the former two represents the net result.

The net result is equivalent to the profit or loss derived in accordance with AASs.

'Other economic flows' are changes arising from market remeasurements. They include:

- gains and losses from disposals of non financial assets
- revaluations and impairments of non financial physical and intangible assets
- remeasurement arising from defined benefit superannuation plans
- fair value changes of financial instruments.

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 *Presentation of Financial Statements*.

'Transactions' and 'other economic flows' are defined by the *Australian system of government finance statistics: Concepts, Sources and Methods 2005 and Amendments to Australian System of Government Finance Statistics, 2005* (ABS Catalogue No. 5514.0) (the GFS manual), refer Note 29 Glossary of terms.

'Transactions' are those economic flows that are considered to arise as a result of policy decisions, usually interactions between two entities by mutual agreement. Transactions also include flows in an entity, such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as

the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the Government and taxpayers. Transactions can be in kind (e.g. assets provided / given free of charge or for nominal consideration) or where the final consideration is cash.

'Other economic flows' are changes arising from market re-measurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets.

Balance Sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial and non-financial assets.

Current and non-current assets and liabilities (non-current being those assets or liabilities expected to be recovered or settled beyond 12 months) are disclosed in the notes, where relevant.

Cash Flow Statement

Cash flows are classified according to whether or not they arise from operating, investing, or financing activities. This classification is consistent with requirements under AASB 107 *Statement of Cash Flows*.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included in cash and deposits on the balance sheet.

Statement of Changes in Equity

The statement of changes in equity presents reconciliations of each non-owner and owner changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the 'Comprehensive result' and amounts recognised in 'Other economic flows – other movements in equity' related to 'Transactions with owner in its capacity as owner'.

Rounding

Amounts in the financial statements (including the notes) have been rounded to the nearest thousand dollars, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

(F) CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies.

(G) INCOME FROM TRANSACTIONS

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured at fair value.

Revenue from Government

Revenue from government becomes controlled and is recognised by Victoria Police when granted. Additionally, under Section 29 of the *Financial Management Act 1994* the entity is permitted to have certain income annotated on the revenue from Government. The income which forms part of a Section 29 agreement is recognised by Victoria Police and the receipts paid into the Consolidated Fund as an administered item. At the point of income recognition, Section 29 provides for an equivalent amount to be granted to Victoria Police. Examples of receipts which can form part of a Section 29 agreement are Commonwealth Government specific purpose grants, proceeds from the sale of assets and income from the sale of products and services.

Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes. All amounts of income over which Victoria Police does not have control are disclosed as administered income in the schedule of administered income and expenses, refer Note 22 Administered Items.

Income from grants received is based on the output Victoria Police provides to Government and is recognised when the output has been delivered and the relevant Minister has certified delivery of the output in accordance with specified performance criteria.

Other Income

Sales of Goods and Services - Income from the Supply of Services

Income from the supply of services is recognised by reference to the stage of completion of the services being performed. The income is recognised when:

- the amount of the income, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to Victoria Police.

Under the stage of completion method, income is recognised by reference to labour hours supplied.

Sales of Goods and Services - Income from Sale of Goods

Income from the sale of goods is recognised when:

- Victoria Police has transferred all the significant risk and rewards of ownership of the goods to the buyer
- Victoria Police no longer has continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold
- the amount of income, and the costs incurred or to be incurred in respect of the transactions, can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to Victoria Police.

Interest Income

Interest includes interest received on term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported either as part of income from other economic flows in the net result or as unrealised gains and losses taken directly to equity, forming part of the total change in net worth in the comprehensive result.

Grants Received in Relation to Trusts

Income from grants (other than contribution by owners) is recognised when Victoria Police gains control over the contribution.

Where such grants are payable into the Consolidated Fund, they are reported as administered income, refer to Note 1 (D) Basis of consolidation, and Note 1 (K) Financial instruments. For reciprocal grants (i.e. equal value is given back by Victoria Police to the provider), Victoria Police is deemed to have assumed control when the performance obligations under the terms of the grant have been satisfied. For non-reciprocal grants, Victoria Police is deemed to have assumed control when the grant is receivable or received. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Other Trust Income

Other trust income includes private sector donations and fringe benefits tax receipts which are recognised upon receipt.

Plant and Equipment Received Free of Charge or for Nominal Consideration

Contributions of resources received free of charge or for nominal consideration are recognised at fair value when control is obtained over them, irrespective of whether these contributions are subject to restrictions or conditions over their use. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not received as a donation.

(H) EXPENSES FROM TRANSACTIONS

Expenses from transactions are recognised as they are incurred and reported in the financial year to which they relate.

Employee Expenses

Refer to the section in Note 1 (N) Liabilities regarding employee benefits.

These expenses include all costs related to employment including wages and salaries, superannuation, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

Superannuation

The amount recognised in the comprehensive operating statement is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

The Department of Treasury and Finance (DTF) in their Annual Financial Statements disclose on behalf of the State as the sponsoring employer, the net defined benefit cost related to the members of these plans as an administered liability. Refer to DTF's Annual Financial Statements for more detailed disclosures in relation to these plans.

Depreciation and Amortisation

All buildings, plant and equipment and other non-financial physical assets (excluding items under operating leases, assets held-for-sale, and land) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Refer to Note 1 (M) Non-financial assets for the depreciation policy for leasehold improvements.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

The following are typical estimated remaining useful lives for the different asset classes for current and prior years:

	2015	2014
Buildings	1-50 years	1-50 years
Leasehold improvements	1-20 years	1-20 years
Plant and equipment	1-40 years	1-40 years
Leased plant and equipment	1-3 years	1-3 years
Leased motor vehicles	1-3 years	1-3 years
Heritage assets	1-50 years	1-50 years
Cultural artworks	1-100 years	1-100 years
Software	1-5 years	1-5 years

Land and core cultural assets, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Intangible produced assets with finite useful lives are amortised as an expense from transactions on a systematic (typically straight-line) basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Interest Expense

Interest expense is recognised in the period in which it is incurred. Refer to Note 29 Glossary of terms for an explanation of interest expense items.

Capital Asset Charge

The capital asset charge is calculated on the revised budgeted carrying amount of applicable non-financial physical assets.

Supplies and Services

Supplies and services expenses generally represent the day to day running costs incurred in normal operations. They are recognised as an expense in the reporting period in which they are incurred.

Ex Gratia Payments

These are payments made to employees or members of the public to compensate or reimburse, where Victoria Police is not legally bound to make one.

Bad and Doubtful Debts

Refer to Note 1 (L) Financial assets – Impairment of non-financial assets.

Assets and Services Provided Free of Charge or for Nominal Consideration

Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another government department or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such a transfer will be recognised at its carrying value.

Contributions in the form of services are only recognised when a fair value can be reliably determined and the service would have been purchased.

(I) OTHER ECONOMIC FLOWS INCLUDED IN THE NET RESULT

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

Net Gain/ (Loss) on Non-Financial Assets

Net gain/ (loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

Revaluation Gains/ (Losses) of Non-Financial Physical Assets

Refer to Note 1 (M) Non-financial assets – Revaluations of non-financial physical assets.

Disposal of Non-Financial Assets

Any gain or loss on the sale of non-financial assets is recognised at the date of disposal and is determined after deducting from the proceeds the carrying value of the asset at the time.

Impairment of Non-Financial Assets

Intangible assets not yet available for use or with indefinite useful lives are tested annually for impairment (as described below) and whenever there is an indication that the asset may be impaired.

All other assets are assessed annually for indications of impairment, except for:

- inventories, refer to Note 1 (M) Non-financial assets; and
- non-financial physical assets held-for-sale, refer to Note 1 (M) Non-financial assets.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written-off as an other economic flow, except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a change in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Refer to Note 1 (M) Non-financial assets in relation to the recognition and measurement of non-financial assets.

Other Gains (Losses) from Other Economic Flows

Other gains/ (losses) from other economic flows include the gains or losses from:

- transfer of amounts from the reserves and/or accumulated surplus to net result due to disposal or derecognition or reclassification; and
- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

(J) ADMINISTERED INCOME

Regulatory Fees and Fines

Victoria Police does not gain control over assets arising from fines and regulatory fees, consequently no income is recognised in Victoria Police's financial statements. The income is paid into the Consolidated Fund.

Grants from the Commonwealth Government and Other Jurisdictions

Victoria Police's administered grants mainly comprise funds provided by the Commonwealth Government to assist the State Government in meeting service delivery obligations. Administered grants are disclosed in the schedule of Administered Items in Note 22.

(K) FINANCIAL INSTRUMENTS

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Victoria Police's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract. However, guarantees issued by the Treasurer on behalf of Victoria Police are financial instruments because, although authorised under statute, the terms and conditions for each financial guarantee may vary and are subject to an agreement.

Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Categories of Non-Derivative Financial Instruments

Loans and Receivables

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transactions costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Loans and receivables include cash and deposits, (refer to Note 1 (L) Financial assets), trade receivables, loans and other receivables, but not statutory receivables.

Financial Liabilities at Amortised Cost

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method, refer to Note 19 Financial instruments.

Financial instrument liabilities measured at amortised cost include all contractual payables, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit or loss.

(L) FINANCIAL ASSETS

Cash and Deposits

Cash and deposits recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and those highly liquid investments (with an original maturity of three months or less), which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and readily convertible to known amounts of cash with an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as borrowings on the balance sheet.

Any interest earned on the financial asset is recognised in the comprehensive operating statement as a transaction.

Receivables

Receivables consist of:

- contractual receivables, such as debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables (refer to Note 1(O) Leases)
- statutory receivables, such as amounts owing from the Victorian Government and Goods and Services Tax (GST) input tax credits recoverable.

Contractual receivables are classified as financial instruments and categorised as loans and receivables (refer to Note 1(K) Financial Instruments for recognition and measurement). Statutory receivables, are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

Receivables are subject to impairment testing as described below. A provision for doubtful receivables is recognised when there is objective evidence that the debts may not be collected, and bad debts are written off when identified.

For the measurement principle of receivables, refer to Note 1(K) Financial Instruments.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- Victoria Police retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Victoria Police has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset, or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where Victoria Police has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Victoria Police's continuing involvement in the asset.

Impairment of Financial Assets

At the end of each reporting period, Victoria Police assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Receivables are assessed for bad and doubtful debts on a regular basis. Those bad debts considered as written-off by mutual consent are classified as a transaction expense. Bad debts not written off by mutual consent and the allowance for doubtful receivables are classified as other economic flows in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

(M) NON-FINANCIAL ASSETS

Inventories

Inventories include goods held for distribution at zero or nominal cost or for consumption in the ordinary course of business operations.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

Cost includes an appropriate portion of fixed and variable overhead expenses. Cost for all other inventory is measured on the basis of weighted average cost.

Bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Non-Financial Physical Assets Classified as Held for Sale, Including Disposal Group Assets

Non-financial physical assets (including disposal group assets) are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This condition is regarded as met only when:

- the asset is available for immediate use in the current condition; and
- the sale is highly probable and the asset's sale is expected to be completed within twelve months from the date of classification.

These non-financial physical assets, related liabilities and financial assets are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation or amortisation.

Property, Plant and Equipment

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is the asset's fair value at the date of acquisition. Assets

transferred as part of a machinery of government change are transferred at their carrying amount.

The initial cost for non-financial physical assets under a finance lease (refer to Note 1 (O) Leases) is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Non-financial physical assets such as Crown land and heritage assets are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply.

The fair value of cultural assets and collections, heritage assets and other non-financial physical assets (including crown land) that Victoria Police intends to preserve because of their unique historical, cultural or environmental attributes, is measured at the replacement cost of the asset less, where applicable, accumulated depreciation (calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset) and any accumulated impairment. These policies and any legislative limitations and restrictions imposed on their use and/or disposal may impact their fair value.

The fair value of plant, equipment and vehicles is normally determined by reference to the asset's depreciated replacement cost. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

Certain assets are acquired under finance leases. Refer to Note 1 (O) Leases and Note 1 (Q) Commitments for more information.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

For the accounting policy on impairment of non-financial physical assets refer to Note 1 (I) Other economic flows included in the net result.

Leasehold Improvements

The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

Revaluations of Non-Financial Physical Assets

Non-financial physical assets are measured at fair value on a cyclical basis in accordance with the Financial Reporting Directions (FRDs) issued by the Minister for Finance. A full revaluation normally occurs every five years, based upon the asset's government purpose classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs.

Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in 'Other economic flows – other movements in equity' and accumulated in equity under the asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised in 'Other economic flows – other movements in equity' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment. Otherwise, the net revaluation decreases are recognised immediately as other economic flows in the net result. The net revaluation decrease recognised in 'Other economic flows – other movements in equity' reduces the amount accumulated in equity under the asset revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment, are offset against one another within that class but are not offset in respect of assets in different classes. Any asset revaluation surplus is not normally transferred to accumulated funds on derecognition of the relevant asset.

Intangible Assets

Purchased intangible assets are initially measured at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to Victoria Police.

When the recognition criteria in AASB 138 *Intangible Assets* are met, internally generated intangible assets are recognised and measured at cost less accumulated amortisation and impairment. Refer to Note 1 (H) Expenses from transactions – Depreciation and amortisation, and to Note 1 (I) Other economic flows included in the net result – Impairment of non-financial assets.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

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

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

Other Non-Financial Assets

Advances Paid to Department of Treasury And Finance

Advances paid to Department of Treasury and Finance are for goods or services not yet received. Payments are for the purchase of property on behalf of Victoria Police, and leasehold building fit-outs.

Prepayments

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

(N) LIABILITIES

Payables

Payables consist of:

- contractual payables, such as accounts payable and unearned income. Accounts payable represent liabilities for goods and services provided to Victoria Police prior to the end of the financial year that are unpaid, and arise when Victoria Police becomes obliged to make future payments in respect of the purchase of those goods and services; and
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost, refer to Note 1 (K) Financial instruments. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Borrowings

All interest bearing liabilities are initially recognised at fair value of the consideration received, less directly attributable transaction costs, refer also to Note 1 (O) Leases. The measurement basis subsequent to initial recognition depends on whether Victoria Police has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through profit or loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

Provisions

Provisions are recognised when Victoria Police has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting period, taking into

account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

(i) Wages and Salaries and Annual Leave

Liabilities for wages and salaries, including non monetary benefits annual leave, are all recognised in the provision for employee benefits as 'current liabilities', because Victoria Police does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries and annual leave are measured at:

- nominal value - if Victoria Police expects to wholly settle within 12 months; or
- present value - if Victoria Police does not expect to wholly settle within 12 months.

(ii) Long Service Leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where Victoria Police does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- nominal value - if Victoria Police expects to wholly settle within 12 months; and
- present value - if Victoria Police does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow (refer to Note 1(l)) Other economic flows included in the net result.

(iii) Deferred Salary Scheme

Public service employees may choose to participate in a deferred salary scheme which allows them to be paid the equivalent of four years salary over a five year period. During the first four years the employee receives 80% of their salary. A provision is raised for the balance, which is paid during the fifth year whilst the employee is on leave.

(iv) Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. Victoria Police recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Employee Benefits On-Costs

Employee benefits on-costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision for employee benefits.

(O) LEASES

A lease is a right to use an asset for an agreed period of time in exchange for payment.

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are classified as finance infrastructure leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

Finance Leases - Victoria Police as Lessee

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease.

Minimum finance lease payments are apportioned between reduction of the outstanding lease liability, and periodic finance expense which is calculated using the interest expense implicit in the lease and charged directly to the comprehensive operating statement.

Finance Leases - Victoria Police As Lessee

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease.

Minimum finance lease payments are apportioned between reduction of the outstanding lease liability, and periodic finance expense which is calculated using the interest expense implicit in the lease and charged directly to the comprehensive operating statement.

Operating Leases - Victoria Police as lessee

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received to enter into operating leases, the aggregate cost of incentives are recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(P) EQUITY

Contributions by Owners

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

(Q) COMMITMENTS

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of note (refer to Note 17 Commitments for expenditure) at their nominal value and inclusive of the goods and services tax (GST) payable. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

(R) CONTINGENT LIABILITIES

Contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer Note 18 Contingent liabilities) and, if quantifiable, are measured at nominal value. Contingent liabilities are presented inclusive of GST payable.

(S) ACCOUNTING FOR THE GOODS AND SERVICES TAX (GST)

Income, expenses and assets are recognised net of the amount of associated GST, except where GST incurred is not recoverable from the Australian Tax Office (ATO). In this case the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flow.

Commitments and contingent liabilities are also stated inclusive of GST.

(T) AASB ISSUED THAT ARE NOT YET EFFECTIVE FOR THE 2014-15 REPORTING PERIOD

Certain new AASBs have been published that are not mandatory for the 30 June 2015 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises Victoria Police of their applicability and early adoption where applicable.

As at 30 June 2015, the following AASBs have been issued by the AASB but not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates as follows:

Standard/ Interpretation	Summary	Applicable for Annual Reporting Periods Beginning on	Impact on Public Sector Entity Financial Statements
AASB 9 <i>Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 Jan 2018	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2017 (Exposure Draft 263 – potential deferral to 1 Jan 2018)	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications. A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening returned earnings if there are no former performance obligations outstanding.
AASB 2014 1 <i>Amendments to Australian Accounting Standards [Part E Financial Instruments]</i>	Amends various AASBs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1 Jan 2018	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.
AASB 2015 6 <i>Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, AASB 124 & AASB 1049]</i>	The Amendments extend the scope of AASB 124 <i>Related Party Disclosures</i> to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	1 Jan 2016	The amending standard will result in extended disclosures on the entity's key management personnel (KMP), and the related party transactions.

NOTE 2. INCOME FROM TRANSACTIONS

	2015 \$'000	2014 \$'000
(a) Revenue from Victorian Government		
Grants received from Government	2,434,295	2,275,790
Total revenue from Victorian Government	2,434,295	2,275,790
(b) Other income		
Income from sale of goods and services	1,080	1,005
Interest income	59	62
Grants received in relation to trusts	4,374	1,250
Other trust income	8,304	6,526
Plant and equipment received free of charge or nominal consideration	81	713
Total other income	13,898	9,555
Total income from transactions	2,448,193	2,285,345

NOTE 3. EXPENSES FROM TRANSACTIONS

	2015 \$'000	2014 \$'000
(a) Employee expenses		
Salary, wages and annual leave	1,471,684	1,343,033
Superannuation (refer Note 15)	178,740	164,430
Long service leave	55,422	50,085
Other on-costs (fringe benefits tax, payroll tax and workcover levy)	127,928	119,301
	1,833,773	1,676,849
(b) Depreciation and amortisation		
Buildings	25,389	24,980
Leasehold improvements	6,253	9,768
Plant and equipment	11,976	11,152
Leased plant and equipment	32,466	29,962
Intangible assets	673	673
	76,756	76,536
(c) Capital asset charge	93,716	86,928
(d) Supplies and services		
Communications	33,878	33,084
Transport	37,067	36,596
Administration	16,418	17,359
Accommodation	133,457	115,809
Computer facilities	84,728	87,823
Police operating expenses	137,998	145,434
Legal expenses	15,274	13,044
Plant and equipment provided free of charge or for nominal consideration	0	12
	458,820	449,161
(e) Interest expense		
Finance lease costs (motor vehicle fleet)	1,836	2,870
	1,836	2,870
(f) Bad debts from transactions	316	0
Total expenses from transactions	2,465,217	2,292,344

NOTE 4. EX-GRATIA PAYMENTS

	2015 \$'000	2014 \$'000
Compensation for economic loss - property (i)	18	19
Compensation for economic loss - personal injury (ii)	0	113
Property damage payments	84	69
	102	201

Notes:

(i) These are payments made to employees or members of the public to compensate or reimburse, where Victoria Police are not legally bound to make one.

(ii) Ex-gratia payments in respect of loss or damage to employees and members of the public personal effects are only made where either some unusual hazard or circumstance was responsible for the incident or where the State of Victoria appears to have breached a legal duty to ensure the safety of the work place where employees carry out duty.

NOTE 5. OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT

	2015 \$'000	2014 \$'000
(a) Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of plant, equipment and motor vehicles	6,035	5,106
Assets recognised for first time (i)	1,128	2,345
	7,164	7,450
(b) Net gain/(loss) from other economic flows		
Net gain/(loss) arising from revaluation of long service leave liability	(5,831)	(1,215)
Net gain/(loss) from bad/doubtful debts	(1,976)	(85)
	(7,807)	(1,299)
Total other economic flows included in net result	(643)	6,151

Note:

(i) Refer to Note 10(d) for further detail of assets recognised for the first time.

NOTE 6. RECEIVABLES

	2015 \$'000	2014 \$'000
Current receivables		
Contractual		
Receivables from sale of goods and services (i)	6,377	6,323
Other receivables	5,197	2,582
Provision for doubtful contractual receivables (a)	(2,115)	(139)
	9,459	8,767
Statutory		
Amounts owing from the Victorian Government (ii)	266,668	231,151
GST input tax credit recoverable	3,572	4,272
	270,240	235,423
Total current receivables	279,699	244,190
Non-current receivables		
Statutory		
Amounts owing from the Victorian Government (ii)	122,443	135,624
Total non - current receivables	122,443	135,624
Total receivables	402,142	379,814
(a) Movement in the provision for doubtful contractual receivables		
Balance at beginning of the year	(139)	(139)
Increase in provision recognised in the net result	(1,975)	0
Balance at end of the year	(2,115)	(139)

Notes:

- (i) The average credit period for the sale of goods and services and for other receivables is 30 days.
- (ii) Statutory receivables are amounts recognised as owing from the Victorian Government for all funding commitments incurred, which are drawn through grants from the Consolidated Fund as they fall due.

NOTE 7. INVENTORIES

	2015 \$'000	2014 \$'000
Supplies and consumables (i)		
General stores at cost	6,580	7,812
Radio and electronics stores at cost	143	248
Victoria Forensic Science Centre stores at cost	17	41
	6,740	8,101

Note:

- (i) The total carrying amount of inventories held for distribution at cost.

NOTE 8. OTHER NON-FINANCIAL ASSETS

	2015 \$'000	2014 \$'000
Current		
Advances paid to the Department of Treasury and Finance	17,225	17,225
Prepayments	551	405
Total other non-financial assets	17,776	17,630

NOTE 9. NON-FINANCIAL PHYSICAL ASSETS CLASSIFIED AS HELD FOR SALE

	2015 \$'000	2014 \$'000
Current		
Freehold land held for sale	3,169	2,304
Freehold buildings held for sale	3,006	1,165
Motor vehicles held for sale	2,973	2,150
Total non-financial physical assets classified as held for sale	9,148	5,619

Notes:

- Properties held for sale have been identified as surplus to requirements under the Strategic Facility Development Plan. This plan is reviewed on a regular basis and forms part of the Government's multi-year investment strategy.
- Motor vehicles held for sale are terminated leases awaiting disposal.

(a) Fair Value Measurement of Non-Financial Physical Assets Classified as Held for Sale

The following table provides the fair value measurement hierarchy of non-financial physical assets held for sale.

	Carrying amount as at 30 June 2015 \$'000	Fair value measurement at end of reporting period using:		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Current				
Freehold land held for sale (i)	3,169	0	3,169	0
Freehold buildings held for sale (i)	3,006	0	3,006	0
Total non-financial physical assets classified as held for sale	6,175	0	6,175	0

Note:

- (i) Freehold land and freehold buildings held for sale are carried at fair value less cost to disposal. Refer to Note 10(a) for the valuation technique applied to non-specialised land and buildings.

**NOTE 10. PROPERTY, PLANT AND EQUIPMENT
CLASSIFICATION BY 'PUBLIC SAFETY AND ENVIRONMENT' PURPOSE GROUP**

	2015 \$'000	2014 \$'000
Land		
Crown land		
At fair value	374,574	376,754
Total land	374,574	376,754
Buildings		
At fair value	893,889	787,626
less: accumulated depreciation	(99,848)	(75,569)
	794,042	712,056
Leasehold Improvements at fair value	63,256	52,071
less: accumulated amortisation	(32,614)	(28,094)
	30,642	23,976
Buildings in the course of construction at cost	107,348	120,923
Total buildings	932,032	856,955
Total land, buildings and leasehold improvements	1,306,606	1,233,709
Plant and equipment		
At fair value	144,658	139,561
less: accumulated depreciation	(93,341)	(85,065)
	51,317	54,496
Motor vehicles under finance lease (at cost)	103,368	95,709
less: accumulated amortisation	(31,015)	(30,704)
	72,353	65,006
Plant and equipment in the course of construction at cost	28,421	18,542
Total plant and equipment	152,091	138,044
Cultural artworks assets		
At fair value	4,255	4,255
Total cultural artwork assets	4,255	4,255
Total property, plant and equipment	1,462,952	1,376,008

An independent valuation of Victoria Police's land and buildings was performed by the Valuer-General to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. In the case of police stations the method used was Depreciated Replacement Cost as the valuer believes it would be difficult to sell such assets in an active and liquid market. The effective date of the valuation was 30 June 2011.

Restricted Assets

Victoria Police holds \$83.8 million (2014 \$82.2 million) worth of properties listed as heritage assets. These heritage assets cannot be modified nor disposed of without formal ministerial approval.

(a) Fair Value Measurement Hierarchy for Assets as at 30 June 2015

	Carrying amount as at 30 June 2015 \$'000	Fair value measurement at end of reporting period using:		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land at fair value				
Non-specialised land	17,661	0	17,661	0
Specialised land	356,913	0	0	356,913
Total of land at fair value	374,574	0	17,661	356,913
Buildings at fair value				
Non-specialised buildings	23,002	0	23,002	0
Specialised buildings	687,259	0	0	687,259
Heritage assets	83,781	0	0	83,781
Leasehold improvement	30,641	0	0	30,641
Total of buildings at fair value	824,683	0	23,002	801,682
Plant, equipment and vehicles at fair value				
Plant and equipment	51,317	0	0	51,317
Total plant, equipment and vehicles at fair value	51,317	0	0	51,317
Cultural assets at fair value				
Artworks	4,255	0	0	4,255
Total of cultural assets at fair value	4,255	0	0	4,255

There have been no transfers between levels during the period.

Non-Specialised Land and Non-Specialised Buildings

Non-specialised buildings are valued using the market approach. An independent valuation was performed by the Valuer General based on market to determine the fair value. For residential properties within the Victoria Police portfolio, the Active and Liquid Market (ALM) basis valuations are undertaken where a number of sales of similar properties are available to compare, allowing for various zonings including, but not limited to: Township, Business and Public Use. The effective date of valuation was 30 June 2011.

For non-specialised land, the market based direct comparison approach is used, whereby the subject properties are compared to recent comparable land sales or land with no added or nominal added improvement value sales. The valuation of land was determined by analysing land sales in comparable proximity to the subject properties and allowing for shape, size, topography, location and other relevant factors specific to the land being valued. From the sales analysed, it was determined that either development potential (building area) or land area were the key drivers of value. In most instances, an appropriate dollar rate per square metre from market evidence has been applied. The effective date of valuation was 30 June 2011.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Specialised Land and Specialised Buildings

The Depreciated Replacement Cost (DRC) has been adopted for the valuation of specialised assets. The highest and best use is considered to be for the continued use as a special purpose asset for the fulfillment of Community Service Obligations (CSO).

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

The DRC has also been applied to police stations as the valuers believe it would be difficult to sell such assets in an active and liquid market. The effective date of the valuation was 30 June 2011.

Heritage Assets

Heritage assets are valued using the DRC method. This cost represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the current service capacity of the asset. Where applicable, the effect of the heritage restrictions and planning overlays has also been reflected in the assessment of fair value. Physical deterioration, functional and economic obsolescence has also been factored into the DRC calculation.

Plant and Equipment

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the DRC method.

Cultural Artworks

Cultural artworks are held at fair value which has been calculated using the DRC. The valuation method considers inspection and assessment of similar examples of the artist's work and research on prices paid for similar examples offered at auction or through art galleries.

There were no changes in valuation techniques throughout the period to 30 June 2015.

For all assets measured at fair value, the current use is considered the highest and best use.

(b) Reconciliation of Level 3 Fair Value

	Specialised Land \$'000	Specialised Buildings \$'000	Heritage Assets \$'000	Leasehold Improvement \$'000	Plant and Equipment \$'000	Cultural Artworks \$'000
Opening balance 1 July 2014	359,048	606,381	82,221	23,976	54,496	4,255
Purchases	0	210	0	21	7,127	0
Sales	0	0	0	(33)	(937)	0
Assets free of charge	0	0	0	0	81	0
Assets recognised for first time	0	122	0	197	803	0
Transfers	0	0	0	0	0	0
In (out) of level 3	0	0	0	0	0	0
In (out) of assets under construction	25	106,262	3,500	12,733	724	0
Between asset classes	(940)	(2,980)	0	0	1,040	0
From contributed capital	(1,220)	(488)	0	0	(41)	0
Recognised in net result	0	0	0	0	0	0
Depreciation	0	(22,248)	(1,940)	(6,253)	(11,976)	0
Recognised in other economic flows - other comprehensive income	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Closing balance 30 June 2015	356,913	687,259	83,781	30,641	51,317	4,255

(c) Description of Significant Unobservable Inputs to Level 3 Valuations

	Valuation Technique	Significant Unobservable Inputs	Range (Weighed Average)	Sensitivity Of Fair Value Measurement To Changes In Significant Unobservable Inputs
Specialised Land	Market approach	Community Service Obligation (CSO) adjustment	20%	A significant increase or (decrease) in the CSO adjustment would result in a significantly lower (higher) fair value.
Specialised Buildings	Depreciated replacement cost	Direct cost per square metre	\$1-\$6,161/m ² (\$2,405)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Useful life of specialised buildings	1-50 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Heritage Assets	Depreciated replacement cost	Direct cost per square metre	\$120-\$6,238/m ² (\$3,347)	A significant increase or (decrease) in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Useful life of heritage assets	1-50 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Leasehold Improvements	Depreciated replacement cost	Cost per lease	\$18- \$11,690,215 (\$167,442 per lease)	A significant increase or decrease in cost per lease would result in a significantly higher or lower fair value.
		Lease period	1-20 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Plant and Equipment	Depreciated replacement cost	Cost per unit	\$5,000- \$1,646,134 per unit (\$10,555 per unit)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of plant and equipment	1-40 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Cultural Artworks	Depreciated replacement cost	Cost per unit	\$800-\$2 million per unit (\$212,740)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of cultural artworks	1-100 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

(d) Property, Plant and Equipment

Classification by 'Public Safety and Environment' Purpose Group - Movements in Carrying Amounts

The basis of valuation of Victoria Police's land and buildings adopted as at 30 June 2011 is in accordance with applicable accounting standards for the revaluation of non-current assets. The next formal revaluation of land and building assets is scheduled to occur at 30 June 2016.

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Crown Land	Buildings	Leasehold Improvements	Plant and Equipment	Leased Motor Vehicles	Buildings in the Course of Construction	P & E in the Course of Construction	Cultural Assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2014-15									
Opening Balance	376,754	712,056	23,976	54,496	65,006	120,923	18,542	4,255	1,376,008
Fair value of assets received free of charge	0	0	0	81	0	0	0	0	81
Fair value of assets recognised for first time	0	122	197	803	0	0	8	0	1,130
Fair value of assets given free of charge	0	0	0	0	0	0	0	0	0
Additions	0	210	21	7,127	60,932	121,071	10,945	0	200,305
Disposals	0	(435)	(33)	(937)	(20,296)	0	0	0	(21,701)
Transfer in/out of assets under construction	35	111,005	12,733	724	0	(123,558)	(939)	0	(0)
Net Revaluation Increments / (Decrements)	0	0	0	0	0	0	0	0	0
Transfers of assets via Contributed Capital	(1,220)	(488)	0	(41)	0	0	0	0	(1,749)
Other	0	0	0	0	0	(11,087)	(134)	0	(11,221)
Transfer (to)/from Advances (refer Note 8)	0	0	0	0	0	0	0	0	0
Depreciation/amortisation expense	0	(25,389)	(6,253)	(11,976)	(32,466)	0	0	0	(76,083)
Transfers to/from assets classified as held for sale	(995)	(1,999)	0	0	(823)	0	0	0	(3,817)
Reclassification	0	(1,040)	0	1,040	0	0	0	0	0
Balance at 30 June 2015	374,574	794,042	30,641	51,317	72,353	107,349	28,421	4,255	1,462,952
2013-14									
Opening Balance	374,094	709,504	13,354	56,551	62,257	65,179	4,372	4,255	1,289,567
Fair value of assets received free of charge	0	0	0	713	0	0	0	0	713
Fair value of assets recognised for first time	0	134	110	156	0	0	0	0	400
Fair value of assets given free of charge	0	0	0	(12)	0	0	0	0	(12)
Additions	0	304	142	6,122	51,633	102,561	17,013	0	177,775
Disposals	0	(115)	0	(738)	(18,245)	0	0	0	(19,098)
Transfer in/out of assets under construction	1,860	26,874	20,140	2,843	0	(48,874)	(2,843)	0	(0)
Net Revaluation Increments / (Decrements)	0	0	0	0	0	0	0	0	0
Transfers of assets via Contributed Capital	800	347	0	0	0	0	0	0	1,147
Other	0	0	0	0	0	0	0	0	0
Transfer (to)/from Advances (refer Note 8)	0	0	0	0	0	2,057	0	0	2,057
Depreciation/amortisation expense	0	(24,978)	(9,771)	(11,152)	(29,962)	0	0	0	(75,863)
Transfers to/from assets classified as held for sale	0	0	0	0	(677)	0	0	0	(677)
Reclassification	0	(14)	0	14	0	0	0	0	0
Balance at 30 June 2014	376,754	712,056	23,976	54,496	65,006	120,923	18,542	4,255	1,376,008

NOTE 11. INTANGIBLE ASSETS

	2015 \$'000	2014 \$'000
Gross Carrying Amount		
Opening balance of work in progress	10,070	4,930
Additions	1,555	5,140
Closing balance of work in progress	11,626	10,070
Opening balance of capitalised software		
Amortisation (i)	(673)	(673)
Closing balance of capitalised assets	1,223	1,896
Net book value at the end of the financial year	12,849	11,966

Note:

(i) Amortisation expense is included in the line item 'depreciation and amortisation' in Note 3.

Significant intangible assets:

Victoria Police has capitalised law enforcement related software expenditure for Interpose and LEAP (Law Enforcement Assistance Program) Electronic Data Recorder (LEDR).

Interpose has a carrying value of \$0.7 million (2014: \$1.1 million).

LEDR has a carrying value of \$0.5 million (2014: \$0.8 million).

NOTE 12. PAYABLES

	2015 \$'000	2014 \$'000
Current		
Contractual		
Supplies and services (i)	54,259	69,681
Amounts payable to government and agencies	9,948	9,607
Other payables	14,428	9,333
	78,635	88,620
Statutory		
Taxes payable	13,973	12,538
Total payables	92,608	101,159

Notes:

(i) The average credit period is 30 days and no interest is charged for the first 30 days from the date of the invoice.

(a) Nature and extent of risk arising from contractual payables

Please refer to Note 19 for the nature and extent of risks arising from contractual payables.

(b) Maturity analysis of contractual payables

Please refer to Table 19.4 in Note 19 for the maturity analysis of contractual payables.

NOTE 13. BORROWINGS

	2015 \$'000	2014 \$'000
Current		
Finance lease liabilities (i)	47,278	44,031
Non-current		
Finance lease liabilities (i)	28,316	23,404
Total borrowings	75,594	67,436

Notes:

(i) Finance lease liabilities are effectively secured as the rights to the leased assets and revert to the lessor in the event of default

(a) Nature and extent of risk arising from borrowings

Please refer to Note 19 for the nature and extent of risks arising from borrowings.

(b) Maturity analysis of borrowings

Please refer to Table 19.4 in Note 19 for the maturity analysis of borrowings.

NOTE 14. PROVISIONS

	2015 \$'000	2014 \$'000
Current Provisions		
(i) Employee benefits (Note 14(a)) - annual leave:		
(ii) Unconditional and expected to be settled within 12 months	40,368	32,709
(i) Employee benefits (Note 14(a)) - long service leave:		
(ii) Unconditional and expected to be settled within 12 months	31,333	37,569
(iii) Unconditional and expected to be settled after 12 months	282,001	263,139
	353,702	333,417
Provisions related to employee benefit on-costs (Note 14(a)):		
(ii) Unconditional and expected to be settled within 12 months	14,754	14,909
(iii) Unconditional and expected to be settled after 12 months	58,300	57,711
	73,054	72,620
(iv) Commuted overtime allowance (backpay claims)	18,008	0
Other provisions	2,619	283
Total current provisions	447,384	406,319
Non-current		
(i) Employee benefits (Note 14(a)) - Long service leave	38,837	27,557
Employee benefits on costs (Note 14(a))	7,955	5,938
(ii) Deferred salary scheme	43	33
	46,836	33,528
Make-good provision	5,506	6,199
Total non-current provisions	52,342	39,727
Total provisions	499,726	446,047
(a) Employee benefits and related on-costs		
Current employee benefits		
Annual leave entitlements	40,368	32,709
Long service leave entitlements	313,335	300,707
	353,702	333,417
Non-current employee benefits		
Long service leave entitlements	38,837	27,557
Deferred salary scheme	43	33
	38,880	27,591
Total employee benefits	392,583	361,007
Current on-costs	73,054	72,620
Non-current on-costs	7,955	5,938
Total on-costs	81,009	78,557
Total employee benefits and related on-costs	473,592	439,564

(b) Movement in provisions

	On-costs \$'000	Make-good \$'000	Other \$'000	Total \$'000
Opening balance 1 July 2014	78,557	6,199	283	85,039
Additional provisions	17,361	0	20,627	37,988
Reductions arising from payments/other sacrifices of future economic benefits	(14,909)	(693)	(283)	(15,885)
Closing balance 30 June 2015	81,009	5,506	20,627	107,143
Current	73,054	0	20,627	93,682
Non-current	7,955	5,506	0	13,462
	81,009	5,506	20,627	107,143

Notes:

- (i) Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs.
- (ii) The amounts disclosed are nominal amounts.
- (iii) The amounts disclosed are discounted to present values.
- (iv) The provision for commuted overtime allowance relates to a decision of the Australian Fair Work Commission which resulted in back pay claims to police officers.

NOTE 15. SUPERANNUATION

Government Employees' Superannuation Fund

Employees of Victoria Police are entitled to receive superannuation benefits and Victoria Police contributes to both defined benefit and defined contribution plans. The defined benefit plans provides benefits based on years of service and final average salary.

Victoria Police does not recognise any defined benefit liability in respect of the plans because the entity has no legal or constructive obligation to pay future benefits relating to its employees, its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance discloses the State's defined benefit liabilities in its financial report.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of Victoria Police.

The name and details and amounts expensed in relation to the major employee superannuation funds and contributions made by Victoria Police are as follows:

Fund	Contributions Paid for the Year		Contributions Outstanding at Year End	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Defined benefit plans (i)				
Emergency Services and State Super - revised and new	163,412	150,465	532	770
Defined contribution plans:				
VicSuper	13,502	12,194	44	62
Other	1,245	934	4	5
Total	178,159	163,592	580	837

Note:

- (i) The basis for contributions are determined by the various schemes.

NOTE 16. LEASES

Disclosure for Lessees - Finance Leases

Leasing Arrangements	Minimum Future Lease Payments		Present Value of Minimum Future Lease Payments	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Finance lease liabilities (i)				
Not longer than one year	49,451	46,182	47,278	44,032
Longer than one year and not longer than five years	29,335	24,330	28,316	23,404
Minimum lease payments*	78,787	70,513	75,594	67,436
less future finance charge	(3,193)	(3,077)		
Present value of minimum lease payments	75,594	67,436	75,594	67,436
Included in the financial statements as:				
Current borrowings lease liabilities (Note 13)			47,278	44,031
Non-current borrowings lease liabilities (Note 13)			28,316	23,404
			75,594	67,436

*Minimum future lease payments includes the aggregate of all lease payments and any guaranteed residual.

Note:

(i) Finance leases relate to motor vehicles mainly with lease terms of 36 months or 60,000 kms, whichever comes first. The lease terms and conditions are in accordance with the whole of government lease management facility.

Disclosure for Lessees - Operating Leases

Leasing Arrangements

	2015 \$'000	2014 \$'000
Non-cancellable operating leases (ii)		
Not longer than one year	47,613	37,177
Longer than one year and not longer than five years	163,467	28,419
Longer than five years	389,314	16,879
	600,393	82,475

Note:

(ii) Some of the property leases in the above note may be subject to a CPI increase at a future date. Major increase shown in 2015 is mainly due to the new lease agreement for City West Police Complex and the Victoria Police Centre lease being extended.

NOTE 17. COMMITMENTS FOR EXPENDITURE

The following commitments have not been recognised as liabilities in the financial statements:

	2015 \$'000	2014 \$'000
(a) Capital commitments		
Plant, equipment and motor vehicles		
Not longer than one year	0	0
	0	0
(b) Buildings		
Not longer than one year	15,755	89,277
Longer than one year and not longer than five years	327	275
	16,082	89,551
Total capital expenditure commitments	16,082	89,551
(c) Outsourcing commitments (i)		
Not longer than one year	157,733	141,223
Longer than one year and not longer than five years	172,468	112,663
Longer than five years	0	15,759
Total other expenditure commitments	330,201	269,645
Total commitments for expenditure (inclusive of GST)	346,283	359,197
Less: GST recoverable from the Australian Taxation Office	(31,480)	(32,654)
Total commitments for expenditure (exclusive of GST)	314,803	326,542

Notes:

(i) The outsourcing commitments relate to a number of operational service agreements.

Finance lease and non-cancellable operating lease commitments are disclosed in Note 16.

All amounts shown in the commitments note are nominal amounts inclusive of GST.

NOTE 18. CONTINGENT LIABILITIES

Contingent Liabilities	2015 \$'000	2014 \$'000
Legal proceedings and disputes	29,226	20,148
	29,226	20,148

Note:

These estimates are based on a separate assessment of all Victoria Police files by our legal advisors.

NOTE 19. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

Victoria Police's principal financial instruments comprise: cash assets, receivables (excluding statutory receivables), payables (excluding statutory payables) and finance lease payables. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 1 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage Victoria Police's financial risks within the government policy parameters.

Victoria Police's main financial risks include credit risk, liquidity risk, and interest rate risk. Victoria Police manages these financial risks in accordance with the *Financial Management Act 1994*, and the whole of government Standing Directions including the Financial Management Compliance Framework.

Victoria Police uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Chief Finance Officer.

The carrying amounts of Victoria Police's contractual financial assets and financial liabilities by category are disclosed in Table 19.1 below:

Table 19.1: Categorisation of Financial Instruments

	2015 \$'000	2014 \$'000
Contractual Financial Assets - Loans and Receivables		
Cash and deposits	35,446	32,241
Receivables (i)		
Sale of goods and services	6,377	6,323
Other receivables	3,082	2,443
Total contractual financial assets	44,905	41,008
Contractual financial liabilities at amortised cost		
Payables (i)		
Supplies and services	54,259	69,681
Amounts payable to government and agencies	9,948	9,607
Other payables	14,428	9,333
Borrowings		
Lease liabilities	75,594	67,436
Total contractual financial liabilities	154,229	156,056

Note:

(i) The total amounts disclosed here exclude statutory amounts i.e. amounts owing from the Department of Justice and Regulation and GST input tax credit recoverable and taxes payable.

(b) Credit Risk

Credit risk arises from the contractual financial assets of Victoria Police which comprise cash and cash deposits, and non-statutory receivables. Victoria Police's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to Victoria Police. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with Victoria Police's contractual financial assets is minimal as the main debtor is the Victorian Government which is statutory. For debtors other than the Government, it is Victoria Police's policy to only deal with entities with high credit ratings of a minimum Triple-B rating and to obtain sufficient collateral or credit enhancements where appropriate.

In addition, Victoria Police does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash assets, which are mainly cash at bank.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that Victoria Police will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Victoria Police's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Table 19.2: Credit Quality of Contractual Financial Assets that are Neither Past Due nor Impaired.

	Financial Institutions Double-A Credit Rating \$'000	Government Agencies Triple-A Credit Rating \$'000	Total \$'000
2015			
Cash and deposits	266	35,181	35,446
	266	35,181	35,446
2014			
Cash and deposits	123	32,118	32,241
	123	32,118	32,241

19.3: Ageing Analysis of Contractual Financial Assets

	Carrying Amount \$'000	Not Past Due and not Impaired \$'000	Past Due but not Impaired			
			Less than 1 Month \$'000	1-3 Months \$'000	3 Months - 1 Year \$'000	1-5 Years \$'000
2015						
Receivables (contractual) (i)	9,459	9,405	54	0	0	0
	9,459	9,405	54	0	0	0
2014						
Receivables (contractual) (i)	8,767	6,853	1,279	138	496	0
	8,767	6,853	1,279	138	496	0

Note:

(i) The total amounts disclosed here exclude statutory amounts i.e. amounts owing from the Department of Justice and Regulation and GST input tax credit recoverable.

Contractual financial assets that are either past due or impaired

There are no material financial assets which are individually determined to be impaired. Currently Victoria Police does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The ageing analysis table above discloses the ageing only of contractual financial assets that are past due but not impaired.

(c) Liquidity Risk

Liquidity risk is the risk that Victoria Police would be unable to meet its financial obligations as and when they fall due. Victoria Police operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

Victoria Police's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. Liquidity risk is managed by careful maturity planning of financial obligations based on forecasts of future cash flows.

Victoria Police's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. The carrying amount detailed in the following table of contractual financial liabilities represents Victoria Police's maximum exposure to liquidity risk.

The following table discloses the contractual maturity analysis for Victoria Police's contractual financial liabilities.

19.4: Maturity Analysis of Contractual Financial Liabilities (i)

	Carrying Amount \$'000	Nominal Amount \$'000	Maturity Dates			
			Less than 1 Month \$'000	1-3 Months \$'000	3 Months - 1 Year \$'000	1-5 Years \$'000
2015						
Payables (ii)	78,635	78,635	78,635	0	0	0
Borrowings	75,594	78,787	12,696	6,703	30,053	29,335
	154,229	157,422	91,331	6,703	30,053	29,335
2014						
Payables (ii)	88,620	88,620	88,620	0	0	0
Borrowings	67,436	70,513	12,382	5,648	28,152	24,330
	156,056	159,133	101,002	5,648	28,152	24,330

Notes:

- (i) The carrying amounts disclosed exclude statutory amounts (e.g. GST payable)
(ii) Maturity analysis is presented using the contractual undiscounted cash flows.

(d) Market Risk

Victoria Police's exposure to market risk is primarily through interest rate risk which is insignificant and may arise through the interest bearing liabilities. These liabilities relate to the whole of government VicFleet motor vehicle leasing arrangement. As the interest rates applied to the vehicle leases are not variable or floating in nature, the vehicle leases are not subject to a sensitivity analysis. The adjustment to the interest rate that is made upon the settlement of the VicFleet leases is regarded as a recovery by the lessor of their borrowing costs. Hence the underlying interest rates in these leases are based on fixed interest rate exposure.

19.5: Interest rate exposure of financial instruments

	Weighted Average Effective Interest Rate %	Interest Rate Exposure			
		Carrying Amount \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non-Interest Bearing \$'000
2015					
Financial assets					
Cash and cash equivalents	2.41	35,446	2,160	0	33,286
Receivables		9,459	0	0	9,459
Total financial assets		44,905	2,160	0	42,745
Financial liabilities					
Payables		78,635	0	0	78,635
Borrowings	4.77	75,594	75,594	0	0
Total financial liabilities		154,229	75,594	0	78,635
2014					
Financial assets					
Cash and cash equivalents	2.55	32,241	1,560	0	30,681
Receivables		8,767	0	0	8,767
Total financial assets		41,008	1,560	0	39,448
Financial liabilities					
Payables		88,620	0	0	88,620
Borrowings	5.61	67,436	67,436	0	0
Total financial liabilities		156,056	67,436	0	88,620

(e) Fair Value

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1** - the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using observable market inputs.

Victoria Police only holds Level 1 financial instruments. We consider that the carrying amount of financial assets and financial liabilities recorded in the financial report to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

NOTE 20. CASH FLOW INFORMATION

(a) Reconciliation of Cash and Cash Equivalents

For the purposes of the cash flow statement, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	2015 \$'000	2014 \$'000
Total cash and deposits	484	384
Funds held in trust	34,963	31,857
	35,446	32,241

Cash and Deposits

Due to the State of Victoria's investment policy and government funding arrangements, government entities including Victoria Police generally do not hold a large cash reserve in their bank accounts. Cash received from the generation of revenue is generally paid into the State's bank account, known as the Public Account. Similarly, any expenditure, including those in the form of cheques drawn by Victoria Police for the payment of goods and services to its suppliers and creditors are made via the Public Account. The process is such that the Public Account would remit cash required for the amount drawn on the cheques. This remittance by the Public Account occurs upon the presentation of the cheques by Victoria Police's suppliers or creditors.

The above funding arrangements often result in Victoria Police having a notional shortfall in the cash at bank required for payment of unrepresented cheques at the reporting date.

Funds Held in Trust

These are monies provided by outside organisations for special purpose projects related to the normal operating activities of Victoria Police. The funds can only be used for those purposes and each trust fund has a nominated trustee. The funds are held in a departmental suspense account at the Department of Treasury and Finance on behalf of Victoria Police.

Short term deposits

The deposits held during the year were bearing a weighted average interest rate of 2.41% (2014: 2.55%).

(b) Restrictions on the Use of Cash

Funds held in trust are quarantined for use specifically for the purpose under which each trust has been established and not for operating purposes.

(c) Reconciliation of Net Result for the Period to Net Cash Flows from Operating Activities

	2015 \$'000	2014 \$'000
Net result	(17,668)	(848)
Non-cash movements		
(Gain)/loss on sale or disposal of non-current assets	(6,035)	(5,106)
Depreciation and amortisation of non-current assets	76,756	76,536
Plant and equipment received free of charge or nominal consideration	(81)	(713)
Plant and equipment provided free of charge or for nominal consideration	0	12
Assets recognised for first time	(1,128)	(2,345)
Other non-cash movements	7,807	1,494
Movements in assets and liabilities		
Increase/decrease in assets:		
Increase/decrease in receivables	(24,304)	(36,890)
Increase/decrease in prepayments	(146)	(155)
Increase/decrease in inventories	1,361	(155)
Increase/decrease in liabilities:		
Increase/decrease in payables	(1,778)	44,557
Increase/decrease in provisions	47,848	13,486
Net cash flows from operating activities	82,630	89,874

NOTE 21. PHYSICAL ASSET REVALUATION SURPLUS

	2015 \$'000	2014 \$'000
Land revaluation surplus		
Balance at beginning of financial year	290,381	290,381
Revaluation increments/(decrements)	0	0
Balance at end of financial year	290,381	290,381
Buildings revaluation surplus		
Balance at beginning of financial year	276,084	276,084
Revaluation increments/(decrements)	0	0
Balance at end of financial year	276,084	276,084
Cultural and heritage assets revaluation surplus		
Balance at beginning of financial year	4,026	4,026
Revaluation increments/(decrements)	0	0
Balance at end of financial year	4,026	4,026
Total physical asset revaluation surplus	570,491	570,491

NOTE 22. ADMINISTERED ITEMS

In addition to the specific departmental operations which are included in the comprehensive operating statement, balance sheet and cash flow statement, Victoria Police administers or manages activities on behalf of the State. The transactions relating to these State activities are reported as administered items in this note, and they include third party funds under management for the Australia and New Zealand Policing Advisory Agency. Administered transactions give rise to income, expenses, assets and liabilities and are determined on an accrual basis. Administered revenues include taxes, fees and fines and the proceeds from the sale of administered surplus land and buildings. Administered assets include Government incomes earned but yet to be collected. Administered liabilities include Government expenses incurred but yet to be paid.

	2015 \$'000	2014 (ii) \$'000
Administered Income		
Regulatory fees and fines	26,896	32,469
Sale of Government Property	321	3,079
Seized and Unclaimed Monies	14,230	8,812
Commonwealth Grants	2,867	2,937
Other Agency Contributions	3,795	3,688
Other	183	546
Total income	48,291	51,531
Administered expenses		
Payments into the Consolidated Fund	31,591	40,919
Repayment of Seized and Unclaimed Monies	12,661	7,252
Other Agency Expenses	4,581	4,489
Other	579	948
Total expenses	49,413	53,608
Income less expenses	(1,121)	(2,077)
Administered Assets		
Cash held at Treasury	21,898	25,122
Receivables	808	989
Non Current Physical Assets	14	18
Total assets	22,720	26,128
Administered Liabilities		
Trade creditors and accruals	19,378	18,211
Other Liabilities - Trusts	4,463	9,994
Total liabilities	23,841	28,205
Net administered assets (i)	(1,121)	(2,077)

Notes:

(i) The net administered assets position is the result of timing difference between financial years in regards to the receipts and payments associated with the consolidated fund.

(ii) The 2013-14 comparative has been restated to reflect gross movements in cash.

NOTE 23. ANNOTATED INCOME AGREEMENTS

The following is a listing of the *Financial Management Act 1994* Section 29 annotated income agreements approved by the Treasurer.

	2015 \$'000	2014 \$'000
User charges, or sales of goods and services		
Information services	6,317	6,864
Event management	4,749	4,091
Training services	88	98
Proceeds from asset sales		
Motor vehicles	168	151
Land and Buildings	233	9,936
Plant & Equipment	534	65
	12,089	21,205

NOTE 24. TRUST ACCOUNT BALANCES

(a) Trust Account Balances Relating to Trust Accounts Controlled or Administered by Victoria Police

Cash and Cash Equivalents and Investments

		2015			
		Opening Balance	Total Receipts	Total Payments	Closing Balance
		\$'000	\$'000	\$'000	\$'000
Controlled Trusts					
4165	Departmental Suspense Account To record donations and grants by Victoria Police as required by the <i>Financial Management Act 1994</i> .	28,689	11,598	(9,793)	30,494
4288	FBT Trust Account To record the receipt of fringe benefits tax deducted from executive salaries and repayments of FBT from drivers of novated lease vehicles when FBT obligations have not been met through scheduled payroll deductions. The funds are disbursed to the Australian Taxation Office.	1,354	746	(15)	2,085
4700	Traffic Accident Info System Trust Account To record transactions relating to the operations of the traffic accident information system, which was established to coordinate the distribution of accident data to agencies responsible for road traffic programs and the administration of road accident legislation.	1,814	1,894	(1,324)	2,384
Total Controlled Trusts		31,857	14,238	(11,133)	34,963
Administered Trusts					
4165	Departmental Suspense Account Under the <i>Financial Management Act 1994</i> to record the receipt and disbursement of seized and unclaimed money.	18,196	13,809	(12,730)	19,274
4742	Treasury Trust Fund Under the <i>Financial Management Act 1994</i> to record the receipt and disbursement of unclaimed and unidentified money (unpresented cheques, surplus cash).	4,490	7,416	(10,934)	971
4765	Public Service Commuter Club (i) Under the <i>Financial Management Act 1994</i> to record the receipt of amounts associated with the scheme and deductions from Club members salaries as well as recording payment to the Public Transport Corporation.	(112)	600	(644)	(155)
4772	Police Youth Fund Under the <i>Financial Management Act 1994</i> to provide services, programs and partnerships to reduce the representation of young people in the criminal justice system.	603	0	(603)	0
Total Administered Trusts		23,177	21,825	(24,911)	20,090

Note:

(i) Victoria Police's portion of the Public Service Commuter Club Trust is temporarily in deficit due to the timing difference between the purchase of travel tickets and reimbursement from employees. The trust's working capital is funded by Department of Treasury and Finance. The overall Public Service Commuter Club Trust is in surplus.

(b) No Trust Accounts Were Opened or Closed During the 2014-15 (and 2013-14) Reporting Periods.

(c) Third Party Funds Under Management

The third party funds under management are funds held in trust for certain clients. They are not used for government purposes and therefore are not included in Victoria Police's financial statements. Victoria Police maintains one such trust: Australia and New Zealand Policing Advisory Agency.

4057	Australia and New Zealand Policing Advisory Agency Under the <i>Financial Management Act 1994</i> for contributions from various police organisations throughout Australia and New Zealand.	1,945	4,329	(4,466)	1,808
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(d) Trust Account Balances Relating to Trust Accounts Controlled or Administered by Victoria Police

Cash and Cash Equivalents and Investments

		2014			
		Opening Balance	Total Receipts	Total Payments	Closing Balance
		\$'000	\$'000	\$'000	\$'000
Controlled Trusts					
4165	Departmental Suspense Account To record donations and grants by Victoria Police as required by the <i>Financial Management Act 1994</i> .	30,982	11,043	(13,335)	28,689
4288	FBT Trust Account To record the receipt of fringe benefits tax deducted from executive salaries and repayments of FBT from drivers of novated lease vehicles when FBT obligations have not been met through scheduled payroll deductions. The funds are disbursed to the Australian Taxation Office.	1,181	207	(34)	1,354
4700	Traffic Accident Info System Trust Account To record transactions relating to the operations of the traffic accident information system, which was established to coordinate the distribution of accident data to agencies responsible for road traffic programs and the administration of road accident legislation.	1,905	672	(763)	1,814
Total Controlled Trusts		34,068	11,921	(14,132)	31,857
Administered Trusts					
4165	Departmental Suspense Account Under the <i>Financial Management Act 1994</i> to record the receipt and disbursement of seized and unclaimed money.	16,998	8,563	(7,365)	18,196
4742	Treasury Trust Fund Under the <i>Financial Management Act 1994</i> to record the receipt and disbursement of unclaimed and unidentified money (unpresented cheques, surplus cash).	975	5,225	(1,710)	4,490
4765	Public Service Commuter Club (i) Under the <i>Financial Management Act 1994</i> to record the receipt of amounts associated with the scheme and deductions from Club members salaries as well as recording payment to the Public Transport Corporation.	(130)	603	(585)	(112)
4772	Police Youth Fund Under the <i>Financial Management Act 1994</i> to provide services, programs and partnerships to reduce the representation of young people in the criminal justice system.	609	0	(7)	603
Total Administered Trusts		18,453	14,390	(9,666)	23,177

Note:

(i) Victoria Police's portion of the Public Service Commuter Club Trust is temporarily in deficit due to the timing difference between the purchase of travel tickets and reimbursement from employees. The trust's working capital is funded by Department of Treasury and Finance. The overall Public Service Commuter Club Trust is in surplus.

(e) Third Party Funds Under Management

The third party funds under management are funds held in trust for certain clients. They are not used for government purposes and therefore are not included in Victoria Police's financial statements. Victoria Police maintains one such trust: Australia and New Zealand Policing Advisory Agency.

4057	Australia and New Zealand Policing Advisory Agency Under the <i>Financial Management Act 1994</i> for contributions from various police organisations throughout Australia and New Zealand.	1,995	3,225	(3,274)	1,945
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NOTE 25. RESPONSIBLE PERSONS

In accordance with the Ministerial Directions of the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of Ministers and Accountable Officers in Victoria Police are as follows:

Responsible Minister

Minister for Police and Emergency Services
The Hon Kim Wells MP 1 July 2014 to 3 December 2014

Minister for Police
The Hon Wade Noonan MP 4 December 2014 to 30 June 2015

Acting Minister for Police
The Hon Jane Garrett MP 9 January 2015 to 18 January 2015

Accountable Officers

Chief Commissioner of Police
Ken Lay 1 July 2014 to 31 December 2014

Acting Chief Commissioner of Police
Tim Cartwright 1 January 2015 to 30 June 2015

Remuneration

Total remuneration including bonus payments, long service leave payments, redundancy payments and retirement benefits received or receivable by the Accountable Officer in connection with the management of Victoria Police during the reporting period was in the range of \$570,000 and \$579,999 (2014: \$440,000 to \$449,999).

The current remuneration amount includes termination payments made to the outgoing Chief Commissioner.

Amounts relating to the Responsible Minister are reported in the financial statements of the Department of Premier and Cabinet.

Other related transactions and loans requiring disclosure under the Directions of the Minister for Finance have been considered and there are no other matters to report.

NOTE 26. REMUNERATION OF EXECUTIVES AND PAYMENTS TO OTHER PERSONNEL

(a) Remuneration of Executives

The numbers of executive officers, other than the Responsible Minister and the Accountable Officer, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.

In 2014-15, there were 6 executive officers (2013-14: 3) whose base remuneration and 5 executive officers (2013-14: 1) whose total remuneration paid by Victoria Police was less than the reportable threshold of \$100,000 because they held office for only part of the year. The total remuneration of the executive officers is included in the total amount disclosed below.

The disclosure below excludes Governor-in-Council appointments associated with the Office of Chief Examiner, and the Police Registration and Services Board in accordance with FRD21B.

Income Band	Total Remuneration		Base Remuneration	
	2015 No.	2014(i) No.	2015 No.	2014(i) No.
\$100,000 - \$109,999	0	1	0	1
\$110,000 - \$119,999	2	0	1	0
\$120,000 - \$129,999	0	0	0	0
\$130,000 - \$139,999	0	1	0	1
\$140,000 - \$149,999	1	1	1	1
\$150,000 - \$159,999	0	3	2	4
\$160,000 - \$169,999	3	5	3	4
\$170,000 - \$179,999	2	2	1	2
\$180,000 - \$189,999	4	2	3	2
\$190,000 - \$199,999	2	5	2	3
\$200,000 - \$209,999	6	3	7	3
\$210,000 - \$219,999	1	2	0	4
\$220,000 - \$229,999	4	2	6	1
\$230,000 - \$239,999	1	2	1	2
\$240,000 - \$249,999	3	2	2	1
\$250,000 - \$259,999	1	0	1	0
\$260,000 - \$269,999	1	0	1	2
\$270,000 - \$279,999	0	0	1	0
\$280,000 - \$289,999	0	5	0	3
\$290,000 - \$299,999	3	0	1	0
\$310,000 - \$319,999	0	0	0	0
\$320,000 - \$329,999	0	0	0	0
\$330,000 - \$339,999	1	0	1	0
Total number of executives	35	36	34	34
Total annualised employee equivalent	29.37	32.08	29.37	32.08
Total amount	\$7,665,771	\$7,318,224	\$7,363,625	\$6,911,028

Note:

(i) 2014 comparative disclosures have been amended from the 2013-14 Annual Financial Statements to exclude Governor-in-Council appointments. The base and total remuneration have decreased by \$910,385 respectively from the figures previously reported and the number of executives decreased by 3.

(b) No payments have been made to other personnel (i.e. contractors with significant management responsibilities) (2014 - Nil).

NOTE 27. REMUNERATION OF AUDITORS

	2015 \$'000	2014 \$'000
Audit fees paid or payable to the Victorian Auditor-General's Office for audit of Victoria Police's annual financial statements	370	362
	370	362

The Victorian Auditor-General's Office has not provided Victoria Police any other services.

NOTE 28. SUBSEQUENT EVENTS

There are no known material subsequent events for the current reporting period.

NOTE 29. GLOSSARY OF TERMS

Amortisation

Amortisation is the expense which results from the consumption, extraction or use over time of a produced physical or intangible asset relating to motor vehicles and IT software. This expense is classified as a 'transaction' and so reduces the net result from transactions.

Amortisation can also be the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow' and so reduces the net result from transactions.

Borrowings

Borrowings refers to interest-bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, and finance leases.

Capital Asset Charge

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive Result

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the Net result from transactions.

Employee Benefits Expenses

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Ex-Gratia Payments

These are payments made to employees or members of the public to compensate or reimburse, where Victoria Police are not legally bound to make one. They may also be made in order to avoid litigation.

Financial Asset

A financial asset is any asset that is:

- (a) cash; or
- (b) a contractual or statutory right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial Liability

A financial liability is any liability that is a contractual or statutory obligation:

- (i) To deliver cash or another financial asset to another entity; or
- (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity.

Financial Statements

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statement, and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (September 2007), which means it may include the main financial statements and the notes.

Grants and Other Transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature. While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services,

to particular taxpayers in return for their taxes.

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

Intangible Assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Interest Expense

Interest expenses include interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest Income

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Net Result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as other non-owner changes in equity.

Net Result from Transactions/Net Operating Balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net Worth

Assets less liabilities, which is an economic measure of wealth.

Non-Financial Assets

Non-financial assets are all assets that are not 'financial assets' (refer to definition of 'financial assets' above). Examples of non-financial assets include property, plant and equipment, and certain intangible assets such as software development.

Other Economic Flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets, and fair value changes of financial instruments.

Payables

Includes short and long term trade debt and accounts payable, grants, taxes and interest payable.

Receivables

Includes amounts owing from government through appropriation receivable, short and long term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of Goods and Services

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

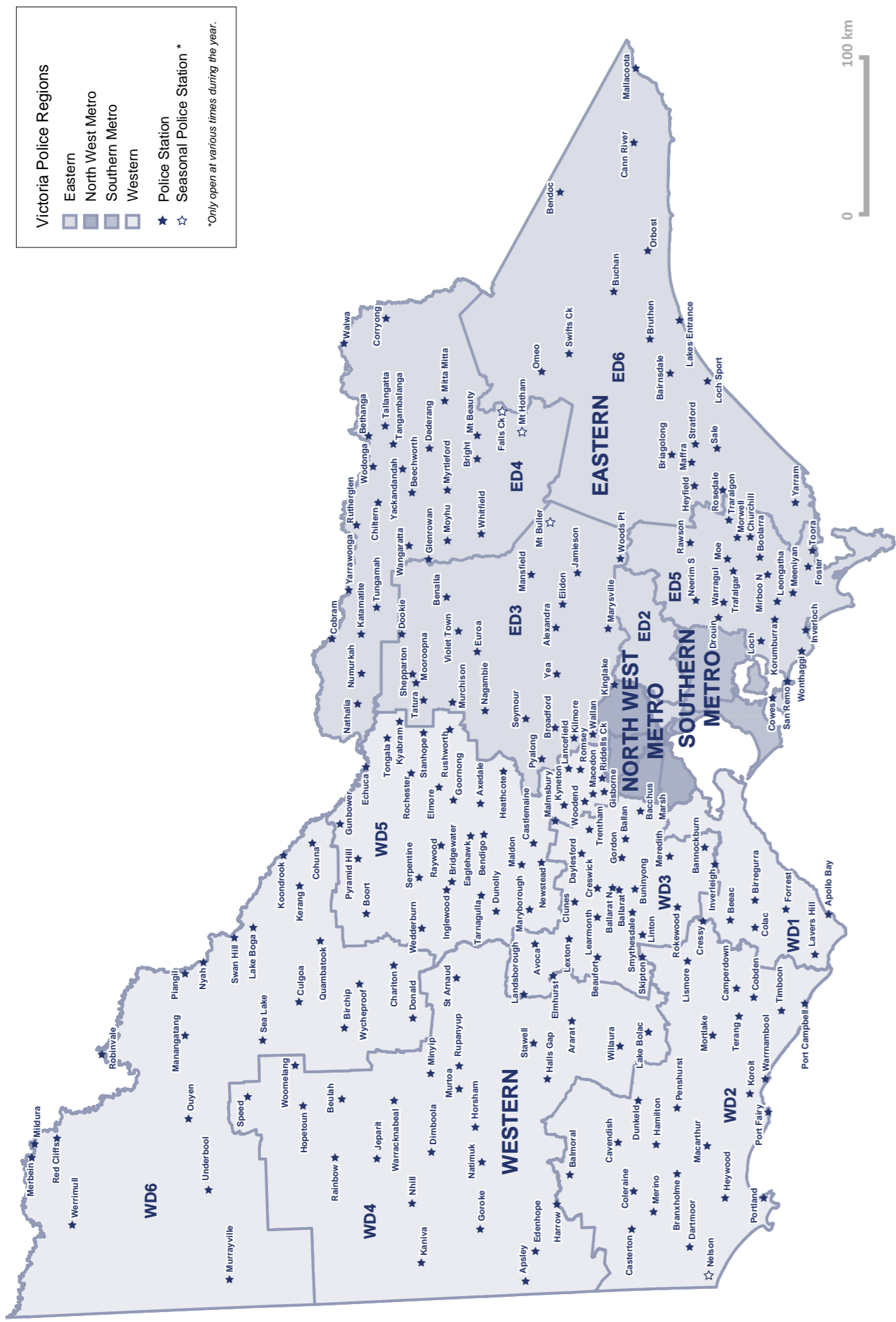
Supplies and Services

Supplies and services generally represent the day-to-day running costs, including maintenance costs, incurred in the normal operations of Victoria Police.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

VICTORIA POLICE REGIONS



Map shows stations operated by police. Some of these stations are manned for selected periods of time during the year. Please contact your local police station for operating hours

VICTORIA POLICE REGIONS (METRO)



Map shows stations operated by police. Some of these stations are manned for selected periods of time during the year. Please contact your local police station for operating hours

Statement of Availability of Other Information

Financial Reporting Direction (FRD) 22F of the *Financial Management Act 1994* requires that certain categories of information not contained in the Annual Report be available on request.

Additional information about Victoria Police may be obtained from our website www.police.vic.gov.au

Further information may be obtained by writing to:
Chief Commissioner
GPO Box 913
Docklands VIC 3008

CONTACT DETAILS

Head Office Departments

The following departments are located at:

Victoria Police Centre
637 Flinders Street
(GPO Box 913)
Docklands VIC 3008
PH: (03) 9247 6666

Business Services Department
Corporate Strategy and Operational Improvement Department
Human Resource Department
Information, Systems and Security Command
Infrastructure Department
Intelligence and Covert Support Command
Legal Services Department
Licensing and Regulation Division
Media and Corporate Communications Department
Office of the Chief Commissioner of Police
Professional Standards Command
Road Policing Command
State Emergencies and Security Command
State Policing Office
Transit and Public Safety Command

The locations and contact details for each police station in Victoria are available from the Victoria Police website:

www.police.vic.gov.au

People Development Command

Victoria Police Academy
View Mount Road
Glen Waverley VIC 3150
PH: (03) 9566 9566

Crime Command

Intelligence and Covert Support Command

313 Spencer Street
Docklands VIC 3008
PH: (03) 8690 2718

Victoria Police Forensic Science Centre

Forensic Drive
Macleod VIC 3085
PH: (03) 9450 3444

Regional Headquarters

Eastern Region

420 Burwood Hwy
Wantirna South VIC 3152
PH: (03) 9837 7800

North West Metro Region

15 Dimboola Road
Broadmeadows VIC 3047
PH: (03) 9302 8268

Southern Metro Region

50 Langhorne Street
Dandenong VIC 3175
PH: (03) 9767 7621

Western Region

38 Little Malop Street
Geelong VIC 3220
PH: (03) 5223 7801