

# ANNUAL REPORT

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2016 – 2017



Victoria Police pay respect to the traditional owners of lands on which we live and work. We pay our respects to Elders and all Aboriginal and Torres Strait Islander peoples who continue to care for their country, culture and people.

Authorised and published by Victoria Police.

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# FOREWORD FROM THE CHIEF COMMISSIONER

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In accordance with the *Financial Management Act 1994*, I am pleased to present the Victoria Police Annual Report for the 2016-2017 financial year.

This financial year is seeing the delivery of major projects that will continue to modernise Victoria Police. These projects provide the right skills, equipment and technology to help us meet our current and future challenges. We have also improved our structures and broadened our services. This will help make Victoria a safer place to live.

In October 2016, we launched the *Victoria Police Capability Plan 2016-2025*. The Capability Plan outlines the capabilities we need to be effective in the future.

The Victorian Government's substantial investment in Victoria Police through the *Community Safety Statement 2017* will help to make us a more responsive and skilled police force that meets the needs of modern-day policing and, importantly, helps to make the community safer. This is a once in a generation opportunity to modernise our organisation, with the investment to support it.

The *Community Safety Statement 2017* delivers funding for significant reforms. These include the introduction of new technology and much-needed infrastructure upgrades.

We have increased our workforce with large numbers of recruits and we have new powers to respond to emerging crime trends. We have also been leading the way in implementing family violence reforms and have been working closely with other agencies to reduce road trauma.

We are now starting to see the results from our reforms. Overall crime rates have dropped for the first time in six years. We are also seeing improvements in almost every crime category. This is also a reflection of the dedication of our hard-working operational members and the staff who support them. We hope that these rates will continue to decrease as we continue to modernise our organisation.

In January of this year, a terrible crime was committed in Bourke Street. I am proud of the leadership shown by our employees and their professional, compassionate and timely response to this tragedy. I am also proud of the way in which the community came together to assist. Without this good work, more lives would have been lost.

The crime in Bourke Street is a stark reminder of the resilience required in policing. Every day, our employees are confronted with complex and distressing situations. This makes it vital for Victoria Police to have a safe, inclusive and respectful workplace.

In 2016-2017, Victoria Police has shown significant leadership in cultural reform. We have renewed our focus on the health, safety and wellbeing of our people.

Our commitment to protecting the mental health of our employees is demonstrated by our substantial progress in implementing the *Victoria Police Mental Health Review*. Likewise, our commitment to eradicating sexual harassment and sex discrimination in the workplace is demonstrated by our substantial progress in implementing the recommendations from the Victorian Equal Opportunity and Human Rights Commission's *Independent Review into Sex Discrimination and Sexual Harassment, Including Predatory Behaviour in Victoria Police Phase One Report 2015*.

The release of the *Gender Equality Strategy and Action Plan 2017-2020* in June 2017 sets out how we will ensure that all employees feel safe and respected in the workplace, and are given every opportunity to succeed. We are committed to creating a police force that delivers equality.

We are also proud of our leadership in seeking to understand, and respond to, the challenges faced by young Victorians. In July 2016, we held a Youth Summit that brought together leaders from across government, the media and the community to discuss the reasons why youth offend. It was a success. Many of the priority issues identified at the Youth Summit have either been, or are being, addressed across government. Victoria Police will hold another Youth Summit in late 2017.

Executive Command is pleased by what Victoria Police has achieved in 2016-2017. It continues to be a privilege for us to serve the Victorian community and represent our dedicated and hard-working employees. We all remain committed to improving public safety and providing an agile, flexible and responsive policing service to all Victorians.



**Graham Ashton AM**  
**Chief Commissioner**  
**of Victoria Police**

# 1. ABOUT VICTORIA POLICE

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## OUR ORGANISATION

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Victoria Police was established in 1853 and provides policing services to the community 24 hours a day, seven days a week, working to keep over 6.2 million<sup>1</sup> Victorians safe.

Police Officers and Protective Services Officers (PSOs) are supported in their role by public servants who work as administrators, managers and specialists in a range of functions, including: intelligence analysts, legal services, accounting, procurement, psychology, Police Custody Officers (PCOs) and forensic services.

## OUR ROLE AND FUNCTIONS

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Victoria Police's role is to serve the Victorian community and uphold the law so as to promote a safe, secure and orderly society. Victoria Police achieves this by:

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

‘Executive Command sets the strategic direction of Victoria Police, monitoring organisational performance, determining key priorities and risks, managing organisational capacity and capability, and advancing initiatives and reforms.’

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<sup>1</sup> This population figure is sourced from the Australian Bureau of Statistics as at 31 December 2016 and does not reconcile to regional population figures quoted due to the application of different time periods

# OUR VALUES

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Our values define what is important to our organisation. They underpin Victoria Police's policies, procedures and practices, and set the standards for how employees interact with individuals in the community and with each other. All Victoria Police employees are to act in a manner which reflects these values.

The Victoria Police values are:

**Safety** – Every Victoria Police employee to be committed to the health and safety of themselves, their fellow employees and the community in which they serve.

**Leadership** – Be approachable, consistent, committed and inspire others through active leadership across all organisational values.

**Integrity** – Act with honesty, respecting the right of fair process for all, maintain confidentiality and respect for those we deal with, demonstrate moral strength and courage, and behave with honour and impartiality.

**Flexibility** – Remain open minded at all times, be adaptive to change while welcoming differences and practicing tolerance.

**Support** – Recognise and reward the service of our colleagues, and promote professional and career development. At all times, we must care for the wellbeing of our colleagues.

**Respect** – Embrace the diversity that exists within our community, valuing opinions while appreciating and acknowledging the efforts of others.

**Professionalism** – Accept responsibility and be accountable to our customers and ourselves. We must communicate honestly, openly and consistently and continually strive for excellence.

# LEGISLATIVE OVERSIGHT

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Victoria Police operates under the *Victoria Police Act 2013*. The Chief Commissioner of Police is the Chief Executive of the organisation and reports directly to the Minister for Police, the Honourable Lisa Neville MP and also worked closely with the Minister for the Prevention of Family Violence (the Honourable Fiona Richardson MP)<sup>2</sup>, the Minister for Emergency Services (the Honourable James Merlino MP), the Minister for Roads and Road Safety (the Honourable Luke Donnellan), the Attorney-General (the Honourable Martin Pakula MP), the Premier (the Honourable Daniel Andrews MP) and the Treasurer (the Honourable Tim Pallas MP).

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<sup>2</sup> Victoria Police would like to acknowledge the contribution of the late Ms Fiona Richardson, Australia's first Minister for the Prevention of Family Violence, who passed away shortly prior to the printing of this Annual Report.

# SERVICES

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Victoria Police provides policing services to the Victorian community across 54 police service areas. These are further divided into 21 divisions and four regions – north west metropolitan, southern metropolitan, eastern and western regions to deliver policing services across Victoria.

As at 30 June 2017 Victoria Police has 332 police stations across the state.

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.
- Reforming and improving policing of family violence.
- 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.

# ORGANISATIONAL STRUCTURE AND CORPORATE GOVERNANCE

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Executive Command sets the strategic direction of Victoria Police, monitoring organisational performance, determining key priorities and risks, managing organisational capacity and capability, and advancing initiatives and reforms. Executive Command comprises the Chief Commissioner of Police, three Deputy Commissioners, two Deputy Secretaries and the Chief Information Officer. Retired Air Chief Marshall Sir Angus Houston AK AC AFC is an independent member of Executive Command and also chairs our Corporate Advisory Group.

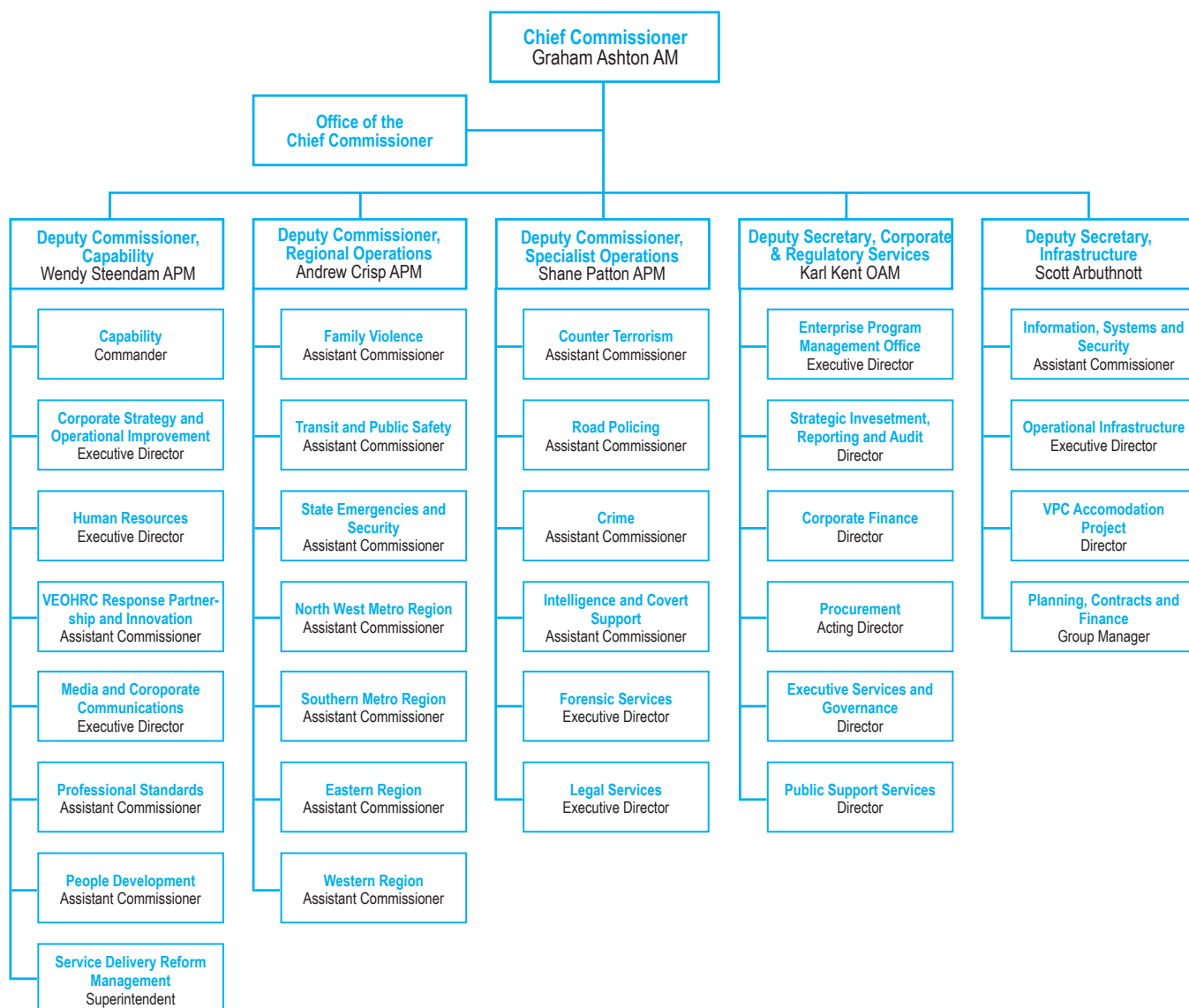
Other committees that support effective corporate governance include:

- Audit and Risk Committee.
- Corporate Advisory Group.
- Executive Remuneration Committee.
- Information Management Committee.
- Operations Committee.
- People, Culture and Safety Committee.
- Resources Committee.

More information on corporate governance and the roles and membership of these committees is contained within Appendix E.



**TABLE 1.1: VICTORIA POLICE ORGANISATIONAL CHART AS AT 30 JUNE 2017**



**TABLE 1.2: FAST FACTS – BUDGET OVERVIEW AND FULL TIME EQUIVALENT (FTE) SUMMARY**

	As at June 2017	As at June 2016	Change
<b>Victoria Police Operating Budget</b>	\$2,703.6m	\$2,512.4m	<b>7.6%</b>
<b>Victoria Police Expenditure<sup>3</sup></b>	\$2,779.9m	\$2,607.8m	<b>6.6%</b>
<b>Total Employees (FTE)<sup>4</sup></b>			
Police	13,529	13,188	341
Police Recruits	152	109	43
PSOs (security and transit)	1,312	1,309	3
PSOs in training	78	44	34
Reservists	2	2	0
Police Custody Officers <sup>5</sup>	326	214	112
Victorian Public Service (VPS) Total	3,041	2,805	236
<b>(VPS) Total</b>	<b>18,440</b>	<b>17,670</b>	<b>770</b>

<sup>3</sup> As per Appendix C – Total expenses from transactions.

<sup>4</sup> The employee FTE data is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements. FTE totals may not tally due to rounding as the FTE figures are rounded to the nearest whole number as per FRD 29B.

<sup>5</sup> Police Custody Officers are VPS employees and are listed separately.

# CAPABILITY PLAN 2016-2025

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The *Victoria Police Blue Paper: A Vision for Victoria Police in 2025* has set the long term strategic direction for Victoria Police. The *Victoria Police Capability Plan (Capability Plan)*, launched in October 2016, set the road map for delivering on that strategic direction and addressing the challenges identified.

The *Capability Plan* establishes the capability necessary for the effective delivery of our services. A total of 78 organisational capabilities are identified which reflect the complexity and wide-ranging functions required to provide our policing services. Eight transformation pathways have been established to capture the change required to mature our capability and promote a safe, secure and orderly society. This detailed insight into our capabilities allows for the identification of which capabilities need to be matured and which need to be maintained or where we may need to establish a new capability. It is also the mechanism for the prioritisation of our future reform.

The *Capability Plan* outlines the methods to transform service delivery to ensure the organisation is responsive, agile and people focused. It takes a long term view to deliver transformational change within the organisation, and deliver more tailored, responsive services to the community.

The transformation pathways are:

**Safety** – More focused on the health, safety and wellbeing of our people.

**Leadership** – More confident, humble, respectful and people focused.

**Agility** – More responsive, agile and visible policing.

**Evidence Based** – More evidence based practices and decision making.

**Victim-Centric** – Stronger focus on victims, prevention and reduction of harm.

**Gender, Diversity and Flexibility** – A more professional, flexible and diverse workforce.

**Technology** – Leveraging technology to improve policing and business processes.

**Partnerships** – Stronger partnerships and co-production with stakeholders.

## ANNUAL PLAN 2016-2017

The *2016-2017 Victoria Police Annual Plan (Annual Plan)* outlines the actions required to maintain and mature capabilities, implement recommendations from major reviews, and deliver on important projects.

Forthcoming chapters outline achievements, in accordance with the *Annual Plan* and including key future initiatives. Achievements, outlined through each of the transformation pathways, centre on strengthened leadership capability, a safer workplace, increased police numbers and improved productivity through the advanced use of technology.

# 2. OUR PERFORMANCE

Policing, law enforcement and prevention activities are delivered to deter, identify, investigate and prosecute crime, and to promote safer road user behaviour.

This chapter reports on performance in the context of: objectives, objective indicators and outputs set in the *2016-2017 Victorian Budget Paper Number 3: Service Delivery (Budget Paper Number 3)*. Performance measures, crime trends, road safety, financials and progress against the *Annual Plan* are also outlined.

## PERFORMANCE MEASURES

Victoria Police performance contributes to the Department of Justice and Regulation’s objectives, and performance measures as published in *Budget Paper Number 3*.

The departmental objective is to ensure community safety through policing, law enforcement and prevention activities.

For the 2016-2017 financial year the objectives, objective indicators and outputs were modified as a result of Victorian Government policy decisions. The departmental objectives, objective indicators and outputs for 2016-2017 and comparative for 2015-2016 are outlined in Tables 2.1 and 2.2 and results for each indicator are shown in Table 2.3, 2.4, 2.5 and 2.6

**TABLE 2.1: 2016-2017 DEPARTMENT OF JUSTICE AND REGULATION PERFORMANCE MEASURES**

Objectives	Objective indicators	Outputs
Ensuring community safety through policing, law enforcement and prevention activities	Community safety during the day and at night Crime statistics Road fatalities and injuries	Policing Services and Crime Prevention

Source: 2016-17 Victorian Budget Paper Number 3 Service Delivery, page 261

**TABLE 2.2: 2015-2016 DEPARTMENT OF JUSTICE AND REGULATION PERFORMANCE MEASURES**

Objectives	Objective indicators	Outputs
Improving community safety through policing, law enforcement and prevention activities.	Community feeling of safety during the day Community feeling of safety during the night Road deaths (rate per 100,000 registered vehicles)	Policing Services Infringement and orders management Enhancing community safety

Source: 2015-16 Victorian Budget Paper Number 3 Service Delivery, page 266

# PERFORMANCE AGAINST OBJECTIVE INDICATORS

## COMMUNITY SAFETY DURING THE DAY AND AT NIGHT

The National Survey of Community Satisfaction with Policing 2015-2016 results informed the *Report on Government Services (RoGS) 2017* released in January 2017.<sup>1</sup>

Survey respondents were asked to rate their feeling for each indicator, ranging from very unsafe to very safe. Results are shown in table 2.3 and 2.4.

**TABLE 2.3: COMMUNITY SAFETY DURING THE DAY**

Indicator	2012-2013 %	2013-2014 %	2014-2015 %	2015-2016 %	Change from 2014-2015 to 2015-2016	Change over 4 years
Walking alone in the neighbourhood	91.8	90.2	90.3	90	-0.3	-1.8
On public transport	61.7	62	63.4	59	-4.4	-2.7

Source: *Report on Government Services (RoGS) 2017*

**TABLE 2.4: COMMUNITY SAFETY AT NIGHT**

Indicator	2012-2013 %	2013-2014 %	2014-2015 %	2015-2016 %	Change from 2014-2015 to 2015-2016	Change over 4 years
Walking alone in the neighbourhood	51.2	50.2	52.1	48.6	-3.5	-2.6
On public transport	24.2	23.5	28.5	25.6	-2.9	1.4
At home alone	88.8	90.4	89.5	87.1	-2.4	-1.7

Source: *Report on Government Services (RoGS) 2017*

## CRIME STATISTICS

Overall, the 12 months to 30 June 2017 saw a 0.6 per cent decrease in recorded total crime when compared to the previous year. Crimes against the person and other crime offences have increased whereas crimes against property and public order and security offences have decreased.

Crime statistics are based on reports from the public and crimes detected by police. Changes to recorded crime can be due to increased police detection and enforcement activity, the introduction of new offences or increase 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.

Table 2.5 provides a detailed comparison of results in all crime categories, comparing crime statistics from 2012-2013 to 2016-2017.

The Crime Statistics Agency (CSA) is responsible for the calculation of crime statistics. Further breakdown of crime statistics is available from the CSA website [www.crimestatistics.vic.gov.au](http://www.crimestatistics.vic.gov.au).

<sup>1</sup> The 2016-2017 results will be reported in the 2018 RoGS, to be published by the Productivity Commission in January 2018.

**TABLE 2.5: NUMBER OF OFFENCES RECORDED**

Offences recorded	2012 -2013	2013 -2014	2014 -2015	2015 -2016	2016 -2017	Change from 2015-16 to 2016-17	% Change 2015-16 to 2016-17
Homicide and related offences	172	172	174	212	233	21	9.9
Assault and related offences	37,047	37,629	37,630	41,715	43,450	1,735	4.2
Sexual offences	9,241	10,511	11,509	12,667	13,499	832	6.6
Abduction and related offences	691	630	708	809	762	-47	-5.8
Robbery	2,833	2,603	2,530	2,887	3,192	305	10.6
Blackmail and extortion	166	250	212	191	204	13	6.8
Stalking, harassment and threatening behaviour	10,345	10,770	12,115	12,733	11,857	-876	-6.9
Dangerous and negligent acts endangering people	3,480	4,195	4,337	5,319	6087	768	14.4
<b>Total crimes against the person</b>	<b>63,975</b>	<b>66,760</b>	<b>69,215</b>	<b>76,533</b>	<b>79,284</b>	<b>2,751</b>	<b>3.6</b>
Arson	3,908	3,412	3,444	4,513	3,143	-1,370	-30.4
Property damage	45,780	44,114	42,555	43,500	42,408	-1,092	-2.5
Burglary/Break and enter	46,727	46,447	46,251	52,104	52,061	-43	-0.1
Theft	144,462	148,316	151,829	181,187	182,177	990	0.5
Deception	27,856	34,680	33,512	39,137	35,971	-3,166	-8.1
Bribery	11	9	41	26	5	-21	-80.8
<b>Total property and deception offences</b>	<b>268,744</b>	<b>276,978</b>	<b>277,632</b>	<b>320,467</b>	<b>315,765</b>	<b>-4,702</b>	<b>-1.5</b>
Drug dealing and trafficking	3,896	4,126	5,049	5,208	4,450	-758	-14.6
Cultivate or manufacture drugs	1,561	1,772	1,688	1,754	1,543	-211	-12
Drug use and possession	16,397	17,960	21,957	23,209	24,300	1,091	4.7
Other drug offences	39	42	262	18	18	0	0
<b>Total drug offences</b>	<b>21,893</b>	<b>23,900</b>	<b>28,956</b>	<b>30,189</b>	<b>30,311</b>	<b>122</b>	<b>0.4</b>
Weapons and explosives offences	11,510	12,866	14,528	16,004	15,906	-98	-0.6
Disorderly and offensive conduct	23,082	21,420	19,391	17,102	16,490	-612	-3.6
Public nuisance offences	2,682	2,548	2,667	3,490	3,380	-110	-3.2
Public security offences	298	76	197	88	73	-15	-17
<b>Total public order and security offences</b>	<b>37,572</b>	<b>36,910</b>	<b>36,783</b>	<b>36,684</b>	<b>35,849</b>	<b>-835</b>	<b>-2.3</b>
Justice procedures	5,986	6,342	6,883	12,841	12,805	-36	-0.3
Breaches of orders	25,281	36,491	51,441	57,903	57,393	-510	-0.9
<b>Total justice procedure offences</b>	<b>31,267</b>	<b>42,833</b>	<b>58,324</b>	<b>70,744</b>	<b>70,198</b>	<b>-546</b>	<b>-0.8</b>
Regulatory driving offences	24	27	30	18	16	-2	-11.1
Transport regulation offences	404	472	459	611	839	228	37.3
Other government regulatory offences	905	1,079	643	559	642	83	14.8
Miscellaneous offences	577	424	489	482	290	-192	-39.8
<b>Total other offences</b>	<b>1,910</b>	<b>2,002</b>	<b>1,621</b>	<b>1,670</b>	<b>1,787</b>	<b>117</b>	<b>7</b>
<b>Total offences</b>	<b>425,361</b>	<b>449,383</b>	<b>472,531</b>	<b>536,287</b>	<b>533,194</b>	<b>-3,093</b>	<b>-0.6</b>
<b>Total offence rate per 100,000 population</b>	<b>7,418.8</b>	<b>7,697.4</b>	<b>7,946.4</b>	<b>8,835.6</b>	<b>8,659.2</b>	<b>-176.4</b>	<b>-2</b>

Source: Crime Statistics Agency (CSA)

## ROAD FATALITIES AND INJURIES

During 2016-2017 Victoria recorded a decrease in road injuries with the lowest number of road injuries reported over a five year period, however road fatalities increased by three when compared to 2015-2016. For more information refer to the Road Safety section of this chapter.

**TABLE 2.6: ROAD FATALITIES AND INJURIES<sup>2</sup>**

Indicator	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	Change from 2015-2016 to 2016-2017	% Change 2015-2016 to 2016-2017
Road Fatalities	255	256	254	266	269	3	1.1
Injuries	18,378	18,825	18,846	19,352	17,588	-1,764	-9.1

## PERFORMANCE MEASURES POLICING AND CRIME PREVENTION

The output of Policing and Crime Prevention relates to the provision of effective police and law enforcement to prevent, detect, investigate and prosecute crime, and promote safer road user behaviour.

The results against these performance measures are reported in Table 2.7.

**TABLE 2.7: PERFORMANCE MEASURES**

Performance Measures	Unit of Measure	2016-17 Target	2016-17 Actual	Variance (%)	Result
<b>Quantity</b>					
Community calls for assistance to which a Victoria Police response is dispatched.	number	1,009,700	972,983	-3.6	○
Crimes against property - excluding family violence related crime (rate per 100,000 population).	number	≤ 4,300	4,962.1 <sup>3</sup>	-15.4	■
<i>The primary driver for the actual exceeding the target is the increase in reports for receiving and handling of stolen goods and increases in categories in crime categories such as stealing from a motor vehicle and stealing from a retail store.</i>					
Crimes against property - family violence related crime (rate per 100,000 population).	number	≥ 140	166 <sup>3</sup>	18.6	√
<i>The primary driver for the actual exceeding the target is an increase in reporting of family violence related property damage.</i>					
Crimes against the person - excluding family violence related crime (rate per 100,000 population).	number	≤ 650	703.1 <sup>3</sup>	-8.2	■
<i>The primary driver for the actual exceeding the target is an increase in the reporting of indecent assaults and common assaults.</i>					
Crimes against the person - family violence related crime (rate per 100,000 population).	number	≥ 580	584.5 <sup>3</sup>	0.8	√

<sup>2</sup> Data was extracted from Victoria Police's Collision Management Information System as at 5 July 2017 and is subject to variation.

**TABLE 2.7: PERFORMANCE MEASURES**

Performance Measures	Unit of Measure	2016-17 Target	2016-17 Actual	Variance (%)	Result
Number of alcohol screening tests conducted by booze and drug buses.	number	1,100,000	1,156,362	5.1	√
<i>The increase in the number of tests is attributed to the increase in the police trainees on deployment to Road Policing Command as a result of increased police numbers overall.</i>					
Number of prohibited drug screening tests conducted by booze and drug buses and highway patrol units.	number	100,000	101,457	1.5	√
Police record checks conducted to contribute to community safety.	number	716,000	728,691	1.8	√
Total reported road fatalities in vehicle collisions.	number	<250	269	-7.6	■
<i>The primary driver for the actual exceeding the target is an increase in motorcycle, driver and pedestrian fatalities. While there has been a significant reduction of fatalities on metropolitan roads this was offset by a large increase in fatalities on country roads.</i>					
Total persons reported injured in vehicle collisions.	number	<18,700	17,588	5.9	√
<i>The actual is below target due to a general reduction in injuries, predominantly on metropolitan roads.</i>					
<b>Quality</b>					
Proportion of community satisfied with policing services (general satisfaction).	per cent	77	70.8	-8.1	■
<i>The primary driver for the actual not exceeding the target is likely linked to an increase in crime during the previous financial year.</i>					
Proportion of drivers tested who comply with alcohol limits.	per cent	99.5	99.9	0.4	√
Proportion of drivers tested by road safety cameras who comply with posted speed limits.	per cent	99.5	99.9	0.4	√
Proportion of drivers tested who return clear result for prohibited drugs.	per cent	93	91.3	-1.8	○
Proportion of successful prosecution outcomes	per cent	92	93.5	1.6	√
Proportion of the community who have confidence in police (an integrity indicator).	per cent	87	83.6	-3.9	○
<b>Timeliness</b>					
Proportion of crimes against the person resolved within 30 days.	per cent	≥ 42	45.7	8.8	√
<i>The primary driver for the actual exceeding the target for crimes against the person resolved within 30 days is the reduced turn around time for forensic samples, more effective identification of suspects and processing of offenders, and ongoing improvements in proactively targeting recidivist offenders.</i>					
Proportion of property crime resolved within 30 days.	per cent	≥ 22	24.6	11.8	√
<i>The primary driver for the actual exceeding the target for crimes against the property resolved within 30 days is the reduced turn around time for forensic samples, more effective identification of suspects and processing of offenders, and ongoing improvements in proactively targeting recidivist offenders.</i>					
<b>Cost</b>					
Total output cost	\$million	2,703.6	2,779.9 <sup>4</sup>	-2.8	○

<sup>3</sup> Data provided by CSA

<sup>4</sup> As per Appendix C, Total Expenses from Transaction

**KEY**

- √ Performance target achieved or exceeded
- Performance target not achieved – within 5 per cent variance
- Performance target not achieved – exceeds 5 per cent variance

# ROAD SAFETY

Reducing road trauma and enhancing road safety remains a key priority as we continue working with the community and road safety partners to support the *Towards Zero 2016-2020 Road Safety Strategy*. This strategy aims to lower the number of lives lost on Victoria's roads to 200 or less by 2020, and reduce serious injuries by at least 15 per cent.

## ROAD POLICING STATISTICS

In 2016-2017 the number of reported fatalities on Victorian roads increased by three compared with 2015-2016. The number of injuries and collisions decreased to the lowest recorded numbers over the past five years.

Drivers continue to account for the majority of fatalities, comprising 55 per cent of the total road fatalities. More pedestrians were killed on the road this year compared to last year as there were 36 pedestrian deaths in 2016-2017 compared to 32 in 2015-2016. In response to an increase in motorcyclist fatalities in 2015-2016, visibility of the on-road motorcycle and trail bikes was increased. As a result the number of motorcycle fatalities has reduced from 49 in 2015-2016 to 40 in 2016-2017.

**TABLE 2.8: ROAD POLICING STATISTICS – 2015-2016 TO 2016-2017<sup>6</sup>**

	Metro <sup>5</sup>			Regional			State		
	2015-2016	2016-2017	% Change	2015-2016	2016-2017	% Change	2015-2016	2016-2017	% Change
Road Fatalities	133	108	-18.8	133	161	21.1	266	269	1.1
Injuries	13,242	11,857	-10.5	6,110	5,731	-6.2	19,352	17,588	-9.1
Collisions	10,911	9,683	-11.3	4,843	4,504	-7.0	15,754	14,187	-9.9

**TABLE 2.9: ROAD USER DATA<sup>6</sup>**

Traveller type	2015-2016			2016-2017		
	Fatalities	Injuries	Collisions	Fatalities	Injuries	Collisions
Driver	129	9,935	8,149	148	9,065	7,415
Passenger	47	3,552	1,896	34	3,131	1,644
Pedestrians	32	1,605	1,518	36	1,616	1,485
Bicyclists	9	1,492	1,457	9	1,284	1,254
Motorcyclist	49	2,680	2,670	40	2,243	2,228
Pillion Passenger	0	68	48	1	64	43
Other	0	20	16	1	185	118
<b>Total</b>	<b>266</b>	<b>19,352</b>	<b>15,754</b>	<b>269</b>	<b>17,588</b>	<b>14,187</b>

<sup>5</sup> Metro includes the Victoria Police North West Metro and Southern Metro Regions, and Divisions One and Two of the Eastern Region. All others areas are treated as Regional

<sup>6</sup> Data was extracted from Victoria Police's Collision Management Information System as at 5 July 2017 and is subject to variation.



## WORKING TO REDUCE ROAD ACCIDENTS AND FATALITIES

Drinking and drug driving are leading contributors to road accidents and fatalities. The targets of conducting 100,000 annual roadside drug tests and 1.1 million alcohol screening tests were exceeded.

A series of dedicated statewide road policing operations were conducted throughout the year including high risk holiday periods, with more than 110,000 offences detected. Key outcomes from these operations are shown in Table 2.10.

**TABLE 2.10: ROAD POLICING OPERATIONS IN 2016-2017**

Operation	Duration	Outcome
Scoreboard (AFL Grand Final)	29 September – 2 October 2016	250 BAC (Blood Alcohol Content) offences 202 OFT (Oral Fluid Test) offences 6,220 traffic offences 820 crime offences
Furlong (Melbourne Cup)	28 October – 1 November 2016	316 BAC offences 283 OFT offences 9,921 traffic offences 1,098 crime offences
Roadwise Campaign (Christmas / New Year)	16 December 2016 – 8 January 2017	1,035 BAC offences 733 OFT offences 33,367 traffic offences 5,330 crime offences
Amity (Australia Day)	25 January – 29 January 2017	268 BAC offences 136 OFT offences 7,689 traffic offences 1,013 crime offences
Arid (Labour Day)	10 March – 13 March 2017	312 BAC offences 168 OFT offences 8,298 traffic offences 858 crime offences
Austrans	20 March – 1 April 2017	24 OFT offences 35 speeding offences 716 total offences 277 defect notices issued
Nexus (Easter & ANZAC Days)	13 April – 25 April 2017	596 BAC offences 356 OFT offences 18,616 traffic offences 2,630 crime offences
Regal (Queen's Birthday)	9 June – 12 June 2017	245 BAC offences 128 OFT offences 7,929 traffic offences 803 crime offences

# OPERATIONAL OVERVIEW

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Operationally, police maintain a constant visible presence across the state to prevent crime, detect and apprehend offenders and improve public safety. Victoria Police work to meet challenges associated with the increasing complexity and changing nature of crime. This section outlines some of the key achievements for 2016-2017 while delivering policing services, engaging with communities and partner agencies to tackle the drivers of harm and keep the community safe.

## IMPROVING COMMUNITY SAFETY

Throughout 2016-2017 Victoria Police worked in partnership with communities across the state to address criminal activity. Engaging with a range of groups including resident groups, local community safety forums and Neighbourhood Watch is an effective method of crime prevention. Specific work with vulnerable groups directly reduces their involvement in crime, as both offenders and victims.

## REDUCING THE HARM OF DRUGS AND FIREARMS

In 2016-2017 targeted operations, focusing on drugs and illicit firearms were conducted.

Taskforce Icarus continued its focus on illicit drugs and illegal firearm importations through the international mail system and air cargo stream. The taskforce undertook seven operations, with a total of nine people being charged with serious importation crimes or Victorian based trafficking offences.

The Clandestine Laboratory Squad attended 135 illicit drug laboratories during the year. This resulted in the seizure of 11kg of methyl amphetamine, approximately 903kg crystal methyl amphetamine with an estimated street value of \$898 million and approximately 300kg of pseudoephedrine.

Trident Taskforce has conducted operations to disrupt and deter the supply of illicit drugs through the maritime and associated logistics supply chain. Large quantities of illicit drugs (100kg plus) predominately enter the country via maritime streams.

The Joint Organised Crime Taskforce conducted a number of major operations during the year. These operations included an investigation that led to the seizure of 275kg of methamphetamine that had been imported through the Melbourne Ports. Another operation prevented the importation of 186kg of cocaine from entering the state.

A transnational joint investigation partnering with interstate, national and United States law enforcement agencies to counter the illegal importation of firearms resulted in eight search warrants executed in Victoria and four in New South Wales. A total of 303 firearms and parts were seized and a syndicate with the capacity to import large quantities of firearms into Australia was shut down.

The continuation of national joint taskforces has resulted in the seizure of several hundred of illegally imported firearms as well as the seizure of methyl amphetamine totalling 1,660kg.

## NEW CODE OF PRACTICE

An updated Code of Practice for the Investigation of Sexual Crime was established in October 2016. This Code addresses the importance of linking victims with support services to help them remain safe. It also highlights the importance of working with partner agencies to combat these crimes.

## COUNTER TERRORISM

The Community Integration Support Program continued in partnership with the Victorian Government and other stakeholders. This program targets convicted terrorists and individuals who are at risk of radicalisation to violence.

Victoria Police continue to work in partnership with the Australian Federal Police and the Australian Security Intelligence Organisation to protect the safety of the Victorian community. In December 2016 more than 400 police and specialists formed Operation Kastleholme to prevent an alleged terrorist attack planned for Federation Square, St Paul's Cathedral and Flinders Street Station.

## VEHICLE THEFT REDUCTION PLAN

The Vehicle Theft Reduction Plan was implemented in February 2016 in response to the increase in thefts of and from motor vehicles. The actions undertaken are effectively reversing the increasing trend in thefts through operations targeting identified high risk repeat offenders. In December 2016 dedicated regional crime teams were established. These teams are responsible for joint investigation of cross regional crime and this has been a significant factor in reversing this trend.

Victoria Police hosted the Australian Vehicle Crime Conference in partnership with the National Motor Vehicle Theft Reduction Council and the International Association of Auto Theft Investigators in April 2017. The conference brought together more than 240 representatives from policing and law enforcement, crime prevention, academia, general insurance, motor trades, local government and community sectors to review current national and local strategic and operational responses to vehicle crime.

## EMERGENCY RESPONSE

Emergency response work this year included the Bourke Street tragedy, the Malmsbury and Parkville prison riots and escapes, the Brighton siege, the Essendon Direct Factory Outlet Aviation crash, significant power outages due to storms, spring floods throughout Victoria, the landslide along the Great Ocean Road, and a series of school bomb hoaxes. Each of these events required a substantial response from those first on the scene through to specialist policing areas.

## New Information Cold Case Murder

A television series covering 10 Victorian cold cases, aired in March 2017, was designed to encourage those with information to come forward. The four part *Million Dollar Cold Case* series was initiated in consultation with Channel Seven. The show opens the files of unsolved murders through interviews, photos, archive vision and dramatisation, sharing key evidence in an effort to bring witnesses forward.

Police worked closely with Crime Stoppers when the series aired. As a direct result of this, new information was received contributing to an arrest in relation to a Geelong cold case homicide investigation.

## Illegal Drag Racing Shut Down

Illegal drag racing events in the Southern Metro Police Region were shut down as a direct result of Taskforce Regarder which concluded its operations in 2016-2017. This taskforce was established to continue the uniform response to disrupt intentional high risk driving and to covertly investigate intentional high risk driving with a view to long term disruption.

As part of this taskforce, investigators shifted their focus from treating drag racing as a road safety concern to addressing it as criminal behaviour. Taskforce members drew from existing intelligence reports, gathered evidence from highway patrol members, monitored social media, used covert intelligence gathering methods and developed partnerships with local businesses leading to the arrest of more than 45 offenders and the seizure of 22 vehicles. Four offenders were jailed.

# FINANCIAL PERFORMANCE

The Financial Statement<sup>7</sup> presented in this Annual Report relate to the controlled operations of Victoria Police.

Table 2.11 provides a summary of Victoria Police's financial result<sup>8</sup> for the 2016-2017 financial year and comparative information for the preceding four years

**TABLE 2.11: FIVE YEAR FINANCIAL SUMMARY**

	2012-2013 \$'000	2013-2014 \$'000	2014-2015 \$'000	2015-2016 \$'000	2016-2017 \$'000
<b>Total Income from Transactions</b>	2,139,318	2,285,345	2,448,193	2,596,616	<b>2,785,000</b>
<b>Total Expenses from Transactions</b>	2,151,676	2,292,344	2,465,217	2,609,246	<b>2,782,181</b>
<b>Net Result from Transactions</b>	(12,358)	(6,999)	(17,024)	(12,630)	<b>2,819</b>
<b>Net Result for the Period</b>	798	(848)	(17,668)	(12,586)	<b>17,138</b>
<b>Net Cash Flow from Operating Activities</b>	51,591	89,874	82,630	82,221	<b>73,650</b>
<b>Total Assets</b>	1,714,057	1,831,379	1,947,053	2,085,489	<b>2,135,743</b>
<b>Total Liabilities</b>	553,249	614,641	667,928	683,863	<b>702,950</b>
<b>Net Assets Base</b>	1,160,808	1,216,738	1,279,125	1,401,626	<b>1,432,793</b>

## FINANCIAL PERFORMANCE

The net result from transactions of \$2.82 million and surplus on other economic flows of \$14.32 million resulted in a net result for the period of \$17.14 million.

The net result from transactions for 2016-2017 is a surplus of \$2.82 million, compared to a deficit of \$12.63 million in 2015-2016. The \$2.82 million surplus is a consolidation of additional receipts for Trust Fund related activities primarily for the Family Violence Centre for Learning and Vehicle Safety, and appropriation drawdown from prior year accumulated surpluses for implementation of the VEOHRC Review into Sex Discrimination and Sexual Harassment. The surplus on other economic flows of \$14.32 million is primarily due to the net gain on disposal of non-financial assets and gain arising from revaluation of long service leave liability.

The growth in revenue primarily reflects the increased funding allocated in the 2016-2017 Victorian Budget for delivery of output initiatives and general inflation-related indexation associated with frontline delivery services only.

The growth in expenditure is mainly due to increased payroll costs associated with additional recruitments for the *Public Safety Police Response* package, increased Enterprise Bargaining Agreement costs, increased overall police operating expenses, and higher depreciation expense related to the upward revaluation of buildings and the completion of fixed asset projects.

<sup>7</sup> 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.

<sup>8</sup> To be read in conjunction with the *Comprehensive Operating Statement* within *Chapter 5 Annual Financial Statements*.

## BALANCE SHEET

The net assets base as at 30 June 2017 was \$1,432.79 million, comprising total assets of \$2,135.74 million and total liabilities of \$702.95 million.

Property, plant and equipment represent 74 per cent (\$1,573.63 million) of the total assets. These assets declined in value by \$32.2 million from \$1,605.83 million in 2015-2016, reflecting the level of capital purchases, adjustments for movements in depreciation and disposal of assets during the financial year. The change in total assets of \$50.25 million in 2016-2017 is primarily due to an increase in receivables from the Victorian Government of \$46.49 million which reflects the revenue earned from the provision of services that is required to meet the future financial obligations resulting from operating and capital transactions during the current financial year. The increase in total liabilities of \$19.09 million in 2016-2017 is primarily

attributed to an increase in payables of \$14.14 million, and an increase in provisions by \$8.21 million predominantly arising from increased long service leave and annual leave provisions due to additional recruitment and EBA increases. This is offset by decreased motor vehicles finance lease liability of \$3.26 million.

## CASH FLOWS

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

# OUR ANNUAL PLAN 2016-2017 REVIEW

In October 2016, *Victoria Police Capability Framework 2016-2025* was launched. The *Annual Plan 2016-2017 (Annual Plan)* is the first year of delivery against this framework. The table below highlights progress against the actions listed in the *Annual Plan*.

## 1. SAFETY – MORE FOCUSED ON THE HEALTH, SAFETY AND WELLBEING OF OUR PEOPLE

Focus Area	Actions
Zero Harm strategy	Delivered safe-t-net and the equipt mobile application. A new safety system was also developed.
	Scoping commenced to deliver an online wellbeing suite to help improve the mental health and wellbeing of all Victoria Police employees.
	Work commenced to implement the recommendations from the independent <i>Victoria Police Mental Health Review</i> .
	Scoping commenced to identify leadership capabilities required to manage performance, health and welfare consistently and equitably at all levels of the organisation.
Public safety	Site analysis has commenced as part of a land acquisition for a dedicated specialist training facility.
	Specifications are being developed for the rollout of the replacement Integrated Operational Equipment Vests.
Property management	Implementation of a suite of projects has progressed as part of a holistic reform agenda in the management of property and exhibits across Victoria.

## 2. LEADERSHIP – MORE CONFIDENT, HUMBLE, RESPECTFUL AND PEOPLE-FOCUSED

Focus Area	Actions
Leadership development	Identified and delivered leadership capability uplift including the rollout of the Senior Sergeant Leadership Capability Uplift program.
Equal opportunity and human rights	Work is underway to implement the recommendations from the Victorian Equal Opportunity and Human Rights Commission's <i>Independent Review into Sex Discrimination and Sexual Harassment, Including Predatory Behaviour in Victoria Police Phase One Report 2015</i> .

## 3. AGILITY – MORE RESPONSIVE, AGILE AND VISIBLE POLICING

Focus Area	Actions
Serious and organised crime	Developed a revised framework on Serious and Organised Crime to reflect the changing environmental factors and strengthen accountabilities.
Public safety	Continued the program of infrastructure works to replace and refurbish Victoria Police facilities in regional and rural areas.
	Additional police were recruited and deployed. New specialist vehicles and equipment have been purchased to enhance Victoria Police's <i>Public Safety Police Response</i> .
	Commenced planning to establish two new dedicated forensic hubs.
	Deployment of Police Custody Officers (PCOs) is continuing. A new position of Supervising PCOs has been created to take on some of the responsibilities currently being performed by the Officer in Charge of a police gaol.
Counter terrorism	Additional police officers and specialist staff have been recruited and deployed, along with additional equipment to strengthen the capacity and capability of Victoria Police to investigate and respond to terrorism in Victoria.

#### 4. EVIDENCE BASED – MORE EVIDENCE-BASED PRACTICES AND DECISION MAKING

Focus Area	Actions
Service delivery reform	The Service Delivery Model was updated to meet demand pressures and embed operational and business good practice.
Continuous improvement and quality management	Progressed the development of a feasibility study for an integrated logistics facility designed to improve acquisition, storage, distribution and management capability.
	An Enterprise Program Management Office was established to build organisational capability for change management, business process improvement and effective project management.
	Work continued to implement the Unified Design Project to optimise the integrated capability between Victoria Police members and equipment.
Organisational performance monitoring	Finalised the design and delivery of CompStat transformation, including business intelligence dashboards.

#### 5. VICTIM-CENTRIC – STRONGER FOCUS ON VICTIMS, PREVENTION AND REDUCTION OF HARM

Focus Area	Actions
Night Network	The Night Network, which has had ongoing funding secured, continued throughout the year and was supported by the presence of police and PSOs.
Illicit drugs	Supported the expansion of the Drug Court of Victoria to the Melbourne Magistrates' Court as part of the <i>Ice Action Plan</i> .
	Victoria Police exceeded its target of 100,000 drugs tests during 2016-2017. The delivery of 10 new booze and drug buses is underway.
	Developing a new Drug Response Plan which will enhance Victoria Police's strategic and operational responses to illicit drugs and reduce drug-related harm within the Victorian community.
Family violence	Continued to implement and support whole of Victorian government response to child abuse, sexual offences and family violence in line with the recommendations of the <i>Royal Commission into Family Violence</i> and learnings from the <i>Royal Commission into Institutional Responses to Child Sexual Abuse</i> .
Youth	Developing a framework to address the spectrum of interventions required to support vulnerable young people and address high risk, repeat offending by young people.

#### 6. GENDER, DIVERSITY AND FLEXIBILITY – A MORE PROFESSIONAL, FLEXIBLE AND DIVERSE WORKFORCE

Focus Area	Actions
Gender diversity	Preparations and planning was completed for celebrations of 100 years of women in policing. Events will occur in 2017-2018.
Workforce planning	Continued to provide access to education and professional development in a supportive and flexible environment taking into consideration organisational, government and community priorities. Work is underway to refresh the <i>Workforce Plan</i> to align with the <i>Capability Plan</i> .

## 7. TECHNOLOGY REFORM – LEVERAGING TECHNOLOGY TO IMPROVE POLICING AND BUSINESS PROCESSES

Focus Area	Actions
Road safety	Continued to build road policing capabilities through research and investment on contemporary and innovative equipment and technology. This includes Mobile Automatic Number Plate Recognition, Random Drug Testing and Alcohol and Drug Impaired Driver Information System.
Public safety	The procurement process was completed for the implementation of an encrypted digital police radio service to regional Victoria (this project is led by Emergency Management Victoria on behalf of Victoria Police) to provide improved security and safety of police operations and service to the community.
	Through the BlueConnect program, Victoria Police continues to work on the delivery of: <ul style="list-style-type: none"> <li>• Body worn cameras</li> <li>• Mobile technology</li> <li>• Intelligence analytical tool.</li> </ul>
	Strengthened the Victoria Police responses to operational incidents through implementation of a 24/7 monitoring and assessment centre which became operational in December 2016.
System security	Further work was undertaken to develop processes, practices and systems to defend critical operational systems from cyber attacks.

## 8. PARTNERSHIP – STRONGER PARTNERSHIPS AND CO-PRODUCTION WITH STAKEHOLDERS

Focus Area	Actions
Community engagement	Implementation of the <i>Multicultural Media Engagement Strategy</i> . Achievements to date include: <ul style="list-style-type: none"> <li>• Partnership with 3XY Greek radio</li> <li>• A multicultural media reference group</li> <li>• Training resources for engaging with multicultural media.</li> </ul>
	In December 2016 Victoria Police reported on the <i>Equality is Not the Same Three Year Action Plan</i> . Work is underway to progress the second phase of the <i>Equality is Not the Same ...</i> program of reform as outlined in the year three report.
Stakeholder relationships	As part of the process to strengthen stakeholder input into policy reform the stakeholder engagement model for legislative reform was redesigned.
	The process for identifying appropriate stakeholder representation was strengthened. Improvements to contract management were achieved by enhancing the contract management system and new procurement efficiencies were identified.
Road safety	Continued to work in partnership with the community and road safety partners to deliver the outcomes in the Victorian Government's <i>Toward Zero 2016-20: Road Safety Strategy and Plan</i> as well as embedding the SafeSystem approach with a focus on reducing fatalities and serious injuries.
Social media platform	Improved the use of social media to engage with the community. Victoria Police trialled the use of Snapchat during Melbourne's White Night celebrations and expanded the use of the Eyewatch Facebook page.

## 9. MATURING THE CAPABILITY PLAN

Focus Area	Actions
Developing the evidence base	Developed a new staff allocation model to enable more accurate forecasting and distribution of police resources based on varying service demand and delivery needs.
	An organisation census was undertaken to inform future service and economic modelling.
Aligning and streamlining corporate processes	A review of corporate service areas has been completed to identify opportunities to promote efficiency and agility.
	Work was undertaken to realign the timing and sequencing of corporate planning and internal budgeting processes to better support capability planning.
Refining the capability framework	The initial phase of the maturity assessment methodology has been completed.
	Continued to improve the multi-year investment strategy.



# 3. YEAR IN REVIEW

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The *Capability Plan* was launched in October 2016. It identifies the capabilities necessary to ensure the ongoing effectiveness of policing in a constantly changing and complex policing environment.

Implementation of the *Capability Plan* commenced from October 2016 within the context of the announcement of the \$596 million Public Safety Police Response package announced in the 2016-2017 Victorian Budget. This package is being rolled out over four years and has funded an extra 406 police, mobile technology and intelligence systems, specialist equipment and infrastructure upgrades.

In December 2016, the Victorian Government announced investment of more than \$2 billion through the *Community Safety Statement*. This investment flows over four years and supports a whole of government approach to addressing and preventing crime. This will bolster police numbers, equipment and infrastructure, improve skills, strengthen police powers in key areas, and provide better access to technology to align policing response with community needs. It will also enable a renewed focus on key issues, including family violence, youth recidivist offending, road safety, and the safety and wellbeing of the community.

Key priorities delivered in 2016-2017 include the recruitment of more than 300 additional police, the establishment of the Victoria Police Monitoring Assessment Centre, new and refurbished police stations, increased counter terrorism capability, uptake of innovative technology solutions and the set up of a new forensic service delivery model.

Organisational culture continues to transform through a range of initiatives including the implementation of family violence reforms and the continued focus on the health, safety and wellbeing of the community and our employees.

The organisation, as a whole, has contributed to the deliverables described within this chapter across the five portfolios: Capability; Specialist Operations; Regional Operations; Infrastructure and Corporate and Regulatory Services.

This chapter highlights achievements and actions against each of the eight transformation pathways of safety, leadership, agility, diversity, partnerships, evidence-base, technology and a victim-centric service delivery approach. It outlines key achievements for 2016-2017, and future focus areas for 2017-2018.

## 3.1 SAFETY

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Ensuring the health, safety and wellbeing of employees is central to our operations and the achievement of community safety. Safety is identified as one of seven organisational values and minimisation of harm is a well-established organisational priority. Significant change and improvements to the Victoria Police service model are being achieved through the introduction of a range of initiatives outlined below.

### MENTAL HEALTH REVIEW

A program of works is underway to implement the 39 recommendations contained in the *Victoria Police Mental Health Review (Mental Health Review)*. A Mental Health Program Office was established in January 2017 to ensure timely and successful delivery of these recommendations. This office combines clinical and project management experts. Projects delivered through this office support Victoria Police in providing a mentally healthy workplace for current and former employees and their families. Six new case managers, appointed in November 2016, work with employees and managers to better enable people to make informed decisions about the welfare, treatment and support options available.

## MENTAL HEALTH SUPPORT

Safe-t-net was launched in July 2016, in partnership with The Police Association Victoria, with input from police and Phoenix Australia-Centre for Post Traumatic Mental Health. This system identifies the impact that events may have on an employee's physical and psychological wellbeing. Access to this information facilitates supportive conversations with supervisors and managers.

A mobile phone application equipt was launched in September 2016, providing access to mental health and wellbeing services for employees. It features tools and support for all current and former police, PSOs, employees and their families. The application can also be used to plan and implement a healthier more balanced lifestyle. It can measure and track wellbeing over time and, if needed, put users in touch with support services.

## MINIMISING HARM

Sweeping reforms are being rolled out to tackle cultural issues identified in the Victoria Equal Employment Human Rights Commission *Independent Review into Sex Discrimination and Sexual Harassment, Including Predatory Behaviour in Victoria Police (VEOHRC Review into Sex Discrimination and Sexual Harassment)*. Many organisational wide changes have been made to ensure the continued provision of a safe workplace.

A new workplace harm unit was created to prioritise employee safety and to improve the reporting of workplace harm incidents. This complements an existing independent 24 hour service for employees and their families. Increased reporting of workplace harm incidents indicates a positive shift in culture as people gain confidence to report, knowing they will be supported by a victim-centric approach.

An online supervisor toolkit was established to support all police and supervisors in their role. This is a 'one-stop shop' for available resources and has been developed in consultation with supervisors to identify practical tools to better support keeping our workplace free of workplace harm.

Scoping work commenced for an online wellbeing suite which will provide additional resources to help improve the mental health and wellbeing of Victoria Police staff. It will increase access to services while the redevelopment of the safety audit system ensures high levels of compliance.

In June 2017 Victoria Police commenced the rollout of a series of safety video testimonials which were developed by police who have experienced injury, exposure to trauma or a near miss. These videos are delivering powerful peer to peer insights into lessons learnt through a shared online experience and are effectively influencing changes in safety, behaviour and culture.

Taskforce Salus continued to identify and investigate sexually predatory behaviour, sexual harassment and sexual assault allegations made against current and former employees. In 2016-2017 Taskforce Salus has supported people who have been affected by workplace harm with 117 investigations commenced.

## CULTURAL CHANGE FOR DISCIPLINARY INVESTIGATIONS

A review of employment practices was conducted in response to the *VEOHRC Review into Sex Discrimination and Sexual Harassment*. As a result, a positive cultural shift around internal reporting of suspected unethical conduct is occurring. An increased focus on performance development and rehabilitation and a decreased use of punitive sanctions has taken place. This is supporting employees in acknowledging and displaying insight into their behaviours as early as possible. This is also reducing both the complexity and timeframes associated with disciplinary investigations.

## NEW INTEGRATED OPERATIONAL EQUIPMENT VESTS

In response to the escalating security environment and increase in threats against police, a needs analysis has been completed for the rollout of integrated operational equipment vests. Keeping this equipment up to date with current standards will protect employees against the use of firearms and sharp weaponry when performing police response or reception duties. The vests will integrate in a manner which enables hands-free carriage of essential operational safety equipment.

## SPECIALIST OPERATIONS GROUP

Master planning and land acquisition commenced for a designated specialist training facility and weapons range to develop and maintain the skills of specialist police. This facility is critical to ensure specialist police are adequately equipped to respond to terrorist or critical events.

## IMPROVED ACCESSIBILITY

Multiple actions from the *Accessibility Action Plan 2014-2017* were completed in 2016-2017. Key actions included identifying and addressing barriers for people with disabilities in accessing police services and reporting a crime. The organisational capacity to employ, develop and retain people with disabilities was enhanced.

An Employee Accessibility Advocacy Network was developed as a voice for employees with a disability and the development of a Reasonable Adjustment Policy provides practical guidelines for the workplace. An online disability portal providing information, case studies, resources and a list of stakeholders for police members to access was developed. A range of Easy English documents and Auslan videos were further developed to provide accessible information about police services.

## REGULATING THE FIREARM, PRIVATE SECURITY AND WEAPONS INDUSTRY

A focus on the compliance of firearms, private security and weapons industry ensures that only fit and proper people are licensed. Strong compliance measures are critically important to maintain a safe and orderly society.

The regulatory burden is being reduced through greater efficiency in the administration of regulation. In June 2017 manual application forms were replaced with online forms for all new private security applications.

In 2016-2017 there were 138,873 applications and renewals processed for firearm permits and licences, private security licences and registrations and Chief Commissioner of Police weapon approvals. This figure represents a two per cent decrease on applications processed in 2015-2016. Of the applications processed in 2016-2017, 94 per cent were approved.

As at 30 June 2017 there were:

- 222,391 current Victorian firearm licences.
- 807,099 registered firearms attached to 215,272 current firearm licences.
- 35,933 private security licences and registrations.
- 866 Chief Commissioner of Police weapon approvals.

In 2016-2017 there were:

- 47,658 new and renewal firearm licence applications and 14,021 new and renewal private security licence and registration application approvals.
- 818 new and renewal firearm licence applications and 291 new and renewal private security licence and registration application refusals.
- 1,624 firearm licences and 159 private security licence and registration suspensions.
- 1,545 firearm licences and 193 private security licence and registration cancellations.
- 68,866 firearm permit application approvals.
- 345 firearm permit application refusals.

## FUTURE FOCUS 2017-2018

The physical and psychological health of the workforce will continue to be strengthened through the launch and implementation of the *Mental Health Strategy and Wellbeing Action Plan 2017-2020* and the implementation of recommendations from both the *VEOHRC Review into Sex Discrimination and Sexual Harassment* and the *independent Victoria Police Mental Health Review*.

The ongoing rollout of specialised mental health training will help increase police confidence in responding to mental health incidents.

The rollout of the Public Safety Police Response package will continue with the uptake of new technology, delivery of Integrated Operational Equipment Vests, the introduction of a new Operational Safety Framework, ballistic vehicles, specialist police, additional infrastructure and other resources.

## CELEBRATING DIVERSITY AND INCLUSION

The *Victoria Police Diversity and Inclusion Framework 2017-2020* was released in June 2017. The Chief Commissioner of Police said the framework articulates a strong commitment to respecting the differences between individuals and embracing diversity. It identifies the priority areas of: Gender Equality; Lesbian, Gay, Bisexual, Trans and Gender Diverse, and Intersex (LGBTI) people; Aboriginal and Torres Strait Islander people; Culturally and Linguistically Diverse (CALD) people; and people with disabilities.

Throughout 2016-2017 diversity and inclusion was celebrated and employees were recognised for their ongoing support to a diverse community.

More than 100 employees and community members gathered in December 2016 to recognise excellence and celebrate diversity in honour of the International Day for Persons with Disabilities. The Chief Commissioner of Police and a public advocate presented awards to employees and stations, recognised for their ongoing and consistent support for people with disabilities. Police stations that received awards include Ararat, Epping and North Melbourne.

This year's event also included the official launch of the Employee Accessibility Advocacy Network which provides a voice for employees with a disability to raise awareness about their needs and challenges within the organisation.

The event concluded with the Law Enforcement Torch Run which raises awareness and understanding of people with disabilities and celebrates their contributions and achievements.

## EARLY INTERVENTION FOR MENTAL HEALTH AND WELLBEING

Safe-t-net is an application providing access to a system which records and monitors events that may impact on the mental health and wellbeing of employees. Managers are able to quickly and easily record events and make sure that employees receive the right support at the right time. Support can vary from local level management to professional services referrals.

Before using safe-t-net, employees complete an online learning package which highlights the benefits of early intervention. This system requires managers and supervisors to have an initial conversation and follow-up conversations within the first 14 days of an event. Events remain open until the employee no longer feels impacted and doesn't require further support. Employees are encouraged to discuss the level of impact an event has had on their wellbeing. An impact rating assessment enables managers and employees to identify the most appropriate level of support and referrals. This minimises psychological impact at the earliest opportunity.

Early pilot users said safe-t-net is easy to use and allows them to actively manage the wellbeing of employees. Safe-t-net allows for monitoring of police attendances at high risk or traumatic events and supports all employees through stressful events.

Through safe-t-net employees are encouraged to seek help early. It ensures a consistent and timely level of support is provided to all employees.

## 3.2 LEADERSHIP

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Organisational transformation is underway with a strong focus on equality, dignity and respect. As Victoria Police is responding to the *VEOHRC Review into Sex Discrimination and Sexual Harassment* through organisation wide reforms. Leadership competencies are being developed to build a more confident, humble, and people focussed leadership capability. Highlights of achievements this year are outlined below.

### LEADERSHIP AND CULTURAL CHANGE

Leadership capability and improved service delivery is achieved through a range of initiatives.

STAND was developed as an internal brand to inspire positive action when faced with workplace issues.

All staff are encouraged to 'stand your ground' or to 'take a stand' when faced with inappropriate behaviour. A STAND Practice Leaders Network was established to create a core group of leaders with additional knowledge, practical skills and confidence to model better practice leadership. These attributes are required to drive culture change and build safe, inclusive and respectful workplaces.

To date, over 200 STAND practice leaders are promoting initiatives across all workplaces. These initiatives include Women in Policing Local Committees, workplace forums and workplace training packages.

The second *Balance Leadership for Women in Public Safety Agencies* program was conducted in partnership with the Australian Institute of Police Management. This program delivers practical strategies to improve the effectiveness of leadership in the workplace and enhances the skills and knowledge of women leaders.

A Senior Sergeant Development Program was developed, bringing together participants from across metropolitan and regional Victoria. In 2016-2017 the program has delivered a leadership capability uplift for 71 senior sergeants, with an additional 511 senior sergeants to attend the program over 2017-2018. Executive Command members engaged directly with program participants and share their leadership experience and knowledge.

Since the *VEOHRC Review into Sex Discrimination and Sexual Harassment* was released, a range of diversity and inclusion initiatives and programs have been strengthened, with a focus on leadership and cultural change. A VEOHRC Review Response, Partnerships and Innovation Office was established in October 2016 to implement and oversee the VEOHRC recommendations. This formalises the commitment to building a gender diverse, inclusive and respectful workforce.

### FUTURE FOCUS 2017-2018

Leadership development and change management capabilities continue development through an organisational wide program designed to redress gender imbalance and cultural barriers to equality of opportunity. The Senior Sergeant Development Program will continue its rollout across the organisation.

Release of the *VEOHRC Review into Sex discrimination and Sexual Harassment Phase 2 Audit*, due in September 2017 will provide a detailed assessment of progress to date against the recommendations made in the phase one audit report. The phase two audit report will enable objective assessment of progress and ensure that work remains on track to implement each of the 20 recommendations.

## BOOSTING LEADERSHIP CAPACITY

With a focus on building leadership capability at all levels, a Developing Future Leaders Program, delivered in partnership with the Australian Institute of Police Management, saw 48 sergeants develop foundational leadership skills, improve their personal effectiveness and enhance their capacity to influence and contribute to a constructive organisational culture.

Formation of a program alumni group has ensured participants continue to build their leadership capability outside the program, bringing their learnings back to the workplace. They are introducing new programs and encouraging conversations around the development of a positive workplace culture.

As a result of the program, two sergeants succeeded in establishing a Workplace Culture Reform project in two regions with the support of the Regional Assistant Commissioners. With the aim of developing safe and inclusive workplaces this project has developed a workplace champions network. The role of these workplace champions is to encourage the delivery of training and to drive positive change at a local level.

## 3.3 AGILITY

Police service delivery continues to become more agile in response to an increasingly complex and changing environment. The visibility and responsiveness of police continues to increase as Victoria Police strives to maintain community safety. Throughout 2016-2017 police numbers increased, stations were upgraded and replaced across the state and forensic capabilities were expanded.

### MONITORING AND ASSESSMENT CENTRE

The Victoria Police Monitoring and Assessment Centre commenced operations in December 2016. This provides a networked monitoring centre with real time access to information for stopping crime and detecting incidents more quickly to enable a response before the incident escalates.

### MORE POLICE

In 2016-2017 employee numbers have increased by 770 full time equivalent (FTE) including 384 new police and 37 PSOs through the *Be a Force for Good* campaign incorporating television, radio, print, social and online media. The FTE for PCOs increased by 112, bringing the total FTE for PCOs to 326. PCOs are now deployed at 22 police stations.

### SPECIALIST VEHICLES

With the growth in police numbers it is necessary to ensure the appropriate supporting equipment is in place. In January 2017 nine new vehicles for the Public Order Response Team were delivered to strengthen the response to violent protests, rallies and other events.

### NEW FORENSIC CAPABILITY

Over the course of 2016-2017, Victoria Police's forensic capacity was increased through the recruitment of seven additional forensic officers and the establishment of a new forensic service delivery model. This supports the development of a modernised forensic service which is better able to assist in the disruption and prevention of crime. This integrated approach makes the best use of forensic resources and provides more versatile and accessible services to police.

Faster turnaround times for investigators, along with the elimination of historical backlogs in both fingerprints and DNA, has resulted in a drastic reduction of the average number of days to process volume crime fingerprint analysis. On top of the reduction in time achieved in 2015-2016, there has been a further reduction of 40 per cent bringing the average number down to 2.2 days this year.

The planning and development of two forensic hubs in regional Victoria is underway. These hubs will support rapid forensic interventions, mitigate risks and maintain integrity of evidence for investigations.

## UPGRADED AND REPLACEMENT POLICE STATIONS

In 2016-2017 upgrades or replacements began on a number of police stations across metropolitan and regional Victoria.

Building has commenced on the replacement stations in Cowes and Murtoa. Police stations in Churchill, Lakes Entrance, Maffra, Moe, Geelong, Sorrento, Warragul and Benalla have been refurbished. Work is underway to complete a new police station in Mernda and a new Echuca Police Station was officially opened in March 2017. These works help improve community safety and service delivery across regional and metropolitan areas through the provision of contemporary and adaptable police stations, ensuring long term efficient and effective delivery of policing services.

## FUTURE FOCUS 2017-2018

Building of replacement regional stations will begin in Alexandra, Bright, Colac, Corryong, Mallacoota, Rutherglen, Tangambalanga, Warburton, Warracknabeal, Wedderburn, and Wycheproof. Building of replacement metropolitan stations will begin in Altona North, Reservoir, South Melbourne and Wyndham. Work on the refurbishment of police stations will commence in Bacchus Marsh, Bairnsdale, Cobden, Mt Buller, Portland, Rosebud

and Warrnambool. Work will also commence on multidisciplinary centres in Wyndham and Geelong.

Deployment of additional police, PSOs and specialist resources to support high risk youth and aboriginal communities funded through the Community Safety Statement will continue.

The water police fleet will be overhauled through the replacement of some ageing vessels with modern boats.

## IMPROVED INTELLIGENCE ACCESS COMBATS VIOLENCE

The Victoria Police Monitoring and Assessment Centre (Centre) commenced operating in December 2016. It operates 24 hours a day, seven days a week providing real time access to information and intelligence in order to detect incidents more quickly, triggering a response before the incident escalates.

The Centre is styled on the best and most suitable aspects of the New York Police Department and New Zealand Police's facilities. It was established to improve live updates of events and to improve police response capability by giving real-time access to intelligence and live closed-circuit television feeds.

It played a critical role in preventing violence at Melbourne's White Night festival. Two armed rival groups had been planning a fight but police intervened early. Through its capabilities, police were aware of the rival groups' plans and prepared a well planned response to the threat of violence.

The Centre has 16 screens which display Safe City cameras, Victoria Police event cameras, AirWing feed and local and international news channels. Real time information is provided to event supervisors on attendee numbers and crowd sentiment which improves decision making and the coordination of resources. It also enables early identification of unplanned public order events via social media monitoring.

## 3.4 EVIDENCE BASED

Victoria Police take an evidence based approach to decision making and continuous improvement processes. This increases the efficiency and productivity across the organisation.

### ACHIEVING BEST VALUE FOR GOVERNMENT INVESTMENT

An Enterprise Program Management office was established in 2017 to ensure optimal value is achieved through the delivery of Public Safety Police Response and *Community Safety Statement* funding packages. The breadth and complexity of these Victorian Government funded initiatives required a new organisational level governance and delivery methodology. This office is building organisational capability for change management, business process improvement and effective project management.

### IDENTIFYING YOUNG PEOPLE AT RISK

An early identification tool has been developed, drawing on academic research and sophisticated modelling to identify and prioritise young people at risk of ongoing contact with the criminal justice system. Using this model, police are better able to predict the likelihood of future criminal behaviour based on current offending patterns and risk indicators. This enables early intervention to help prevent young people from recidivism offences. This is an evidence based tool that removes the subjectivity in identifying youth at risk. Information is shared with partner agencies to develop tailored multi-agency intervention responses.

### NEW HEADQUARTERS

Preparations commenced for the new Victoria Police headquarters at 311 Spencer Street. This facility will be connected to the neighbouring Spencer Street Police Complex, with close access to the Melbourne Assessment Prison, the court precinct and Southern Cross Station. It is expected to be completed in 2020 and will be purpose built with a five star environmental rating including 39 stories across 65,000m<sup>2</sup>. It will accommodate up to 2,500 employees and will provide a visible, stable police presence. The new headquarters features enhanced security capability and will enable work to be undertaken more collaboratively, productively, safely and securely.

### UNIFORM REVIEW

The Unified Design Program was established to provide expert advice and analysis of current uniforms and their appropriateness for contemporary policing activities.

Reviews of cold weather and operational uniforms commenced. Strengthening of the uniform specifications will ensure they meet the needs of police in today's complex policing environment.

### FUTURE FOCUS 2017-2018

Improved use of evidence, data and technology will be achieved by streamlining DNA processes, refreshing the service delivery model, implementing a range of road safety activities and evaluating the Victoria Police Monitoring and Assessment Centre to ensure it remains equipped with the latest technology and constantly refreshed capability.

In September 2017, a resource providing empirical evidence on the dynamics of sexual offending for the justice sector to refute commonly held myths will be

launched. Developed by the Australian Institute of Family Studies on behalf of Victoria Police, it is titled *Challenging Misconceptions about Sexual Offending: Creating an Evidence Based Resource for Police and Legal Practitioners*.

Cautioning and diversion policies are being reviewed leading to more streamlined, consistent and equitable policing practices. Evaluations will inform an evidence base for changes.



## ADVANCED STAFF ALLOCATION MODEL

Victoria Police has developed an advanced Staff Allocation Model (SAM) in consultation with The Police Association Victoria, enabling more accurate forecasting and distribution of police resources based on varying service demand and delivery needs.

The model formed one of the organisational inputs that resulted in 2,729 new police being funded through the *Community Safety Statement* through to 2021 and assisted with informing the deployment of 300 additional police funded through the *Public Safety Police Response* package.

Earlier resource allocation models have evolved with the new SAM now assessing more evidence based variables. Sophisticated analysis incorporates both event and time based factors that impact on the numbers and deployment of police. It assesses events such as reported crime, event management, baseline staffing requirements and emergency management. Time based factors such as travel time, traffic incidents and computer aided dispatch are also assessed.

Effective long term planning through the SAM provides for a consistent, sustained and visible level of policing across the state. The SAM continues to evolve in developing its capacity and an academic peer review will take place in 2017-18.

## 3.5 VICTIM-CENTRIC

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Positioning the victim front and centre in the delivery of policing services is key to preventing and reducing harm. This victim-centric approach is improving policing capacity in the response to family violence and other victim related crime. Information below provides insight into these advances.

### TARGETING FAMILY VIOLENCE

The 32 police specific recommendations made through the *Royal Commission into Family Violence* are being implemented, along with contributions to the implementation of recommendations being led by other government departments and agencies.

Implementation of the recommendations will improve responses to family violence and support for victims through systemic change. Family violence is recognised as core business, with a revised organisational structure providing a new strategic direction and improved education and learning for staff. A comprehensive evaluation of family violence models was completed, developing a core set of functions to be delivered by all family violence teams under the revised structure.

Victims of sexual assault are supported through a multi-agency and integrated response to improve victim outcomes and to increase perpetrator accountability. Teams of specialist detectives, support workers, forensic medical staff and child protection experts work within expanded multi-disciplinary centres in

partnership with other key government agencies. In April 2017 family violence teams and specialist family violence services were incorporated into the Dandenong multi-disciplinary centres. Plans are underway for a new centre in Wyndham and an expansion of the Geelong centre.

Training resources have been further developed to improve the understanding of family violence across the organisation. These resources include a suite of eLearning packages along with the appointment of specialist training staff. New employees have been appointed to rollout the family violence training curriculum, providing clear insights into the victim experience.

Risk assessment for family violence continues to evolve through the trial of a risk management tool for police which scores risks factors to predict the likelihood and severity of future violence (including non-physical forms of violence) over 12 months.

A Reportable Conduct Scheme was implemented in partnership with the Commission for Children and Young People. It identifies and responds to incidents of child abuse or misconduct that occur in an organisational setting with child related responsibilities such as schools and child protection agencies.

In July 2016 Victoria Police launched a joint child sexual exploitation pilot with the Department of Health and Human Services (DHHS). This new approach saw the Sexual Offences and Child Abuse Investigation Team (SOCIT) working with DHHS specialists to disrupt offenders, build rapport with victims and encourage reporting. An early internal evaluation identified a significant reduction in child sexual exploitation risk for young people.

An external evaluation of both the police and child protection elements will be completed in October 2017, which will also address the resource implications of the model. The current pilot has been extended until June 2018 to allow the approach to mature and the findings of the evaluation to be considered.

## INVESTIGATING CHILD SEXUAL ABUSE

The SANO Taskforce continued its work in investigating new and historical allegations of child sexual abuse. This Taskforce comprises of specialist sexual assault detectives and trained expert investigators who maintain the confidentiality of anyone who makes a complaint or wishes to provide information regarding child sexual abuse.

In 2016-2017 the SANO Taskforce received 406 referrals from multiple sources including the Royal Commission into Institutional Responses to Child Sexual Abuse, the SANO Taskforce victims' contact number and legal and support services. A total of 10 offenders were successfully prosecuted. Throughout 2016-2017, a total of 26 investigations commenced resulting in 23 offenders being charged with a total of 378 offences.

## WORKING WITH INDUSTRY

In response to a spate of armed robberies significant resources, including crime prevention forums, have been developed to reduce business and industry exposure to high impact offending such as armed robberies on commercial businesses. Examples include, toughened or bullet-proof glass, metal door/window shutters, bollards, graffiti repellent spray on graffiti prone areas and tamper-proof sign hardware and fasteners.

## VICTIM-CENTRIC PORTFOLIO

A victim-centric service delivery portfolio was established at the police station level and is responsible for supporting and encouraging police to maintain a victim-centric focus and increasing compliance with the legislative requirements of the Victims' Charter Act 2006. The Victims Support Agency within the Department of Justice and Regulation, is responsible for coordinating services for victims of crime in Victoria.

## FUTURE FOCUS 2017-18

The *Community Safety Statement* provides funding over the next four years for 415 specialist family violence roles across Victoria Police. In response to the recommendations of the Royal Commission into Family Violence, new detective positions will be embedded in family violence teams, along with dedicated intelligence practitioners. These roles will be supported through the establishment of the new Centre of Learning for Family Violence which will provide

specialist education and training for police at all levels in responding to family violence.

A new drug response plan will be rolled out with a strong focus on strategic and operational responses to victims of drug crime and harm in the Victorian community. This plan will help ensure a consistent and evidence based approach to managing drug, crime and harm in the community.

## UNDERSTANDING THE ABORIGINAL EXPERIENCE

An enhanced response to family violence affecting Aboriginal and Torres Strait Islander people is being achieved by facilitating an open dialogue with the Aboriginal community. A learning resource, *Understanding Family Violence in the Aboriginal Community* was rolled out to better inform police of the impact of past trauma on Aboriginal people and how that can relate to violence and police interactions today. By completing the training, police gain an understanding of Aboriginal culture and family dynamics, which will help inform responses to the particular challenges that exist with family violence in the Aboriginal community.

This is the first organisation wide package that addresses family violence in the Aboriginal community. The content was developed in consultation with police, Aboriginal community members and Elders, Aboriginal agencies and organisations.

The Koori Family Violence Protocols continue to be rolled out across metropolitan and regional Victoria. These protocols outline how police and community work together to best respond to family violence and aim to strengthen response capability.

Initiatives such as these will continue to be rolled out in collaboration with the Aboriginal community to improve police response and to assist in building trust and collaborative relationships to break the cycle of violence.

## 3.6 GENDER, DIVERSITY AND FLEXIBILITY

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Victoria Police is undergoing transformational change to increase its diversity and flexibility. This is achieved through a range of initiatives including leadership and cultural change and by continuing to equip employees with the skills and knowledge to create and develop safe workplaces.

### GENDER EQUALITY

Launched in June 2017, the *Diversity and Inclusion Framework 2017-2020 and Gender Equality Strategy and Action Plan 2017-2020*, align with the whole of government gender strategy, *Safe and Strong*. These strategies guide efforts toward building a safe, gender diverse, respectful and inclusive organisation, reinforcing the commitment to end sex discrimination, sexual harassment and predatory behaviours.

### WOMEN IN POLICING

The Women in Policing Advisory Group has been established to influence and inform women-focused initiatives. Local Women in Policing committees were established in October 2016 to progress women in policing issues and priorities locally. These committees provide safe and comfortable forums for female employees to raise relevant workplace issues through initiatives such as mentoring, networking and professional development opportunities. A series of women's engagement forums were held to identify barriers to career progression.

### WORKPLACE FLEXIBILITY

The Victoria Police Workplace Flexibility policy has been updated. It promotes access to flexible work arrangements where operational and service delivery priorities allow. The policy updates provide better guidance around the practical application of legislation and provisions in the current enterprise agreements, including flexible work arrangements for those experiencing family violence and lactation breaks to support employees who choose to continue breastfeeding after returning to work from parental leave.

## ENGAGING WITH DIVERSE COMMUNITIES

A more diverse workforce is being developed through a range of initiatives to improve police capability for engaging with diverse communities. An Aboriginal specialist educator was employed to help enhance employee cultural awareness and to promote positive engagement with Aboriginal communities across the state.

Continued engagement with diverse communities includes Koori cultural training and attendance at Ramadan, NAIDOC week and Harmony Day events. Victoria Police established the Manningham Islamic Youth Council to further develop strong relationships with young Muslims in the Doncaster area. A series of recruiting events undertaken in 2016-2017 for African communities attracted close to 300 people.

## EQUALITY IS NOT THE SAME

Organisational reform is being achieved through the implementation of actions from the *Equality is not the Same* report. Practical tools and online police resources have been developed. The Cultural Community and Diversity Resource Hub provides access to a suite of case studies, fact sheets and scenario-based learning resources and a new e-learning package provides insight into the protection of human rights in everyday policing.

## FUTURE FOCUS 2017-18

Implementation of the *Diversity and Inclusion Framework 2017-2020 and Gender Equality Strategy and Action Plan 2017-2020* will form part of a continued focus on embedding a culture that is inclusive and safe.

The *Community Safety Statement* provides funds for parental leave backfill and leadership capability

development. Proposed operating models for parental leave backfill have been developed with the implementation of the program to be phased over two years.

100 Years of Women in Policing will be celebrated through a series of events from July to December 2017.

## 3.7 TECHNOLOGY REFORM

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In 2016-2017 Victoria Police made significant progress in preparing for the rollout of key transformational technology initiatives. The primary focus this year has been the progression of major planning and tender processes and the commencement of multiple technology initiatives.

### TECHNOLOGY BOOST

Victoria Police is introducing new mobile technology solutions to equip police with at least 8,500 smartphones and tablets by the end of 2019. A tender process was completed, appointing Motorola Solutions Australia in April 2017 to provide the devices, mobile network, applications and support services. Each device will have a purpose built application to give police access to operational information in the field, when it is needed most. Real-time access to operational information and the ability to complete administrative tasks on the devices reduces the need to return to the station, enabling more informed decision making to improve both police and community safety.

### NEW HI-TECH INTELLIGENCE

Data analytics company SAS Institute Australia was appointed in February 2017 through a tender process to deliver an Intelligence Management Project with advanced search capability by integrating information from key systems into a single portal. This will strengthen investigative responses through an integrated intelligence management solution. These efficiencies will give intelligence staff more time to focus on producing proactive, relevant and timely intelligence to improve member and community safety.

### DIGITAL RADIOS FOR COUNTRY POLICE AND EMERGENCY SERVICES

In partnership with Emergency Management Victoria, the procurement process for the upgrade of police and emergency services radio equipment progressed which will provide police with new digital radio equipment and access to an improved and encrypted digital radio network. This will be a significant improvement for police in regional areas who currently broadcast on an analogue radio system. The radio network and equipment will provide improved security, better voice clarity in operational communications, improved network coverage, and the capability to locate radios which all contribute to improving safety.

### HIGH TECH BOMB RESPONSE ROBOTS

The rollout of high-tech bomb response robots to replace ageing robots commenced this year. The Dragon Runner is now operational. It is a small, fast and agile robot that can access confined spaces and can be rapidly deployed to assess suspicious packages, improvised explosive devices or hazardous materials. Medium and large sized robots will become operational in the 2017-2018 year. These will assist on the front line to ensure the Bomb Response Unit continues to have the best equipment, and flexibility to respond to the evolving challenges of modern security.

## FUTURE FOCUS 2017-2018

The ongoing implementation of the Victoria Police modernisation program, including BlueConnect, will transform technology and systems, to better meet business and operational needs. 2017-2018 will see the initial phase one rollout of Victoria Police's enhanced intelligence capability with full rollout due for completion in 2019. The initial deployment of mobile technology will take place in late 2017, with phased rollout over the next five years.

In 2017-2018 a trial of body worn cameras will take place, supporting the implementation of the recommendations from the *Royal Commission into Family Violence*. Body worn cameras enable efficient evidence collection and improve police and community safety. They will also reduce the impact of the justice process on victims of family violence by enabling

them to make statements at the time of first police attendance to be used as evidence in chief in court.

A police assistance line and online reporting capability provide new avenues, other than a police station or Triple Zero, for the community to report non-urgent matters and to make enquiries. This will improve the community's access to police. In 2017-2018 Victoria Police will undertake a tender process, and will begin upgrades to its cyber security, internet and intranet to deliver secure platforms with engaging user and customer interfaces.

The mobile Automated Number Plate Technology for all 220 Highway Patrol vehicles to detect and remove high risk drivers and unregistered vehicles from the road network will be rolled out.

## 3.8 PARTNERSHIPS

Partnerships and engagement are important to achieving shared objectives, maximising opportunities and achieving organisational outcomes. This year has seen a focus on building capability in addressing complex social issues, preventing crime and reducing harm in the community.

### WORKING TOGETHER TO IMPROVE COMMUNITY SAFETY

A new interagency committee of key state government agencies including Victoria Police, the Department of Health and Human Services, the Department of Education and Training and the Department of Justice Regulation was established. This committee focuses on areas of shared priorities to ensure social cohesion and improved community safety throughout Victoria.

### YOUTH ENGAGEMENT

Effective levels of engagement with young people is important to help reduce their further contact with the justice system. While the number of young people in Victoria committing offences in recent years is trending downward, smaller groups of youths are rapidly escalating into serious and violent offending.

The Victoria Police Youth Summit in July 2016 brought together youth advocates, senior government representatives, the community sector and academia. Summit partners worked to identify how the various parts of the community can work together to address issues of mental health, social disadvantage, isolation, distressing family situations and challenges with money and employment. Recommendations, generated from the Summit, were submitted to the Victorian Government with subsequent reforms announced in December 2016. These reforms include longer detention periods, more intensive control programs, and a new offence targeting adults who use children to commit crime. The Children's Court can now restrict where a young person can visit and who they can associate with, and can require the young person to comply with an education, training or employment plan.

Throughout 2016-2017 engagement with young people continued through a range of programs including the Youth Resource Officer Program, Local Responses to Local Needs Program, Building Resilience for Children

and Young People Program, Victoria Police Youth Corps, Police Citizens Youth Club, Blue Light Victoria and Maori Wardens and Fit 2 Drive.

In partnership with schools, throughout both metropolitan and regional Victoria, a volunteer initiative through the COPPS Program works to break down barriers and strengthen community bonds with local police. It targets at-risk youth, who may be marginalised, socially disadvantaged or economically challenged and provides a positive experience of social interaction with Victoria Police. The clinic starts with an educational safety talk, followed by soccer coaching. In April 2017, volunteer police officers teamed up with more than 500 young children from 20 schools for a soccer clinic and talk on life skills, what to do in emergency and how to stay safe.

## NEW FAMILY VIOLENCE PARTNERSHIP

In partnership with Forensicare and Swinburne University's Centre for Forensic Behavioural Science, the Enhancing Police Responses to Family Violence Pilot Project was implemented in the North West Metropolitan Region Division 2. This pilot project tests a new risk assessment process for police and a structured approach for family violence teams when carrying out risk assessments. Findings from the evaluation of the pilot will inform family violence reforms.

## COMMUNITY ENGAGEMENT

Community partnerships were enhanced through working with volunteers at major events including Moomba, White Night and New Year's Eve celebrations. This is a valuable form of assistance for police to engage with the community. Partners include the Planetshakers Church, Maori Wardens and the South Sudanese Community Leaders.

## POLICING REFERRALS

This year a new partnership with the Australian Government Department of Social Services responsible for delivering financial counselling was established. This is one of many examples of working closely with government departments and not-for-profit organisations to embed relevant policing referral pathways. Partnerships such as these streamline the process for referring victims and those in need of assistance to appropriate support services.

## A COLLABORATIVE APPROACH TO CONTEMPORARY POLICING

The new state-wide Constables Consultative Committee allows police to have a voice on a wide range of subjects to enhance our approach to contemporary policing. Through this committee a collective understanding of the issues that influence the workplace is established. It is an important means of developing ideas and initiative in support of a progressive work environment and to provide feedback on operational policing.

## PROMOTING THE IMPORTANCE OF SAFETY FEATURES IN VEHICLES

The importance of safety features in vehicles is being promoted through a partnership with Mercedes Benz. A Mercedes-AMG E43 vehicle was incorporated to the Road Policing Command for a 12 month period from March 2017. This operational vehicle, dubbed the Guardian V2, has safety features that make it the safest highway patrol car in Australia.

This partnership serves as a community conversation starter about safety in vehicles as a priority. Research undertaken by Monash University shows that if every vehicle had comparable safety features to that of the Guardian V2, a 33 per cent reduction in road trauma would be expected.

## CYBER SAFETY

In February 2017 a partnership with schools and the community for the ThinkUKnow Cyber Safety Program was established to respond to the increasing role of social media and technology in the lives of young people. It provides information on sexting and other similar issues to encourage young people to consider the responsibilities and risks of social media and technology and promoting strategies to stay safe online.

## SOCIAL MEDIA

An increased use of a range of social media includes enhanced use of the Eyewatch Facebook pages. Eyewatch provides an open forum for residents across the state to connect with local police to discuss crime and community safety issues and to help apprehend offenders. Eyewatch East Gippsland was launched in June 2017, boosting the total number of active Eyewatch Facebook pages across Victoria to 30.

A trial of Snapchat took place during Melbourne's White Night festivities in February 2017. Snapchat is a mobile application, popular with young adults, that allows the user to send temporary photos and video messages with friends. Police used photos and short videos to promote public safety and to provide assurance of a strong police presence to followers across Melbourne.

## FUTURE FOCUS 2017-2018

Strong partnerships help to address complex social issues, prevent crime and reduce harm in the community. A partnership will be established with courts and youth agencies to support specific interventions in Geelong for young people who are offending or are at risk of offending.

The rollout of community Eyewatch Facebook pages will be accelerated across the state so they can be a greater conduit for engagement with communities. These sites provide greater visibility of policing services and initiatives along with safety and crime prevention information.

## THE MURRAY PADDLE

More than 20 police joined over 70 Aboriginal participants from the Dungulay in Mileka program in the Massive Murray Paddle during November 2016. The event started in Yarrowonga and finished in Swan Hill over a course of 404 km.

Participating in the Massive Murray Paddle provides an opportunity for people to get out of their comfort zones to overcome challenges whilst forming lifelong bonds.

A PCO, who participated, said it was an unforgettable experience which would certainly benefit PCOs working in custody when dealing with people from different cultures and backgrounds. Participating in the event provides an insight into the community engagement aspects of policing.

The Dungulay in Mileka program is a project of the Grampians Regional Aboriginal Advisory Committee. The aim of the program is to develop and enhance relationships between Aboriginal young people and Victoria Police through positive interaction and physical challenges. It has gained recognition from the Victorian Government and has received a number of Indigenous Community Justice Awards.



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## APPENDIX B – WORKFORCE DATA

The FTE count in the below table does not represent part-time employment as the FTE figures are rounded to meet Financial Reporting Direction (FRD) 29B requirements. Information on part-time employment numbers is contained within the *Victoria Police Employees by Employment Type and Gender FTE as at 24 June 2017* table.

### VICTORIA POLICE HEADCOUNT AND FULL TIME EQUIVALENT (FTE) NUMBERS OF EMPLOYEES AS AT 24 JUNE 2017

Sworn Rank	Headcount	Full Time Equivalent (FTE)
Chief Commissioner	1	1
Deputy Commissioner	3	3
Assistant Commissioner	15	15
Commander	11	11
Superintendent	92	92
Chief Inspector	1	1
Inspector	315	315
Senior Sergeant	746	744
Sergeant	2,468	2,441
Senior Constable	7,675	7,403
Constable	2,509	2,503
<b>Total Police</b>	<b>13,836</b>	<b>13,529</b>
<b>Recruits in training</b>	<b>152</b>	<b>152</b>
PSO Security	166	165
PSO Transit	1,153	1,147
PSO in Training	78	78
<b>Total PSOs</b>	<b>1,397</b>	<b>1,390</b>
<b>Reservists</b>	<b>2</b>	<b>2</b>
<b>Total Sworn</b>	<b>15,387</b>	<b>15,073</b>
Public Servant Classification	Headcount	Full Time Equivalent (FTE)
Executive Officer EO1	2	2
Executive Officer EO2	6	6
Executive Officer EO3	13	13
Senior Medical Advisor	8	6
Forensic Officer 7	2	2
Senior Technical Specialist	15	15
<b>Total Senior Public Servants</b>	<b>46</b>	<b>44</b>
Forensic Officer 6	13	13
Forensic Officer 5	29	26
Forensic Officer 4	73	64
Forensic Officer 3	63	58
Forensic Officer 2	74	70
Forensic Officer 1	1	1
Victorian Public Service Officer VPSG6	194	189
Victorian Public Service Officer VPSG5	260	253
Victorian Public Service Officer VPSG4	594	557
Victorian Public Service Officer VPSG3	705	671
Victorian Public Service Officer VPSG2	1,189	1,095
Police Custody Officer	328	326
<b>Total Other Public Servants</b>	<b>3,523</b>	<b>3,323</b>
<b>Total Public Servants</b>	<b>3,569</b>	<b>3,367</b>
<b>Total Workforce</b>	<b>18,956</b>	<b>18,440</b>

#### Notes:

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

FTE totals may not tally due to rounding as the figures are to be rounded to the nearest whole number as per FRD 29B.

Currently there are no federally funded police.

Senior Technical Specialist (otherwise referred as VPSG7).

Excludes EO1s at Office of Chief Examiner (all other employees included).

Police Medical Officers are included with VPS, though are employed as Senior Medical Advisors.

STATUTORY AND NATIONALLY FUNDED BODIES ADMINISTERED BY VICTORIA POLICE AS AT 24 JUNE 2017

Public Servant Classification	Headcount	Full Time Equivalent (FTE)
Governor In Council	5	5
Executive Officer EO1		
Executive Officer EO2	1	1
Executive Officer EO3	3	3
Senior Medical Advisor		
Forensic Officer 7	1	1
Senior Technical Specialist		
<b>Total Senior Public Servants</b>	<b>10</b>	<b>10</b>
Forensic Officer 6		
Forensic Officer 5		
Forensic Officer 4		
Forensic Officer 3		
Forensic Officer 2		
Forensic Officer 1		
Victorian Public Service Officer VPSG6	4	3
Victorian Public Service Officer VPSG5	17	12
Victorian Public Service Officer VPSG4	9	8
Victorian Public Service Officer VPSG3	7	7
Victorian Public Service Officer VPSG2	1	1
Victorian Public Service Officer VPSG1		
Police Custody Officer 2		
Police Custody Officer 1		
<b>Total Other Public Servants</b>	<b>38</b>	<b>32</b>
<b>Total Public Servants</b>	<b>48</b>	<b>41</b>

**Notes:**

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

FTE totals may not tally due to rounding as the figures are to be rounded to the nearest whole number as per FRD 29B.

Statutory and nationally funded bodies included in the above table: Commissioner for Law Enforcement Data Security, Australia New Zealand Policing Advisory Agency and Police Registration & Services Board. Executive Officers from the Office of the Chief Examiner are also included in this category.

Senior Technical Specialist (otherwise referred as VPSG7).

VICTORIA POLICE HEADCOUNT AND FULL TIME EQUIVALENT NUMBERS OF EMPLOYEES AS AT 25 JUNE 2016

Sworn Rank	Headcount	Full Time Equivalent (FTE)
Chief Commissioner	1	1
Deputy Commissioner	3	3
Assistant Commissioner	15	15
Commander	10	10
Superintendent	86	86
Chief Inspector	1	1
Inspector	301	301
Senior Sergeant	709	708
Sergeant	2,438	2,415
Senior Constable	7,690	7,428
Constable	2,228	2,221
<b>Total Police</b>	<b>13,482</b>	<b>13,188</b>
<b>Recruits in training</b>	<b>109</b>	<b>109</b>
PSO Security	161	160
PSO Transit	1,150	1,148
PSO in Training	44	44
<b>Total PSOs</b>	<b>1,355</b>	<b>1,353</b>
<b>Reservists</b>	<b>2</b>	<b>2</b>
<b>Total Sworn</b>	<b>14,948</b>	<b>14,652</b>
Public Servant Classification	Headcount	Full Time Equivalent (FTE)
Executive Officer EO1		
Executive Officer EO2	6	6
Executive Officer EO3	13	13
Senior Medical Advisor	8	5
Forensic Officer 7	3	3
Senior Technical Specialist	15	15
<b>Total Senior Public Servants</b>	<b>45</b>	<b>42</b>
Forensic Officer 6	12	12
Forensic Officer 5	30	28
Forensic Officer 4	64	56
Forensic Officer 3	57	53
Forensic Officer 2	71	68
Forensic Officer 1	1	1
Victorian Public Service Officer VPSG6	169	166
Victorian Public Service Officer VPSG5	224	219
Victorian Public Service Officer VPSG4	512	482
Victorian Public Service Officer VPSG3	645	613
Victorian Public Service Officer VPSG2	1,154	1,066
Police Custody Officer 2	123	123
Police Custody Officer 1	91	91
<b>Total Other Public Servants</b>	<b>3,153</b>	<b>2,977</b>
<b>Total Public Servants</b>	<b>3,198</b>	<b>3,019</b>
<b>Total Workforce</b>	<b>18,146</b>	<b>17,670</b>

**Notes:**

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.  
 FTE totals may not tally due to rounding as the figures are to be rounded to the nearest whole number as per FRD 29B.  
 Currently there are no federally funded police.  
 Senior Technical Specialist (otherwise referred as VPSG7).  
 Excludes EO1s at Office of Chief Examiner (all other employees included).  
 Police Medical Officers are included with VPS, though are employed as Senior Medical Advisors.

STATUTORY AND NATIONALLY FUNDED BODIES ADMINISTERED BY VICTORIA POLICE AS AT 25 JUNE 2016

Public Servant Classification	Headcount	Full Time Equivalent (FTE)
Governor In Council	6	4
Executive Officer EO1		
Executive Officer EO2	1	1
Executive Officer EO3	3	3
Senior Medical Advisor		
Forensic Officer 7	1	1
Senior Technical Specialist		
<b>Total Senior Public Servants</b>	<b>11</b>	<b>9</b>
Forensic Officer 6		
Forensic Officer 5		
Forensic Officer 4		
Forensic Officer 3		
Forensic Officer 2		
Forensic Officer 1		
Victorian Public Service Officer VPSG6	5	3
Victorian Public Service Officer VPSG5	11	7
Victorian Public Service Officer VPSG4	11	10
Victorian Public Service Officer VPSG3	3	3
Victorian Public Service Officer VPSG2	2	2
<b>Total Other Public Servants</b>	<b>32</b>	<b>25</b>
<b>Total Public Servants</b>	<b>43</b>	<b>34</b>

**Notes:**

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

FTE totals may not tally due to rounding as the figures are to be rounded to the nearest whole number as per FRD 29B.

Statutory and nationally funded bodies included in the above table: Commissioner for Law Enforcement Data Security, Australia New Zealand Policing Advisory Agency and Police Registration & Services Board. Executive Officers from the Office of the Chief Examiner are also included in this category.

Senior Technical Specialist (otherwise referred as VPSG7).

VICTORIA POLICE EMPLOYEES BY EMPLOYMENT TYPE AND GENDER AS AT 24 JUNE 2017 – FTE

Sworn Rank	Ongoing						Fixed Term		
	Full Time			Part Time			Full Time		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Chief Commissioner							1		1
Deputy Commissioner							2	1	3
Assistant Commissioner							13	2	15
Commander	8	3	11						
Superintendent	80	12	92						
Chief Inspector	1		1						
Inspector	263	51	314	1		1			
Senior Sergeant	623	118	741	1	3	3			
Sergeant	2,035	344	2,379	24	38	62			
Senior Constable	5,220	1,634	6,854	96	454	549			
Constable	1,628	865	2,493	3	7	11			
<b>Total Police</b>	<b>9,858</b>	<b>3,027</b>	<b>12,885</b>	<b>125</b>	<b>501</b>	<b>626</b>	<b>16</b>	<b>3</b>	<b>19</b>
PSO Security	143	19	162	3		3			
PSO Transit	1,039	96	1,135	10	2	12			
PSO in Training	71	7	78						
<b>Total PSO</b>	<b>1,253</b>	<b>122</b>	<b>1,375</b>	<b>13</b>	<b>2</b>	<b>15</b>			
<b>Recruit</b>	<b>101</b>	<b>51</b>	<b>152</b>						
<b>Reservist</b>	<b>1</b>	<b>1</b>	<b>2</b>						
<b>Total Sworn</b>	<b>11,213</b>	<b>3,201</b>	<b>14,414</b>	<b>137</b>	<b>503</b>	<b>640</b>	<b>16</b>	<b>3</b>	<b>19</b>
Executive Officer EO1							2		2
Executive Officer EO2							4	2	6
Executive Officer EO3							6	6	12
Senior Medical Advisor	2	1	3	1	2	3			
Forensic Officer 7	1	1	2						
Senior Technical Specialist	8	4	12				1	2	3
<b>Total Senior Public Servants</b>	<b>11</b>	<b>6</b>	<b>17</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>13</b>	<b>10</b>	<b>23</b>
Forensic Officer 6	9	4	13						
Forensic Officer 5	13	8	21	1	5	5			
Forensic Officer 4	25	22	47	1	16	17			
Forensic Officer 3	21	27	48		9	9			
Forensic Officer 2	19	41	60	1	4	5	1	4	5
Forensic Officer 1							1		1
Victorian Public Service Officer VPSG 6	95	63	158		14	14	5	12	17
Victorian Public Service Officer VPSG 5	98	111	209	1	15	16	6	22	28
Victorian Public Service Officer VPSG 4	182	253	435	6	58	64	25	28	53
Victorian Public Service Officer VPSG 3	216	361	577	8	48	56	10	26	36
Victorian Public Service Officer VPSG 2	217	672	889	8	129	137	15	43	58
Police Custody Officer	227	96	323	2	1	3			
<b>Total Other Public Servants</b>	<b>1,122</b>	<b>1,658</b>	<b>2,780</b>	<b>26</b>	<b>298</b>	<b>325</b>	<b>63</b>	<b>135</b>	<b>198</b>
<b>Total Public Servants</b>	<b>1,133</b>	<b>1,664</b>	<b>2,797</b>	<b>27</b>	<b>300</b>	<b>327</b>	<b>76</b>	<b>145</b>	<b>221</b>
<b>Total Workforce</b>	<b>12,346</b>	<b>4,865</b>	<b>17,211</b>	<b>164</b>	<b>804</b>	<b>968</b>	<b>92</b>	<b>148</b>	<b>240</b>

**Notes:**

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

FTE totals may not tally due to rounding as the figures are to be rounded to the nearest whole number as per FRD 29B.

Senior Technical Specialist (otherwise referred as VPSG7).

Police Medical Officers are counted with VPS, though are employed as Senior Medical Advisors.



Fixed Term			Casual			Total			
Part Time									
Male	Female	Total	Male	Female	Total	Male	Female	Total	
						1		1	
						2	1	3	
						13	2	15	
						8	3	11	
						80	12	92	
						1		1	
						264	51	315	
						624	121	744	
						2,059	382	2,441	
						5,316	2,087	7,403	
						1,631	872	2,504	
						<b>9,999</b>	<b>3,531</b>	<b>13,529</b>	
						<b>146</b>	<b>19</b>	<b>165</b>	
						<b>1,049</b>	<b>98</b>	<b>1,147</b>	
						<b>71</b>	<b>7</b>	<b>78</b>	
						<b>1,266</b>	<b>124</b>	<b>1,390</b>	
						<b>101</b>	<b>51</b>	<b>152</b>	
						<b>1</b>	<b>1</b>	<b>2</b>	
						<b>11,366</b>	<b>3,707</b>	<b>15,073</b>	
						2		2	
						4	2	6	
	1	1				6	7	13	
						3	3	6	
						1	1	2	
						9	6	15	
	1	1				<b>25</b>	<b>19</b>	<b>44</b>	
						9	4	13	
						14	13	26	
						26	38	64	
	1	1				22	36	58	
						21	49	70	
						1		1	
	1	1				100	89	189	
						105	148	253	
	1	4	5		1	214	343	557	
		3	3			234	438	671	
	3	7	10		1	243	852	1,095	
						229	97	326	
	<b>5</b>	<b>14</b>	<b>18</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1,216</b>	<b>2,107</b>	<b>3,323</b>
	<b>5</b>	<b>15</b>	<b>19</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1,241</b>	<b>2,126</b>	<b>3,367</b>
	<b>5</b>	<b>15</b>	<b>19</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>12,607</b>	<b>5,833</b>	<b>18,440</b>

Two employees were acting in long term acting arrangements in executive and STS roles during 2016-2017.

Long-term acting arrangements means instances where:

- A person has been acting in a role for more than three months at the last pay period in June.
- Where the role is either substantively vacant or the substantive occupant is not 'active'.

VICTORIA POLICE EMPLOYEES BY EMPLOYMENT TYPE AND GENDER FTE AS AT 25 JUNE 2016 – FTE

Sworn Rank	Ongoing						Fixed Term		
	Full Time			Part Time			Full Time		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Chief Commissioner							1		1
Deputy Commissioner							2	1	3
Assistant Commissioner							13	2	15
Commander	7	3	10						
Superintendent	80	6	86						
Chief Inspector	1		1						
Inspector	255	45	300	1		1			
Senior Sergeant	604	101	705	2	1	3			
Sergeant	2,042	316	2,358	22	35	57			
Senior Constable	5,237	1,666	6,903	92	432	525			
Constable	1,441	766	2,207	3	11	14			
<b>Total Police</b>	<b>9,667</b>	<b>2,903</b>	<b>12,570</b>	<b>120</b>	<b>479</b>	<b>599</b>	<b>16</b>	<b>3</b>	<b>19</b>
PSO Security	141	18	159	1		1			
PSO Transit	1,037	109	1,146	2		2			
PSO Training	39	5	44						
<b>Total PSO</b>	<b>1,217</b>	<b>132</b>	<b>1,349</b>	<b>4</b>		<b>4</b>			
<b>Recruit</b>	<b>65</b>	<b>44</b>	<b>109</b>						
<b>Reservist</b>	<b>1</b>	<b>1</b>	<b>2</b>						
<b>Total Sworn</b>	<b>10,950</b>	<b>3,080</b>	<b>14,030</b>	<b>123</b>	<b>479</b>	<b>603</b>	<b>16</b>	<b>3</b>	<b>19</b>
Executive Officer EO1									
Executive Officer EO2							5	1	6
Executive Officer EO2							7	5	12
Senior Medical Advisor	2		2	1	2	3			
Forensic Officer 7	2	1	3						
Senior Technical Specialist	6	2	8		1	1	5	1	6
<b>Total Senior Public Servants</b>	<b>10</b>	<b>3</b>	<b>13</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>17</b>	<b>7</b>	<b>24</b>
Forensic Officer 6	8	4	12						
Forensic Officer 5	14	8	22		5	5			
Forensic Officer 4	20	20	40	1	15	16			
Forensic Officer 3	20	23	43	1	8	9	1		1
Forensic Officer 2	17	41	58		4	5	2	3	5
Forensic Officer 1							1		1
Victorian Public Service Officer VPSG6	89	56	145		9	9	4	7	11
Victorian Public Service Officer VPSG5	94	102	196	1	10	11	5	6	11
Victorian Public Service Officer VPSG4	168	222	390	6	41	47	20	18	38
Victorian Public Service Officer VPSG3	204	332	536	6	43	49	7	20	27
Victorian Public Service Officer VPSG2	220	643	863	5	126	132	17	48	65
Police Custody Officer 2	82	41	123						
Police Custody Officer 1	60	31	91						
<b>Total Other Public Servants</b>	<b>996</b>	<b>1,523</b>	<b>2,519</b>	<b>20</b>	<b>262</b>	<b>283</b>	<b>57</b>	<b>102</b>	<b>159</b>
<b>Total Public Servants</b>	<b>1,006</b>	<b>1,526</b>	<b>2,532</b>	<b>21</b>	<b>266</b>	<b>286</b>	<b>74</b>	<b>109</b>	<b>183</b>
<b>Total Workforce</b>	<b>11,956</b>	<b>4,606</b>	<b>16,562</b>	<b>144</b>	<b>745</b>	<b>889</b>	<b>90</b>	<b>112</b>	<b>202</b>

**Notes:**

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

FTE Totals may not tally due to rounding as the Full Time Staff Equivalent figures are to be rounded to the nearest whole number as per FRD 29B.

Senior Technical Specialist (otherwise referred as VPSG7).

Police Medical Officers are counted with VPS, though are employed as Senior Medical Advisors.

Fixed Term			Casual			Total		
Part Time								
Male	Female	Total	Male	Female	Total	Male	Female	Total
						1		1
						2	1	3
						13	2	15
						7	3	10
						80	6	86
						1		1
						256	45	301
						606	102	708
						2,064	351	2,415
						5,329	2,098	7,428
						1,444	777	2,221
						<b>9,803</b>	<b>3,385</b>	<b>13,188</b>
						<b>142</b>	<b>18</b>	<b>160</b>
						<b>1,039</b>	<b>109</b>	<b>1,148</b>
						<b>39</b>	<b>5</b>	<b>44</b>
						<b>1,221</b>	<b>132</b>	<b>1,353</b>
						<b>65</b>	<b>44</b>	<b>109</b>
						<b>1</b>	<b>1</b>	<b>2</b>
						<b>11,089</b>	<b>3,562</b>	<b>14,652</b>
						5	1	6
	1	1				7	6	13
1		1				3	2	5
						2	1	3
						11	4	15
<b>1</b>	<b>1</b>	<b>1</b>				<b>28</b>	<b>14</b>	<b>42</b>
						8	4	12
1		1				15	13	28
						21	35	56
						22	31	53
						19	48	68
						1		1
	1	1				93	73	166
	1	1				100	119	219
1	4	4		2	2	194	287	482
1		1				218	396	613
1	3	4		2	2	244	822	1,066
						82	41	123
						60	31	91
<b>3</b>	<b>9</b>	<b>12</b>		<b>4</b>	<b>4</b>	<b>1,076</b>	<b>1,900</b>	<b>2,977</b>
<b>3</b>	<b>10</b>	<b>13</b>		<b>4</b>	<b>4</b>	<b>1,104</b>	<b>1,914</b>	<b>3,019</b>
<b>3</b>	<b>10</b>	<b>13</b>		<b>4</b>	<b>4</b>	<b>12,194</b>	<b>5,477</b>	<b>17,670</b>

## VICTORIA POLICE EMPLOYEES BY EMPLOYMENT TYPE AND GENDER AS AT 24 JUNE 2017 – HEADCOUNT

Sworn Rank	Ongoing						Fixed Term		
	Full Time			Part Time			Full Time		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Chief Commissioner							1		1
Deputy Commissioner							2	1	3
Assistant Commissioner							13	2	15
Commander	8	3	11						
Superintendent	80	12	92						
Chief Inspector	1		1						
Inspector	263	51	314	1		1			
Senior Sergeant	623	118	741	1	4	5			
Sergeant	2,035	344	2,379	35	54	89			
Senior Constable	5,220	1,634	6,854	136	685	821			
Constable	1,628	865	2,493	4	12	16			
<b>Total Police</b>	<b>9,858</b>	<b>3,027</b>	<b>12,885</b>	<b>177</b>	<b>755</b>	<b>932</b>	<b>16</b>	<b>3</b>	<b>19</b>
PSO Security	143	19	162	4		4			
PSO Transit	1,039	96	1,135	15	3	18			
PSO in Training	71	7	78						
<b>Total PSO</b>	<b>1,253</b>	<b>122</b>	<b>1,375</b>	<b>19</b>	<b>3</b>	<b>22</b>			
<b>Recruit</b>	<b>101</b>	<b>51</b>	<b>152</b>						
<b>Reservist</b>	<b>1</b>	<b>1</b>	<b>2</b>						
<b>Total Sworn</b>	<b>11,213</b>	<b>3,201</b>	<b>14,414</b>	<b>196</b>	<b>758</b>	<b>954</b>	<b>16</b>	<b>3</b>	<b>19</b>
Executive Officer EO1							2		2
Executive Officer EO2							4	2	6
Executive Officer EO3							6	6	12
Senior Medical Advisor	2	1	3	2	3	5			
Forensic Officer 7	1	1	2						
Senior Technical Specialist	8	4	12				1	2	3
<b>Total Senior Public Servants</b>	<b>11</b>	<b>6</b>	<b>17</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>13</b>	<b>10</b>	<b>23</b>
Forensic Officer 6	9	4	13						
Forensic Officer 5	13	8	21	1	7	8			
Forensic Officer 4	25	22	47	1	25	26			
Forensic Officer 3	21	27	48		14	14			
Forensic Officer 2	19	41	60	2	7	9	1	4	5
Forensic Officer 1							1		1
Victorian Public Service Officer VPSG6	95	63	158		18	18	5	12	17
Victorian Public Service Officer VPSG5	98	111	209	1	22	23	6	22	28
Victorian Public Service Officer VPSG4	182	253	435	11	86	97	25	28	53
Victorian Public Service Officer VPSG3	216	361	577	12	76	88	10	26	36
Victorian Public Service Officer VPSG2	217	672	889	14	201	215	15	43	58
Police Custody Officer	227	96	323	3	2	5			
<b>Total Other Public Servants</b>	<b>1,122</b>	<b>1,658</b>	<b>2,780</b>	<b>45</b>	<b>458</b>	<b>503</b>	<b>63</b>	<b>135</b>	<b>198</b>
<b>Total Public Servants</b>	<b>1,133</b>	<b>1,664</b>	<b>2,797</b>	<b>47</b>	<b>461</b>	<b>508</b>	<b>76</b>	<b>145</b>	<b>221</b>
<b>Total Workforce</b>	<b>12,346</b>	<b>4,865</b>	<b>17,211</b>	<b>243</b>	<b>1,219</b>	<b>1,462</b>	<b>92</b>	<b>148</b>	<b>240</b>

### Notes:

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.  
 Senior Technical Specialist (otherwise referred as VPSG7).  
 Police Medical Officers are counted with VPS, though are employed as Senior Medical Advisors.

Fixed Term			Casual			Total		
Part Time								
Male	Female	Total	Male	Female	Total	Male	Female	Total
						1		1
						2	1	3
						13	2	15
						8	3	11
						80	12	92
						1		1
						264	51	315
						624	122	746
						2,070	398	2,468
						5,356	2,319	7,675
						1,632	877	2,509
						<b>10,051</b>	<b>3,785</b>	<b>13,836</b>
						<b>147</b>	<b>19</b>	<b>166</b>
						<b>1,054</b>	<b>99</b>	<b>1,153</b>
						<b>71</b>	<b>7</b>	<b>78</b>
						<b>1,272</b>	<b>125</b>	<b>1,397</b>
						<b>101</b>	<b>51</b>	<b>152</b>
						<b>1</b>	<b>1</b>	<b>2</b>
						<b>11,425</b>	<b>3,962</b>	<b>15,387</b>
						2		2
						4	2	6
	1	1				6	7	13
						4	4	8
						1	1	2
						9	6	15
	<b>1</b>	<b>1</b>				<b>26</b>	<b>20</b>	<b>46</b>
						9	4	13
						14	15	29
						26	47	73
1		1				22	41	63
						22	52	74
						1		1
	1	1				100	94	194
						105	155	260
2	5	7	1	1	2	221	373	594
	4	4				238	467	705
5	12	17	2	8	10	253	936	1,189
						230	98	328
<b>8</b>	<b>22</b>	<b>30</b>	<b>3</b>	<b>9</b>	<b>12</b>	<b>1,241</b>	<b>2,282</b>	<b>3,523</b>
<b>8</b>	<b>23</b>	<b>31</b>	<b>3</b>	<b>9</b>	<b>12</b>	<b>1,267</b>	<b>2,302</b>	<b>3,569</b>
<b>8</b>	<b>23</b>	<b>31</b>	<b>3</b>	<b>9</b>	<b>12</b>	<b>12,692</b>	<b>6,264</b>	<b>18,956</b>

VICTORIA POLICE EMPLOYEES BY EMPLOYMENT TYPE AND GENDER AS AT 25 JUNE 2016 – HEADCOUNT

Sworn Rank	Ongoing						Fixed Term		
	Full Time			Part Time			Full Time		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Chief Commissioner							1		1
Deputy Commissioner							2	1	3
Assistant Commissioner							13	2	15
Commander	7	3	10						
Superintendent	80	6	86						
Chief Inspector	1		1						
Inspector	255	45	300	1		1			
Senior Sergeant	604	101	705	3	1	4			
Sergeant	2,042	316	2,358	31	49	80			
Senior Constable	5,237	1,666	6,903	130	657	787			
Constable	1,441	766	2,207	4	17	21			
<b>Total Police</b>	<b>9,667</b>	<b>2,903</b>	<b>12,570</b>	<b>169</b>	<b>724</b>	<b>893</b>	<b>16</b>	<b>3</b>	<b>19</b>
PSO Security	141	18	159	2		2			
PSO Transit	1,037	109	1,146	4		4			
PSO in Training	39	5	44						
<b>Total PSO</b>	<b>1,217</b>	<b>132</b>	<b>1,349</b>	<b>6</b>		<b>6</b>			
<b>Recruit</b>	<b>65</b>	<b>44</b>	<b>109</b>						
<b>Reservist</b>	<b>1</b>	<b>1</b>	<b>2</b>						
<b>Total Sworn</b>	<b>10,950</b>	<b>3,080</b>	<b>14,030</b>	<b>175</b>	<b>724</b>	<b>899</b>	<b>16</b>	<b>3</b>	<b>19</b>
Executive Officer EO1									
Executive Officer EO2							5	1	6
Executive Officer EO3							7	5	12
Senior Medical Advisor	2		2	1	4	5			
Forensic Officer 7	2	1	3						
Senior Technical Specialist	6	2	8		1	1	5	1	6
<b>Total Senior Public Servants</b>	<b>10</b>	<b>3</b>	<b>13</b>	<b>1</b>	<b>5</b>	<b>6</b>	<b>17</b>	<b>7</b>	<b>24</b>
Forensic Officer 6	8	4	12						
Forensic Officer 5	14	8	22		7	7			
Forensic Officer 4	20	20	40	1	23	24			
Forensic Officer 3	20	23	43	1	12	13	1		1
Forensic Officer 2	17	41	58	1	7	8	2	3	5
Forensic Officer 1							1		1
Victorian Public Service Officer VPSG6	89	56	145		12	12	4	7	11
Victorian Public Service Officer VPSG5	94	102	196	1	14	15	5	6	11
Victorian Public Service Officer VPSG4	168	222	390	11	63	74	20	18	38
Victorian Public Service Officer VPSG3	204	332	536	10	70	80	7	20	27
Victorian Public Service Officer VPSG2	220	643	863	10	199	209	17	48	65
Victorian Public Service Officer VPSG1									
Police Custody Officer 2	82	41	123						
Police Custody Officer 1	60	31	91						
<b>Total Other Public Servants</b>	<b>996</b>	<b>1,523</b>	<b>2,519</b>	<b>35</b>	<b>407</b>	<b>442</b>	<b>57</b>	<b>102</b>	<b>159</b>
<b>Total Public Servants</b>	<b>1,006</b>	<b>1,526</b>	<b>2,532</b>	<b>36</b>	<b>412</b>	<b>448</b>	<b>74</b>	<b>109</b>	<b>183</b>
<b>Total Workforce</b>	<b>11,956</b>	<b>4,606</b>	<b>16,562</b>	<b>211</b>	<b>1,136</b>	<b>1,347</b>	<b>90</b>	<b>112</b>	<b>202</b>

**Notes:**

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements. Senior Technical Specialist (otherwise referred as VPSG7). Police Medical Officers are counted with VPS, though are employed as Senior Medical Advisors.

Part Time			Casual			Total		
Male	Female	Total	Male	Female	Total	Male	Female	Total
						1		1
						2	1	3
						13	2	15
						7	3	10
						80	6	86
						1		1
						256	45	301
						607	102	709
						2,073	365	2,438
						5,367	2,323	7,690
						1,445	783	2,228
						<b>9,852</b>	<b>3,630</b>	<b>13,482</b>
						<b>143</b>	<b>18</b>	<b>161</b>
						<b>1,041</b>	<b>109</b>	<b>1,150</b>
						<b>39</b>	<b>5</b>	<b>44</b>
						<b>1,223</b>	<b>132</b>	<b>1,355</b>
						<b>65</b>	<b>44</b>	<b>109</b>
						<b>1</b>	<b>1</b>	<b>2</b>
						<b>11,141</b>	<b>3,807</b>	<b>14,948</b>
						5	1	6
	1	1				7	6	13
1		1				4	4	8
						2	1	3
						11	4	15
<b>1</b>	<b>1</b>	<b>2</b>				<b>29</b>	<b>16</b>	<b>45</b>
						8	4	12
1		1				15	15	30
						21	43	64
						22	35	57
						20	51	71
						1		1
	1	1				93	76	169
	2	2				100	124	224
1	5	6		4	4	200	312	512
1	1	2				222	423	645
2	5	7	2	8	10	251	903	1,154
						82	41	123
						60	31	91
<b>5</b>	<b>14</b>	<b>19</b>	<b>2</b>	<b>12</b>	<b>14</b>	<b>1,095</b>	<b>2,058</b>	<b>3,153</b>
<b>6</b>	<b>15</b>	<b>21</b>	<b>2</b>	<b>12</b>	<b>14</b>	<b>1,124</b>	<b>2,074</b>	<b>3,198</b>
<b>6</b>	<b>15</b>	<b>21</b>	<b>2</b>	<b>12</b>	<b>14</b>	<b>12,265</b>	<b>5,881</b>	<b>18,146</b>

## VICTORIA POLICE EMPLOYEES BY EMPLOYEE TYPE AND GENDER AS AT 24 JUNE 2017 – HEADCOUNT

Employee	Male	Female	Total	% Male	% Female
Police	10,051	3,785	<b>13,836</b>	72.6%	27.4%
Recruits	101	51	<b>152</b>	66.4%	33.6%
PSO	1,272	125	<b>1,397</b>	91.1%	8.9%
Reservists	1	1	<b>2</b>	50.0%	50.0%
<b>Total Sworn</b>	<b>11,425</b>	<b>3,962</b>	<b>15,387</b>	<b>74.3%</b>	<b>25.7%</b>
Public Servants (Excluding PCOs)	1,037	2,204	<b>3,241</b>	32.0%	68.0%
Police Custody Officer	230	98	<b>328</b>	70.1%	29.9%
<b>Total Public Servants</b>	<b>1,267</b>	<b>2,302</b>	<b>3,569</b>	<b>35.5%</b>	<b>64.5%</b>
<b>Total Workforce</b>	<b>12,692</b>	<b>6,264</b>	<b>18,956</b>	<b>67.0%</b>	<b>33.0%</b>

### Notes:

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

All public servants within the following statutory and nationally funded bodies are excluded from the above table in the annual report: Australia New Zealand Policing Advisory Agency and Police Registration & Services Board. Executive Officers from the Office of the Chief Examiner are also excluded. Currently there are no federally funded police.

Public Servants include VPS, Forensic Officers, Executive Officers and Senior Medical Advisors.

Police Custody Officers are VPS employees, but are listed separately.

## VICTORIA POLICE EMPLOYEES BY EMPLOYEE TYPE AND GENDER AS AT 25 JUNE 2016 – HEADCOUNT

Employee	Male	Female	Total	% Male	% Female
Police	9,852	3,630	<b>13,482</b>	73.1%	26.9%
Recruits	65	44	<b>109</b>	59.6%	40.4%
PSOs	1,223	132	<b>1,355</b>	90.3%	9.7%
Reservists	1	1	<b>2</b>	50.0%	50.0%
<b>Total Sworn</b>	<b>11,141</b>	<b>3,807</b>	<b>14,948</b>	<b>74.5%</b>	<b>25.5%</b>
Public Servants (Excluding PCOs)	982	2,002	<b>2,984</b>	32.9%	67.1%
Police Custody Officer	142	72	<b>214</b>	66.4%	33.6%
<b>Total Public Servants</b>	<b>1,124</b>	<b>2,074</b>	<b>3,198</b>	<b>35.1%</b>	<b>64.9%</b>
<b>Total Workforce</b>	<b>12,265</b>	<b>5,881</b>	<b>18,146</b>	<b>67.6%</b>	<b>32.4%</b>

### Notes:

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

All public servants within the following statutory and nationally funded bodies are excluded from the above table in the annual report: Australia New Zealand Policing Advisory Agency and Police Registration & Services Board. Executive Officers from the Office of the Chief Examiner are also excluded. Currently there are no federally funded police.

Public Servants include VPS, Forensic Officers, Executive Officers and Senior Medical Advisors.

Police Custody Officers are VPS employees, but are listed separately.



## VICTORIA POLICE EMPLOYEES BY EMPLOYEE TYPE AND AGE GROUPING AS AT 24 JUNE 2017 – HEADCOUNT

Age Grouping (Years)	Police	Recruits	Reservists	PSO Security	PSO Transit	PSO in Training	Public Servants (Excluding PCOs)	Police Custody Officer	Total
15-24	389	44			150	35	168	88	874
25-34	3,733	84		7	533	31	871	97	5,356
35-44	3,890	17		5	313	6	758	71	5,060
45-54	4,320	7		7	214	6	808	52	5,414
55-64	1,458			9	73		558	20	2,118
65+	46		2		8		78		134
<b>Total Workforce</b>	<b>13,836</b>	<b>152</b>	<b>2</b>	<b>28</b>	<b>1,291</b>	<b>78</b>	<b>3,241</b>	<b>328</b>	<b>18,956</b>

### Notes:

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

All public servants within the following statutory and nationally funded bodies are excluded from the above table in the annual report: Australia New Zealand Policing Advisory Agency and Police Registration & Services Board. Executive Officers from the Office of the Chief Examiner are also excluded.

Currently there are no federally funded police.

Public Servants include VPS, Forensic Officers, Executive Officers and Senior Medical Advisors.

Police Custody Officers are VPS employees but are listed separately.

## VICTORIA POLICE EMPLOYEES BY EMPLOYEE TYPE AND AGE GROUPING AS AT 25 JUNE 2016 – HEADCOUNT

Age Grouping (Years)	Police	Recruits	Reservists	PSO Security	PSO Transit	PSO in Training	Public Servants (Excluding PCOs)	Police Custody Officer	Total
15-24	432	32			164	10	161	62	861
25-34	3,556	56		18	534	19	777	54	5,014
35-44	3,933	18		34	268	9	707	48	5,017
45-54	4,178	3		61	151	6	748	34	5,181
55-64	1,342			43	31		524	16	1,956
65+	41		2	5	2		67		117
<b>Total Workforce</b>	<b>13,482</b>	<b>109</b>	<b>2</b>	<b>161</b>	<b>1,150</b>	<b>44</b>	<b>2,984</b>	<b>214</b>	<b>18,146</b>

### Notes:

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

All public servants within the following statutory and nationally funded bodies are excluded from the above table in the annual report: Australia New Zealand Policy Advisory Agency and Police Registration and Services board. Executive Officers from the office of the Chief Executive Examiner are also excluded.

Currently there are no federally funded police.

Public Servants include VPS, Forensic Officers, Executive Officers and Senior Medical Advisors.

Police Custody Officers are VPS employees but are listed separately.

## TOTAL EXECUTIVE NUMBERS AS AT 24 JUNE 2017 - HEADCOUNT

**TABLE 1: NUMBER OF EXECUTIVE OFFICERS, BROKEN DOWN INTO GENDER**

Classification	All		Male		Female	
	No.	Var	No.	Var	No.	Var
EO1	2	+2	2	+2		
EO2	6	-1	4	-2	2	+1
EO3	13		6	-1	7	+1
<b>Total</b>	<b>21</b>	<b>1</b>	<b>12</b>	<b>-1</b>	<b>9</b>	<b>2</b>

**Note:**

FRD29A requirements were not applied to prepare executive officers breakdown table in 2015-2016.

**TABLE 2: RECONCILIATION OF EXECUTIVE NUMBERS**

	2017	2016
Executives (Financial Statements Note 9.4)	26	25
Accountable Officer (Secretary)		
Less Separations	(5)	(5)
<b>Total Executive Numbers as at 24 June 2017</b>	<b>21</b>	<b>20</b>

**Notes:**

The above tables are prepared in accordance with Financial Reporting Direction (FRD) 15D and 29B requirements with the exception of Table 2, 2016 data only.

The statutory positions (Police Registration and Services Board and the Office of the Chief Examiner) and nationally funded executive positions within Australia New Zealand Policing Advisory Agency have been excluded.

This listing of executive numbers only includes Victorian Public Servants and excludes Police Commissioners and the Chief Commissioner of Police.

The list above details total executive numbers as at the last full pay period in June 2017.

This table is reflective of headcount, not FTE and may include part-time staff.

## ANNUALISED TOTAL SALARY FOR SENIOR PUBLIC SERVANTS AS AT 24 JUNE 2017

Income band (salary)	Executives	STS	SMA
< \$160,000	2	4	4
\$160,000 - \$179,999	3	7	
\$180,000 - \$199,999	6	4	1
\$200,000 - \$219,999	4	2	
\$220,000 - \$239,999	3		1
\$240,000 - \$259,999	1		2
\$260,000 - \$279,999			
\$280,000 - \$299,999			
\$300,000 - \$319,999	2		
\$320,000 - \$339,999			
\$340,000 - \$359,999			
\$360,000 - \$379,999			
\$380,000 - \$399,999			
\$400,000 - \$419,999			
\$420,000 - \$439,999			
\$440,000 - \$459,999			
\$460,000 - \$479,999			
\$480,000 - \$499,999			
<b>Total</b>	<b>21</b>	<b>17</b>	<b>8</b>

### Notes:

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

The salaries reported above are for the full financial year, at a 1-FTE rate, and excludes superannuation.

SMA refers to Senior Medical Advisor.

STS refers to Senior Technical Specialist. Please note FO-7s are also included in STS category in this table.

One executive officer was working in a part time capacity (0.8 FTE) during 2016-2017.

Five SMAs were working part time (average part time FTE 0.6) during 2016-2017.

Two employees were acting in long term acting arrangements in executive and STS roles during 2016-2017.

Long-term acting arrangements means instances where:

- A person has been acting in a role for more than three months at the last pay period in June.
- Where the role is either substantively vacant or the substantive occupant is not 'active'.

## ANNUALISED TOTAL SALARY FOR SENIOR PUBLIC SERVANTS AS AT 25 JUNE 2016

Income band (salary)	Executives	STS	SMA
< \$160,000	3	7	
\$160,000 - \$179,999	8	6	3
\$180,000 - \$199,999	3	5	
\$200,000 - \$219,999	2		
\$220,000 - \$239,999	1		3
\$240,000 - \$259,999			2
\$260,000 - \$279,999	2		
\$280,000 - \$299,999			
\$300,000 - \$319,999			
\$320,000 - \$339,999			
\$340,000 - \$359,999			
\$360,000 - \$379,999			
\$380,000 - \$399,999			
\$400,000 - \$419,999			
\$420,000 - \$439,999			
\$440,000 - \$459,999			
\$460,000 - \$479,999			
\$480,000 - \$499,999			
<b>Total</b>	<b>19</b>	<b>18</b>	<b>8</b>

### Notes:

This table is prepared in accordance with Financial Reporting Direction (FRD) 29B requirements.

The salaries reported above are for the full financial year, at a 1-FTE rate, and excludes superannuation.

SMA refers to Senior Medical Advisor.

STS refers to Senior Technical Specialist. Please note FO-7s are also included in STS category in this table.

One executive officer was working in a part time capacity (0.8 FTE) during 2016-2017.

Five SMAs were working part time (average part time FTE 0.6) during 2016-2017.

Two employees were acting in long term acting arrangements in executive and STS roles during 2016-2017.

Long-term acting arrangements means instances where:

- A person has been acting in a role for more than three months at the last pay period in June.
- Where the role is either substantively vacant or the substantive occupant is not 'active'.

## SELECTING ON MERIT – SECTION 20 PAA EXEMPTIONS

Exemption from notification of vacancies pursuant to section 20 of the *Public Administration Act 2004* (PAA). During 2016-2017, the Chief Commissioner approved the exemption of 295 positions from the requirement for advertisement.

The breakdown of these exemptions is below:

### Exemptions by Region/Department/Command

ANZPAA	3
Corporate Finance Department	4
Corporate Strategy and Operational Improvement Department	7
Counter Terrorism Command	8
Crime Command	12
Enterprise Program Management Office	2
Family Violence Command	6
Forensic Services Department	12
Human Resource Department	68
Information, Systems and Security Command	7
Intelligence and Covert Support Command	43
Legal Services Department	10
Media & Corporate Communications Department	5
North West Metro Region	8
Operational Infrastructure Department	11
People Development Command	8
Professional Standards Command	2
Public Support Services Department	42
Road Policing Command	17
Southern Metro Region	7
State Emergencies and Security Command	6
Strategic Investment, Reporting and Audit Department	1
Transit & Public Safety Command	4
Western Region	2
<b>Total</b>	<b>295</b>

### Exemptions by Classification

VPSG-2	152
VPSG-3	64
VPSG-4	35
VPSG-5	17
VPSG-6	14
STS-7	2
Medical	1
FO-2	4
FO-3	3
FO-4	2
FO-5	1
<b>Total</b>	<b>295</b>

## APPENDIX C – BUDGET PORTFOLIO OUTCOMES

The budget outcome provides comparisons between the actual financial statements and the published budget papers for the financial year. The budget portfolio outcome is comprised of the comprehensive operating statement, balance sheet, cash flow statement and administered items.

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

<b>Comprehensive Operating Statement for the financial year ended 30 June 2017</b>	<b>Actual \$'000</b>	<b>Original Budget \$'000</b>	<b>Variance %</b>
<b>Income From Transactions</b>			
Output appropriations	2,766,228	2,695,690	2.62
Special appropriations	579		100
Interest	47	50	-6.37
Sale of Goods and Services	1,303		100
Grants	10,414	14,536	-28.36
Fair value of assets and services received free of charge or for nominal consideration	280		100
Other Income	3,855	1,514	154.65
<b>Total Income From Transactions</b>	<b>2,782,706</b>	<b>2,711,790</b>	<b>2.62</b>
<b>Expenses From Transactions</b>			
Employee expenses	2,114,216	2,076,589	1.81
Depreciation and amortisation	96,503	77,583	24.39
Interest expense	1,615	3,482	-53.63
Grants and other transfers	112	576	-80.63
Capital asset charge	93,808	93,808	0.00
Purchase of supplies and services	473,635	451,572	4.89
<b>Total Expenses From Transactions</b>	<b>2,779,887</b>	<b>2,703,610</b>	<b>2.82</b>
<b>Net Result From Transactions (Net Operating Balance)</b>	<b>2,819</b>	<b>8,180</b>	<b>-65.54</b>
<b>Other Economic Flows Included in Net Result</b>			
Net gain/(loss) on non-financial asset	7,866	10,700	-26.49
Net gain/(loss) on financial instruments and statutory receivables payables	297		100
Other gains/(loss) from other economic flow	6,157		100
<b>Total Other Economic Flows Included in Net Result</b>	<b>14,319</b>	<b>10,700</b>	<b>33.83</b>
<b>Net Result</b>	<b>17,138</b>	<b>18,880</b>	<b>-9.23</b>
<b>Other Economic Flows - Other Comprehensive Income Items That Will Not Be Reclassified to Net Result</b>			
Changes in physical asset revaluation surplus			
<b>Total Other Economic Flows - Other Comprehensive Income</b>			
<b>Comprehensive Result</b>	<b>17,138</b>	<b>18,880</b>	<b>-9.23</b>

Balance Sheet as at 30 June 2017	Actual \$'000	Original Budget \$'000	Variance %
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and deposits	40,919	52,106	-21.47
Receivables	459,375	488,023	-5.87
<b>Total Financial assets</b>	<b>500,294</b>	<b>540,129</b>	<b>-7.38</b>
<b>Non Financial Assets</b>			
Inventories	6,309	5,513	14.44
Non-financial physical assets classified as held for sale, including disposal group assets	5,648	6,562	-13.93
Property, plant and equipment	1,573,633	1,640,308	-4.06
Intangible assets	36,878	12,533	194.25
Other	13,677	2,554	435.45
<b>Total Non Financial Assets</b>	<b>1,636,144</b>	<b>1,667,470</b>	<b>-1.88</b>
<b>Total Assets</b>	<b>2,136,437</b>	<b>2,207,599</b>	<b>-3.22</b>
<b>Liabilities</b>			
Payables	96,370	87,677	9.92
Borrowings	69,234	60,167	15.07
Provisions	538,040	549,334	-2.06
<b>Total Liabilities</b>	<b>703,644</b>	<b>697,178</b>	<b>0.93</b>
<b>Net Assets</b>	<b>1,432,793</b>	<b>1,510,421</b>	<b>-5.14</b>
<b>Equity</b>			
Accumulated Surplus	29,471	31,213	-5.58
Reserves	684,931	684,931	0.00
Contributed Capital	718,391	794,277	-9.55
<b>Total Equity</b>	<b>1,432,793</b>	<b>1,510,421</b>	<b>-5.14</b>

<b>Cash Flow Statement for the year ended 30 June 2017</b>	<b>Actual \$'000</b>	<b>Original Budget \$'000</b>	<b>Variance %</b>
<b>Cash Flows From Operating Activities</b>			
Receipts from Government	2,628,691	2,627,410	0.05
Other Cash Receipts	17,292	13,536	27.75
Interest received	47	50	-6.72
Payments of grants and other transfers	(728)	(1,562)	-53.37
Payments to suppliers and employees	(2,573,018)	(2,502,892)	2.80
Capital asset charge	(93,808)	(93,808)	0.00
GST paid to or received from ATO	159		100
Borrowing costs	(1,615)	(3,482)	-53.63
<b>Net Cash Flows From/(Used In) Operating Activities</b>	<b>(22,980)</b>	<b>39,252</b>	<b>-158.54</b>
<b>Cash Flows From Investing Activities</b>			
Proceeds from the sale of non-financial assets	24,285	34,000	-28.57
Payments for non-financial assets	(119,683)	(149,259)	-19.82
Net loans to other parties	723		100.00
<b>Net Cash Flows (Used In) Investing Activities</b>	<b>(94,675)</b>	<b>(115,259)</b>	<b>-17.86</b>
<b>Cash flows from Financing Activities</b>			
Proceeds from capital contribution by the Department of Justice and Regulation	29,948	102,415	-70.76
Repayment of finance lease		(1,757)	-100
Net borrowings	90,597	(10,574)	-956.79
<b>Net Cash Flows From Financing Activities</b>	<b>120,545</b>	<b>90,084</b>	<b>33.81</b>
<b>Net Increase In Cash And Cash Equivalents</b>	<b>2,890</b>	<b>14,077</b>	<b>-79.47</b>
Cash and cash equivalents at the beginning of the financial year	38,029	38,029	0.00
<b>Cash and Cash Equivalents At The End Of The Financial Year</b>	<b>40,919</b>	<b>52,106</b>	<b>-21.47</b>



**Administered Items Statement  
for the year ended 30 June 2017**

**Actual  
\$'000**

**Original  
Budget  
\$'000**

**Variance  
%**

**ADMINISTERED OPERATING STATEMENT**

**Administered Income**

Interest	62	17	264.26
Sales of goods and services	30,992	28,436	8.99
Grants	6,212	3,080	101.69
Other income	8,019	3,243	147.26
<b>Total Administered Income</b>	<b>45,285</b>	<b>34,776</b>	<b>30.22</b>

**Administered Expenses**

Employee benefit	3,490	3,375	3.41
Depreciation and amortisation	4	4	0.00
Payments into consolidated fund	33,658	42,083	-20.02
Other operating expenses	7,269	1,023	610.54
<b>Total Administered Expenses</b>	<b>44,421</b>	<b>46,485</b>	<b>-4.44</b>

**Income Less Expenses**

**864 (11,709) -107.38**

**Other Economic Flows Included In Net Result**

**Net gain/(loss) on non-financial asset (905) 700 -229.24**

**Total Other Economic Flows (905) 700 -229.24**

**Net Result (41) (11,009) -99.63**

**ADMINISTERED BALANCE SHEET**

**Administered Assets**

Cash and deposits	33,990	23,289	45.95
Receivables	1,384	(11,235)	-112.32
Other financial asset		2,000	-100.00
Property, plant and equipment	6	6	0.00
<b>Total Administered Assets</b>	<b>35,381</b>	<b>14,061</b>	<b>151.63</b>

**Administered Liabilities**

Payables	32,379	22,098	46.52
Provisions	664	592	12.15
<b>Total Administered Liabilities</b>	<b>33,043</b>	<b>22,691</b>	<b>45.63</b>
<b>Net Assets</b>	<b>2,338</b>	<b>(8,630)</b>	<b>-127.10</b>

<b>Statement of Changes in Equity for the financial year ended 30 June 2017</b>	<b>Actual \$'000</b>	<b>Original Budget \$'000</b>	<b>Variance \$'000</b>	<b>Variance %</b>
<b>Accumulated surplus/(deficit)</b>				
<b>Opening Balance</b>	<b>12,333</b>	<b>12,333</b>		<b>0.00</b>
Comprehensive result	17,138	15,992	1,146	7.17
Closing Balance	29,471	28,325	1,146	4.05
<b>Contributions by owners</b>				
<b>Opening balance</b>	<b>704,362</b>	<b>704,362</b>		<b>0.00</b>
Transactions with owners in their capacity as owners	14,029	36,736	(22,708)	-61.81
<b>Closing Balance</b>	<b>718,391</b>	<b>741,099</b>	<b>(22,708)</b>	<b>-3.06</b>
<b>Asset revaluation reserve</b>				
<b>Opening balance</b>	<b>684,931</b>	<b>684,931</b>		<b>0.00</b>
<b>Closing Balance</b>	<b>684,931</b>	<b>684,931</b>		<b>0.00</b>
<b>Total Equity</b>	<b>1,432,793</b>	<b>1,454,355</b>	<b>(21,562)</b>	<b>-1.48</b>

## APPENDIX D – OHS KEY PERFORMANCE INDICATORS

		2016-2017	2015-2016	2014-2015
1	Compensated Fatalities			
2	Lost Time Injury Frequency Rate (LTIFR)			
	Lost Time Injury Frequency Rate (All Lost Time Injuries)	17.03	17.25	15.75
	Serious Lost Time Injury Frequency Rate (Lost Time Injuries > 5 Days)	12.72	13.21	10.85
3	Shifts Lost All Claims	72,775	54,831	38,662
	Rate Per 100 FTE	394.7	305.9	224.8
4	Number of Claims Lodged this Year that Exceeded 13 Weeks Where a Compensation Payment was Made	139	127	100
	Number of Claims that were Active this Year that Exceeded 13 Weeks of Compensation Payments	319	252	180
5	All Claims	1,130	1,072	948
	Rate Per 100 FTE	6.1	6	5.5
	Time Lost Claims	580	525	458
	Rate Per 100 FTE	3.2	2.9	2.7
	Standard Claims	787	771	603
	Rate Per 100 FTE	4.3	4.3	3.5
6	Average Cost per Claim	\$7,434	\$5,817	\$6,314
	Costs Plus Estimates	\$60,956	\$49,511	\$50,138
7	Number of Incidents	4,098	3,975	3,619
	Rate Per 100 FTE	22.2	22.18	21.04
8	<p><b>Management Commitment</b></p> <p>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>	<p>The OHS Policy Statement outlines the Chief Commissioner's commitment to the health, safety and wellbeing of all employees of Victoria Police, all contractors and all visitors to workplaces of Victoria Police.</p> <p>The Victoria Police safety management system <i>Safe-T-Works</i> is embedded into the Victoria Police Manual and is communicated across the organisation via the intranet.</p> <p>A robust review of the structure has introduced a format of reporting health and safety data that is more flexible and meaningful to employees and managers.</p> <p>During the 2016-2017 period, Zero Harm tasks and projects enabled further analysis to be performed to highlight the progress and successes within all Victoria Police Regions and Departments. As a result of all activities that were derived from Zero Harm activity groups, a large number of tasks were completed.</p>		
9	<p><b>Management Commitment</b></p> <p>Evidence of OHS criteria in purchasing guidelines (including goods, services and personnel)</p>	<p>The <i>Safe-T-Works</i> management system includes specific procedures for purchasing, contractor management and workplace design.</p> <p>OHS risk assessments are considered as part of the procurement process of goods and services to be used by, or for, Victoria Police personnel.</p> <p>Examples of procurement processes involving OHS consideration in specific development include the design of new police stations, the reconfiguration of existing workplaces such as the accommodation of Police Custody Officers and other specialist groups. This continues strong collaboration between the Health Safety and Deployment Division, Operational Infrastructure and People Development Command to ensure OHS consultation is part of the decision making processes.</p> <p>OHS consultants have contributed in procurement processes including, but not limited to:</p> <ul style="list-style-type: none"> <li>- Specialised equipment for the Operations Response Unit</li> <li>- Safety glasses project</li> <li>- Introduction of Police Custody Officer</li> <li>- New issue boots</li> <li>- Replacement Integrated Operational Equipment Vests</li> <li>- Testing the impact of Conducted Energy Device worn equipment in vehicle accidents</li> <li>- Non-lethal tactical equipment</li> <li>- Vehicle moving equipment</li> </ul> <p>The contribution and involvement of OHS consultants will continue to ensure correct safety advice is provided. Collaboration between OHS consultants and work units are sought throughout the process of the development of new projects.</p>		

10 (a) <b>Consultation</b>	Evidence of agreed structure of designated workgroups (DWG), health and safety representatives (HSRs) and Issue Resolution Procedures (IRPs)	<p>Designated Work Group structures are determined through consultation with employees, The Police Association Victoria and the Community Public Sector Union. We have continued to adapt to changing work environments where appropriate. We supports over 500 Health and Safety Representatives and deputies.</p> <p>A broad compliance audit has been conducted into health and safety committees in Victoria Police to ensure that we are continually monitoring our consultation practices and structures.</p> <p>OHS consultants have been heavily involved with Designated Work Groups and Health and Safety Representatives.</p>
(b)	Compliance with agreed structure DWG, HSRs and IRPs	Consultation at the local level and beyond has been undertaken with unions, Health and Safety Representatives, and regional and departmental representatives on specific projects, works and renovations.
11	<b>Risk Management</b> Regular internal audits/inspections conducted	<p>All areas have been consistent in their hazard inspections of their workplace. OHS consultants have encouraged areas to use the incident management system within HR Assist to report hazards identified which cannot be immediately resolved.</p> <p>A review of the OHS System Audit tool and process has seen a major redevelopment of this function, with scoring outcomes delivering a new base level score of 87.59% (correlating to a B level rating, consistent with previous measures and showing improvement).</p> <p>The OHS System Auditor has conducted over 15 full and formal audits of Victoria Police work units in the 2016-2017 period to measure the management system efficacy, and to inform the development of better practices in relation to health, safety and wellbeing. The new audit function also promotes the performance of Smart Safety Audits, a tool used in preparation of the formal audit.</p> <p>The Smart Safety Audit program has been adopted by many areas as a means of conducting audits at a more local level than the organisational audits. These have become locally governed and are supporting managers to regularly review their obligations under OHS policies.</p> <p>All work units are required to perform functional inspections at least quarterly to actively identify hazards.</p>
12	<b>Risk Management</b> Issues identified and actioned	<p>Internal audits have informed our organisation of various opportunities for improvement of policy and better education of managers. Targeted <i>Focus Audits</i> have been developed to assist in the strengthening of areas of safety management identified as needing attention. The Health and Safety Committee audit is an example of one of the <i>Focus Audits</i>.</p> <p>The OHS Branch has adopted Identify, Assess, Control, Review process for risk management. The current OHS Risk Assessment process has been widely used across the organisation to manage risks for equipment, tasks, operational planning, and deployment of police to new areas. The OHS Risk Assessment Form has also been duplicated and modified to capture Plant<sup>1</sup> in an OHS Risk Assessment (Plant Form).</p> <p>A Risk Assessment Library has been developed to provide a central point for employees to use as a reference when undertaking risk assessments.</p>
13	<b>Staff and Managers with OHS Training</b>	<p>An e-learning package for safety inductions is used in every work unit throughout the organisation.</p> <p>Over 60 employees are now trained to enable local delivery of the Smart Safety Audit program.</p> <p>Training is a key element in being proactive in reducing poor safety behaviours within the workplace. The OHS Branch has delivered training to workgroups and managers as well as mentoring Health and Safety Representatives and OHS Portfolio representatives. Training sessions have included, manual handling, incident reporting, OHS incident investigations and one on one training when requested.</p> <p>The OHS Branch has been involved with the Media and Online Learning unit to develop a manual handling training package, which is planned for release in the second half of 2017.</p> <p>The OHS Branch is currently working on re-establishing an initial connection with police and PSO recruits to ensure that the delivery of the OHS module is presented by an OHS professional.</p> <p>The requirement for OHS training to Police Custody Officers (PCO) supervisors, in particular with incident reporting and reporting responsibilities was identified. The training has now been developed and will be delivered by an OHS consultant.</p>
14	<b>Health and Safety Representative Training</b>	89 HSRs attended a WorkSafe approved initial five days training course and nine attended a refresher training course in 2016-2017 period.
15	<b>OHS Survey</b>	Nil.

**Notes:**

<sup>1</sup> Plant is defined in the *Occupational Health and Safety Act 2004* as:

- any machinery equipment appliance implement and to
- any component of any of those thing
- anything fitted, connected or related to any of those things.

# APPENDIX E – VICTORIA POLICE CORPORATE GOVERNANCE

## VICTORIA POLICE COMMITTEES

COMMITTEE	FOCUS	CHAIR	MEETS
<p><b>Executive Command</b></p> <p>Chief Commissioner of Police Deputy Commissioner Regional Operations Deputy Commissioner Specialist Operations Deputy Commissioner Capability Deputy Secretary Infrastructure Deputy Secretary Corporate &amp; Regulatory Service Assistant Commissioner Information Systems &amp; Security Command – Chief Information Office Sir Angus Houston AK AC AFC (Independent)</p>	<p>Sets the strategic direction for the organisation, identifies any changes required to existing priorities and commitments, and advances new initiatives and reforms internally and externally.</p> <p>Decision focus.</p>	Chief Commissioner of Police	Monthly
<p><b>Command</b></p> <p>Chief Commissioner of Police Deputy Commissioners Deputy Secretaries Assistant Commissioners Commanders Executive Directors Directors</p>	<p>Provides input and advice to Executive Command on emerging or existing policy and project development; shares information and informs Executive Command about current organisational issues.</p> <p>Advisory focus.</p>	Chief Commissioner of Police	Quarterly
<p><b>Corporate Advisory Group</b></p> <p><b>Externals</b></p> <p>Sir Angus Houston AK AC AFC Mr Ken Loughnan Ms Elizabeth Proust Mr Mark Peters Mr Alex Malley Mr David Evans Ms Elizabeth Broderick Ms Helen Silver Ms Holly Ransom Ms Elizabeth Proust Deputy Secretary Department of Premier &amp; Cabinet Secretary Department of Treasury &amp; Finance Deputy Secretary Department of Justice &amp; Regulation</p> <p><b>Management Representatives</b></p> <p>Chief Commissioner of Police Deputy Commissioner Capability Deputy Secretary Corporate &amp; Regulatory Services Assistant Commissioner Information Systems &amp; Security Command – Chief Information Office</p>	<p>Provides strategic advice to the Chief Commissioner and Executive Command on a range of reforms to be undertaken by Victoria Police; continuously reviews strategic projects.</p> <p>Advisory focus.</p>	<p>Sir Angus Houston (Chair) Mr Ken Loughnan (Deputy Chair)</p>	Quarterly

COMMITTEE	FOCUS	CHAIR	MEETS
<p><b>People, Culture &amp; Safety Committee</b></p> <p>Deputy Commissioner Capability</p> <p>Deputy Secretary Corporate &amp; Regulatory Services</p> <p>Assistant Commissioner Information Systems &amp; Security Command – Chief Information Office</p> <p>Deputy Commissioner Regional Operations</p> <p>Assistant Commissioner People Development Command</p> <p>Assistant Commissioner Eastern Region</p> <p>Assistant Commissioner VEOHRC Review Response, Partnerships &amp; Innovation</p> <p>Assistant Commissioner Western Region</p> <p>Assistant Commissioner Professional Standards Command</p> <p>Executive Director Human Resource Department</p> <p>Commander Health, Safety &amp; Deployment</p> <p>Director Strategic Investment, Reporting &amp; Audit</p> <p>Director Commissions &amp; Inquiries</p> <p>Commander Capability Development Group</p> <p>Manager Business Strategy &amp; Performance Human Resource Department</p>	<p>Identifies and addresses significant emerging people, culture and safety issues and trends; focus on people, culture and safety policy, strategy, improvement and innovative ideas and reforms. Monitor key reports, projects and risks. Proactively drive positive organisational cultural change by overseeing strategies and frameworks that develop organisational cultural aspirations. Submit proposals to Executive Command as required.</p> <p>Decision focus.</p>	<p>Deputy Commissioner Capability (Chair)</p>	<p>Bi Monthly</p>
<p><b>Audit &amp; Risk Committee</b></p> <p>Mr Mark Peters (Independent)</p> <p>Ms Barbara McLure (Independent)</p> <p>Ms Jane Brockington (Independent)</p> <p>Deputy Commissioner Capability</p> <p>Deputy Secretary Corporate &amp; Regulatory Services</p> <p>Assistant Commissioner Professional Standards Command</p> <p>Executive Director Corporate Strategy &amp; Operational Improvement Department</p> <p>Chief Finance Officer (Observer)</p> <p>Chief Risk Officer (Observer)</p> <p>Superintendent Internal Audit</p>	<p>Provide independent assurance and assistance to the Chief Commissioner regarding Victoria Police governance, risk, control and compliance framework, and its external accountability responsibilities.</p> <p>Advisory focus.</p>	<p>Mr Mark Peters (Chair)</p> <p>Ms Barbara McLure (Deputy Chair)</p>	<p>Bi Monthly</p>
<p><b>Operations Committee</b></p> <p>Deputy Commissioner Regional Operations</p> <p>Deputy Commissioner Specialist Operations</p> <p>Deputy Commissioner Capability</p> <p>Deputy Secretary IT &amp; Infrastructure</p> <p>Assistant Commissioner North West Metro</p> <p>Assistant Commissioner Southern Metro</p> <p>Assistant Commissioner Crime Command</p> <p>Assistant Commissioner Intelligence &amp; Covert Support Command</p> <p>Assistant Commissioner Western Region</p> <p>Assistant Commissioner Eastern Region</p> <p>Assistant Commissioner Road Policing Command</p> <p>Executive Director Media &amp; Corporate Communications Department</p> <p>Executive Director Legal Services Department</p>	<p>Identify and address significant emerging operational issues and trends. Focus on operational policy, strategy, improvement and innovative ideas and reforms relating to operations. Monitor key operational projects and risks. Submit proposals to Executive Command, as required.</p> <p>Decision focus.</p>	<p>Deputy Commissioner Regional Operations (Chair)</p> <p>Deputy Commissioner Specialist Operations (Deputy Chair)</p>	<p>Monthly</p>

COMMITTEE	FOCUS	CHAIR	MEETS
<p><b>Resources Committee</b></p> <p>Deputy Secretary Corporate &amp; Regulatory Services</p> <p>Deputy Secretary IT &amp; Infrastructure</p> <p>Assistant Commissioner Counter Terrorism Command</p> <p>Assistant Commissioner Information Systems &amp; Security Command – Chief Information Office</p> <p>Assistant Commissioner Transit &amp; Public Safety Command</p> <p>Chief Finance Office</p> <p>Director Procurement Department</p> <p>Commander Capability Advisor</p> <p>Executive Director Corporate Strategy &amp; Operational Improvement Department</p> <p>Executive Director Operational Infrastructure</p> <p>Director Strategic Investment, Reporting &amp; Audit</p>	<p>Identify and address significant emerging financial, resource and infrastructure issues and trends, including significant budget issues and cost pressures. Focus on financial, budget, infrastructure and equipment, policy and strategy; corporate strategy and planning; improvement and innovative ideas and reforms. Monitor key financial and other reports, projects and risks. Submit proposals to Executive Command, as required.</p> <p>Decision focus.</p>	<p>Deputy Secretary Corporate &amp; Regulatory Services (Chair)</p> <p>Deputy Secretary Infrastructure (Deputy Chair)</p>	Bi Monthly
<p><b>Information Management Committee</b></p> <p>Assistant Commissioner Information Systems &amp; Security Command – Chief Information Officer</p> <p>Deputy Secretary Infrastructure</p> <p>Deputy Commissioner Capability</p> <p>Deputy Commissioner Regional Operations</p> <p>Assistant Commissioner State Emergencies &amp; Security Command</p> <p>Assistant Commissioner Intelligence &amp; Covert Support Command</p> <p>Assistant Commissioner Road Policing Command</p> <p>Executive Director Forensic Services Department</p> <p>Director Executive Services &amp; Governance</p>	<p>Provides ongoing oversight of information management and information security initiatives and priorities, development of organisational information management strategy, and ensuring compliance with, and support for the Commissioner for Privacy and Data Protection.</p> <p>Decision focus.</p>	<p>Assistant Commissioner Information Systems &amp; Security Command – Chief Information Officer (Chair)</p> <p>Deputy Secretary Infrastructure (Deputy Chair)</p>	Bi Monthly
<p><b>Procurement Board</b></p> <p>Executive Director Enterprise Program Management Office</p> <p>Assistant Commissioner Counter Terrorism Command</p> <p>Assistant Commissioner State Emergencies &amp; Security Command</p> <p>Division Manager Radio &amp; Telecommunications</p> <p>Executive Director Operational Infrastructure</p> <p>Deputy Chief Information Officer – Information Systems &amp; Security Command</p>	<p>Delegated responsibility to approve procurement process and requisitions within limits.</p> <p>Decision focus.</p>	<p>Executive Director Enterprise Program Management Office (Chair)</p> <p>Assistant Commissioner State Emergencies &amp; Security Command (Deputy Chair)</p>	Monthly
<p><b>Executive Remuneration Committee</b></p> <p>Chief Commissioner of Police</p> <p>Deputy Secretary Corporate &amp; Regulatory Services</p> <p>Executive Director Human Resource Department</p> <p>Ms Henriette Rothschild (Independent)</p>	<p>Ensures that a consistent and rigorous approach is taken to setting and adjusting executive remuneration.</p> <p>Decision focus.</p>	<p>Chief Commissioner of Police (Chair)</p> <p>Deputy Secretary Corporate &amp; Regulatory Services (Deputy Chair)</p>	As Required

## EXECUTIVE MANAGEMENT CHANGES

### APPOINTMENTS

Name	Position	Date
Bret Giles	Director, IT Service Delivery	30 August 2016
Carryl Fenner	Director, Workplace Relations	3 October 2016
Rebecca Kogios	Director, Forensics Operations	17 October 2016
Gabrielle Reilly	Executive Director, Human Resource Department	28 November 2016
Scott Arbutnot	Deputy Secretary, Infrastructure	30 January 2017
Kelvin McBride	Deputy CIO & Director Systems Analysis & Governance	15 May 2017

### SEPARATIONS

Name	Position	Date
Anthony Ramsay	Director, IT Service Delivery	5 August 2016
Andrew Minack	Director, Enterprise Bargaining	6 February 2017
Terry Purton	Disciplinary Hearing Office	16 April 2017
Cliff Owen	Executive Director, Infrastructure	18 August 2016

### MOVEMENTS

Name	Position - Moved to / Promoted to	Date
John Doherty	Promoted to Executive Director, Forensic Services	17 October 2016
Jo Hoffman	Moved to Project Director, CBD Accommodation	6 March 2017
Andrew Loader	Moved to Executive Director, Enterprise Program Management Office	6 March 2017
Carol Orfanos	Senior Technical Specialist, Legal Services	1 July 2016

**Note:**

The data above includes Victoria Police Executive Officers and Police Commissioners only, ANZPAA, Statutory Appointments and other external agencies are not included.



## ORGANISATIONAL AUDITS AND REVIEWS

### INTERNAL AUDIT 2016-2017

In 2016-2017 Victoria Police transitioned from a calendar year based internal audit annual program to a financial year based program to complement the budget cycle. A revised internal audit program was effective between January and June 2017 to allow for a full program to commence in the new financial year. Both programs were approved by the Audit & Risk Committee and endorsed by Executive Command.

The conduct of the 2016-2017 program was through a co-source model which comprised of the in-house team and the outsourced internal audit service providers (Ernst & Young). In 2017-2018 the Internal Audit plan and Audit reporting will be aligned to the *Victoria Police Capability Framework*.

Twenty-three internal audit projects were conducted during 2016-2017 addressing the following key themes:

Audit Theme	Audits Undertaken
Financial & Budget Sustainability	5
Family Violence	1
Information Technology & Security	4
Terrorism	2
Mental Health & Safety	2
<b>Others</b>	
People & Processes	
- Program/Project Health Check	9
<b>TOTAL</b>	<b>23</b>

### CONTINUOUS AUDITING

In 2016-2017, Continuous Auditing Programs (CAPs) provided control monitoring and data quality assurance to senior management. The results of all CAPs are reported to Executive Command and ARC on a quarterly basis. Continuous auditing activities aim to identify control issues related to high risk financial and operational processes and systems through the use of data analytics.

### 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 Audit and Risk Committee (ARC) on a bi-monthly basis. As at 30 June 2017 there were a total of 1,817 recommendations recorded on TeamCentral, with 1,553 of these recommendations (85.4 per cent) completed.

#### SUMMARY OF RECOMMENDATIONS BY REVIEW TYPE (AS AT 30 JUNE 2017)

Review Type	Completed	Pending	Total
CPDP/Ex-CLEDS	226	35	261
Coroners Court	6	5	11
Internal Audit	858	139	997
Ombudsman	155	1	156
IBAC/Ex-OPI	127	31	158
VAGO	153	35	188
Other	28	18	46
<b>TOTAL</b>	<b>1,553</b>	<b>264</b>	<b>1,817</b>

#### Notes:

CPDP – Commissioner for Privacy and Data Protection  
 CLEDS – Commissioner for Law Enforcement and Data Security  
 IBAC – Independent Broad-based Anti-Corruption Commission  
 OPI – Office of Police Integrity  
 VAGO – Victorian Auditor-General's Office



## VICTORIA POLICE

### 2017 Risk Management Attestation

*I, Graham Ashton, Chief Commissioner certify that Victoria Police has complied with the mandatory risk management requirements and the mandatory insurance requirements of the VGRMF featured in the Ministerial Directions 3.7.1 – Risk Management Framework and Process. The Victoria Police Audit and Risk Committee have verified this.*

*In 2017-2018 Victoria Police has incorporated into the Annual Plan a commitment to build on its risk maturity having a specific focus on enriching the organisations management culture. Victoria Police will concentrate on risk governance, risk management capability and will continue to collaborate with key government agencies and external stakeholders to improve practices for the management of inter-agency and state-wide significant risks.*

A handwritten signature in black ink, appearing to read 'Graham Ashton'.

Graham Ashton AM  
Chief Commissioner

*Z 10/9/2017*

# APPENDIX F – DISCIPLINARY ACTION (VICTORIA POLICE ACT 2013)

## ANNUAL REPORT OF THE CHIEF COMMISSIONER – 2016-2017

### 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 Police Registration and Services Board (PRSB).

One Victoria Police Officer was terminated on the basis of incapacity for duty in accordance with this section of the Act in 2016-2017. That action is under review by the PRSB.

### Section 12(1) (b)

Any action taken by the Chief Commissioner under Part 7 during that year and the outcome of that action (including the result of any review of that action by the PRSB).

## RESULTS OF DISCIPLINE CHARGES DETERMINED BY INQUIRY OFFICERS

### PART 1: FULL YEAR 2016-2017

Victoria police officers/psos charges and results of inquiries	Discipline Inquiries Victoria Police Act 2013 (Sec 125)	Inquiries into imp. matters found proven Victoria Police Act 2013 (Sec 136)
Total Discipline Charges Laid Against Victoria Police Officers/PSOs (Charge Authorisation Date)	57	3
Total Victoria Police Officers/PSOs Charged (Charge Authorisation Date)	39	3
Victoria Police Officers/PSOs Appearing Before an Inquiry Officer (Last Hearing Date)	18	3
Victoria Police Officers/PSOs Dismissed from Force (Date Dismissed)	4	1
Victoria Police Officers/PSOs All Charges Dismissed After a Discipline Inquiry (Last Inquiry Date)		

#### Notes:

This data only includes discipline outcomes under the Victoria Police Act 2013 Part 7 that occurred during 2016-2017.

A Victoria Police Officer can be charged with one or more discipline charges.

The data can include a police officer who has charges/outcomes from both s125 and a s136 proceeding i.e. they may appear in both columns.

The initial charges related to these outcomes may have been laid in 2016-2017, or previous reporting period(s).

The data for this report was taken from the Register of Complaints Serious Incidents and Discipline System (ROCSID) on 6 July 2017.

## RESULTS OF DISCIPLINE CHARGE NOTICES AND INQUIRIES

	Total	% Total
Discipline Charges Found Proven s125 ONLY (Last Inquiry Date)	24	60
Charge Dismissed s125 ONLY (Last Inquiry Date)		
Charge s125 or Inquiry s136 Not Heard (Resigned/Retired Prior to Discipline Inquiry – (Count of Charges)	16	40
Total Charges	40	100

#### Notes:

This table includes discipline proceedings arising from public complaints and internally initiated investigations.

Discipline charges found proven and discipline charges dismissed only refer to s125 as s136 criminal charges have been proven in the criminal court and cannot be dismissed at inquiry. Also, the initial charges related to these outcomes may have been laid in 2016-2017, or previous reporting period(s).

Where the police officer resigned or retired prior to the inquiry relates to both s125 and s136.

All sections are charge centric and not person centric.

The data relates to outcomes during the reporting period notwithstanding the year in which the public complaint/internal investigation was commenced.

The data for this report was taken from the Register of Complaints Serious Incidents and Discipline System (ROCSID) on 6 July 2017.

## RESULTS OF DISCIPLINE CHARGES DETERMINED BY INQUIRY OFFICERS REVIEW OF SANCTIONS PART 2: FULL YEAR 2016-2017

		Number of Sanctions Reviewed	REVIEW RESULT		
			Sanction Affirmed	Sanction (charge) Dismissed/ Member withdrew appeal	Sanction Varied
Discipline Sanctions s125 (s.132 <i>Victoria Police Act 2013</i> ) (Last Review Date)	PRSB	10	8		2
Inquiry into imp. Matter s136 (s.136 <i>Victoria Police Act 2013</i> ) (Last Review Date)	PRSB				

### 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 five times a penalty unit, reduction in rank, seniority, remuneration; transfer to other duties, or dismissal from Victoria Police).

Data is from each discipline charge or criminal charge that received a sanction and was appealed (it is not person centric but charge centric).

Data relates to reviews completed during the reporting period. The initial sanctions in relation to these reviews may have been handed down in 2016-2017, or previous reporting period(s).

Discipline sanctions (s.132 *Victoria Police Act 2013*) relate to sanctions imposed if a Victoria Police Officer/PSO is charged with a breach of discipline under section 125 *Victoria Police Act 2013*, whereas inquiry into imprisonment matter (s.136 *Victoria Police Act 2013*) relates to sanctions imposed if a Victoria Police Officer/PSO 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 6 July 2017.

### 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 2016-2017.

### Section 12 (1) (d)

The prescribed information in relation to Part 5.

## DRUG AND ALCOHOL TESTING OF MEMBERS

Requirement	2016-2017 Result
The number of tests involved taking of samples conducted during the relevant year	1,942
The number of persons tested	1,000
The number of those tests that indicated the presence of a drug of dependence or alcohol in a person's body	7

## 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 <a href="http://www.police.vic.gov.au">www.police.vic.gov.au</a>
b)	For the 2016-2017 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	82	Include allegations of: <ul style="list-style-type: none"> <li>• Improper behaviour</li> <li>• Falsify records</li> <li>• Information release</li> <li>• Duty failure</li> <li>• Drug use</li> <li>• Misuse of equipment</li> </ul>
	ii) the number and types of protected disclosure complaints referred to the investigating entity by the IBAC	114	Include allegations of: <ul style="list-style-type: none"> <li>• Declarable association</li> <li>• Drink driving</li> <li>• Improper behaviour</li> <li>• Falsify records</li> <li>• Information release</li> <li>• Duty failure</li> <li>• Drug use</li> <li>• Misuse of equipment</li> </ul>
	iii) the number and types of protected disclosure complaints investigated by the investigating entity	114	Include allegations of: <ul style="list-style-type: none"> <li>• Declarable association</li> <li>• Drink driving</li> <li>• Improper behaviour</li> <li>• Falsify records</li> <li>• Information release</li> <li>• Duty failure</li> <li>• Drug use</li> <li>• Misuse of equipment</li> </ul>
	iv) the number and types of protected disclosure complaints dismissed by the investigating entity	0	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	

### Notes:

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

Consistent with a victim-centric approach, there has been a continuing trend of police feeling confident in reporting improper behaviour by others. Nearly one third of protected disclosure complaints have been or are being investigated by Taskforce Salus.

## APPENDIX H – CONSULTANCIES AND CONTRACTORS

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

In 2016-2017, there were 73 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2016-2017 in relation to these consultancies was \$6,386,379 (excl. GST). Details of individual consultancies can be viewed at [www.police.vic.gov.au](http://www.police.vic.gov.au).

### Details of consultancies under \$10,000

In 2016-2017, there were 46 consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2016-2017 in relation to these consultancies was \$189,984 (excl. GST). Details of individual consultancies can be viewed at [www.police.vic.gov.au](http://www.police.vic.gov.au).

### DISCLOSURE OF MAJOR CONTRACTS

Contract Number	Contract Title	Contract Dates	Contract Value	Instrument of Authorisation	Supplier	Act
C2263-2024	Custody and Escort Services	29/03/2017 – 28/03/2024 (including options)	\$28,278,033	\$72,864,472	G4S Custodial Services Pty Ltd	FMA
C2663-2030	Intelligence Management Application	05/01/2017 – 04/01/2030 (including options)	\$35,679,245	\$65,451,226	SAS Institute Australia Pty Ltd	FMA
C2644-2021/1	Replacement of the Alcohol and Drug Testing Bus Fleet	06/02/2017 – 01/10/2021	\$11,454,524	\$11,654,524	Brimarco Byron-Wade Pty Ltd	FMA
C2281-2028	Mobility Managed Services	16/03/2017 – 30/06/2028 (including options)	\$228,624,627	\$228,624,627	Motorola Solutions Australia Pty Ltd	FMA

#### Notes:

FMA refers to the *Financial Management Act 1994*.

Data contains all contracts above \$10 million that were awarded during 2016-2017.

Data contains contracts that have been published on the Tender Vic website.

Data has been sourced from the Integrated Content Management System from 1 July 2016 to 30 June 2017.

## APPENDIX I – DISCLOSURE OF GOVERNMENT ADVERTISING EXPENDITURE

VICTORIA POLICE UNDERTOOK THE FOLLOWING GOVERNMENT ADVERTISING CAMPAIGNS FOR 2016-2017 WITH A MEDIA SPEND OF \$100,000 OR GREATER

### Police Custody Officer (PCO) Recruitment Campaign

Campaign Summary	Start/End Date	Advertising (Media) Expenditure 2016-2017 (excl. GST)	Creative and Campaign Development Expenditure 2016-2017 (excl. GST)	Research and Evaluation Expenditure 2016-2017 (excl. GST)	Print and Collateral Expenditure 2016-2017 (excl. GST)	Other Campaign Expenditure 2016-2017 (excl. GST)
Advertising, communication and marketing activities for the recruitment of Police.	29 January 2017/ 30 June 2017	\$2,350,000	\$513,000	\$90,000	\$15,500	\$65,000
Advertising, communication and marketing activities for the recruitment of PSOs.	17 July 2016/ 10 September 2016	\$250,000	\$159,000	\$57,000		

## APPENDIX J – DISCLOSURE OF INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

For the 2016-2017 reporting period, Victoria Police had a total ICT expenditure of \$248,314,009 with the details shown below.

Business as Usual (BAU) ICT expenditure (Total) \$'000	Non-Business as Usual (non-BAU) (Total = Operational expenditure and Capital expenditure) \$'000	Operational Expenditure \$'000	Capital Expenditure \$'000
\$173,075	\$75,239	\$46,403	\$28,835

**Note:**  
ICT expenditure refers to the Victoria Police costs in providing business-enabling ICT services such as communications and computers. It comprises Business As Usual (BAU) ICT expenditure and Non Business As Usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing the Victoria Police current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

## APPENDIX K – 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 2016-2017 Victoria Police commenced five contracts totalling \$143,757,677 in value to which VIPP applied. Of the contracts that commenced, one contract was in metropolitan Melbourne (totalling \$72,864,472), three contracts were statewide (totalling \$69,015,704) and one contract was regional (totalling \$1,877,501).

A summary of the skills and technology transfer commitments in

the contracts/projects includes:

- An estimated 28 full time equivalent jobs created (including apprentices and trainees).
- An estimated 30 full time 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 three contracts during 2016-2017 to which VIPP applied.

## APPENDIX L – 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 the reporting period Victoria Police was not required to apply the competitive neutrality policy as we did not procure goods and services within this context.

## APPENDIX M – 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 2016-2017 Victoria Police received 3,366 requests for access to documents under the *Freedom of Information Act 1982*, including requests from applicants to amend personal information. Of those applications 2,020 related to personal requests and 1,346 were non-personal requests. Twenty seven applications were received from Members of Parliament, Seventy six were received from the media and the remainder (3,263) 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.

Ten appeals were lodged with the Victorian Civil and Administrative Tribunal (VCAT) for final determination, with 10 cases being decided upon in 2016-2017, including cases from previous years. Six of these cases were withdrawn.

### REQUEST FOR ACCESS TO DOCUMENTS

Type of Request	
Personal	2,020
Non Personal	1,346
Total	3,366
Appeals to VCAT	10
Appeals actually determined	4

### Compliance

For the 12 months ending 30 June 2017, Victoria Police processed 81 per cent of requests within statutory requirements, 19 per cent within 46 - 90 days and 0 per cent in over 90 days. The average processing time taken to finalise requests was 38 days.

## Application Procedure

Since 1 July 2015 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](http://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](http://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 & Governance 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](http://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](http://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 manages personal and health information.

Victoria Police is committed to protecting the personal and health information of the persons with whom it interacts with in the course of its functions and activities.

In line with the provisions of the *Freedom of Information Act 1982*, 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 2014* or *Health Records Act 2001* can be obtained from:

Privacy Unit  
Victoria Police Centre  
GPO Box 913  
MELBOURNE VIC 3001  
PH: (03) 9628 8446 or (03) 9628 7347

# APPENDIX N – REDUCING REGULATORY BURDEN

Victoria Police is committed to reducing regulatory burden by promoting greater efficiency and effectiveness in the administration and enforcement of regulation.

On 27 June 2016 the Minister for Police the Hon. Lisa Neville MP issued a Statement of Expectations (SoE) for Victoria Police, setting the following performance objectives for the 2016-2017 financial year:

1. Private Security License application forms converted to online e-forms.
2. Complex form requirements are underpinned by online instructions/help features to assist individuals and businesses including small businesses.
3. Information previously provided to Victoria Police by individuals and businesses including small business are automatically pre-populated in renewal applications.
4. The rate of new private security applications approved within 28 days of receipt is increased by up to 30 per cent.
5. The incidence of incomplete private security application forms is reduced by up to 10 per cent.
6. A risk based framework that supports compliance activities within the Regulation Support Unit is developed.

In 2016-2017 Victoria Police replaced manual application forms for all new private security applications with electronic forms completed online. It is anticipated that the introduction of online forms with improved online instructions and help features will reduce rates of incomplete applications returned to Victoria Police.

Following the transition of new private security applications to online forms, work will commence on the transition of new firearm applications to online forms before introducing online licence renewals for private security and firearm authorities.

In 2016-2017 it took an average of 35 days to assess a Private Security application.

Victoria Police has continued to progress the development of a risk based framework to support compliance and enforcement activities completed by the Regulation Support Unit.

Victoria Police continues to develop these performance objectives and has refreshed the Statement of Expectations for 2017-2018.



## APPENDIX O – STATEMENT OF 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 Regulation Act 2006*, and other Victorian legislation referenced by the Building Commission. Victoria Police controls a large property portfolio comprising: police stations, police residences, educational, administrative and training complexes, forensic laboratories, and other special purpose facilities.

### New Building Conforming to Standards

For the 2016-2017 financial year, Victoria Police conducted capital and minor 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 Police Stations at Echuca and Ballarat West.
- Multi-Disciplinary Centre at Dandenong.

### Maintenance of Buildings in Safe and Serviceable Condition

Maintenance of Victoria Police owned buildings, including Essential Safety Measures (ESM), were arranged through internal resources and external contractors. 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 P – OFFICE-BASED ENVIRONMENTAL IMPACTS

Victoria Police has progressively developed and introduced a wide range of initiatives to significantly reduce adverse impacts on the environment.

Victoria Police is focused on delivering environmental and efficiency programs across all areas of the organisation, rather than just the required office-based locations, with the result that improvements have been made across a portfolio.

### ENERGY

Victoria Police consumes 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 key areas of activity - lighting, information technology operation and HVAC (heating, ventilation and air-conditioning).

Data was obtained from a variety of sources including energy providers, other government agency 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 2016-2017

#### Construction, Refurbishment and Maintenance of Police Facilities

The Police Building Efficiency Project (PBEP) continues to review all aspects of building design, construction, maintenance and operation with the intention of reducing life-cycle costs of building stock. PBEP identified specific efficiency outcomes that require new constructions, refurbishments and maintenance works adhere to the following:

- Use of LED lighting rather than the traditional mix of T5 fluorescents and DFL down-lights.
- High efficiency HVAC and the application of passive energy management design features (wherever possible) are embedded in design guidelines.

These include:

- 332 police stations that vary in type to include eight, 16 and 24 hour police stations.
- 184 police residences.
- 94 other support facilities including training and forensic facilities, central property and documents storage, and transport operations.

Compliance audits and analytical work into existing buildings was undertaken during the cycle. Baseline data on a range of building performance metrics will inform the forward program and investment strategy.

#### University partnership to enhance sustainability practices

Victoria Police is engaging with a university to further strengthen sustainable building design, practice and technological capability. This partnership emphasizes investigation of practical applications of sustainability initiatives designed to enhance the management of building projects and future policy.

## ENERGY RESULTS FOR 2016-2017

Description	2016-2017	2015-2016	Change %
<b>Total energy usage segmented by primary source (GJ)</b>			
Electricity	241,195	250,459	-3.7
Natural gas	100,214	114,058	-12.1
LPG	481	416	15.5
Green power			
<b>Total</b>	<b>341,891</b>	<b>364,934</b>	<b>-6.3</b>

Description	2016-2017	2015-2016	Change %
<b>Total greenhouse gas emissions by primary source (Tonnes of CO<sub>2</sub>e)</b>			
Electricity	73,029	87,661	-16.7
Natural gas	5,151	5,863	-12.1
LPG	29	25	15.5
Green power			
<b>Total</b>	<b>78,209</b>	<b>93,548</b>	<b>-16.4</b>

Description	2016-2017	2015-2016	Change %
Energy used per FTE (megajoules/FTE)	18,540.6	20,364.5	-9.0
Energy intensity (megajoules/m <sup>2</sup> )	674.7	728.8	-7.4
Green Power purchase			
Tonnes of CO <sub>2</sub> e per FTE	4.241	5.220	-18.8

During the current reporting period there was a reduction in both electricity and natural gas used due to final decommissioning of the 412 St Kilda Road occupancy by Victoria Police and duplicate energy consumption with the new location at the 313 Spencer Street Police complex. This has a significant impact due to the inefficiency of the older tenancy and the vastly improved energy efficiency of a new building. During the same period there has been staff increases of 7.2 per cent combined with a 1.2 per cent increase in floor area resulting in reduced energy consumption and greenhouse gas production on a per staff and area basis.

The continued adoption of energy efficient design principles will lead to further reductions in electricity consumption by Victoria Police in the future.

Note: The purchase of Green Power was discontinued a few years ago.

### Targets for 2017-2018

The PBEP will continue to be the main focus of work and strengthening of the university partnership along with the data centre component of the TRP.

## WATER

The reported water usage covers all Victoria Police sites and staff and is based on water meter readings from approximately 70 per cent of Victoria Police buildings (leased and owned).

### WATER RESULTS FOR 2016-2017

Indicator	2016-2017	2015-2016	Change %
Total units of metered water consumed (kl)	267,755	277,396	-3.5
Units of metered water consumed per FTE (kl/FTE)	14.6	15.5	-5.6

Overall water consumption decreased during the reporting period as did usage per FTE as a result of finalisation of moving in to new facilities that saw a duplication of water usage for cleaning in 2015-2016 whilst Victoria Police staff relocated.

### Targets for 2017-2018

Victoria Police will endeavour to conduct a detailed analysis of water consumption and develop mitigation strategies.

## PAPER MANAGEMENT

Victorian Government policy requires all copy paper to be purchased through the Victorian Government nominated provider.

### PAPER USAGE RESULTS FOR 2016-2017

Indicator (A4 ream equivalent)	2016-2017	2015-2016	Change %
Total units of copy paper used	204,964	190,257	7.7
Units of copy paper used per FTE (reams/FTE)	11.1	10.6	4.7
Percentage of 76-100% recycled content copy paper purchased	74.4%	25.9%	187.2
Percentage of 50-75% recycled content copy paper purchased		8.5%	-100.0
Percentage of 1-49% recycled content copy paper purchased		20.4%	-100.0
Percentage of virgin fibre copy paper purchased	25.6%	45.1%	-43.2

The vast improvement in the use of paper products with higher than 76 per cent recycled content or higher increased during the reporting period due to a conscious change in procurement practices and processes to make recycled paper more attractive to purchase and to locate in purchasing systems. The use of some virgin-fibre products is necessary, as coloured paper only comes in virgin-fibre.

#### Actions undertaken during 2016-2017

Influencing the buying behaviours of the organisation by communicating the expectations of government to our buyers and by implementing some restrictions on the purchasing catalogue to only allow a minimum of 80 percent recycled content for all copy/

white paper available to purchase. There was also a continued focus on the use of duplex rather than simplex printing in addition to using monochromatic rather than colour printing during the reporting period.

#### Targets for 2017-2018

Continue to increase recycled paper availability awareness and liaise with Whole of Victorian Government (WoVG) contract managers to ensure system specifications are conducive to planet friendly purchases. It is envisaged that the Mobile Technology Project should see reductions in the volume of paper used in the future. No specific targets have been set for Paper Management.

## WASTE

Victoria Police is committed to the management of office based waste to reduce operational costs and environmental impacts, as well as potential health risks to staff and the broader Victorian community.

Description	2016-2017 <sup>1</sup>
Total units of office waste disposed of by destination	Kilograms
Landfill	2,186,406
Recycling	304,573
<b>Total</b>	<b>2,490,979</b>

Description	2016-2017
Total units of waste disposed of per FTE by destination	Kilograms/FTE
Landfill	199.61
Recycling	27.81
<b>Total</b>	<b>227.41</b>

Description	2016-2017
Recycling rate (per cent)	12.2%
Greenhouse gas emissions associated with waste to landfill (tonnes of CO <sub>2</sub> e)	3,061

#### Notes:

1. Waste data is reported from vendors that remove office based waste from 10 locations that cover approximately 59.4 per cent of Victoria Police FTE associated with these locations.

Factors used to calculate greenhouse gas emissions are based on those contained in the National Greenhouse Accounts Factors – August 2016.

#### Actions undertaken during 2016-2017

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

#### Targets for 2017-2018

Continued provision of advice on existing initiatives and general information, no specific target has been set.

## SUSTAINABLE TRANSPORT

Whole-of-Victorian Government (WOVG) policy requires all mainstream fleet vehicles to be Australian made.

Indicator	2016-2017				2015-2016				Change %
	Petrol	Diesel	LPG	Total	Petrol	Diesel	LPG	Total	
Total energy consumption by vehicles (Gj)	217,576.6	121,495.1	23,429.8	362,501.6	196,511.4	111,886.8	39,227.4	347,625.6	4.3
Total vehicle travel ('000 km)	52,629.5	30,287.9	5,846.4	88,763.8	48,703.8	28,129.4	10,057.4	86,890.5	2.2
Greenhouse gas emissions from vehicles (tCO <sub>2</sub> e)	15,447.9	8,929.9	1,525.3	25,903.1	13,952.3	8,223.7	2,553.7	24,729.7	4.7
Greenhouse gas emissions from vehicles per 1,000km travelled (tCO <sub>2</sub> e)/1000km)	0.294	0.295	0.256	0.291	0.286	0.292	0.254	0.285	2.4

Total energy consumption and greenhouse gas emissions produced by vehicles increased during the reporting period. This is representative of the proportional decrease in kilometres travelled by LPG vehicles which have ceased to be available to Victoria Police and related increases in the usage of petrol and diesel powered vehicles.

### Actions undertaken during 2016-2017

Victoria Police has endeavoured to purchase fuel efficient, environmentally friendly Australian made vehicles where they are

suitable to perform or are of appropriate size for operational work. The existing fleet includes 186 LPG vehicles, 106 hybrid vehicles and 929 diesel powered vehicles.

### Targets for 2017-2018

In line with the existing WOVG policy, Victoria Police will continue to purchase lower emission and/or hybrid vehicles where they are suitable to perform or are of appropriate size for operational police work.

## AIR TRAVEL

Description	2016-2017	2015-2016
Total distance travelled (kilometres)	7,182,594	6,667,497
Greenhouse gas emissions (tonnes CO <sub>2</sub> e)	1,909.3	1,724.1

### Note:

Includes travel undertaken by members of Australia and New Zealand Policing Advisory Agency (ANZPAA) and National Institute of Forensic Science (NIFS).

## COMMUTER TRAVEL

Ongoing VPS employees are able to participate in the Commuter Club Scheme. The scheme offers public transport users a discount on a 365 (annual) day pass.

Commuter Club Members	2016-2017 Estimate
Myki	18%
V/Line	2%

### Notes:

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.
- The extrapolation of data where unavoidable information gaps exist.

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. In some cases data has been produced according to best practice estimation techniques.

With reference to any limitations noted in this summary all listed targets for 2016-2017 and beyond are qualitative at this stage.

FTEs – In accordance with the FRD24C definition of FTE, no contractors or consultants have been included in the Victoria Police figures.

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.

## PROCUREMENT

Victoria Police has incorporated environmental considerations into its procurement decision making. Below is a list of procurement contracts for which Victoria Police has developed or is using sustainability clauses.

Procurement Title	Detail Any Sustainable Procurement Initiatives That Apply
Panel - E-Crime Digital Forensic Investigation Products	As part of the RFT, sustainable considerations include all suppliers are to provide refurbishment of existing equipment as opposed to simply replacing and then disposing. This not only saves costs but also reduces the environmental footprint. As part of their response suppliers were also asked to provide their work place policies on equal opportunity and diversity.
Short Term Extension of the Forensic Information Management System (FIMS) and the Seized Property Management System (SPMS) and supply of seized property printing devices	There are no perceived economic, social and environmental impacts associated with this procurement.
Remote Positioning Vehicle (RPV) – small	All servicing, warranty work, and maintenance will be conducted through local authorised service providers enabling Victoria Police to continue to support local industry and Small to Medium Enterprises (SMEs) as outlined in the VGPB Sustainable Procurement Guidelines.
Provision of operational, training and tactical ammunition	Where appropriate, engaging with suppliers who are committed to better environmental performance.
Witness Protection case management system	This procurement purchased software and software licences. There are no perceived economic, social and environmental impacts associated with this procurement.
Case Management System for HR Assist : PID	This procurement purchased additional software and software licences to add to the existing HR system. There are no perceived economic, social and environmental impacts associated with this procurement.
Two laser 3D Scanners and two desktop computers : PID	This procurement purchased two 3D scanning cameras to photograph traffic accident scenes and two desktop computers to process the captured images. There are no perceived economic, social and environmental impacts associated with this procurement.
Remote Positioning Vehicle - large and medium	All servicing, warranty work, and maintenance will be conducted through local authorised service providers therefore enabling Victoria Police to continue to support local industry and Small to Medium Enterprises (SMEs) as outlined in the VGPB Sustainable Procurement Guidelines.  No environmental issues were identified during the procurement planning stage.
T3293 Supply of Handcuffs	Where appropriate, engaging with suppliers who are committed to better environmental performance.
Supply of Oleoresin Capsaicin (OC) products and distraction devices	Testing throughout the tendering process will be carried out to verify that samples comply with the Ozone Protection and Synthetic Greenhouse Gas Management Regulations 1995 with regard to zero ozone depleting material.  Toxfree Australia Pty Ltd is the Victoria Police contractor for disposal of OC canisters utilising environmentally responsible process by extracting the remaining canisters contents, recycling the residual components and eliminating the requirement for land fill.  The disposal contractor has adequate controls and security and is required to apply for the Chief Commissioner's approval to possess the OC product in accordance with section 8C of the Control of Weapons Regulations 2011.
Supply of Safety Glasses	Where appropriate, engaging with suppliers who are committed to better environmental performance.
IBM Mainframe software products that support Victoria Police : PID	This procurement activity only extended our existing IBM mainframe software licences. There are no perceived economic, social and environmental impacts associated with this procurement.
Main Cabin Harness and Headlight Flasher Unit : PID	100% local employment in support of Small to medium Enterprises (SMEs) and it is a condition of contract that the supplier does not engage in unethical work practices, nor do any sub-contractors.
OCE Upgrade of equipment for examination hearings : PID	This procurement activity upgraded existing AV equipment at the Office of the Chief Examiner (OCE). Upgrading (not replacing) saves costs and environmental impact in terms of disposals.
Private Automatic Branch eXchange (PABX) Maintenance : PID	This procurement activity only extended licences, maintenance and support services on existing Private Automatic Branch eXchange (PABX) telephone switching equipment. There are no perceived economic, social and environmental impacts associated with this procurement.

## Procurement Title

## Detail Any Sustainable Procurement Initiatives That Apply

Variation to obtain additional licences for the LEX Legal Case Management : PID	This procurement activity only purchased additional software licences on top of existing software licensing arrangements. There are no perceived economic, social and environmental impacts associated with this procurement.
VP MAC Infrastructure Commissioning : PID	This procurement activity purchased file servers and network equipment from the Mandatory Whole of Victorian Government (WoVG) IT Infrastructure Register State Purchase Contract (SPC), Ticker Boards from the open market and a range of Audio Visual Equipment, associated peripherals and installation services from existing Victoria Police contractual arrangements. Fit for purpose was the key consideration. The evaluation did consider Australian Standards in terms of power and safety requirements.
Supply of Operational Boots	Where appropriate, engaging with suppliers who are committed to better environmental performance.
Provision of Metropolitan Towing Services.	Where appropriate, engaging with suppliers who are committed to better environmental performance.
Psychometric Assessments for selection processes	Supporting local industry and Small to Medium Enterprises (SMEs).
Supply of Bolt Action and Semi-Automatic marksman rifles and ancillary items	Where appropriate engaging with suppliers who are committed to better environmental performance.
Supply of Hybrid Breathing Apparatus and ancillary components	Where appropriate engaging with suppliers who are committed to better environmental performance.
Feasibility study leading to development of specifications for a Blended Course Delivery Model: PID	This procurement activity only purchased software and software licences. There are no perceived economic, social and environmental impacts associated with this procurement.
Ballistic testing of Operational, Training and Tactical Ammunition	Where appropriate engaging with suppliers who are committed to better environmental performance.
Disposable plastic mouthpieces to fit the Lion Alcolmeter SD-400 touch Preliminary Breath Test units (PBT)	<p>Victoria Police will request the supplier to provide details of any environmental initiatives being undertaken. TechnoPlas has investigated significant research and development into biodegradable mouthpieces, but this has not yet produced a reliable product.</p> <p>Victoria Police has previously investigated and trialled recycling opportunities in the past but they have not been commercially viable as the volume of recyclable material required to be collected is insufficient. There is also a significant logistical issue involved in collecting the used straws as they are used across the state and the establishment of a central collection point is not practical.</p>
Supply of insignia and metalware	<p>Statement demonstrating how they satisfy the ethical employment standard and to provide details of their supply chain management credentials detailing their processes with regard to how they will manage the quality of their products and the capability to deliver on time will be requested.</p> <p>Further it is anticipated that the procurement for metal wares and insignia will seek assurances of ethical sourcing and supply chain management in particular evidence of quality, ethical supply and visibility of any changes to their supply chain and production site(s).</p>
Specialist equipment carriage vans	Local manufacture by Small to Medium Enterprises (SMEs) to be encouraged.
Supply of Operations Response Unit protective uniforms	When uniform items are no longer serviceable, members are required to dispose of them in a manner that ensures they cannot be reused or are not identifiable as uniform or clothing provided by Victoria Police.
Provision of Aviation Fuel (BP) – Victoria Police Air Wing	<p>BP will work with Victoria Police to ensure compliance with environmental and OH&amp;S legislation. BP are committed to developing innovative solutions to reduce consumption, provide alternative fuels and neutralise emissions.</p> <p>BP provide Material Safety Data Sheets (MSDSs) to provide information on the safe handling and storage of their products.</p>
CT Mobile Forensic Capability Project – (Vehicle Chassis and LWB Van)	In line with Victoria Police and Victorian Government Procurement board (VGPB) procurement initiatives; this procurement will demonstrate Victoria Police's commitment to support local industry and Small to Medium Enterprises (SMEs) in contracting with employers who meet ethical employment standards.

**Procurement Title****Detail Any Sustainable Procurement Initiatives That Apply**

CT Mobile Forensic Capability Project – (Vehicle Body Modules and Fit-out)	In line with Victoria Police and Victorian Government Procurement board (VGPB) procurement initiatives; this procurement will demonstrate Victoria Police's commitment to support local industry Small to Medium Enterprises (SMEs) in contracting with employers who meet ethical employment standards.
Joint Intelligence Group (JIG) operation and capability maintenance system – Noggin OCA	This procurement activity provides access to software shared by other Law Enforcement Agencies (LEAs). There are no perceived economic, social and environmental impacts associated with this procurement.
Meat and Small Goods Request For Quote (RFQ)	The social and environmental impacts will be considered including the conditions in how and where the meat is sourced as well as reducing waste in packaging to ensure it is environmentally friendly. We will also consider supporting local produce where possible however we will consider quality and price as a priority.
Police Assistance Line and Online Reporting	All Request for Tenders (RFTs) will require, as a mandatory criterion, details of vendors sustainability initiatives as they pertain to the goods and services to be provided to Victoria Police.
First Aid Training	There are very few sustainable initiatives within this procurement. Victoria Police will endeavour to explore the environmental impacts tenderers can have in the reduction of printing and using copious amounts of paper by using other ways to present the course materials i.e. PowerPoint, online manuals. Victoria Police will also seek further cost saving and environmental initiatives through the tender process specifically requesting tenderers on their ability to reduce waste. Victoria Police will also look at supporting local Small to Medium Enterprises (SMEs) where possible however Victoria Police will not compromise on price and capability.
Provision of Evidential Roadside Drug Testing kits to support road policing	Victoria Police will request that the supplier provide details of any environmental initiatives being undertaken.  Victoria Police has previously investigated recycling opportunities however this is not permitted or viable.  Taking an oral fluid sample has strict guidelines to address concerns regarding DNA profiling etc. The drug sampling kits are treated as a biohazard and are disposed of via a sample destruction service.  There is also a significant logistical issue involved in collecting the used kits as they are used across the state and the establishment of a central collection point is not practical.
Supply of Public Order Response Team Specialist Equipment	Managing unnecessary consumption to reduce waste.
Supply of replacement Integrated Operational Equipment Vests (IOEVs)	Building environmental considerations into the value for money assessment of this procurement activity.
Annual Maintenance and Service of Scientific Equipmen	By ensuring the relevant instrumentation is working with maximum performance and being attended to when not operating correctly, waste (power, water, chemicals, paper, toner cartridges etc.) caused as a result of leakages and repeat analysis will be reduced and/or eliminated.
Employee Assistance Program (EAP)	The priority of these services is to ensure Victoria Police receive and source the level of assistance Victoria Police require. The social impact of the procurement is extremely important as it is regarding the wellbeing of employees. Victoria Police rely heavily on all employees and Victoria Police will ensure that all psychologist counsellors and social workers are appropriately licenced and meet strict qualifications.
Enterprise Risk Management (ERM) Software and maintenance	This procurement is going to improve the effectiveness and efficiency which the business unit will be able to report on risks to stakeholders and improve the response to risk minimisation.  Additionally, the business unit is seeking to minimise the paper use by enhancing electronic based reporting.
T&PSC Operational and Training ammunition	Where appropriate, engaging with suppliers who are committed to better environmental performance.  Redhat Enterprise Linux Server (R7) Standard Subscriptions
Puppet Enterprise Licences	This procurement purchased software and software licences. There are no perceived economic, social and environmental impacts associated with this procurement.

**Notes:**

The above table is prepared in accordance with Financial Reporting Direction (FRD) 24C.  
PID stands for Procurement Initiation Document.

## APPENDIX Q – 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 2016-2017 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 (RCC) facilities under contract with G4S. The contract with G4S was renewed for a period of three years in March 2017.

### Ringwood Magistrates Court Cells

In April 2014, Corrections Victoria recommissioned the Ringwood Magistrates Court cells, which are managed by G4S to provide custody and escort services as an additional service under the existing contract. This initiative has positively impacted both the courts and police cells at Ringwood.

### G4S Contract services

During 2016-2017, G4S provided the following contract services:

#### Melbourne Custody Centre (MCC)

- Managed 23,462 prisoner movements (counted in and out). In addition, 725 intoxicated persons were lodged
- Managed 12,018 court movements between the MCC, Melbourne Magistrates Court and County Court (sitting as the Melbourne Magistrates Court). This includes 538 court movements between the MCC and Melbourne Magistrate's Court – Night Court which commenced January 2017.
- Provided full time security of prisoners in up to 14 Melbourne Magistrates Courts.
- Facilitated a total of 16,159 visits to prisoners, including 1,117 visits by relatives and friends, 14,356 legal visits to prisoner clients and 686 police visits to prisoners.
- Escorted 14 prisoners to hospital and provided 174.5 hours of guard duties whilst prisoners received medical treatment.

#### Moorabbin Justice Centre

- Managed 728 prisoner movements (counted in and out).
- Managed 852 court movements.
- Facilitated a total of 1368 legal visits to prisoners.

#### Ringwood Magistrates Court Cells

- Managed 1,600 prisoner movements (counted in and out).
- Managed 1,977 court movements.
- Facilitated a total of 2,651 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. This is further impacted by the high numbers of prisoners brought to court from corrections facilities to attend Melbourne Magistrates Court.

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.



## APPENDIX R – COMPLIANCE WITH OTHER LEGISLATION

### CONTROL OF WEAPONS ACT 1990 (SECTION 10B)

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

Search Type		2015-2016	2016-2017
Searches Conducted		728	706
Prohibited, Dangerous & Controlled weapons found as result of <i>Control of Weapons Act 1990</i> search.			
		2015-2016	2016-2017
Prohibited Weapons	Slingshot	2	1
	Capsicum Spray	1	2
	Offensive/Noxious Liquid/Gas		
	Electric Current Emit	6	2
	Laser Pointer	7	6
	Mace Or Similar		1
	Baton/Bo-Chucks	1	3
	Nunchaku	1	
	Flick Knife	6	11
	Dagger	1	
	Knuckle Knife	1	1
	Butterfly Knife		
	Double-End Knife	1	2
	Black Eagle Knife	2	
	Push Knife	2	1
	Ballistic Knife		1
	Extendable Baton	2	6
	Knuckle Duster	15	11
	Imitation Handgun	3	1
Imitation Longarm		3	
Dangerous Articles	Bottle/Glass		
	Axe/ Tomahawk	8	13
	Bat/Bar/Club	21	22
	Syringe	9	9
	Other Weapon	17	25
Controlled Weapons	Knife	183	155
	Crossbow	1	
	Speargun	1	
	Baton or Cudgel	4	2
	Sword	3	9
	Bayonet	1	
	Cattle Prod	1	1
<b>TOTAL</b>		<b>300</b>	<b>291</b>

#### Notes:

Data extracted from LEAP on 18 July 2017 and subject to variation.  
Due to limited coding on field contract data, weapon seizure data is only partially available.

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

Section 60S of the Act states that the Chief Commissioner is to report on actions under this Division, and 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 60E conducted during financial year

Persons under 18 years searched: 7 persons

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

Persons searched irrespective of age: 11 persons

### c) Number and type of volatile substances and items used to inhale a volatile substance seized as a result of conducting those searches.<sup>1</sup>

#### Number of substances seized:

Aerosol	
Solvent (Glue)	
Plastic bag	
Paper bag	
Gases	
Deodorant	3
Other	

### d) 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)

#### Number of substances produced:

Nil substances or items produced under s.60H(1)(b)

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

#### Number of substances returned:

Nil substances or items returned under s.60N.

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

#### Number of substances disposed:

1 report of substances disposed under s.60O consisting of:

Deodorant 6

#### Note:

<sup>1</sup> More than one item can be seized per search.

### g) 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

Nil substances or items forfeited under s.60P

### h) Number of persons apprehended and detained without warrant under section 60L

Persons (under 18 years) apprehended and detained

Persons (irrespective of age) apprehended and detained

Male

Female

Indigenous

Non Indigenous

#### Note:

None reported in 2016/2017

## FIREARMS ACT 1996 (SECTION 153C)

The Chief Commissioner 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

	2015-2016	2016-2017
Searches	67	90

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

Firearms found	2015-2016	2016-2017
Rifle	3	2
Air rifle/gun		1
Shotgun	2	3
Handgun	3	2
Shotgun shell		2
Sawnoff firearm	2	1
Imitation firearm	6	4
Cartridge ammunition	9	9
Other firearm	1	3
<b>TOTAL</b>	<b>26</b>	<b>27</b>

### c) Any other information requested by the Minister.

No information requested.

#### Notes:

Data extracted from LEAP and is subject to variation.

Weapon seizure data only partially available.

Searches without warrant occur under other legislative provisions and may result in the seizures of firearms.

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 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	2015-2016	2016-2017
14-17	169	160
18-23	63	78
24+	26	23
Unspecified	2	4
<b>TOTAL PERSONS CONTACTED</b>	<b>260</b>	<b>265</b>
<b>TOTAL REPORTS</b>	<b>173</b>	<b>190</b>

### Graffiti implements found during graffiti related search without warrant

Implement type	2015-2016	2016-2017
Aerosol paint container	40	60
Texta/marker	52	16
Other graffiti implement	10	62
<b>TOTAL IMPLEMENTS</b>	<b>102</b>	<b>138</b>

#### Notes:

Data extracted from LEAP on 18 July 2017 and subject to variation. A field contact report may have multiple persons recorded.

## SEX OFFENDERS REGISTRATION ACT 2004 (SECTION 62)

The Chief Commissioner of Police is required to establish and maintain a Register of Sex Offenders under section 62, *Sex Offenders Registration Act 2004* (SORA).

Throughout the 2016-2017 financial year, the Sex Offenders Register has been working closely with the Department of Justice and Regulation to develop and refine amendments to the Sex Offenders Register to give police stronger powers to better monitor and investigate registered sex offenders.

The composition of the Register is as follows:

### Data for the 2016-2017 financial year<sup>1</sup>

	In the community	Other <sup>2</sup>	Gender totals
Total males	4,143	2,957	7,100
Total females	114	33	147
Total juveniles		≤3 <sup>3</sup>	
<b>Total</b>	<b>4,257</b>	<b>2,990</b>	<b>7,247</b>

### Other Status

In custody	877
Interstate/Overseas	987
De-registered	764
Deceased	359
Suspended (per S45A) <sup>4</sup>	3
<b>Total</b>	<b>2,990</b>
<b>Registry Total</b>	<b>7,247</b>

RSO Reporting period	In the community	Overall total
4 years	4	14
7.5 years	14	62
Custom	69	150
8 years	1,095	2,055
15 years	1,642	2,252
Life	1,433	1,946
<b>Total</b>	<b>4,257</b>	<b>6,479<sup>5</sup></b>

Offenders added to the register	569
Prohibition orders made	
Registration orders made	
Offenders aged under 18 added	≤3
Offenders added following S11	33
Corresponding offenders added	57

#### Notes:

<sup>1</sup> Data is current as at 28 June 2017 for the 2016-2017 financial year.

<sup>2</sup> Other refers to Registered Sex Offenders (RSOs) that are in custody, deceased, interstate/overseas, de-registered or suspended.

<sup>3</sup> Figure included in other male total of 2,957.

<sup>4</sup> There are no offenders subject to an order under S39A of the *Sex Offender Registration Act 2004*.

<sup>5</sup> Overall reporting period total is 768 less than registry total (7247) due to legislative and procedural requirements (for example, RSOs in custody do not have a recorded reporting period until their release from custody).

## 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 Police for inclusion in the annual report of operations under Part 7 of the *Financial Management Act 1994* a report containing:

REPORTING REQUIREMENT	RESULTS FOR 2015-2016	RESULTS FOR 2016-2017
a) the number of applications made for alcohol exclusion orders during that financial year.	Not reported	Not reported
b) the number of applications for alcohol exclusion orders that were withdrawn during that year.	Not reported	Not reported
c) the number of applications for alcohol exclusion orders that were dismissed during that year.	Not reported	Not reported
d) the number of alcohol exclusion orders made during that year.	44 Orders have been made by Courts	30 Orders have been made by the Courts
e) the number of persons charged with an offence against section 89DF(1) or (2) during that year.	One (1) person charged under S 89DF resulted in a finding of guilt	Three or less than three ( $\leq 3$ ) persons charged resulted in a finding of guilt
f) the number of charges for an offence under section 89DF(1) or (2) that resulted in a finding of guilt in that year.	Nil (0) charges under S 89DF resulted in a finding of guilt	Three or less than three ( $\leq 3$ ) charges resulted in a finding of guilt
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	Not reported
h) a comparison with the immediately preceding three financial years of the information required under this subsection.	See above	Not reported

**Notes:**

'Not Reported' – 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).

Data extracted from LEAP on 29 September 2017 and subject to variation.

# APPENDIX S – 2016-2017 VICTORIA POLICE HONOURS AND AWARDS

## 2016-2017 VICTORIA POLICE HONOURS AND AWARDS

### Australian Police Medal (APM)

Assistant Commissioner	Debra	ABBOTT
Commander	Susan Mary	CLIFFORD
Leading Senior Constable	Trevor John	COLLINS
Commander	Brett John	CURRAN
Senior Sergeant	Philip David	EAGER
Superintendent	Therese Kathy	FITZGERALD
Superintendent	Michael John	HERMANS
Assistant Commissioner	Dean Anthony	MCWHIRTER
Detective Inspector	Christopher Andrew	MURRAY
Assistant Commissioner	Neil John	PATERSON
Superintendent	Michael	SAYER
Senior Sergeant	Adam John	SHOESMITH
Detective Sergeant	Solon	SOLOMON
Leading Senior Constable	Katrina Sue	THOMAS
Senior Sergeant	Troy Derek	THOMSON
Inspector	Gillian	WILSON

### Medal for Courage

Senior Constable	Michelle Mary	BELAJ
Sergeant	Robert Anthony	CAMPBELL
Senior Constable	Dean	KOLIVAS
Senior Constable	Anna	LORINC
Senior Constable	Mark Douglas	MCLEAN
Senior Constable	Ashley Cain	RAWLINGS
Constable	Justin Michael	RUSSO
Sergeant	Craig Jason	STANTON

### Medal for Merit

Senior Constable	Thomas	DEMPSEY
Inspector	Andrew James	ROWLANDS

### Citizen Commendation

	Mohammed	AL-HAMDANI
	Jesse	DYALL
	Bill	NOONAN

### Australian Bravery Award

#### Commendation for Brave Conduct

Ex-Sergeant	Brian Edward	IGOE
Sergeant	Matthew Robert	WILLIAMS

## 2016-2017 VICTORIA POLICE HONOURS AND AWARDS

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### Royal Humane Society Silver Medal

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Senior Constable	Scott Andrew	BRADLEY
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### Victoria Police Star

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Constable	Steven Patrick	BARRAND
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Sergeant	Gilbert Salter	HILL
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Leading Senior Constable	Scott Maxwell	JASPER
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Leading Senior Constable	Grant Kenneth	KEIGHLEY
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Sergeant	Samantha Helen	KNIGHT
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Constable	Maxwell Herbert	KOOP
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Sergeant	Steven Charles	PERRY
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Senior Constable	Leslie Clare	RIDGEWAY
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Senior Constable	Simon	RUSCIGNO
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First Constable	Edward Keith	SIMMONS
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Senior Constable	Frank Phillip	ZEIGLER
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**Note:**

The rank of honours and awards recipients was as at time of award issue.

## APPENDIX T – COMPLAINTS AND OVERSIGHT MATTERS REGISTERED

In September 2016 the report of IBAC’s audit of Victoria Police regional complaints handling processes was published. The objective of the audit was to identify areas for improvement in the complaint handling process and to identify good practice.

IBAC made a number of findings – resulting in nine specific recommendations underpinned by areas for improvement, for change to strengthen Victoria Police’s complaint handling processes.

Recommendation 7 relates to publicly releasing aggregated information on a regular basis (such as in the Victoria Police Annual Report) on the number of complaints received, their classifications, determinations and recommendations to improve the transparency and accountability for outcomes.

### BREAKDOWN OF COMPLAINTS AND OVERSIGHT MATTERS

Complaint Classification	Definition	2016-2017	2015-2016	2014-2015
Management Intervention Model (MIM) and Local Management Resolution (LMR)	Allegations of Minor nature regarding service delivery, performance management or professional conduct.	925	979	885
Misconducts – Minor/Serious/Corruption	Misconduct as per the <i>Victoria Police Act</i> s.166 & the <i>Public Administration Act</i> s.4.	621	655	726
Complaints registered as Incidents and Resolved immediately	Resolved in the first instance by the Police Conduct Unit, Professional Standards Command and no further formal investigation required.	508	495	918
<b>Oversight Matters</b>				
Civil Process	Civil process matters against an employee of Victoria Police.	115	71	83
Oversight Matters	Police Critical Incidents – incidents that require monitoring and reporting on.	213	134	143
Work files – Correspondence	Allegations that require some preliminary enquiry, further information and assessment to determine if a full investigation is required.	261	128	41
Preliminary Check	Audit result enquiries regarding LEAP access, MDN usage, email or other Victoria Police databases.	6	78	242
<b>Total</b>		<b>2,649</b>	<b>2,540</b>	<b>3,038</b>

**Note:**  
Figures include Public Complaints made by the public against Victoria Police Employees (staff) and Internal Complaints made by employees of Victoria Police.

## OVERALL ALLEGATION DETERMINATION RATE (INVESTIGATIONS COMPLETED DURING THE CURRENT FINANCIAL YEAR)

Category	Determination	2016 -2017	% 2016 -2017	2015 -2016	% 2015 -2016	2014 -2015	% 2014 -2015
Case to Answer	Substantiated	162	6.39	375	10.89	484	13.56
	Lesser Deficiency Found	3	0.12	9	0.26	20	0.56
<b>Sub Total</b>		<b>165</b>	<b>6.51</b>	<b>384</b>	<b>11.15</b>	<b>504</b>	<b>14.12</b>
No Case to Answer	Not Substantiated	299	11.79	536	15.56	619	17.34
	Unfounded	206	8.12	362	10.51	312	8.74
	Unable to Determine	71	2.80	121	3.51	137	3.84
	Withdrawn	49	1.93	68	1.97	90	2.52
	Member Exonerated	28	1.10	47	1.36	48	1.34
	False Report	1	0.04	3	0.09		
	No Complaint	437	17.23	518	15.04	679	19.02
	For Intelligence Purposes Only	46	1.81	20	0.58	10	0.28
<b>Sub Total</b>		<b>1,137</b>	<b>44.82</b>	<b>1,675</b>	<b>48.62</b>	<b>1,895</b>	<b>53.08</b>
Other	Conciliated			1	0.03	3	0.08
	Not Finalised	3	0.12	2	0.06	1	0.03
	Not Proceeded With	61	2.40	106	3.08	76	2.13
<b>Sub Total</b>		<b>64</b>	<b>2.52</b>	<b>109</b>	<b>3.17</b>	<b>80</b>	<b>2.24</b>
Other (Local Management Actions)	Resolved	836	32.95	877	25.46	815	22.83
	Not Resolved	315	12.42	376	10.92	257	7.20
<b>Sub Total</b>		<b>1,151</b>	<b>45.37</b>	<b>1,253</b>	<b>36.38</b>	<b>1,072</b>	<b>30.03</b>
Other (Oversight Matters)	No Complaint (Oversight)	20	0.79	23	0.67	19	0.53
<b>Total</b>		<b>2,537</b>	<b>100</b>	<b>3,444</b>	<b>100</b>	<b>3,570</b>	<b>100</b>

**Note:**  
Figures do not include complaints registered as incidents, as these are resolved immediately.

## RECOMMENDATIONS: (INVESTIGATIONS COMPLETED DURING THE FINANCIAL YEAR)

Recommendation	2016-2017	2015-2016	2014-2015
No Action	1,471	1,631	1,519
Admonishment	69	89	65
Discipline Charges	8	24	46
Criminal Charges	14	22	30
Management Actions	346	380	332
Resigned/Retired	23	29	54
Terminated	2	3	10

**Note:**  
Figures are a count of Victoria Police Employees where complaints have been investigated and finalised.



## APPENDIX U – IBAC DRINK DRIVING DETECTIONS REPORTING

In December 2016 the Independent Broad-Based Anti-Corruption Commission (IBAC) released a report and recommended (recommendation 3) Victoria Police to consider publicly reporting (for transparency purposes) each year on several specific measures, including reporting on police officers detected drink driving.

Victoria Police has accepted IBAC recommendation to include this information in the annual report.

### Drink driving detections of Victoria Police officers during 2016-2017

#### 2016-2017

BAC <sup>1</sup>	Collision	Determination
Fail <sup>2</sup>	No	Pending Court hearing
0.086	Not known	No action – retired
0.087	No	Charges pending
0.224	No	No action – resigned
DUI <sup>3</sup> 0.06	No	No action – resigned

#### Notes:

<sup>1</sup> BAC stands for Blood Alcohol Concentration.

<sup>2</sup> Fail is to represent when an officer fails to comply with the drink driving detection test.

<sup>3</sup> DUI stands for Driver Under Influence.

## APPENDIX V – REPORTING TO FAMILY VIOLENCE

Victoria Police is leading the implementation of 32 police specific recommendations arising from the 2016 Royal Commission into Family Violence (RCFV). The organisation is also responsible for coordinating its contribution to the implementation of recommendations being led by other government departments that have an impact on the organisation.

The RCFV recommendations directed to Victoria Police aim to improve responses to family violence and support for victims through systemic change. This involves adapting the organisational structure to reflect family violence as core business, enabling multi-agency information sharing, utilising technology and improving education and guidance.

Over the past year, Victoria Police undertook a comprehensive evaluation of family violence team arrangements and localised models in order to develop a core set of functions to be delivered by all family violence teams (Recommendations 50 and 51). As a result, new resources for family violence teams including specialist investigative positions have been funded as part of the Community Safety Statement 2017. This investment includes 415 specialist family violence roles across Victoria Police. New detective positions will be embedded in family violence teams, along with dedicated intelligence practitioners. The investment also includes new supervisory positions, and police lawyers to support victims through the court process and family violence education roles. Phased implementation over four years will see the full range of positions in place by 2020.

Enabling members with a keen interest in family violence to pursue opportunities through specialist career pathways is crucial to facilitating improved understanding and response to family violence. The establishment of new specialist roles will be underpinned by a revised education curriculum developed by a new Centre of Learning for Family Violence (recommendation 42). Due to commence delivery by December 2017, the Centre of Learning will provide specialist education and training for police at all levels in responding to family violence.

## APPENDIX W – ACRONYM GLOSSARY

AFP	Australian Federal Police
AM	Member of the Order of Australia
APM	Australia Police Medal
BAC	Blood Alcohol Content
CALD	Culturally and Linguistically Diverse
CSA	Crime Statistics Agency
DHHS	Department of Health and Human Services
DNA	Deoxyribonucleic acid
FTE	Full Time Equivalent
MP	Member of Parliament
NAIDOC	National Aboriginal Islander Day Observance Committee
OAM	Order of Australia
OFT	Oral Fluid Test
OHS	Occupational Health and Safety
PCO	Police Custody Officer
PSA	Police Service Area
PSO	Protective Service Officer
PSPR	Public Safety – Police Response
ROGs	Report on Government Services
SD	Standing Direction
SOCIT	Sexual Offences and Child Abuse Investigation Team
VEOHRC	Victorian Equal Opportunity and Human Rights Commission
VPC	Victoria Police Centre
VPS	Victorian Public Service



# 5. FINANCIALS

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## REPORT STRUCTURE

The Chief Commissioner of Victoria Police has the pleasure of presenting the audited general purpose financial statements of Victoria Police for the financial year ended 30 June 2017. These financial statements provides users with information about Victoria Police's stewardship of resource entrusted to it. It is presented in the following structure:

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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 Direction 5.2 of the Standing Directions of the Minister for Finance under 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, statement of changes in equity, cash flow statement and accompanying notes, present fairly the financial transactions during the year ended 30 June 2017 and financial position of Victoria Police as at 30 June 2017.

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

We authorise the attached financial statements for issue on 8 September 2017.



Graham Ashton AM  
Chief Commissioner  
Victoria Police

Melbourne  
8 September 2017



Peter Froutzis  
Chief Finance and  
Accounting Officer  
Victoria Police

Melbourne  
8 September 2017

# Independent Auditor's Report

To the Chief Commissioner of Victoria Police

<b>Opinion</b>	<p>I have audited the financial report of Victoria Police (the authority) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2017</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including a summary of significant accounting policies</li> <li>• accountable officer's and chief finance and accounting officer's declaration.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Chief Commissioner's responsibilities for the financial report</b>	<p>The Chief Commissioner of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Chief Commissioner determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Chief Commissioner is responsible for assessing the authority's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

**Auditor's responsibilities for the audit of the financial report**

As required by the Audit Act 1994, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Commissioner
- conclude on the appropriateness of the Chief Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Chief Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE  
13 September 2017



Andrew Greaves  
Auditor-General



COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

		(\$ thousand)	
	Notes	2017	2016
<b>Income From Transactions</b>			
Grants from Government	2.2	2,766,807	2,581,882
Sale of goods and services	2.3.1	1,303	1,341
Grants	2.3.2	4,640	3,940
Fair value of assets received free of charge or for nominal consideration	2.3.3	280	542
Other income	2.3.4	11,971	8,911
<b>Total Income From Transactions</b>		<b>2,785,000</b>	<b>2,596,616</b>
<b>Expenses From Transactions</b>			
Employee expenses	3.1.1	2,113,824	1,969,630
Depreciation and amortisation	5.1.1	96,503	88,812
Interest expense	7.1	1,615	1,761
Capital asset charge	3.2	93,808	91,500
Operating expenses	3.3	476,431	457,543
<b>Total Expenses From Transactions</b>		<b>2,782,181</b>	<b>2,609,246</b>
<b>Net Result From Transactions (Net Operating Balance) <sup>(a)</sup></b>		<b>2,819</b>	<b>(12,630)</b>
<b>Other Economic Flows Included in Net Result</b>			
Net gain/(loss) on non-financial assets	9.2	7,866	6,908
Net gain/(loss) from other economic flows	9.2	6,454	(6,864)
<b>Total Other Economic Flows Included in Net Result</b>		<b>14,319</b>	<b>44</b>
<b>Net Result</b>		<b>17,138</b>	<b>(12,586)</b>
<b>Other Economic Flows - Other Comprehensive Income</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in physical asset revaluation surplus	5.3	-	114,440
<b>Total Other Economic Flows - Other Comprehensive Income</b>		<b>-</b>	<b>114,440</b>
<b>Comprehensive Result</b>		<b>17,138</b>	<b>101,853</b>

**Note:**

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

(a) Net Result from Transactions of \$2.819 million is a consolidation of a deficit of \$3.656 million from the Appropriation entity and a surplus of \$6.475 million from the Trust entities.

## BALANCE SHEET AS AT 30 JUNE 2017

	Notes	2017	2016
(\$ thousand)			
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and deposits	7.3	40,919	38,029
Receivables	6.1	450,072	406,531
<b>Total Financial Assets</b>		<b>490,991</b>	<b>444,561</b>
<b>Non-Financial Assets</b>			
Inventories	6.3	6,309	5,513
Non-financial physical assets classified as held for sale	8.3.2	5,648	6,562
Property, plant and equipment	5.1	1,573,633	1,605,833
Intangible assets	5.2	36,878	11,133
Other non-financial assets	6.4	22,285	11,889
<b>Total Non-Financial Assets</b>		<b>1,644,752</b>	<b>1,640,929</b>
<b>Total Assets</b>		<b>2,135,743</b>	<b>2,085,489</b>
<b>Liabilities</b>			
Payables	6.2	95,201	81,062
Borrowings	7.1	69,234	72,498
Employee related benefits provisions	3.1.2	533,788	524,582
Other provisions	6.5	4,728	5,720
<b>Total Liabilities</b>		<b>702,950</b>	<b>683,863</b>
<b>Net Assets</b>		<b>1,432,793</b>	<b>1,401,626</b>
<b>Equity</b>			
Accumulated surplus		29,471	12,333
Physical asset revaluation surplus	5.3	684,931	684,931
Contributed capital		718,391	704,362
<b>Net worth</b>		<b>1,432,793</b>	<b>1,401,626</b>

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

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

(\$ thousand)

	Notes	Physical Asset Revaluation Surplus	Accumulated Surplus	Contributions By Owner	Total
<b>Balance at 1 July 2015</b>		<b>570,491</b>	<b>24,918</b>	<b>683,716</b>	1,279,125
Net result for the year		-	(12,586)	-	(12,586)
Capital contribution (to) other state departments/entities		-	-	(2,091)	(2,091)
Capital contribution by Government as part of annual grants		-	-	22,738	22,738
Revaluation surplus adjustment	5.3	114,440	-	-	114,440
<b>Balance at 30 June 2016</b>		<b>684,931</b>	<b>12,333</b>	<b>704,362</b>	<b>1,401,626</b>
Net result for the year		-	17,138	-	17,138
Capital contribution (to) other state departments/entities		-	-	(15,919)	(15,919)
Capital contribution by Government as part of annual grants		-	-	29,948	29,948
Revaluation surplus adjustment	5.3	-	-	-	-
<b>Balance at 30 June 2017</b>		<b>684,931</b>	<b>29,471</b>	<b>718,391</b>	<b>1,432,793</b>

**Note:**

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

## CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

		(\$ thousand)	
	Notes	2017	2016
<b>Cash Flows From Operating Activities</b>			
<b>Receipts</b>			
Receipts from government		2,720,297	2,583,641
Other income		17,018	14,011
Sales of goods and services	2.3.1	1,303	1,341
Interest received	2.3.4	47	49
GST received from ATO <sup>(a)</sup>		57,216	54,068
<b>Payments</b>			
Payments to suppliers and employees		(2,626,809)	(2,477,627)
Capital asset charge	3.2	(93,808)	(91,500)
Interest paid	7.1	(1,615)	(1,761)
<b>Net Cash Flows From Operating Activities</b>	<b>7.3.1</b>	<b>73,650</b>	<b>82,221</b>
<b>Cash Flows From Investing Activities</b>			
Proceeds from sale of property, motor vehicles, plant and equipment		40,205	30,521
Payments for property, plant and equipment		(75,323)	(75,388)
<b>Net Cash Flows (Used In) Investing Activities</b>		<b>(35,119)</b>	<b>(44,867)</b>
<b>Cash flows from Financing Activities</b>			
Proceeds from capital contributed by Government		14,038	20,646
Repayment of finance leases		(49,679)	(55,417)
<b>Net Cash Flows (Used In) Financing Activities</b>		<b>(35,641)</b>	<b>(34,771)</b>
<b>Net Increase In Cash And Cash Equivalents</b>		<b>2,890</b>	<b>2,583</b>
Cash and cash equivalents at the beginning of the financial year		38,029	35,446
<b>Cash and Cash Equivalents At The End Of The Financial Year</b>	<b>7.3</b>	<b>40,919</b>	<b>38,029</b>

**Note:**

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

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

## 1. ABOUT THIS REPORT

Victoria Police is the primary law enforcement agency of Victoria, Australia that provides policing services to the community. It was formed in 1853 and operates under the Victoria Police Act 2013. Victoria Police is an administrative agency acting on behalf of the Crown. A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements. Its principal address is:

Victoria Police Centre  
637 Flinders Street  
Docklands VIC 3008

The annual financial statements represent the audited general purpose financial statements of Victoria Police for the year ended 30 June 2017. The purpose of the report is to provide users with information about Victoria Police's stewardship of resources entrusted to it.

### BASIS OF PREPARATION

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.

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.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. 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 Australian Accounting Standards (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 5.1 Property, Plant & Equipment & Note 8.3 Fair Value Determination;
- superannuation expense – refer to Note 3.1.3 Superannuation Contributions; 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 3.1.2 Employee Related Benefits Provisions in the Balance Sheet.

These financial statements 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. Refer to Note 8.3.2 Fair Value Determination: Non-Financial Physical Assets.

Amounts have been rounded to the nearest thousand dollars unless otherwise stated.

### COMPLIANCE INFORMATION

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable AASs 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 Notes 9.10 Glossary and 9.11 Style Conventions.

The annual financial statements were authorised for issue by the Chief Commissioner of Police on 8 September 2017.

### FUNCTIONAL AND PRESENTATION CURRENCY

The functional and presentation currency of Victoria Police is the Australian dollar.

### REPORTING ENTITY

The financial statements cover Victoria Police as an individual reporting entity.

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

### BASIS OF CONSOLIDATION

In accordance with AASB 10 *Consolidated Financial Statements*, the financial statements exclude bodies within Victoria Police's portfolio that are not controlled by Victoria Police, and therefore are not consolidated. Bodies and activities that are administered are also not controlled and not consolidated. Details of this are disclosed in Note 4.1 Administered Items.

### 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 flows.

Commitments and contingent liabilities are also stated inclusive of GST.

### COMPARATIVE BALANCES

Certain comparative balances have been restated to conform with this year's presentation.

## 2. FUNDING DELIVERY OF OUR SERVICES

### Introduction

Victoria Police's role is to provide 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.

This section presents the sources and amounts of revenue raised to enable Victoria Police to deliver its services.

<b>Structure</b>		<b>Pages</b>
2.1	Summary of Income that Funds the Delivery of Our Services	109
2.2	Grants from Government	109
2.3	Income from Transactions	109-110
2.4	Annotated Income Agreements	111

## 2.1 SUMMARY OF INCOME THAT FUNDS THE DELIVERY OF OUR SERVICES

		(\$ thousand)	
	Notes	2017	2016
Grants from Government	2.2	2,766,807	2,581,882
Sale of goods and services	2.3.1	1,303	1,341
Grants	2.3.2	4,640	3,940
Fair Value of Assets received Free of Charge or for Nominal Consideration	2.3.3	280	542
Other income	2.3.4	11,971	8,911
<b>Total Income From Transactions</b>		<b>2,785,000</b>	<b>2,596,616</b>

### Income Recognition and Measurement

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. 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 to Note 4.1 Administered Items.

## 2.2 GRANTS FROM GOVERNMENT

		(\$ thousand)	
		2017	2016
Grants from Victorian Government		2,766,228	2,581,879
Grants from Commonwealth Government		579	2,408
<b>Total Grants from Government</b>		<b>2,766,807</b>	<b>2,581,882</b>

### Grants Received from State Government

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. Revenue from government becomes controlled and is recognised by Victoria Police when granted.

## 2.3 INCOME FROM TRANSACTIONS

### 2.3.1 Sale of Goods and Services

		(\$ thousand)	
		2017	2016
Sale of goods		1,284	1,290
Rendering of services		19	51
<b>Total Sale of Goods and Services</b>		<b>1,303</b>	<b>1,341</b>

Income from the **sale of goods** is recognised when:

- Victoria Police no longer has any of the significant risks and rewards of ownership of the goods transferred 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; and
- it is probable that the economic benefits associated with the transaction will flow to Victoria Police.

Regulatory fees are recognised at the time of billing.

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 the Victoria Police.

### 2.3.2 Grants

	(\$ thousand)	
	2017	2016
Grants received in relation to trusts	4,640	3,940
<b>Total Grants</b>	<b>4,640</b>	<b>3,940</b>

**Grant income** arises from transactions in which a party provides goods or assets (or extinguishes a liability) to Victoria Police without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For non-reciprocal grants, Victoria Police recognises revenue when the grant is receivable or received. Some grants are **reciprocal** in nature (i.e. equal value is given back by the recipient of the grant to the provider). Victoria Police recognises income when it has satisfied its performance obligations under the terms of the grant.

### 2.3.3 Fair Value of Assets Received Free of Charge or for Nominal Consideration

	(\$ thousand)	
	2017	2016
Plant and equipment	280	542
<b>Total Fair Value of Assets received Free of Charge or for Nominal Consideration</b>	<b>280</b>	<b>542</b>

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.

### 2.3.4 Other Income

	(\$ thousand)	
	2017	2016
Interest income	47	49
Donations and other trust income	11,924	8,862
<b>Total Other Income</b>	<b>11,971</b>	<b>8,911</b>

**Interest income** includes interest received on bank 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.

**Other trust income** includes private sector donations and Fringe Benefits Tax receipts which are recognised upon receipt.



## 2.4 ANNOTATED INCOME AGREEMENTS

Victoria Police is permitted under Section 29 of the FMA to have certain income annotated to the annual appropriation. 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 added to the annual appropriation. The following is a listing of the annotated income agreements approved by the Treasurer.

	(\$ thousand)	
	2017	2016
<b>User Charges Or Sales of Goods and Services</b>		
Information services	4,290	5,078
Event management	4,971	4,816
Training services	25	46
<b>Total User Charges Or Sales of Goods and Services</b>	<b>9,285</b>	<b>9,940</b>
<b>Proceeds From Asset Sales</b>		
Motor vehicles	97	27
Land and buildings	14,851	1,397
Plant & equipment	37	67
<b>Total Proceeds From Asset Sales</b>	<b>14,985</b>	<b>1,491</b>
<b>Commonwealth specific purpose payments</b>		
Commonwealth special purpose grants	2,018	-
<b>Total Commonwealth specific purpose payments</b>	<b>2,018</b>	<b>-</b>
<b>Total Annotated Income Agreements</b>	<b>26,288</b>	<b>11,431</b>

## 3. THE COST OF DELIVERING SERVICES

### Introduction

This section provides an account of the operating expenses incurred by Victoria Police in providing effective police and law enforcement services.

In section 2, the funds that enable the provision of such services were disclosed and in this note, the cost associated with such provisions are recorded.

Structure		Pages
3.1	Expenses Incurred in Delivery of Services	113-116
3.2	Capital Asset Charge	116
3.3	Operating Expenses	117

### 3.1 EXPENSES INCURRED IN DELIVERY OF SERVICES

		(\$ thousand)	
	Notes	2017	2016
Employee expenses	3.1.1	2,113,824	1,969,630
Capital asset charge	3.2	93,808	91,500
Operating expenses	3.3	476,431	457,543
<b>Total expenses incurred in delivery of services</b>		<b>2,684,064</b>	<b>2,518,672</b>

#### 3.1.1 Employee Expenses in the Comprehensive Operating Statement

		(\$ thousand)	
		2017	2016
Defined contribution superannuation expense		21,439	16,508
Defined benefit superannuation expense		181,894	175,157
Salaries, wages and annual leave		1,707,842	1,583,242
Long service leave		54,062	62,717
Other on-costs (Fringe Benefits Tax, Payroll Tax and WorkCover Levy)		148,586	132,007
<b>Total Employee Expenses</b>		<b>2,113,824</b>	<b>1,969,630</b>

Employee expenses include all costs related to employment including wages and salaries, Fringe Benefits Tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. Victoria Police does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

### 3.1.2 Employee Related Benefits Provisions in the Balance Sheet

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

	(\$ thousand)	
	2017	2016
<b>Current Provisions:</b> <sup>(a)</sup>		
<b>Annual leave</b>		
Unconditional and expected to be settled within 12 months <sup>(b)</sup>	48,157	45,513
<b>Long service leave</b>		
Unconditional and expected to be settled within 12 months <sup>(b)</sup>	33,604	32,746
Unconditional and expected to be settled after 12 months <sup>(c)</sup>	302,432	294,713
<b>Provisions for on-costs:</b>		
Unconditional and expected to be settled within 12 months <sup>(b)</sup>	17,048	16,343
Unconditional and expected to be settled after 12 months <sup>(c)</sup>	66,035	64,202
<b>Commuted overtime</b> <sup>(d)</sup>		
Commuted overtime allowance	4,112	9,262
<b>Total Current Provisions for Employee Benefits</b>	<b>471,388</b>	<b>462,779</b>
<b>Non-Current Provisions:</b> <sup>(a)</sup>		
Employee benefits - conditional long service leave <sup>(c)</sup>	50,885	50,722
On costs <sup>(c)</sup>	11,084	11,023
Deferred salary scheme <sup>(b)</sup>	431	58
<b>Total Non-Current Provisions for Employee Benefits</b>	<b>62,400</b>	<b>61,803</b>
<b>Total Provisions for Employee Benefits</b>	<b>533,788</b>	<b>524,582</b>

**Notes:**

(a) Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees not including on-costs.

(b) The amounts disclosed are nominal amounts.

(c) The amounts disclosed are discounted to present values.

(d) The provision for commuted overtime allowance relates to a decision of the Australian Fair Work Commission in December 2014 which resulted in back pay claims to Sworn members.

### Reconciliation of Movement in On-Cost and Commuted Overtime Provisions

	(\$ thousand)		
	On-Costs	Commuted Overtime	Total 2017
<b>Opening balance 1 July 2016</b>	<b>91,568</b>	<b>9,262</b>	<b>100,830</b>
Additional provisions	18,942	2,190	21,132
Reversal of provisions	-	(2,582)	(2,582)
Reductions arising from payments/other sacrifices of future economic benefits	(16,343)	(4,759)	(21,102)
<b>Closing balance 30 June 2017</b>	<b>94,167</b>	<b>4,112</b>	<b>98,279</b>
Current	83,083	4,112	87,195
Non-current	11,084	-	11,084
<b>Closing balance 30 June 2017</b>	<b>94,167</b>	<b>4,112</b>	<b>98,279</b>

## Wages and Salaries and Annual Leave

Liabilities for wages and salaries, including non-monetary benefits such as 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.

Employment on-costs in relation to Employee Related Benefits Provisions such as payroll tax, workers compensation and superannuation identified in the balance sheet are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

## 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 LSL liability is recognised in the 'net result from transactions', except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised in the net result as another economic flow - refer to Note 9.2 Other Economic Flows Included in Net Result.

The Minister of Finance approved an alternative wage inflation rate of 5.3 per cent to calculate the LSL liabilities for Sworn members from 2015-16.

The approved inflation rate for Victoria Public Servant (VPS) employees for LSL is 3.8%.

## 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.

### 3.1.3 Superannuation Contributions

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 plan(s) provides benefits based on years of service and final average salary.

As noted before, the defined benefit liability is recognised in the Department of Treasury and Finance (DTF) as an administered liability. 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 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 re-measurement of the net superannuation liability are recognised under 'Other economic flows - other comprehensive income' and consists of:

- actuarial gain or losses which reflect the change in defined obligation that has arisen due to differences between the previous actuarial assumptions and what has actually occurred;
- the return on planned assets, excluding amounts included in the net superannuation interest expense; and
- the effect of any change in actuarial assumptions during the period.

These re-measurements are fully recognised as other comprehensive income in the period which they occur.

The names, details and amounts expensed in relation to the major employee superannuation funds and contributions made by Victoria Police are as follows:

	(\$ thousand)			
	Contributions Paid For The Year		Contributions Outstanding At Year End	
	2017	2016	2017	2016
<b>Defined benefit plans</b> <sup>(a)</sup>				
Emergency Services and State Super	178,656	174,416	3,238	741
<b>Defined contribution plans:</b>				
VicSuper	16,349	14,611	301	62
Other	4,690	1,826	99	8
<b>Total</b>	<b>199,695</b>	<b>190,853</b>	<b>3,638</b>	<b>811</b>

**Note:**

(a) The basis for contributions are determined by the various schemes.

### 3.2 CAPITAL ASSET CHARGE

	(\$ thousand)	
	2017	2016
Capital asset charge	93,808	91,500
<b>Total Capital Asset Charge</b>	<b>93,808</b>	<b>91,500</b>

A **capital asset charge** is a charge levied on the written down value of controlled non-current physical assets in Victoria Police's balance sheet. It aims to attribute to Victoria Police outputs, a cost of capital used in service delivery. Imposing this charge provides incentives for Victoria Police to identify and dispose of underutilised or surplus non-current physical assets.

### 3.3 OPERATING EXPENSES

	Notes	(\$ thousand)	
		2017	2016
<b>Supplies and Services</b>			
Communications <sup>(a)</sup>		<b>36,742</b>	<b>35,317</b>
Vehicle transport is made up of:		<b>35,166</b>	<b>33,311</b>
<i>Petrol</i>		10,867	10,132
<i>Motor vehicle repairs and maintenance</i>		8,120	7,662
<i>Motor vehicle stock items</i>		1,446	1,391
<i>Motor vehicle leasing</i>		7,724	7,258
<i>Motor vehicle fit-ups</i>		4,050	3,521
<i>Motor vehicle insurance</i>		2,234	2,384
<i>Others</i>		725	963
Administration <sup>(b)</sup>		<b>19,710</b>	<b>18,273</b>
Accommodation is made up of:		<b>131,464</b>	<b>131,934</b>
<i>Utilities</i>		39,283	36,624
<i>Property maintenance</i>		31,418	24,853
<i>Rental</i>		60,762	70,457
Computer facilities are made up of:		<b>65,923</b>	<b>67,282</b>
<i>IT maintenance</i>		44,926	40,934
<i>Software licenses</i>		13,803	18,289
<i>Computer equipment &amp; accessories</i>		3,353	2,455
<i>IT consultants</i>		3,150	5,033
<i>Others</i>		691	571
Other operating expenses are made up of:		<b>167,398</b>	<b>154,699</b>
<i>Equipment and office expenses</i>		19,951	20,561
<i>Uniforms and personal equipment</i>		15,152	11,991
<i>Incidentals</i>		30,062	27,020
<i>Operation support</i>		92,089	85,787
<i>Prisoner supplies</i>		2,874	2,725
<i>Custody centres</i>		7,271	6,614
Legal expenses		<b>19,603</b>	<b>14,829</b>
Plant and equipment provided free of charge or for nominal consideration		-	<b>46</b>
<b>Subtotal for Suppliers and Services</b>		<b>476,006</b>	<b>455,692</b>
Bad debts from transactions		99	1,692
Ex-gratia expenses	9.1	326	159
<b>Total Operating Expenses</b>		<b>476,431</b>	<b>457,543</b>

**Notes:**

(a) This balance relates to expenses associated with the Emergency Services Telecommunication Authority (ESTA).

(b) Auditors remuneration expense of \$380,000 (2016: \$379,300) forms part of the Administration expense. Refer to Note 9.6 Remuneration of External Auditors.

Operating expenses generally represent the day-to-day running costs incurred in normal operations. It also includes bad debts expense from transactions that are mutually agreed.

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

**Contributions of resources provided free of charge or for nominal consideration** are recognised at their fair value when the recipient obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions. 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 donated.

**Operating lease payments** (including contingent rentals) are recognised 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.

## 4. DISAGGREGATED FINANCIAL INFORMATION BY OUTPUT

### Introduction

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 Police Advisory Agency. Administered transactions give rise to income, expenses, assets and liabilities.

Structure	Pages
4.1 Administered Items	119



## 4.1 ADMINISTERED ITEMS

Administered income includes fees and fines and the proceeds from the sale of administered surplus land and buildings. Administered expenses include payments made on behalf of an entity and payments into the Consolidated Fund. 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.

Victoria Police does not gain control over assets arising from fees and fines, consequently no income is recognised in Victoria Police's financial statements. Victoria Police collects these amounts on behalf of the State. Accordingly, the amounts are disclosed as income in the schedule of Administered Items.

### ADMINISTERED (NON-CONTROLLED) ITEMS

For the financial year ended 30 June 2017

(\$ thousand)

	2017	2016
<b>Administered Income From Transactions</b>		
Regulatory fees and fines	37,818	36,720
Sale of Government Property	15,712	2,164
Seized and Unclaimed Monies	19,935	10,977
Commonwealth Grants	3,296	3,179
Other Agency Contributions	4,214	4,064
Other	783	161
<b>Total Administered Income From Transactions</b>	<b>81,757</b>	<b>57,263</b>
<b>Administered Expenses From Transactions</b>		
Payments into the Consolidated Fund	34,662	34,696
Repayment of seized and unclaimed monies	9,560	8,948
Other agency expenses	11,578	9,658
Other	17,183	2,962
<b>Total Administered Expenses From Transactions</b>	<b>72,984</b>	<b>56,265</b>
<b>Total Administered Net Result From Transactions (Net Operating Balance)</b>	<b>8,773</b>	<b>998</b>

For the financial year ended 30 June 2017

(\$ thousand)

	2017	2016
<b>Administered Financial Assets</b>		
Cash held at Treasury	34,046	23,833
Receivables	755	699
<b>Total Administered Financial Assets</b>	<b>34,801</b>	<b>24,532</b>
<b>Administered Non-Financial Assets</b>		
Non-current physical assets	6	10
<b>Total Administered Non-Financial Assets</b>	<b>6</b>	<b>10</b>
<b>Total Administered Assets</b>	<b>34,808</b>	<b>24,542</b>
<b>Administered Liabilities</b>		
Trade creditors and accruals	23,655	21,308
Other liabilities - Trusts	2,379	2,236
<b>Total Administered Liabilities</b>	<b>26,034</b>	<b>23,544</b>
<b>Total Administered Net Assets <sup>(a)</sup></b>	<b>8,773</b>	<b>998</b>

**Note:**

(a) 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.

## 5. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

### Introduction

Victoria Police controls those assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to Victoria Police to be utilised for delivery of those outputs.

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 8.3 Fair Value Determination in connection with how those fair values were determined.

Structure		Pages
5.1	Property, Plant and Equipment	121-125
5.2	Intangible Assets	126
5.3	Physical Asset Revaluation Surplus	127

## 5.1 PROPERTY, PLANT AND EQUIPMENT

(\$ thousand)

	Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount	
	2017	2016	2017	2016	2017	2016
Crown land at fair value	379,041	391,315	-	-	379,041	391,315
Buildings at fair value	1,075,405	1,040,071	84,574	44,227	990,832	995,844
Plant & equipment at fair value	170,168	165,140	114,784	103,463	55,384	61,677
Motor vehicles under finance lease at cost	108,604	106,407	40,605	35,533	67,999	70,874
Assets under construction at cost	75,567	81,312	-	-	75,567	81,312
Cultural artworks at fair value	4,810	4,810	-	-	4,810	4,810
<b>Net carrying amount</b>	<b>1,813,596</b>	<b>1,789,055</b>	<b>239,963</b>	<b>183,223</b>	<b>1,573,633</b>	<b>1,605,833</b>

**Initial recognition:** Items of property, plant and equipment, 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 its fair value at the date of acquisition.

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.

The cost of leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

The initial cost for non-financial physical assets under a finance lease 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.

**Subsequent measurement:** Property, plant and equipment (PPE) are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category.

**Non-specialised land, non-specialised buildings and artworks** are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

**Specialised land and specialised buildings:** The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

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.

For the majority of Victoria Police's specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciation.

**Heritage assets (Crown land) and cultural artworks** are valued using the depreciated replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

**Vehicles** are valued using the depreciated replacement cost method. Victoria Police acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in Victoria Police who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for **plant and equipment** that are specialised in use is determined using the depreciated replacement cost method.

Refer to Note 8.3 Fair Value Determination for additional information on fair value determination of property, plant and equipment.

### 5.1.1 Depreciation and Amortisation

		(\$ thousand)	
	Notes	2017	2016
Buildings		46,938	37,251
Plant & equipment		13,729	14,800
Leased motor vehicles		33,721	33,974
Intangible assets	5.2	2,114	2,787
<b>Total Depreciation and Amortisation</b>		<b>96,503</b>	<b>88,812</b>

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 calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Assets	Useful Life (years)
Buildings	1-50
Plant & equipment	1-40
Leased plant & equipment	1-3
Leased motor vehicles	1-3
Heritage assets	1-50
Cultural artworks	1-100
Software - Internally Generated Intangible Asset	1-12

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments are made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

In the event of the loss or destruction 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).

**Indefinite life assets:** 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.

**Internally Generated Intangible Assets:** Refer to Note 5.2 Intangible Assets.

#### Depreciation of Internally Generated Intangible Assets

Internally generated intangible assets with finite useful lives are depreciated as an expense from transactions on a systematic (typically straight-line) basis over the asset's useful life. Depreciation 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. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjustments are made where appropriate.

**Impairment:** Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

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

The 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.

## 5.1.2 Carrying values by 'purpose' groups <sup>(a)</sup>

(\$ thousand)

Nature Based Classification	Public Safety and Environment					
	Specialised		Non-Specialised		Total	
	2017	2016	2017	2016	2017	2016
Crown land at fair value	359,943	372,010	19,098	19,305	379,041	391,315
Buildings at fair value	961,334	964,125	29,497	31,719	990,832	995,844
Plant & equipment at fair value	55,384	61,677	-	-	55,384	61,677
Motor vehicles under finance lease at cost	67,999	70,874	-	-	67,999	70,874
Assets under construction at cost	75,567	81,312	-	-	75,567	81,312
Cultural artworks at fair value	4,810	4,810	-	-	4,810	4,810
<b>Net carrying amount</b>	<b>1,525,037</b>	<b>1,554,809</b>	<b>48,595</b>	<b>51,024</b>	<b>1,573,633</b>	<b>1,605,833</b>

**Note:**

(a) All assets in this purpose group are further sub-categorised according to the assets' nature (i.e. buildings, plant etc.), with each sub-category being classified as a separate class of asset for financial reporting purposes.

### 5.1.3 Reconciliation of Movements in Carrying Amounts of Property, Plant and Equipment

	Crown land at fair value		Buildings at fair value		Plant and Equipment at fair value	
	2017	2016	2017	2016	2017	2016
<b>Opening balance</b>	<b>391,314</b>	<b>374,574</b>	<b>995,844</b>	<b>824,684</b>	<b>61,677</b>	<b>51,317</b>
Fair value of assets received free of charge or for nominal considerations	-	-	-	-	280	542
Fair value of assets recognised for first time	-	-	-	7	212	333
Fair value of assets provided free of charge or for nominal considerations	-	-	-	(1)	-	(46)
Additions	-	-	116	144	5,441	7,388
Disposals	(14,717)	(915)	(853)	(688)	(489)	(610)
Transfer in/(out) of assets under construction	2,443	2,042	43,835	111,823	834	15,836
Revaluation of PPE	-	15,486	-	98,449	-	-
Transfers of assets via Contributed Capital	-	-	(16)	-	-	-
Transfer (to)/from Advances	-	-	-	-	-	-
Depreciation <sup>(a)</sup>	-	-	(46,938)	(37,251)	(13,729)	(14,800)
Transfers (to)/from assets classified as held for sale	-	128	-	394	-	-
Reclassification	-	-	(1,156)	(1,717)	1,156	1,717
Other	-	-	-	-	-	-
<b>Closing balance</b>	<b>379,040</b>	<b>391,314</b>	<b>990,831</b>	<b>995,844</b>	<b>55,384</b>	<b>61,677</b>

**Note:**

(a) This note only discloses the total depreciation amount of \$94.388 million, excluding amortisation amount of \$2.114 million for intangible assets. Refer to Note 5.1.1 Depreciation for the aggregate amount of \$96.503 million for depreciation and amortisation.

(\$ thousand)

Motor vehicles under financial lease at cost		Assets under construction at cost		Cultural artwork at fair value		Total	
2017	2016	2017	2016	2017	2016	2017	2016
70,874	72,353	81,313	135,769	4,810	4,255	1,605,833	1,462,952
-	-	-	-	-	-	280	542
-	-	6	151	-	-	219	491
-	-	-	-	-	-	-	(47)
46,415	52,322	41,897	65,639	-	50	93,870	125,543
(15,771)	(21,403)	-	-	-	-	(31,830)	(23,616)
-	-	(47,112)	(129,701)	-	-	-	-
-	-	-	-	-	505	-	114,440
-	-	-	-	-	-	(16)	-
-	-	-	11,990	-	-	-	11,990
(33,721)	(33,974)	-	-	-	-	(94,388)	(86,025)
203	1,576	-	-	-	-	203	2,098
-	-	-	-	-	-	-	-
-	-	(537)	(2,536)	-	-	(537)	(2,536)
<b>67,999</b>	<b>70,874</b>	<b>75,568</b>	<b>81,313</b>	<b>4,810</b>	<b>4,810</b>	<b>1,573,633</b>	<b>1,605,833</b>

## 5.2 INTANGIBLE ASSETS

(\$ thousand)

	Capitalised Computer Software		Work-In-Progress Computer Software		Total	
	2017	2016	2017	2016	2017	2016
<b>Gross Carrying Amount</b>						
<b>Opening balance</b>	<b>15,896</b>	<b>8,957</b>	<b>5,758</b>	<b>11,626</b>	<b>21,654</b>	<b>20,583</b>
Additions from internal development	-	6,939	27,859	2,167	27,859	9,106
Transfers in/(out) of assets under construction	-	-	-	(8,035)	-	(8,035)
<b>Closing balance</b>	<b>15,896</b>	<b>15,896</b>	<b>33,617</b>	<b>5,758</b>	<b>49,513</b>	<b>21,654</b>
<b>Accumulated depreciation, amortisation and impairment</b>						
<b>Opening balance</b>	<b>(10,521)</b>	<b>(7,734)</b>	-	-	<b>(10,521)</b>	<b>(7,734)</b>
Amortisation <sup>(a)</sup>	(2,114)	(2,787)	-	-	(2,114)	(2,787)
<b>Closing balance</b>	<b>(12,635)</b>	<b>(10,521)</b>	-	-	<b>(12,635)</b>	<b>(10,521)</b>
<b>Net book value at end of financial year</b>	<b>3,261</b>	<b>5,375</b>	<b>33,617</b>	<b>5,758</b>	<b>36,878</b>	<b>11,133</b>

### Note:

(a) Amortisation expense is included in the line item 'depreciation and amortisation' in Note 5.1.1 Depreciation and Impairment.

### Initial Recognition

**Purchased intangible assets** are initially measured at cost. When the recognition criteria in AASB 138 *Intangible Asset* is met, internally generated assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and 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.

Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to Victoria Police.

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:

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

### Subsequent Measurement

Intangible produced assets with finite useful lives, are depreciated as an 'expense from transactions' on a straight line basis over their useful lives. Produced intangible assets have useful lives of between 3 and 5 years.

Intangible non-produced assets with finite lives are amortised as an 'other economic flow' on a straight line basis over their useful lives. The amortisation period is 3 to 5 years.

### Impairment of Intangible Assets

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

The policy in connection with testing for impairments is outlined in Note 5.1.1 Depreciation and Amortisation.



### 5.3 PHYSICAL ASSET REVALUATION SURPLUS

(\$ thousand)

2017	Land	Buildings	Cultural and Heritage Assets	Total
<b>Revaluation Surplus</b>				
Balance at beginning of financial year	305,867	374,533	4,531	684,931
Revaluation increments/(decrements)	-	-	-	-
<b>Balance at End of Financial Year</b>	<b>305,867</b>	<b>374,533</b>	<b>4,531</b>	<b>684,931</b>

(\$ thousand)

2016	Land	Buildings	Cultural and Heritage Assets	Total
<b>Revaluation Surplus</b>				
Balance at beginning of financial year	290,381	276,084	4,026	570,491
Revaluation increments	15,486	98,449	505	114,440
<b>Balance at End of Financial Year</b>	<b>305,867</b>	<b>374,533</b>	<b>4,531</b>	<b>684,931</b>

#### Revaluations and Subsequent Measurements of Non-Financial Physical Assets

Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value. In determining this:

- 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 wage 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 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 as described in Note 8.3 Fair Value Determination.

#### Subsequent Measurements

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 – changes in physical asset revaluation surplus' and accumulated in equity under the physical 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 – changes in physical asset revaluation surplus' to the extent that a credit balance exists in the physical 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 – changes in physical asset revaluation surplus' reduces the amount accumulated in equity under the physical 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.

An independent revaluation was undertaken by the Valuer-General Victoria (VGV) in 2015-16. 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.

## 6. OTHER ASSETS AND LIABILITIES

### Introduction

This section sets out those assets and liabilities that arose from Victoria Police's controlled operations.

Structure		Pages
6.1	Receivables	129-130
6.2	Payables	130
6.3	Inventories	131
6.4	Other non-financial assets	131
6.5	Other Provisions	132

## 6.1 RECEIVABLES

	(\$ thousand)	
	2017	2016
<b>Contractual</b>		
Sale of goods and services	5,215	6,328
Other receivables	7,908	10,176
Provision for doubtful contractual receivables	(61)	(358)
<b>Statutory</b>		
Amounts owing from the Victorian Government <sup>(a)</sup>	433,843	387,352
GST input tax credit recoverable	3,168	3,033
<b>Total Receivables</b>	<b>450,072</b>	<b>406,531</b>
<b>Represented by:</b>		
Current receivable	289,686	269,896
Non-current receivable	160,386	136,636
<b>Total Receivables</b>	<b>450,072</b>	<b>406,531</b>

**Note:**

(a) 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.

**Contractual receivables** are classified as financial instruments and categorised as receivables. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, they are measured at amortised cost using the effective interest method, less any impairment.

**Statutory receivables** do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

	(\$ thousand)	
	2017	2016
<b>Movement in the Provision for Doubtful Debts</b>		
<b>Balance at beginning of the year</b>	<b>(358)</b>	<b>(2,115)</b>
Increase in provision recognised in the net result	-	-
Reversal of unused provision recognised in the net result	234	120
Utilisation of provision due to write-offs during the year	63	1,636
<b>Balance at End of the Year</b>	<b>(61)</b>	<b>(358)</b>

**Doubtful debts:** Receivables are assessed for bad and doubtful debts on a regular basis. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. 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*.

A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. The increase in the provision for the year is recognised in the net result.

Bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off, but included in the provision for doubtful debts, are classified as other economic flows in the net result.

## Ageing Analysis of Contractual Receivables

(\$ thousand)

2017	Carrying Amount	Not Past Due and Not Impaired	Past Due But Not Impaired			
			Less than 1 Month	1 - 3 Months	3 Months - 1 Year	1 - 5 Years
Sale of goods and services <sup>(a)</sup>	5,154	5,043	66	12	20	12
Other receivables	7,908	7,908	-	-	-	-
<b>Total</b>	<b>13,062</b>	<b>12,951</b>	<b>66</b>	<b>12</b>	<b>20</b>	<b>12</b>

(\$ thousand)

2016	Carrying Amount	Not Past Due and Not Impaired	Past Due But Not Impaired			
			Less than 1 Month	1 - 3 Months	3 Months - 1 Year	1 - 5 Years
Sale of goods and services	5,970	4,208	64	695	980	23
Other receivables	10,176	10,176	-	-	-	-
<b>Total</b>	<b>16,146</b>	<b>14,384</b>	<b>64</b>	<b>695</b>	<b>980</b>	<b>23</b>

### Note:

(a) The carrying amount is shown net of provision for doubtful contractual receivables of \$61,406. See Note 6.1 Receivables.

The average credit period for sales of goods/services and for other receivables is 30 days. There are no material financial assets that 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.

## 6.2 PAYABLES

(\$ thousand)

	2017	2016
<b>Contractual</b>		
Supplies and services	51,600	44,832
Amounts payable to government and agencies	3,283	3,324
Other payables	34,730	26,386
<b>Statutory</b>		
Payroll tax payable	5,337	6,238
Other payables	250	283
<b>Total Payables</b>	<b>95,201</b>	<b>81,062</b>
<b>Represented by:</b>		
Current payables	95,201	81,062
Non-current payables	-	-
<b>Total Payables</b>	<b>95,201</b>	<b>81,062</b>

Payables consist of:

- **contractual payables** classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to Victoria Police prior to the end of the financial year that are unpaid; and
- **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 contracts.

Payables for supplies and services have an average credit period of 30 days.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements as they are not legislative payables, they are not classified as financial instruments.

### Maturity Analysis of Contractual Payables <sup>(a)</sup>

Refer to 8.1.3 Financial Risk Management Objectives and Policies for maturity analysis of contractual financial liabilities.

## 6.3 INVENTORIES

	(\$ thousand)	
	2017	2016
<b>Current Inventories</b>		
<b>Supplies and consumables <sup>(a)</sup></b>		
At cost	6,309	5,513
<b>Total Inventories</b>	<b>6,309</b>	<b>5,513</b>

**Note:**

(a) The total carrying amount of inventories held for distribution consists of General stores, Radio and electronics stores and Victoria Forensic Science Centre stores.

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.

Methods 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.

## 6.4 OTHER NON-FINANCIAL ASSETS

	(\$ thousand)	
	2017	2016
<b>Current other assets</b>		
Advances paid to the Department of Treasury and Finance	8,608	9,335
Prepayments	13,321	2,554
<b>Total current other assets</b>	<b>21,929</b>	<b>11,889</b>
<b>Non-current other assets</b>		
Prepayments	356	-
<b>Total non-current other assets</b>	<b>356</b>	<b>-</b>
<b>Total other assets</b>	<b>22,285</b>	<b>11,889</b>

**Advances paid to the Department of Treasury and Finance** are payments made to the Department of Treasury and Finance (DTF) for services provided and acquisition of land and buildings purchased by DTF on behalf of Victoria Police.

**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.

## 6.5 OTHER PROVISIONS

	(\$ thousand)	
	2017	2016
<b>Current Provisions</b>		
Other provisions	90	730
<b>Total Current Provisions</b>	<b>90</b>	<b>730</b>
<b>Non-Current Provisions</b>		
Make-good provision	4,637	4,990
<b>Total Non-Current Provisions</b>	<b>4,637</b>	<b>4,990</b>
<b>Total Other Provisions</b>	<b>4,728</b>	<b>5,720</b>

Other 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 provision is the best estimate of the consideration required to settle the present obligation at reporting date, 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.

	(\$ thousand)		
	Make-Good	Other	Total 2017
<b>Opening balance</b>	<b>4,990</b>	<b>730</b>	<b>5,720</b>
Additional provisions recognised	2,910	298	3,208
Reversals of provisions	(1,640)	-	(1,640)
Reductions arising from payments/other sacrifices of future economic benefits	(1,623)	(937)	(2,560)
<b>Closing balance</b>	<b>4,637</b>	<b>90</b>	<b>4,728</b>

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.

**Make-Good Provision:** Properties occupied by Victoria Police are subject to make-good costs (where applicable) when vacated at the termination of the lease. The make-good provision is calculated at the commencement of the lease. Annually, the make-good expense and provision are recognised on a straight line basis in the comprehensive operating statement and balance sheet respectively during the duration of the lease term. Any difference between the provision and the amount paid in the final settlement is recognised as a make-good expense or gain.

## 7. FINANCING OUR OPERATIONS

### Introduction

This section provides information on the sources of finance utilised by Victoria Police during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Victoria Police.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 8.1 provides additional, specific financial instrument disclosures

Structure		Pages
7.1	Borrowings	134
7.2	Leases	134
7.3	Cash Flow Information and Balances	135
7.4	Trust Account Balances	136-137
7.5	Commitments for Expenditure	138

## 7.1 BORROWINGS

	(\$ thousand)	
	2017	2016
<b>Current borrowings</b>		
Finance lease liabilities <sup>(a)</sup>	45,512	44,917
<b>Total current borrowings</b>	<b>45,512</b>	<b>44,917</b>
<b>Non-current borrowings</b>		
Finance lease liabilities <sup>(a)</sup>	23,721	27,581
<b>Total Non-current borrowings</b>	<b>23,721</b>	<b>27,581</b>
<b>Total Borrowings</b>	<b>69,234</b>	<b>72,498</b>

**Note:**

(a) Secured by the assets leased. Finance leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

**Borrowings** refer to interest bearing liabilities arising from finance lease arrangements.

Borrowings are classified as financial instruments. All interest bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. 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'. The classification depends on the nature and purpose of the interest bearing liabilities. Victoria Police determines the classification of its interest bearing liabilities at initial recognition.

### Maturity analysis of borrowings

Refer to 8.1.3 Financial Risk Management Objectives and Policies for maturity analysis of contractual financial liabilities.

	(\$ thousand)	
	2017	2016
Interest on finance leases	1,615	1,761
<b>Total Interest Expenses</b>	<b>1,615</b>	<b>1,761</b>

**Interest expense** relates to the interest component of finance leases repayments. Interest expense is recognised in the period in which it is incurred.

## 7.2 LEASES

### Finance Lease Liabilities (Victoria Police as Lessee) (\$ thousand)

	Notes	Minimum Future Lease Payments <sup>(a)</sup>		Present Value of Minimum Future Lease Payments	
		2017	2016	2017	2016
<b>Finance Lease Liabilities <sup>(b)</sup></b>					
Not longer than one year		46,877	46,694	45,513	44,917
Longer than one year but not longer than five years		24,231	28,284	23,721	27,581
<b>Minimum future lease payments</b>		<b>71,108</b>	<b>74,978</b>	<b>69,234</b>	<b>72,498</b>
Less: Future finance charges		(1,874)	(2,480)	-	-
<b>Present value of minimum lease payments</b>		<b>69,234</b>	<b>72,498</b>	<b>69,234</b>	<b>72,498</b>
Included in the financial statements as:					
Current borrowings lease liabilities	7.1	-	-	45,512	44,917
Non-current borrowings lease liabilities	7.1	-	-	23,721	27,581
<b>Total</b>		<b>-</b>	<b>-</b>	<b>69,234</b>	<b>72,498</b>

**Notes:**

(a) Minimum future lease payments includes the aggregate of all base payments and any guaranteed residual.

(b) Finance leases relate to motor vehicles mainly with lease terms of 36 months or 60,000 kms, whichever comes first. The weighted average interest rate for finance leases are 3.55% (refer to Note 8.1 Financial Instruments: 8.1.3 Interest Rate Exposure of Financial Instruments). The lease terms and conditions are in accordance with the whole of government lease management facility.



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 leased property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The leased 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 the reduction of the outstanding lease liability and the periodic finance expense which is calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement.

### 7.3 CASH FLOW INFORMATION AND BALANCES

Cash and deposits, including cash equivalents, 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 and are subject to 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, as indicated in the reconciliation below.

	(\$ thousand)	
	2017	2016
Cash and deposits <sup>(a)</sup>	454	204
Funds held in trust <sup>(b) (c)</sup>	40,465	37,826
<b>Balance as per Cash Flow Statement</b>	<b>40,919</b>	<b>38,029</b>

**Notes:**

(a) The deposits held during the year were bearing a weighted average interest rate of 1.55% (2016: 1.96%).

(b) 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.

(c) Funds held in trust are quarantined for use specifically for the purpose under which each trust has been established and not for operating purposes.

Due to the State's investment policy and funding arrangements, Victoria Police does not hold a large cash reserve in its bank accounts. Cash received from generation of income is generally paid into the State's bank account ('public account'). Similarly, any expenditure, including in the form of cheques drawn for Victoria Police to its suppliers and creditors are made via the public account. The public account remits to Victoria Police the cash required upon presentation of cheques by Victoria Police's suppliers or creditors.

These funding arrangements often result in Victoria Police having a notional shortfall in the cash at bank required for payment of un-presented cheques at the reporting date. As at 30 June 2017, cash at bank included the amount of a notional shortfall for the payment of un-presented cheques of \$847,551 (2016: \$850,692).

#### 7.3.1 Reconciliation of Net Result for the Year to Cash Flow from Operating Activities

		(\$ thousand)	
	Notes	2017	2016
<b>Net result for the year</b>		<b>17,138</b>	<b>(12,586)</b>
<b>Non-Cash Movements</b>			
(Gain)/loss on sale or disposal of non-current assets	9.2	(7,647)	(6,417)
Depreciation and amortisation of non-current assets	5.1.1	96,503	88,812
Plant and equipment received free of charge or nominal consideration	2.3.3	(280)	(542)
Plant and equipment provided free of charge or for nominal consideration		-	46
Assets recognised for first time	5.1.3	(219)	(491)
Other non-cash movements		(5,818)	8,031
<b>Movements in Assets and Liabilities</b>			
(Increase)/decrease in receivables		(43,343)	(4,268)
(Increase)/decrease in prepayments		(10,396)	(2,003)
(Increase)/decrease in inventories		(796)	1,227
Increase/(decrease) in payables		14,139	(11,546)
Increase/(decrease) in provisions		14,369	21,957
<b>Net Cash Flows From Operating Activities</b>		<b>73,650</b>	<b>82,221</b>

## 7.4 TRUST ACCOUNT BALANCES

Victoria Police has responsibility for transactions and balances relating to trust funds on behalf of third parties external to the Victorian Government. Funds 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.

Any earnings on the funds held pending distribution are also applied to the trust funds under management as appropriate.

### Trust Account Balances Relating to Trust Accounts Controlled and/or Administered by Victoria Police

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#### Cash and cash equivalents and investments

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##### Controlled Trusts

**4165 Departmental Suspense Account**

*To record donations and grants by Victoria Police as required by the Financial Management Act 1994*

**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.*

**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.*

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##### Total Controlled Trusts

##### Administered Trusts

**4165 Departmental Suspense Account**

*Under the Financial Management Act 1994 to record the receipt and disbursement of seized and unclaimed money.*

**4742 Treasury Trust Fund**

*Under the Financial Management Act 1994 to record the receipt and disbursement of unclaimed and unidentified money (unpresented cheques, surplus cash).*

**4765 Public Service Commuter Club <sup>(a)</sup>**

*Under the Financial Management Act 1994 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.*

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##### Total Administered Trusts

##### Note:

(a) 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 the Department of Treasury and Finance. The overall Public Service Commuter Club Trust is in surplus.

#### Third Party Funds Under Management (Accounted for Under Administered Items)

The third party funds under Victoria Police management are funds held in trust for certain clients. They are not used for government purposes and therefore are not recognised in Victoria Police's financial statements. Any earnings on the funds held pending distribution are also applied to the trust funds under management as appropriate. Victoria Police maintains one such trust: Australia and New Zealand Policing Advisory Agency.

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#### Cash and cash equivalents and investments

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**4057 Australia and New Zealand Policing Advisory Agency**

*Under the Financial Management Act 1994 for contributions from various police organisations throughout Australia and New Zealand.*

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##### Total Third Party Funds Under Management

(\$ thousand)

2017				2016			
Opening Balance	Total Receipts	Total Payments	Closing Balance	Opening Balance	Total Receipts	Total Payments	Closing Balance
35,181	17,173	(15,222)	37,132	30,494	15,614	(10,922)	35,181
78	253	(43)	288	2,085	(1,997)	(10)	78
2,567	1,158	(680)	3,045	2,384	908	(725)	2,567
<b>37,826</b>	<b>18,585</b>	<b>(15,946)</b>	<b>40,465</b>	<b>34,963</b>	<b>14,525</b>	<b>(11,657)</b>	<b>37,826</b>
21,046	18,767	(8,775)	31,038	19,274	10,289	(8,518)	21,046
848	16,366	(16,141)	1,074	806	6,210	(6,168)	848
(159)	637	(663)	(185)	(155)	560	(559)	(159)
<b>21,735</b>	<b>35,770</b>	<b>(25,579)</b>	<b>31,927</b>	<b>19,925</b>	<b>17,058</b>	<b>(15,245)</b>	<b>21,735</b>

(\$ thousand)

2017				2016			
Opening Balance	Total Receipts	Total Payments	Closing Balance	Opening Balance	Total Receipts	Total Payments	Closing Balance
2,098	5,498	(5,477)	2,120	1,808	5,784	(5,495)	2,098
<b>2,098</b>	<b>5,498</b>	<b>(5,477)</b>	<b>2,120</b>	<b>1,808</b>	<b>5,784</b>	<b>(5,495)</b>	<b>2,098</b>

## 7.5 COMMITMENTS FOR EXPENDITURE

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed 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.

### 7.5.1 Total commitments payable <sup>(a)</sup>

	(\$ thousand)			
Nominal amounts 2017	Less than 1 year	1 - 5 years	5+ years	Total
Capital Expenditure Commitments Payables				
Plant, Equipment and Motor Vehicles	15,983	3,266	-	19,249
Buildings	10,128	778	-	10,907
Operating Lease Commitments Payables <sup>(b) (c)</sup>	53,811	280,590	2,320,833	2,655,235
Other Commitments Payables <sup>(d)</sup>	181,052	126,408	3,217	310,677
<b>Total commitments (inclusive of GST)</b>	<b>260,975</b>	<b>411,043</b>	<b>2,324,050</b>	<b>2,996,068</b>
<b>Less GST recoverable</b>				<b>(272,370)</b>
<b>Total commitments (exclusive of GST)</b>				<b>2,723,698</b>

	(\$ thousand)			
2016	Less than 1 year	1 - 5 years	5+ years	Total
Capital Expenditure Commitments Payables				
Plant, Equipment and Motor Vehicles	-	-	-	-
Buildings	15,777	3,270	-	19,047
Operating Lease Commitments Payables <sup>(b)</sup>	51,663	187,208	410,636	649,507
Other Commitments Payables <sup>(d)</sup>	161,425	94,950	-	256,375
<b>Total commitments (inclusive of GST)</b>	<b>228,864</b>	<b>285,429</b>	<b>410,636</b>	<b>924,930</b>
<b>Less GST recoverable</b>				<b>(84,085)</b>
<b>Total commitments (exclusive of GST)</b>	<b>228,864</b>	<b>285,429</b>	<b>410,636</b>	<b>840,845</b>

#### Notes:

(a) Future finance lease payments are recognised on the balance sheet.

(b) These are non-cancellable operating leases. Some property leases are subject to annual indexation movements.

(c) Included in this balance is the operating lease commitments for 311 Spencer Street where the lease is expected to commence in late 2019 for a term of 30 years.

This leasehold will form part of the Victoria Police Centre Precinct where 313 Spencer Street is co-located. The lease commitments for the latter are included above for the remainder of the 20 year lease term, which commenced in March 2015 (excluding the option of lease term extensions which have not been exercised).

(d) This was disclosed under 'Outsourcing commitments' in 2016. It relates to a number of outsourcing of services, IT and commercial contracts.

## 8. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

### Introduction

Victoria Police is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for Victoria Police related mainly to fair value determination.

<b>Structure</b>		<b>Pages</b>
8.1	Financial Instruments Specific Disclosures	140-146
8.2	Contingent Liabilities	146
8.3	Fair Value Determination	147-154

## 8.1 FINANCIAL INSTRUMENTS SPECIFIC DISCLOSURES

### Introduction

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 (for example taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Guarantees issued by the Treasurer of Victoria on behalf of Victoria Police are financial instruments because, although authorised under statute, terms and conditions for each financial guarantee may vary and are subject to an agreement.

### Categories of financial instruments

**Loans, receivables and cash** are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). Victoria Police recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits.

**Financial liabilities at amortised cost** 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 the comprehensive operating statement over the period of the interest-bearing liability, using the effective interest rate method. Victoria Police recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including finance lease liabilities).

**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:
  - has transferred substantially all the risks and rewards of the asset; or
  - 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.

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*.

**Derecognition of financial liabilities:** A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

## 8.1.1 Financial Instruments: Categorisation

(\$ thousand)

2017	Notes	Contractual financial assets – loans and receivables and cash	Contractual financial liabilities at amortised cost	Total
<b>Contractual financial assets</b>				
Cash and deposits	7.3	40,919	-	<b>40,919</b>
<b>Receivables <sup>(a)</sup></b>				
Sale of goods and services	6.1	5,154	-	<b>5,154</b>
Other receivables	6.1	7,908	-	<b>7,908</b>
<b>Total contractual financial assets</b>		<b>53,981</b>	-	<b>53,981</b>
<b>Contractual financial liabilities</b>				
<b>Payables <sup>(a)</sup></b>				
Supplies and services	6.2	-	51,600	<b>51,600</b>
Amounts payable to government and agencies	6.2	-	3,283	<b>3,283</b>
Other payables	6.2	-	34,730	<b>34,730</b>
<b>Borrowings</b>				
Finance lease liabilities	7.1	-	69,234	<b>69,234</b>
<b>Total contractual financial liabilities</b>		-	<b>158,847</b>	<b>158,847</b>

**Note:**

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from the Department of Justice and Regulation and GST input tax credit recoverable and taxes payable).

(\$ thousand)

2016	Notes	Contractual financial assets – loans and receivables and cash	Contractual financial liabilities at amortised cost	Total
<b>Contractual financial assets</b>				
Cash and deposits	7.3	38,029	-	38,029
<b>Receivables <sup>(a)</sup></b>				
Sale of goods and services	6.1	6,328	-	6,328
Other receivables	6.1	9,818	-	9,818
<b>Total contractual financial assets</b>		<b>54,175</b>	-	<b>54,175</b>
<b>Contractual financial liabilities</b>				
<b>Payables <sup>(a)</sup></b>				
Supplies and services	6.2	-	44,832	44,832
Amounts payable to government and agencies	6.2	-	3,324	3,324
Other payables	6.2	-	26,386	26,386
<b>Borrowings</b>				
Finance lease liabilities	7.1	-	72,498	72,498
<b>Total contractual financial liabilities</b>		-	<b>147,040</b>	<b>147,040</b>

**Note:**

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from the Department of Justice and Regulation and GST input tax credit recoverable and taxes payable).

### 8.1.2 Financial Instruments - Net holding gain/(loss) on financial instruments by category

The net gain or loss on Victoria Police's financial instruments relates to interest income (Refer to Note 2.3.4 Other Income) and expense (Refer to Note 7.1 Borrowings) arising from cash and financial liabilities relating to finance lease respectively. As these amounts are immaterial, no disclosure on net holding gain/(loss) on financial instruments by category was made.

(\$ thousand)			
2017	Notes	Total interest income / (expense)	Total
<b>Contractual financial assets</b>			
Financial assets – loans and receivables	2.3.4	47	47
<b>Total contractual financial assets</b>		<b>47</b>	<b>47</b>
<b>Contractual financial liabilities</b>			
Financial liabilities at amortised cost	7.1	(1,615)	(1,615)
<b>Total contractual financial liabilities</b>		<b>(1,615)</b>	<b>(1,615)</b>

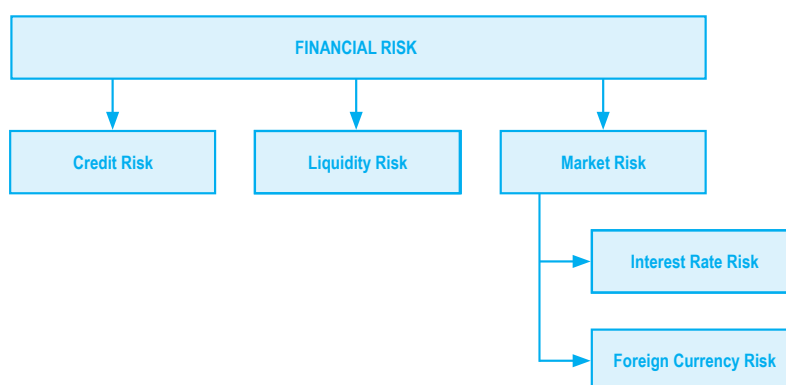
(\$ thousand)			
2016	Notes	Total interest income / (expense)	Total
<b>Contractual financial assets</b>			
Financial assets – loans and receivables	2.3.4	49	49
<b>Total contractual financial assets</b>		<b>49</b>	<b>49</b>
<b>Contractual financial liabilities</b>			
Financial liabilities at amortised cost	7.1	(1,761)	(1,761)
<b>Total contractual financial liabilities</b>		<b>(1,761)</b>	<b>(1,761)</b>

**Note:**

The total amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities, e.g. GST input tax credit recoverable and taxes payable.

### 8.1.3 Financial Risk Management Objectives and Policies

Victoria Police is exposed to a number of financial risks, including:



As a whole, Victoria Police's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

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, financial liability and equity instrument above are disclosed in Note 8.3 Fair Value Determination 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 its financial risk management policy.

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.



### Financial Instruments: Credit Risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. 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. 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 and deposits, which are mainly cash at bank. As with the policy for debtors, Victoria Police's policy is to only deal with banks with high credit ratings.

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.

There has been no material change to Victoria Police's credit risk profile in 2016-17.

### Credit Quality of Contractual Financial Assets that are Neither Past Due Nor Impaired (\$ thousand)

	Financial institutions (double-A credit rating)	Government agencies (triple-A credit rating)	Total
<b>2017</b>			
Cash and deposits	174	40,746	40,919
<b>Total contractual financial assets</b>	<b>174</b>	<b>40,746</b>	<b>40,919</b>

(\$ thousand)

	Financial institutions (double-A credit rating)	Government agencies (triple-A credit rating)	Total
<b>2016</b>			
Cash and deposits	(221)	38,250	38,029
<b>Total contractual financial assets</b>	<b>(221)</b>	<b>38,250</b>	<b>38,029</b>

### Financial Instruments: Liquidity Risk

Liquidity risk arises from being unable to meet its financial obligations as 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 is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees. Victoria Police manages its liquidity risk by:

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements;
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- careful maturity planning of its financial obligations based on forecasts of future cash flows; and
- a high credit rating for the State of Victoria (Moody's Investor Services and Standard & Poor's triple-A, which assists in accessing debt market at a lower interest rate).

Victoria Police's exposure to liquidity risk is deemed insignificant based on prior period's data and current assessment of risk. The carrying amount detailed in the following table of contractual financial liabilities recorded in the financial statements represents Victoria Police's maximum exposure to liquidity risk.

Maturity analysis of contractual financial liabilities <sup>(a)</sup>

(\$ thousand)

2017	Carrying Amount	Nominal Amount	Maturity Dates			
			Less than 1 Month	1 - 3 Months	3 Months - 1 Year	1 - 5 Years
<b>Payables <sup>(b)</sup></b>						
Supplies and services	51,600	51,600	51,600	-	-	-
Amounts payable to government and agencies	3,283	3,283	3,283	-	-	-
Other payables	34,730	34,730	34,730	-	-	-
<b>Borrowings</b>						
Finance lease liabilities	69,234	71,108	13,266	5,612	27,998	24,231
<b>Total contractual financial liabilities</b>	<b>158,847</b>	<b>160,722</b>	<b>102,880</b>	<b>5,612</b>	<b>27,998</b>	<b>24,231</b>

(\$ thousand)

2016	Carrying Amount	Nominal Amount	Maturity Dates			
			Less than 1 Month	1 - 3 Months	3 Months - 1 Year	1 - 5 Years
<b>Payables <sup>(b)</sup></b>						
Supplies and services	44,832	44,832	44,832	-	-	-
Amounts payable to government and agencies	3,324	3,324	3,324	-	-	-
Other payables	26,386	26,386	26,386	-	-	-
<b>Borrowings</b>						
Finance lease liabilities	72,498	74,978	11,641	5,869	29,185	28,284
<b>Total contractual financial liabilities</b>	<b>147,039</b>	<b>149,519</b>	<b>86,182</b>	<b>5,869</b>	<b>29,185</b>	<b>28,284</b>

**Notes:**

(a) Maturity analysis is presented using the contractual undiscounted cash flows.

(b) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from the Department of Justice and Regulation and GST input tax credit recoverable and taxes payable).

**Financial Instruments: Market Risk**

Victoria Police's exposures to market risk is primarily through interest rate risk. Victoria Police's exposure to other financial price risks is insignificant. 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.

**Interest Rate Risk**

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. Victoria Police does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Victoria Police has minimal exposure to cash flow interest rate risks through cash and deposits, term deposits and bank overdrafts that are at floating rate.

Victoria Police manages this risk by mainly undertaking fixed rate or non-interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded that cash at bank and bank overdraft, as financial assets can be left at floating rate without necessarily exposing Victoria Police to significant bad risk. Management monitors movement in interest rates on a daily basis.

The carry amounts of financial assets and financial liabilities that are exposed to interest rates are set out in the table that follows.

Interest Rate Exposure of Financial Instruments

(\$ thousand)

2017	Interest rate exposure				
	Weighted average interest rate (%)	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing
<b>Financial assets</b>					
Cash and deposits	1.55	40,919	2,980	-	37,939
Receivables <sup>(a)</sup>					
Sale of goods and services		5,154	-	-	5,154
Other receivables		7,908	-	-	7,908
<b>Total financial assets</b>		<b>53,981</b>	<b>2,980</b>	<b>-</b>	<b>51,001</b>
<b>Financial liabilities</b>					
Payables <sup>(a)</sup>					
Supplies and services		51,600	-	-	51,600
Amounts payable to government and agencies		3,283	-	-	3,283
Other payables		34,730	-	-	34,730
Borrowings					
Finance lease liabilities	3.55	69,234	69,234	-	-
<b>Total financial liabilities</b>		<b>158,847</b>	<b>69,234</b>	<b>-</b>	<b>89,613</b>

Note:

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from the Department of Justice and Regulation and GST input tax credit recoverable and taxes payable).

(\$ thousand)

2016	Interest rate exposure				
	"Weighted average interest rate (%)"	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing
<b>Financial assets</b>					
Cash and deposits	1.96	38,029	2,640	-	35,389
Receivables <sup>(a)</sup>					
Sale of goods and services		5,970	-	-	5,970
Other receivables		10,176	-	-	10,176
<b>Total financial assets</b>		<b>54,175</b>	<b>2,640</b>	<b>-</b>	<b>51,535</b>
<b>Financial liabilities</b>					
Payables <sup>(a)</sup>					
Supplies and services		44,832	-	-	44,832
Amounts payable to government and agencies		3,324	-	-	3,324
Other payables		26,386	-	-	26,386
Borrowings					
Finance lease liabilities	4.08	72,498	72,498	-	-
<b>Total financial liabilities</b>		<b>147,039</b>	<b>72,498</b>	<b>-</b>	<b>74,541</b>

Note:

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from the Department of Justice and Regulation and GST input tax credit recoverable and taxes payable).

### Interest Rate Risk Sensitivity

The interest rates applied relate to the vehicle leases that are neither variable or floating in nature. As Victoria Police's exposure to interest rate risk sensitivity is deemed insignificant based on the current year's interest income of \$46,815 (2016: \$48,711) and interest expense of \$1.615 million (2016: \$1.761 million) respectively, no interest rate risk sensitivity analysis was performed for 2016-17.

## 8.2 CONTINGENT LIABILITIES

Contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value inclusive of GST.

### Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
  - the amount of the obligation can be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

#### *Non-quantifiable contingent liabilities*

This would include potential obligations arising from:

- indemnities provided in relation to transactions, including financial arrangements and consultancy services, as well as for directors and administrators;
- performance guarantees, warranties, letters of comfort and the like;
- deeds in respect of certain obligations; and
- unclaimed monies, which may be subject to future claims by the general public against the State.

As at 30 June 2017, there are no non-quantifiable contingent liabilities that required disclosure.

### Quantifiable contingent liabilities

	(\$ thousand)	
	2017	2016
Legal proceedings and disputes <sup>(a)</sup>	29,019	32,016
<b>Total Contingent Liabilities</b>	<b>29,019</b>	<b>32,016</b>

**Note:**

(a) These estimates are based on a separate assessment of all Victoria Police files by our legal advisors.

## 8.3 FAIR VALUE DETERMINATION

### *Significant judgement: Fair value measurements of assets and liabilities*

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of Victoria Police.

This section sets out information on how Victoria Police determines fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through the Comprehensive Operating Statement;
- available-for-sale financial assets;
- land, buildings, infrastructure, plant and equipment; and
- biological assets.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

Victoria Police determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

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.

### **Fair Value Hierarchy**

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

**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; and

**Level 3** – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Victoria Police determines whether transfers have occurred between levels in the hierarchy by reassessing 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.

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
  - a reconciliation of the movements in fair values from the beginning of the year to the end; and
  - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 8.3.1 Fair Value Determination of Financial Assets and Liabilities) and non-financial physical assets (refer to Note 8.3.2 Fair Value Determination - Non-Financial Physical Assets).

### 8.3.1 Fair Value Determination of Financial Assets and Liabilities

The fair values and net fair values of financial 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 currently holds Level 1 financial instruments. We consider 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 by the end of 2016-17.

These financial instruments include:

Financial Assets	Financial Liabilities
Cash and deposits	Payables:
Receivables:	- For supplies and services
- Sales of goods and services	- Amounts payable to government and agencies
- Other receivables	- Other payables
Investment and other contractual assets:	Borrowings:
- Term deposits	- Finance lease

Where the fair value of the financial instruments is different from the carrying amounts, the following information has been included to disclose the difference.

#### Fair Value of Financial Instruments Measured at Amortised Cost (\$ thousand)

	Notes	Carrying amount	Fair Value	Carrying amount	Fair value
		2017	2017	2016	2016
<b>Financial liabilities</b>					
Finance lease liabilities <sup>(a)</sup>	7.1	69,234	69,234	72,498	72,498

**Note:**

(a) 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.

### 8.3.2 Fair Value Determination: Non-Financial Physical Assets

#### Fair Value Measurement Hierarchy

(\$ thousand)

2017	Notes	Carrying Amount as at 30 June 2017	Fair Value Measurement at End of Reporting Period Using:		
			Level 1 <sup>(a)</sup>	Level 2 <sup>(a)</sup>	Level 3 <sup>(a)</sup>
Land at Fair Value					
Non-specialised land		19,098	-	19,098	-
Specialised land		359,943	-	-	359,943
<b>Total of Land at Fair Value</b>	<b>5.1</b>	<b>379,041</b>	<b>-</b>	<b>19,098</b>	<b>359,943</b>
Buildings at Fair Value					
Non-specialised buildings		29,497	-	29,497	-
Specialised buildings		804,420	-	-	804,420
Heritage assets <sup>(b)</sup>		72,029	-	-	72,029
Leasehold improvement		84,886	-	-	84,886
<b>Total of Buildings at Fair Value</b>	<b>5.1</b>	<b>990,832</b>	<b>-</b>	<b>29,497</b>	<b>961,334</b>
Plant, Equipment and Vehicles at Fair Value					
Plant and equipment		55,384	-	-	55,384
<b>Total Plant, Equipment and Vehicles at Fair Value</b>	<b>5.1</b>	<b>55,384</b>	<b>-</b>	<b>-</b>	<b>55,384</b>
Cultural Assets at Fair Value					
Artworks		4,810	-	-	4,810
<b>Total of Cultural Assets at Fair Value</b>	<b>5.1</b>	<b>4,810</b>	<b>-</b>	<b>-</b>	<b>4,810</b>

**Notes:**

(a) Classified in accordance with the fair value hierarchy.

(b) The Agency holds \$72.029 million worth of properties listed as heritage assets. These heritage assets cannot be modified nor disposed of without formal ministerial approval.

## Fair Value Measurement Hierarchy

(\$ thousand)

2016	Notes	Carrying Amount as at 30 June 2016	Fair Value Measurement at End of Reporting Period Using:		
			Level 1 <sup>(a)</sup>	Level 2 <sup>(a)</sup>	Level 3 <sup>(a)</sup>
Land at Fair Value					
		19,305	-	19,305	-
		372,010	-	-	372,010
<b>Total of Land at Fair Value</b>	<b>5.1</b>	<b>391,315</b>	<b>-</b>	<b>19,305</b>	<b>372,010</b>
Buildings at Fair Value					
		31,719	-	31,719	-
		797,286	-	-	797,286
		74,173	-	-	74,173
		92,666	-	-	92,666
<b>Total of Buildings at Fair Value</b>	<b>5.1</b>	<b>995,844</b>	<b>-</b>	<b>31,719</b>	<b>964,125</b>
Plant, Equipment and Vehicles at Fair Value					
		61,677	-	-	61,677
<b>Total Plant, Equipment and Vehicles at Fair Value</b>	<b>5.1</b>	<b>61,677</b>	<b>-</b>	<b>-</b>	<b>61,677</b>
Cultural Assets at Fair Value					
		4,810	-	-	4,810
<b>Total of Cultural Assets at Fair Value</b>	<b>5.1</b>	<b>4,810</b>	<b>-</b>	<b>-</b>	<b>4,810</b>

**Notes:**

(a) Classified in accordance with the fair value hierarchy.

(b) The Agency holds \$74.173 million worth of properties listed as heritage assets. These heritage assets cannot be modified nor disposed of without formal ministerial approval.



There have been no transfers between levels during the year.

**Non-specialised land, non-specialised buildings and artworks** are valued using the market approach whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

An independent valuation was performed by VGV based to determine the fair value using the market approach in June 2016. Valuation of the assets was determined by analysing sales and allowing share, size, topography, location and other relevant factors specific to the asset being valued. From this analysis, an appropriate rate per square metre has been applied to the subject asset. No revaluation was performed for the financial period ended 30 June 2017.

For artwork, valuation of the assets is determined by a comparison to similar examples of the artist's work in existence throughout Australia and research on recent prices paid for similar examples offered at auction or through art galleries. No revaluation was performed for artwork for the financial period ended 30 June 2017.

To the extent that non-specialised land, non-specialised buildings and artworks do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

**Specialised land and Specialised buildings:** The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

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. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the majority of Victoria Police's specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of Victoria Police's specialised land and specialised buildings was performed by VGV. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2016.

**Heritage assets** are valued using the depreciated replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the building. The estimated cost of reconstruction including structure services and finishes, also factors in any heritage classifications as applicable.

An independent valuation of Victoria Police's heritage assets was performed by VGV. The valuation was performed based on the depreciated replacement cost of the assets. The effective date of the valuation is 30 June 2016.

#### 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 depreciated cost method.

There were no changes in valuation techniques throughout the period to 30 June 2017.

For all assets measured at fair value, the current use is considered the highest and best use.

**Reconciliation of Level 3 Fair Value Movements**

(\$ thousand)

2017	Specialised Land	Specialised Buildings	Heritage Assets	Leasehold Improvement	Plant and Equipment	Cultural Artworks
<b>Opening balance</b>	<b>372,010</b>	<b>797,286</b>	<b>74,173</b>	<b>92,665</b>	<b>61,677</b>	<b>4,810</b>
Purchases	-	38	-	19	5,441	-
Sales	(14,510)	(12)	(495)	(260)	(489)	-
Assets free of charge	-	-	-	-	280	-
Assets recognised for first time	-	-	-	-	212	-
Transfers:						
In (out) of level 3	-	-	-	-	-	-
In (out) of assets under construction	2,443	40,209	197	3,390	834	-
Between asset classes	-	(1,971)	958	(144)	1,156	-
From contributed capital	-	(16)	-	-	-	-
Gains or losses recognised in net result:						
Depreciation	-	(31,115)	(2,804)	(10,785)	(13,729)	-
<b>Subtotal</b>	<b>(12,067)</b>	<b>7,135</b>	<b>(2,144)</b>	<b>(7,780)</b>	<b>(6,293)</b>	<b>-</b>
Gains or losses recognised in other economic flows – other comprehensive income:						
Revaluation	-	-	-	-	-	-
<b>Closing Balance</b>	<b>359,943</b>	<b>804,420</b>	<b>72,029</b>	<b>84,885</b>	<b>55,384</b>	<b>4,810</b>
<b>Unrealised gains/(losses) on non- financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\$ thousand)

2016	Specialised Land	Specialised Buildings	Heritage Assets	Leasehold Improvement	Plant and Equipment	Cultural Artworks
<b>Opening balance</b>	<b>356,913</b>	<b>687,259</b>	<b>83,781</b>	<b>30,641</b>	<b>51,317</b>	<b>4,255</b>
Purchases	-	88	12	44	7,388	50
Sales	(648)	(367)	-	-	(610)	-
Assets free of charge	-	(1)	-	-	496	-
Assets recognised for first time	-	-	-	7	333	-
Transfers:						
In (out) of level 3	128	394	-	-	-	-
In (out) of assets under construction	2,042	37,816	125	72,218	15,836	-
Between asset classes	-	(3,293)	1,448	147	1,717	-
From contributed capital	-	-	-	-	-	-
Gains or losses recognised in net result:						
Depreciation	-	(23,728)	(2,002)	(10,392)	(14,800)	-
<b>Subtotal</b>	<b>1,522</b>	<b>10,909</b>	<b>(417)</b>	<b>62,024</b>	<b>10,360</b>	<b>50</b>
Gains or losses recognised in other economic flows – other comprehensive income:						
Revaluation	13,575	99,117	(9,192)	-	-	505
<b>Closing Balance</b>	<b>372,010</b>	<b>797,286</b>	<b>74,173</b>	<b>92,665</b>	<b>61,677</b>	<b>4,810</b>
<b>Unrealised gains/(losses) on non- financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Description of Significant Unobservable Inputs to Level 3 Valuations

Asset Class	Valuation Technique	Significant Unobservable Inputs	Range (Weighted 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.
		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	\$41 – \$17,239/m <sup>2</sup> (\$2,681)	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	\$560 – \$5,449/m <sup>2</sup> (\$4,339)	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	\$1 - \$28,196,977 (\$468,890 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	\$50 – \$2,169,548 (\$11,580 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 - \$2,250,000 (\$218,637 per unit)	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.

Significant unobservable inputs have remained unchanged since June 2016.

## Non-Financial Physical Assets Classified As Held-For-Sale

The following table provides the fair value measurement hierarchy of Victoria Police's non-financial physical assets held-for-sale.

(\$ thousand)				
	Carrying Amount as at 30 June	Fair Value Measurement at end of Reporting Period using:		
		Level 1 <sup>(a)</sup>	Level 2 <sup>(a)</sup>	Level 3 <sup>(a)</sup>
<b>2017</b>				
Freehold land held for sale <sup>(b)</sup>	2,092	-	2,092	-
Freehold buildings held for sale <sup>(b)</sup>	2,362	-	2,362	-
<b>Total Non-Financial Physical Assets Classified As Held-For-Sale <sup>(c)</sup></b>	<b>4,453</b>	<b>-</b>	<b>4,453</b>	<b>-</b>

(\$ thousand)				
	Carrying Amount as at 30 June	Fair Value Measurement at end of Reporting Period using:		
		Level 1 <sup>(a)</sup>	Level 2 <sup>(a)</sup>	Level 3 <sup>(a)</sup>
<b>2016</b>				
Freehold land held for sale <sup>(b)</sup>	2,709	-	2,709	-
Freehold buildings held for sale <sup>(b)</sup>	2,456	-	2,456	-
<b>Total Non-Financial Physical Assets Classified As Held-For-Sale <sup>(c)</sup></b>	<b>5,165</b>	<b>-</b>	<b>5,165</b>	<b>-</b>

### Notes:

(a) Classified in accordance with the fair value hierarchy.

(b) Freehold land and buildings held for sale are carried at fair value less cost to disposal. Refer to Non-Specialised Land and Non-Specialised Buildings for the valuation technique applied to non-specialised land and buildings.

(c) This balance excludes the net book value of motor vehicles of \$1.195 million (2016: \$1.397 million) which is not carried at fair value.

## 9. OTHER DISCLOSURES

### Introduction

This section includes those additional disclosures required by accounting standards or otherwise, that are material for the understanding of this financial report.

<b>Structure</b>		<b>Pages</b>
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9.2	Other Economic Flows Included In Net Result	156
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## 9.1 EX-GRATIA EXPENSES <sup>(a)</sup>

	(\$ thousand)	
	2017	2016
Compensation for economic loss - property <sup>(b)</sup>	58	25
Property damage payments <sup>(c)</sup>	268	134
<b>Total ex-gratia expenses <sup>(d)</sup></b>	<b>326</b>	<b>159</b>

### Notes:

(a) Includes ex-gratia expenses for both individual items and in aggregate that are greater than or equal to \$5,000.

(b) These are payments made to employees or members of the public to reimburse them for economic loss to which Victoria Police are not legally bound to make.

(c) These are payments made to employees or members of the public to reimburse them for property damage to which Victoria Police are not legally bound to make.

(d) The total for ex-gratia expenses is also presented in 'other operating expenses' of Note 3 The Cost of Delivering Services.

## 9.2 OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates: and
- reclassified amounts relating to available-for-sale financial instruments from the reserves to net result due to a disposal or derecognition of the financial instrument. This does not include reclassification between equity accounts due to machinery of government changes or 'other transfers' of assets.

	(\$ thousand)	
	2017	2016
<b>Net Gain/(Loss) on Non-Financial Assets</b>		
Net gain/(loss) on disposal of plant, equipment and motor vehicles	7,647	6,417
Assets recognised for the first time	219	491
<b>Total Net Gain/(Loss) on Non-Financial Assets</b>	<b>7,866</b>	<b>6,908</b>
<b>Other Gain/(Loss) from Other Economic Flows</b>		
Net gain/(loss) arising from revaluation of long service leave liability <sup>(a)</sup>	6,157	(8,620)
Net gain/(loss) from bad/ doubtful debts	297	1,756
<b>Total Other Gain/(Loss) from Other Economic Flows</b>	<b>6,454</b>	<b>(6,864)</b>

### Note:

(a) Revaluation gain/(loss) due to changes in bond rates.

### 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:

#### - 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

Refer to Note 5.1 Property, Plant and Equipment.

### Net Gain/(Loss) on Disposal of Non-Financial Assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

	(\$ thousand)	
	2017	2016
Proceeds from disposal of plant, equipment and motor vehicles	24,285	28,430
Written down value of assets sold /(disposed)	(16,638)	(22,013)
<b>Net Gain/(Loss) on Disposal of Non-Financial Assets</b>	<b>7,647</b>	<b>6,417</b>

### 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. Such gain or loss is recognised in Other Economic Flows Included In Net Result.

## 9.3 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 Ministers

<b>Minister for Police</b> Hon. Lisa Neville MP	1 July 2016 to 30 June 2017
<b>Acting Minister for Police</b> Hon. Martin Pakula MP	10 February 2017 to 19 February 2017
<b>Acting Minister for Police</b> Hon. Gavin Jennings MP	1 January 2017 to 8 January 2017

#### Accountable Officers

<b>Chief Commissioner of Police</b> Graham Ashton AM	1 July 2016 to 30 June 2017
<b>Acting Chief Commissioner of Police</b> Shane Patton APM	30 June 2017 to 30 June 2017
<b>Acting Chief Commissioner of Police</b> Wendy Steendam APM	30 March 2017 to 23 April 2017
<b>Acting Chief Commissioner of Police</b> Shane Patton APM	1 July 2016 to 14 July 2016

### 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 \$470,000 and \$479,999 (2016: \$450,000 to \$459,999).

## 9.4 REMUNERATION OF EXECUTIVES

The number of executive officers (other than the Minister, Accountable Officer and Governor-in-Council (GIC) appointees) and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

**a) Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**b) Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**c) Other long-term benefits** include long service leave, other long-service benefit or deferred compensation.

**d) Termination benefits** include termination of employment payments, such as severance packages.

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated and a number of executive officers retired or resigned in the past year. This has had a significant impact on remuneration figures for the termination benefits category.

Remuneration of executive officers (including Key Management Personnel disclosed in Note 9.5 Related Parties and excluding GIC appointees)	Total Remuneration	
	2017	2016 <sup>(a)</sup>
Short-term employee benefits	8,213	-
Post employment benefits	-	-
Other long term benefits	214	-
Termination benefits	-	-
<b>Total remuneration</b>	<b>8,427</b>	<b>-</b>
<b>Total number of executives <sup>(b)</sup></b>	<b>41</b>	<b>-</b>
<b>Total annualised employee equivalent <sup>(c)</sup></b>	<b>34</b>	<b>-</b>

### Notes:

- (a) No comparatives have been reported because remuneration in the prior year was determined in line with the basis and definition under Financial Reporting Directions 21C (FRD 21C) *Disclosures of responsible persons and executive officers in the financial report*. Remuneration previously excluded non-monetary benefits and comprised of any money, consideration or benefit received or receivable, excluding reimbursement of out-of-pocket expenses, including any amount received or receivable from a related party transaction. Refer to the prior year's financial statements for executive remuneration for the 2015-16 reporting period.
- (b) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (refer to Note 9.5 Related Parties). This number excludes all executives that have been employed during the year including those that have separated employment. The total number of executives as at 30 June 2017 was 36. This excludes GIC appointees.
- (c) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.



## 9.5 RELATED PARTIES

Victoria Police is a wholly owned and controlled entity of the State of Victoria. Related parties of Victoria Police include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities that they have significant influence over); and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

### Significant transactions with government-related entities

Victoria Police received funding and made payments to the Consolidated Fund of \$2.767 million and \$34.662 million respectively.

During the year, Victoria Police incurred the following material government related entity transactions and balances at year-end 30 June 2017:

(\$ thousand)					
Receipts/Receivables		Receipts		Balance Outstanding	
Entity	Nature	Amount	Nature	Amount	
Department of Justice and Regulation	Grants	2,766,807	Receivables	-	
Department of Premier & Cabinet	Trust Receipts	4,098	Receivables	-	
Transport and Accident Commission	Trust Receipts	4,355	Receivables	1,635	
Payments/Liabilities		Payments		Balance Outstanding	
Entity	Nature	Amount	Nature	Amount	
Ambulance Victoria	Air Transport	2,347	Payables	12	
Department of Treasury & Finance	Various Expenses	9,629	Payables	1,476	
Emergency Services Telecommunication Authority	Telecommunications	75,463	Payables	294	
State Revenue Office	Payroll Tax	92,014	Payables	7,253	
VicRoads	Registrations & Records Checks	1,541	Payables	46	
VicFleet Lease Management	Leasing of Motor Vehicles	37,173	Payables	71,108	
Victoria Government Solicitor	Legal Expenses	10,190	Payables	97	
Victoria Institute of Forensic Medicine	Forensic Medical Services	8,136	Payables	1,028	
Victoria Workcover Authority	Insurance	53,119	Payables	-	
VMIA	Insurance	1,676	Payables	-	

## Key Management Personnel

The compensation detailed below only includes salaries and benefits of key management personnel of Victoria Police Executive Command. It excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

	(\$ thousand)	
	Total Remuneration	
	2017	2016 <sup>(a)</sup>
Short-term employee benefits	2,352	-
Post employment benefits	-	-
Other long term benefits	54	-
Termination benefits	-	-
<b>Total remuneration</b>	<b>2,406</b>	-

**Note:**

(a) No comparatives have been reported because remuneration in the prior year was determined in line with the basis and definition of Financial Reporting Directions 21B (FRD 21B) *Disclosures of responsible persons, executive officers and other personnel in the financial report* which has since changed for this financial year.

## Transactions with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with Victoria Police, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

## 9.6 REMUNERATION OF EXTERNAL AUDITORS

	(\$ thousand)	
	2017	2016
<b>Victorian Auditor-General's Office</b>		
Audit of annual financial statements	380	379
Total Auditors Remuneration	<b>380</b>	<b>379</b>

## 9.7 SUBSEQUENT EVENTS

There are no known material subsequent events for the current reporting year.

## 9.8 OTHER ACCOUNTING POLICIES

### 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.

### Contributions by Owners

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owner (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.

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.

### Changes in Accounting Policies

During the financial year, Victoria Police adopted the full disclosure requirements of AASB 124 *Related Parties* following the removal of exemption from such disclosures by not-for-profit entities. Besides this, there has been no other changes in the accounting policies.

## 9.9 AUSTRALIAN ACCOUNTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE

Certain new Australian Accounting Standards (AASs) have been published that are not mandatory for the 30 June 2017 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 2017, the following AASs have been issued by the Australian Accounting Standards Board (AASB) but are 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 January 2018	The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. While there will be no significant impact arising from AASB 9, there will be a change to the way financial instruments are disclosed.
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows: <ul style="list-style-type: none"> <li>- the change in fair value attributable to changes in credit risk is presented in other comprehensive income (OCI); and</li> <li>- other fair value changes are presented in profit or loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.</li> </ul>	1 January 2018	It is expected to have no material impact on the entity as the financial liabilities are recognised at amortised cost.
AASB 2014-1 Amendments to <i>Australian Accounting Standards</i> [Part E <i>Financial Instruments</i> ]	Amends various AASs 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 January 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 2014-7 Amendments to Australian Accounting Standards arising from AASB 9	Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9.	1 January 2018	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 January 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.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	Amends the measurement of trade receivables and the recognition of dividends.	1 January 2017, except amendments to AASB 9 (December 2009) and AASB 9 (December 2010) apply 1 January 2018.	Entities will be required to measure trade receivables that do not have a significant financing component (determined in accordance with AASB 15) at their transaction price (defined in AASB 15). Any impairment losses are accounted for under AASB 9.
AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15	This standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.	1 January 2018	This amending standard will defer the application period of AASB 15 to the 2018–19 reporting period in accordance with the transition requirements.
AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15	This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require: <ul style="list-style-type: none"> <li>- A promise to transfer to a customer a good or service that is 'distinct' to be recognised as a separate performance obligation;</li> <li>- For items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and</li> <li>- For licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access).</li> </ul>	1 January 2018	It is expected to have no material impact on the entity, other than the impact identified in AASB 15.
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1 January 2019	Under AASB 16, there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their balance sheets for all leases. Effectively this means the vast majority of operating leases as defined by the current <i>AASB 16 Leases</i> which currently do not impact the balance sheet will be required to be capitalised on the balance sheet once AASB 16 is adopted, thereby increasing both the assets and liabilities of the entity. From a P&L perspective operating leases are typically expensed on a straight line basis under AASB 16. The new AASB 16 treatment will result in both a depreciation and interest charge impacting on the P&L. Depreciation is likely to be on a straight basis however interest is higher in the initial years. This will have the effect of front loading expenses in the P&L which will reduce over the life of the lease. The financial impact of adopting AASB 16 on Victoria Police has yet to be determined.

## 9.10 GLOSSARY

**Actuarial gains or losses on superannuation defined benefit plans** are changes in the present value of the superannuation defined benefit liability resulting from:

- (a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and
- (b) the effects of changes in actuarial assumptions.

**Administered item** generally refers to Victoria Police lacking the capacity to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

**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.

**Borrowings** refers to interest bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, finance leases and other interest bearing arrangements. Borrowings also include non-interest bearing advances from government that are acquired for policy purposes.

**Capital asset charge** is a charge levied on the written-down value of controlled non-current physical assets in a department's balance sheet which aims to: attribute to agency outputs the opportunity cost of capital used in service delivery; and provide incentives to departments to identify and dispose of underutilised or surplus assets in a timely manner.

**Commitments** include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

**Comprehensive result** is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

**Controlled item** generally refers to the capacity of Victoria Police to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

**Current grants** are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

**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 transaction'.

**Effective interest method** is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

**Employee benefits** expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

**Ex-gratia expenses** mean the voluntary payment of money or other non-monetary benefit (e.g. a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

**Financial asset** is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual 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** is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial liability** is any liability that is:

- (a) a contractual obligation:
  - to deliver cash or another financial asset to another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

**Financial statements** comprise of:

- (a) a comprehensive operating statement for the period;
- (b) a balance sheet as at the end of the period;
- (c) a cash flow statement for the period;
- (d) a statement of changes in equity for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information; and
- (f) comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*.

**Grant expenses and other transfers** are 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.

**General government** sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those that are mainly non-market in nature, those that are largely for collective consumption by the community and those that involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

**Intangible assets** represent identifiable non-monetary assets without physical substance.

**Interest expense** represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings.

**Interest income** includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

**Leases** are rights 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 infrastructure, property, plant and equipment are classified as finance 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.

**Net operating balance** or net result from transactions is a key fiscal aggregate and is revenue 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 result** is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

**Net worth** is calculated as assets less liabilities, which is an economic measure of wealth.

**Non-financial assets** are all assets that are not financial assets. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, cultural and heritage assets, intangibles and biological assets such as commercial forests.

**Non-financial public sector** represents the consolidated transactions and assets and liabilities of the general government and PNFC sectors. In compiling statistics for the non-financial public sector, transactions and debtor/creditor relationships between sub-sectors are eliminated to avoid double counting.

**Operating result** is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

**Other economic flows** included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

**Other economic flows – other comprehensive income** comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

**Payables** includes short and long-term trade debt and accounts payable, grants, taxes and interest payable.

**Receivables** include 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.

**Supplies and services** generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of Victoria Police.

**Taxation** income represents income received from the State's taxpayers and includes:

- (a) payroll tax, land tax and duties levied principally on conveyances and land transfers;
- (b) gambling taxes levied mainly on private lotteries, electronic gaming machines, casino operations and racing;
- (c) insurance duty relating to compulsory third party, life and non-life policies;
- (d) insurance company contributions to fire brigades;
- (e) motor vehicle taxes, including registration fees and duty on registrations and transfers;
- (f) levies (including the environmental levy) on statutory corporations in other sectors of government; and
- (g) other taxes, including landfill levies, licence and concession fees.

**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 into 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.

**Trust Accounts** are separate accounts within the Trust Fund, which contain moneys held on trust or for specific purposes pursuant to section 19 of the FMA.

## 9.11 STYLE CONVENTIONS

**Figures in the tables and in the text have been rounded to the nearest thousand dollars, unless otherwise stated. Discrepancies in tables between totals and sums of components reflect rounding.** Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

- zero or rounded to zero
- (xxx.x) negative numbers
- 200x year period





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**Statement of availability of other information**

Financial Reporting Direction (FRD) 22H 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](http://www.police.vic.gov.au)

Further information may be obtained by writing to:

Chief Commissioner  
GPO Box 913  
Docklands VIC 3008