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# FOREWORD FROM THE ACTING CHIEF COMMISSIONER



In accordance with the *Financial Management Act 1994*, I present the Report of Operations for Victoria Police for the reporting period ending 30 June 2011.

The 2010-11 Victoria Police Annual Report provides a record of performance and achievements against

a range of statutory requirements, as well as the Victoria Police strategic plan – *The Way Ahead 2008-13*, and the Victoria Police *Business Plan 2010-11*.

2010-11 has been an extremely testing and challenging period for Victoria Police. Ongoing media focus on key policing issues such as senior command structures, the management of performance statistics and IT infrastructure placed a great deal of pressure and scrutiny on the organisation and its 15,500 employees which culminated in the initiation of a Special Inquiry into police command (due for report in November 2011).

Despite the challenges presented in 2010-11, we maintained our focus on delivering a safer Victoria for all Victorians – by reducing crime and improving road safety. In the 2010-11 period, the total crime rate, measured as a rate per 100,000 population, has been reduced by a further 3.9 per cent from the 2009-10 rate. This reduction has been driven mainly by decreases in some key categories that affect most Victorians – including public order offences, theft of/from motor vehicles, burglary and property damage offences.

During 2010-11, 293 Victorians were killed on our roads, and a further 5,482 Victorians were seriously injured. This represents a small decrease in fatalities (2.3 per cent) over the 2009-10 period, with serious injuries decreasing by 11.7 per cent. While these decreases are a positive result, there are still too many people being killed or seriously injured on our roads. Victoria Police will continue to work with our road safety partners in ensuring we all play a part in reducing the road toll.

A primary focus in the first six months of 2011 was the commencement of a recruitment and deployment process for an additional 1,700 police and 940 protective service officers (PSOs) by November 2014. The additional personnel will be supported by further improvements in infrastructure, facilities and equipment, which will all contribute to enhanced community safety, especially on our streets and on our public transport network.

Victoria Police also continued to focus on community engagement and improving service delivery, as well as valuing its people by further developing capabilities in the workplace. Independent results tell us that 84.1% of Victorians surveyed report that they have confidence in Victoria Police, and that 84% of all Victorians who have had direct contact with Victoria Police during 2010-11 were satisfied with the service they received. We will continue to work towards improving these results over the next 12 months.

A handwritten signature in blue ink, consisting of stylized, overlapping loops and lines, representing the name Ken Lay.

**Ken Lay APM**  
Acting Chief Commissioner

# 1

## ABOUT VICTORIA POLICE



Victoria Police provides policing services to the Victorian community 24 hours a day, seven days a week, working to keep over 5.4 million Victorians safe.

To achieve this, Acting Chief Commissioner Ken Lay leads a total staff of over 15,500<sup>1</sup> people including police members, public servants, protective service officers, forensic scientists and other specialists.

These people work from more than 500 locations across the state, ensuring that a safe and secure society underpins the economic, cultural and social wellbeing of Victoria.

To deliver policing services to the community, Victoria Police had a budget of approximately \$2.1 billion in 2010-11.

Those policing services include:

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

Effective service delivery is provided through 54 Police Service Areas, divided across four geographic regions – North West Metro, Southern Metro, Eastern and Western. These regions correspond with those of other Victorian government departments, enhancing cross-department service delivery, particularly in the area of emergency management.<sup>2</sup>

Victoria Police operates under the Victorian *Police Regulation Act 1958*.

The Chief Commissioner reports directly to the Minister for Police and Emergency Services, the Hon. Peter Ryan MLA.

## STRATEGIC PRIORITIES

The Victoria Police strategic plan, *The Way Ahead 2008-2013*, nominates three key priorities:

### A Safer Victoria

Crime, public safety and road safety are our focus for delivering a safer Victoria.

### Connecting the Community

Police connect people within and across communities. Victoria Police is often the first point of contact for people in need of help, and connects them with others who can provide ongoing assistance.

### Valuing Our People

Victoria Police values its people and the work they do in providing policing services to the community. The organisation wants its people to be safe, skilled, capable and confident in their roles, professional at leading and influencing change in the community and working effectively within an adaptive and responsive organisation.

## OUR VALUES

The Victoria Police organisational values underpin the culture and behaviour of all staff within our organisation and help us to become a more effective and capable policing service. Our values are:

- **Flexibility** - remain open-minded at all times, be adaptive to change, while welcoming difference and practicing tolerance.
- **Leadership** - be approachable, consistent and committed to, and inspire these 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.
- **Professionalism** - accept responsibility, be accountable to our customers and ourselves. We must communicate honestly, openly and consistently and continually strive for excellence.
- **Respect** - embrace the diversity that exists within our community, valuing opinions while appreciating and acknowledging the efforts of others.
- **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.

<sup>1</sup> See Appendix B for Workforce Statistics showing the composition of Victoria Police staffing.

<sup>2</sup> See map over the page for regional structure and police station locations









# 2

## CORPORATE GOVERNANCE



Victoria Police's corporate governance arrangements are aimed at ensuring an effective and transparent approach to accountability, decision making and performance management.

### CHIEF COMMISSIONER

As at 30 June 2011, Victoria Police was led by the Acting Chief Commissioner of Police, Mr Ken Lay. The Chief Commissioner is responsible to the Minister for Police and Emergency Services, the Hon. Peter Ryan MLA for the overall direction of Victoria Police. Mr. Simon Overland resigned as Chief Commissioner of Victoria Police on 16 June 2011 (effective as of 30 June 2011).

### VICTORIA POLICE EXECUTIVE

The role of the Victoria Police Executive (VPE) is to support the Chief Commissioner in the day to day management of the organisation and acts as its key advisory body on statutory and organisational reform. At 30 June 2011, its membership comprised:

Acting Chief Commissioner, Ken Lay

Deputy Commissioner Regional and Road Policing, Kieran Walshe

Acting Deputy Commissioner Strategy and Organisational Development, Lucinda Nolan

Acting Deputy Commissioner Crime and Operations Support, Tim Cartwright

Executive Director Business Services, Jenny Peachey

Executive Director People, Rebecca Munn

Acting Executive Director Infrastructure and IT, Cliff Owen

Assistant Commissioner, Stephen Fontana

Director Legal Services, Findlay McRae

Acting Director Media and Corporate Communications, Charles Morton

Acting Director Corporate Strategy and Governance, Alison Creighton

Superintendent Shane Patton (Chief of Staff)

### VICTORIA POLICE LEADERSHIP GROUP

The Victoria Police Leadership Group (VPLG) is a high level consultative and information sharing body established for the purpose of providing advice to the VPE on key issues, and ensuring the strategic direction of Victoria Police is responsive to community needs and expectations.

The VPLG also provides an opportunity for executive managers to be briefed on issues and emerging trends affecting the organisation. The 39 members of the VPLG include:

Chief Commissioner of Police (Chair)

Deputy Commissioners

Executive Directors

Assistant Commissioners

All Directors

All Commanders

All EO- 3 level personnel

Chief of Staff

The VPLG meets at least six times each year.

### MANAGEMENT COMMITTEES

At 30 June 2011, Victoria Police's Accountable Officers were supported by three management committees.

- Operations Committee
- Information Management and Information Security Committee
- People Committee

Each management committee is chaired by a member of the VPE who is the Accountable Officer. Each committee has its own charter and terms of reference. The committees meet as required.

During the year under review, the Finance and Investment Committee was disbanded and its key functions were assumed by a VPE Finance Subcommittee.

### EXECUTIVE MANAGEMENT CHANGES IN 2010-11

- Sir Ken Jones resigned as Deputy Commissioner Crime and Operations Support in May 2011, with effect from August 2011.
- Mr Graham Ashton, formerly Director Corporate Strategy and Governance, was appointed Assistant Commissioner Crime in May 2011.
- Ms Nicole McKechnie resigned as Director Media and Corporate Communications, with effect from May 2011.
- Mr Simon Overland resigned as Chief Commissioner on 16 June 2011, with effect from 30 June 2011
- Mr Michael Vanderheide resigned as Executive Director, Infrastructure and IT on 30 June 2011, with effect from 14 July 2011

### VICTORIA POLICE AUDIT AND RISK COMMITTEE

The Chief Commissioner of Police has established the Victoria Police Audit and Risk Committee (VPARC) pursuant to his role as the Accountable Officer. The VPARC operates under a charter that is based on the provisions and intent of the Directions of the Minister for Finance.

The objective of the VPARC is to provide independent assurance and assistance to the Chief Commissioner regarding Victoria Police's financial and organisational risk, control and compliance framework, and its external accountability responsibilities.

Members of the VPARC are:

Mr. Mark Peters (Chair) (Independent)

Mr. Gary Benbow (Independent)

Ms. Barbara McClure (Independent)

Deputy Commissioner Kieran Walshe

Acting Executive Director Cliff Owen

Assistant Commissioner Emmett Dunne

Assistant Commissioner Andrew Crisp

Acting Director Alison Creighton

The Executive Director Business Services, Jenny Peachey, is an ex-officio member of the VPARC in her role as Victoria Police's Chief Financial Officer.

Commander Terry Purton oversees the Secretariat function for the VPARC.

### RISK MANAGEMENT

Victoria Police continues to fulfil its legal obligations under both the *Victorian Managed Insurance Authority Act 1996* and the *Financial Management Act 1994*.

The application of risk management within Victoria Police is becoming more consistent as the organisation works towards developing and embedding an integrated risk and planning culture. Risk management portfolio managers and risk champions have been appointed in each Region and Department and a programmed schedule of training is provided to these people.

A '*Risk and Planning Community of Practice*' has been successfully established and an Integrated Planning Model is being developed. Work continues in both of these areas along with an education and training campaign to enhance the organisation's understanding and practical application of integrating risk into planning.

The Victoria Police Risk Application, *Risk Management Software System (RMSS)* has been upgraded and training has been and will continue to be delivered to key risk managers. This training is intended to build both capability in managing and accessing the application and achieve overall improvement in the organisation's ability to effectively manage risk.

Victoria Police has undergone a Risk Framework Quality Review (RFQR) which is an independent review of the quality, comprehensiveness and maturity of the organisations risk management framework. The RFQR assesses Victoria Police against the Victorian Managed Insurance Authority (VMIA) Risk Management Framework Maturity Model and the requirements of the Australian Standard for Risk Management AS/NZS ISO 31000:2009 (ISO 31000).

Victoria Police is currently rated as 'effective' on the VMIA Risk Management Framework Maturity Model and a number of recommendations emanating from the RFQR will drive the work to further improve and consolidate this rating.

**2010-11 Risk Management Attestation**

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

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



**Ken Lay APM**

Acting Chief Commissioner  
11 August 2011

**GOVERNANCE AND ORGANISATIONAL REVIEWS**

Following a management review of the former Corporate Management Review Division, Victoria Police's internal audit, operations assurance and risk management functions have been restructured.

Operations Assurance is now undertaken by an Inspectorate, which reports directly to the Deputy Commissioners and is based in the State Policing Office.

The risk management functions have been integrated into the Corporate Risk and Planning Unit, in the Governance and Assurance Division, headed by a Commander.

Two external companies were engaged in November 2010 to provide outsourced internal audit services to Victoria Police for three years, with an option for further extension for up to two years. Some in house capabilities to manage the outsourced service providers; conduct a limited number of in house audits to operationally sensitive areas; and perform continuous auditing have been retained in the Governance and Assurance Division

**CONTINUOUS AUDITING**

In 2010-11, Victoria Police's internal audit resources focused on enhancing its Continuous Auditing capability. Continuous Auditing Programs (CAPs) are used to provide a data assurance and control monitoring service to management. CAPs are predefined audit tests, automated as well as manual, designed to provide assurance on subject matters identified and agreed with management. CAPs test transactions that occur within a short period of time of events underlying the subject matter. There are currently six CAPs modules focusing on the following auditable areas:

- Accounts Payable
- HR and Payroll;
- Purchasing Cards;
- System User Activities;
- System User Admin; and
- Operational Data Quality.



### AUDIT MANAGEMENT SYSTEM

In March 2011, Victoria Police implemented an application which is an audit management system that allows for the integration of:

- Audit risk assessment application
- Audit planning/scheduling;
- Electronic audit working paper; and
- Recommendation tracking

This is being used to centrally record and monitor recommendations arising from internal audits, as well as reviews conducted by external agencies, such as the Commissioner for Law Enforcement Data Security, Ombudsman, Office of Police Integrity and Victorian Auditor-General's Office. The recommendations are assigned to issue owners through a web based interface that enables them to update the implementation status online. The status of recommendations is reported to the VPE and VPARC on a regular basis.

### EXTERNAL REVIEWS

#### Special Inquiry

In May 2011, in accordance with section 52 of the *Public Administration Act 2004*, the Victorian Government moved to establish a review into the administration of the senior command structure of Victoria Police. Mr Jack Rush QC, a member of the Victorian Bar who served as counsel assisting the recent Victorian Bushfires Royal Commission, was appointed to head the inquiry.

The objective of the review is to identify any shortcomings in that structure and position Victoria Police appropriately for the future.

Under its terms of reference, the review will examine:

- The effectiveness and functions of the senior structure of Victoria Police command;
- The extent to which the senior command structures of Victoria Police provide the future capabilities to deliver best-practice policing; and
- The extent to which Victoria Police has the command management structures to deliver major IT and administrative functions.

The Inquiry is due to report on or before 23 November 2011. A report on the conduct, findings and recommendations of the review will be tabled in Parliament within 30 sitting days of its presentation to Government.

Victoria Police is working with the State Services Authority to ensure the best outcomes for both policing and the community.

### OTHER EXTERNAL AUDITS AND REVIEWS

In 2010-11 the following reports into aspects of Victoria Police performance were published:

#### **Victorian Auditor General's Office (VAGO):**

February 2011 – audit report entitled Construction of Police Stations and Courthouses.

#### **Ombudsman Victoria:**

February 2011 – Investigation into the failure of agencies to manage registered Sex Offenders.

April 2011 – Report into Crime Statistics.

#### **Office of Police Integrity:**

October 2010 – Managing conflict of interest in Victoria Police.

May 2011 – Report of investigation into Victoria Police crime records and Statistical Reporting.

June 2011 – Review of the investigative process following a death associated with police contact.

June 2011 – Improving Victoria police discipline and complaint handling systems. A progress report.

#### **Commissioner for Law Enforcement Data Security (CLEDS):**

August 2010 – The Victoria Police case management and intelligence management system. [dated June 2010, but received by Victoria Police in August].

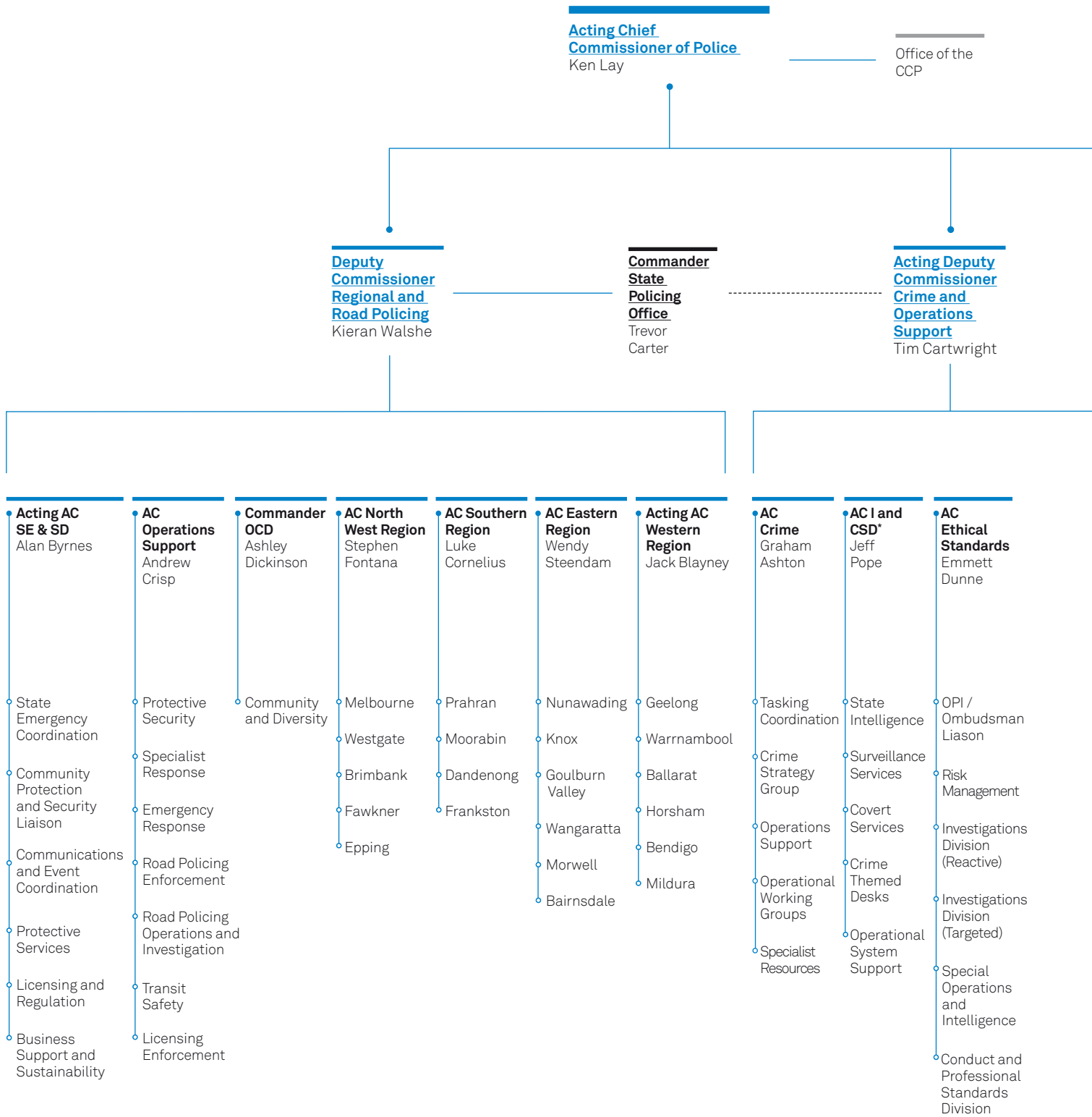
September 2010 – The Victoria Police Statistical Analysis System (SAS).

March 2011 – Review of implementation of CLEDS Report Recommendations – remote and mobile access.

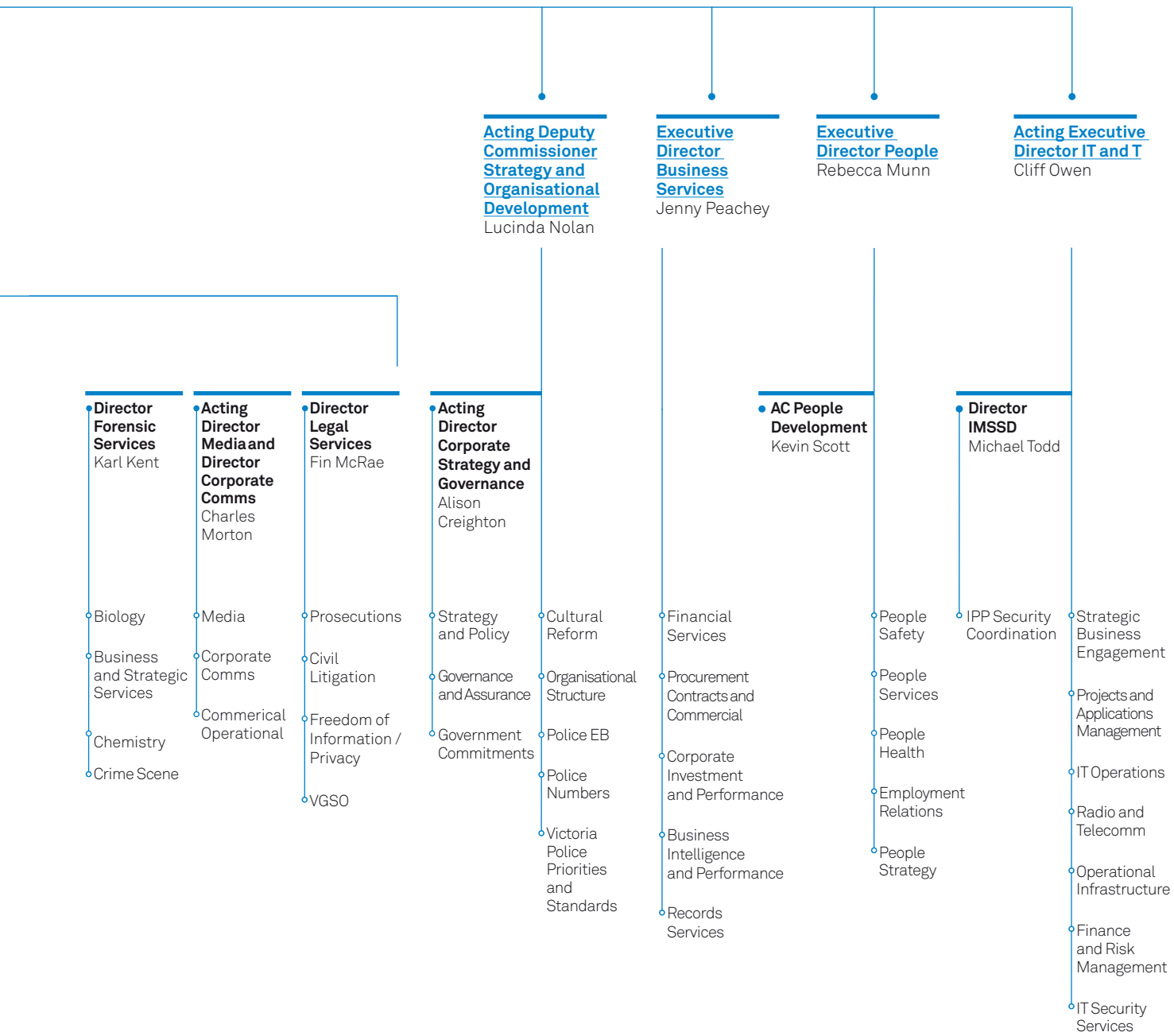
June 2011 – Review of implementation of CLEDS Report Recommendations – security classified law enforcement data.

Victoria Police has reviewed the recommendations from all reports and provided an initial response to the originating agencies. Implementation status and reporting is being managed through a centralised audit management system.





- DC** Deputy Commissioner
- ED** Executive Director
- AC** Assistant Commissioner
- DIR** Director
- PS & CE** Public Safety and Community Engagement
- I & CSD** Intelligence and Covert Support Division
- OCD** Operations Coordination Department
- IMS & S** Information Management Standards and Security
- SE & SD** State Emergencies and Securities Department
- VGSO** Victorian Government Solicitors Office (VGSO is a non- Victoria Police body)



# 3

## OUR PERFORMANCE



### PERFORMANCE FRAMEWORK

Victoria Police has an integrated planning and reporting framework which enables us to maintain focus on achieving our strategic priorities. *The Way Ahead 2008-2013* has set the strategic goals and priorities for the five year period and is focussed around three key priorities:

- A Safer Victoria;
- Connecting the Community; and
- Valuing our People.

The Victoria Police *Business Plan 2010-11* underpinned the priorities identified in *The Way Ahead* and reflected the organisation's commitments to government for the 12 month period, in terms of what would be delivered, how it would be delivered and the cost of delivery.

This chapter provides a report against the objectives and targets from *The Way Ahead* which is now three years into its five year life. It provides a report against the key performance measures in the annual *Business Plan*. It also provides additional data and information relating to Victoria Police crime statistics, as well as the contextual information which aids the interpretation of the numbers.

### KEY RESULTS: THE WAY AHEAD 2008-2013

#### A SAFER VICTORIA

Crime, public safety and road safety are our focus for delivering a safer Victoria. Over the life of *The Way Ahead*, Victoria Police has committed to:

- Reducing crime by 12 per cent; and
- Reducing deaths and serious injuries on our roads in accordance with the *arrive alive! 2008-2017 Road Safety Strategy*.

#### 1. Reducing crime

At the end of 2010-11, the total crime rate was 6,428.7 offences per 100,000 population. This represents a decrease of 3.9 per cent over the rate of 6,691.1 per 100,000 population at 30 June 2010.

The reduction in the crime rate is largely attributable to continued significant decreases in property related offences: arson was down 6.2 per cent, burglaries were down 9.5 per cent; theft of motor vehicles offences were down 6.1 per cent; with theft from motor vehicles, shop stealing, and theft of bicycle offences all down for the 2010-11 period.

The Code of Practice for the Investigation of Family Violence continues to support victims of family violence, with a 31.0 per cent increase in the number of Assault offences recorded which arose from police attendance at Family Violence Incidents. This should be viewed as a positive result, as it indicates greater confidence and willingness on the part of victims to report such incidents. A total of 29.8 per cent of all Assault offences recorded arose from Family Violence Incidents, up from the 25.1 per cent recorded at the same time in 2009-10. In addition, family violence related property damage offences rose 35.1 per cent (6.65% of all property damage offences).

In number terms, assault offences constituted over 76 per cent of all crime against the person and 10.3 per cent of total crime for 2010-11. There was an overall increase in the rate of assaults per 100,000 population of 3.7 per cent.

Table 1 below provides detailed comparison of results in all crime categories (comparing results in 2009-10 with those for 2010-11). In line with a Recommendation from the Parliamentary Public Accounts and Estimates Committee (PAEC), those results are shown as both the number of offences and as a rate per 100,000 population.

**TABLE 1. TOTAL CRIME STATISTICS****OVERVIEW OF OFFENCES – 2010-11 compared with 2009-10  
(RECORDED CRIME AND OFFENCE RATE PER 100,000 POPULATION)**

Offence	Number of Offences			Rate per 100,000 population		
	2009-10	2010-11	% Change (2009-10 to 2010-11)	2009-10	2010-11	% Change (2009-10 to 2010-11)
Homicide	206	152	-26.2	3.7	2.7	-27.3
Rape	1671	1826	9.3	30.4	32.7	7.7
Sex (non-Rape)	5421	5735	5.8	98.6	102.7	4.2
Robbery	3099	3347	8.0	56.3	59.9	6.3
Assault	35102	36962	5.3	638.1	661.7	3.7
Abduction / Kidnap	427	489	14.5	7.8	8.8	12.8
<b>Crimes Against the Person</b>	<b>45925</b>	<b>48511</b>	<b>5.6</b>	<b>835</b>	<b>868.5</b>	<b>4.0</b>
Arson	3032	2890	-4.7	55.1	51.7	-6.2
Property Damage	52327	48102	-8.1	952.4	861.2	-9.6
Burglary (Aggravated)	2178	2151	-1.2	39.6	38.5	-2.8
Burglary (Residential)	27341	27531	0.7	497.5	492.9	-0.9
Burglary (Other)	16238	14918	-8.1	295.2	267.1	-9.5
Deception	19326	19616	1.5	351.1	351.2	0.0
Handle Stolen Goods	5895	5616	-4.7	107.1	100.5	-6.2
Theft from motor vehicle	45451	44660	-1.7	825.7	799.6	-3.2
Theft (Shopsteal)	21451	20413	-4.8	390.2	365.5	-6.3
Theft of motor vehicle	15068	14370	-4.6	274.1	257.3	-6.1
Theft of bicycle	4395	4025	-8.4	79.9	72.1	-9.8
Theft (Other)	48552	48125	-0.9	882.5	861.5	-2.4
<b>Crimes Against Property</b>	<b>261254</b>	<b>252417</b>	<b>-3.4</b>	<b>4750.4</b>	<b>4519.1</b>	<b>-4.9</b>
Drug (Culture, Manufacture, Traffic)	4471	4153	-7.1	81.4	74.4	-8.6
Drug (Possess, Use)	10188	10636	4.4	185.2	190.4	2.8
<b>Drugs</b>	<b>14659</b>	<b>14789</b>	<b>0.9</b>	<b>266.6</b>	<b>264.8</b>	<b>-0.7</b>
Going Equipped to Steal	555	397	-28.5	10.1	7.1	-29.6
Justice Procedures	19568	19763	1.0	355.8	353.8	-0.6
Regulated Public Order	1979	1291	-34.8	36.0	23.1	-35.8
Weapons / Explosives	6869	6852	-0.2	124.8	122.7	-1.7
Harassment	2935	2897	-1.3	53.4	51.9	-2.8
Behaviour in Public	8306	6850	-17.5	151.0	122.6	-18.8
Other	5945	5312	-10.6	108.1	95.1	-12.0
<b>Other Crime</b>	<b>46157</b>	<b>43362</b>	<b>-6.1</b>	<b>839.2</b>	<b>776.3</b>	<b>-7.5</b>
<b>Total</b>	<b>367995</b>	<b>359079</b>	<b>-2.4</b>	<b>6691.1</b>	<b>6428.7</b>	<b>-3.9</b>

**TABLE 2 . FIVE YEAR TRENDS IN KEY CRIME CATEGORIES**

	2006-07	2007-08	2008-09	2009-10	2010-11	% Change 2006-07 to 2010-11
<b>Crimes Against the Person</b>	42138	42947	44124	45924	48511	15.1
Assault	31020	31284	33691	35102	36962	19.1
<b>Crimes Against Property</b>	281123	281134	279969	261254	252417	-10.2
Theft of Motor Vehicle	17986	18008	15982	15068	14370	-20.1
Theft from Motor Vehicle	46497	52178	47480	45451	44660	-3.9
Burglary (Residential)	29555	28817	28029	27341	27531	-6.8
<b>Property Damage</b>	52482	52972	54157	52327	48102	-8.3

**Note:**

Results for 2009-10 and 2010-11 in Table 2 were extracted from LEAP database on 20 July 2011, to ensure consistency with Table 1, above. Results downloaded on a different date will be subject to variation.

**FAMILY VIOLENCE**

Responding to family violence and violence against women and children is a key priority for Victoria Police and is one of the areas where increases in crime statistics are considered a positive. Increased reporting signifies that community members have increasing confidence to report family violence to police.

The Code of Practice for the Investigation of Family Violence (CoPIFV) was introduced in August 2004, as one of a number of initiatives designed to enhance police responses to family violence. The CoPIFV ensures a greater focus on evidence gathering, investigation and laying of charges where appropriate and has led to significant improvement in the way in which Victoria Police responds to family violence. It was reviewed and revised in December 2010.

**TABLE 3. FAMILY VIOLENCE STATISTICS**

Family Violence Incidents (FVI)	2006-07	2007-08	2008-09	2009-10	2010-11	% change 2006-07 to 2010-11
FVI Attended	29652	31676	33896	35720	40895	37.9
Number of FVI where charges laid as a result of police attendance	7444	7612	8332	9082	10350	39.0
Percentage of FVI where charges laid	25.1	24.0	24.6	25.4	25.3	0.2

## 2. Reducing deaths and serious injuries on our roads

During 2010-11, Victoria Police continued its commitment to working with its road safety partners to reduce collisions on our roads, particularly those that result in death or serious injury. In accordance with government road safety strategy *arrive alive! 2008-2017*, Victoria Police focused on tactical road traffic law enforcement operations and on improving communications with road users regarding road safety.

At the end of the financial year 2010-11, road deaths had been reduced by 2.9 per cent and serious injuries by 18.6 per cent in comparison with the same time in 2008-09. Over the single financial year 2009-10 to 2010-11, road deaths reduced by 2.3 per cent and serious injuries by 11.7 per cent compared to the same time in the previous year.

**TABLE 4. ROAD SAFETY STATISTICS**

	2008-09	2009-10	2010-11	% change (2008-09 to 2010-11)
Fatalities	302	300	293	-2.9
Serious Injuries	6736	6209	5482 <sup>[2]</sup>	-18.6

### Notes:

1. Data in Table 4 was correct at date of download (6 July 2011). Data downloaded on a different date may reflect minor variations.
2. Data relating to Serious Injuries should be regarded as indicative only. A review of all data from the period January 2008 onwards has found that serious injury data has been impacted by technical issues with the database from which it is extracted. At the end of 2010-11, work was continuing on the development of more robust performance indicator data for ongoing reporting.

Road Policing contributors to the toll reduction include initiatives such as:

- Operation RAID which involves Victoria Police participating in a nationally coordinated operation aimed at reducing alcohol impaired driving;
- Operation AEGIS, a state wide road safety operation conducted at key risk times, such as Christmas and Easter. AEGIS involves bringing together a coordinated road policing operation utilising up to 5,000 police members and is conducted for up to 16 days at a time;
- Operation ARDENT which targets Police Service Areas with the highest levels of road trauma;
- Operation ARGUS, delivering high police visibility on key travel routes during holiday periods; and
- Operation Black flag–Yellow flag, targeting motor cycle education and enforcement for riders.



**TABLE 5. ADDITIONAL ROAD POLICING PERFORMANCE INDICATORS UTILISED IN 2010-11**

Indicator	2009-10	2010-11	% change (2009-10 to 2010-11)
Number of vehicles impounded (hoon driving)	3,458	3,473	0.4
Number of drivers, vehicle impounded, 2nd offence	140	349	149.3
* Number of alcohol screening tests administered	1,104,962	1,027,500	-7.0
* Number of drug tests administered	39,675	26,468	-33.3

**Note (\*):**

Actual data for Quarter 4 2010-11 was not available due to Protected Industrial Action. An average result, based on results from the three previous quarters has been used. This estimation process does not, therefore, take account of any special taskings or initiatives undertaken in the 4th quarter 2010-11.

**CONNECTING THE COMMUNITY**

Police are often the first point of contact for people when they need help. When we can, we help straight away and through our partnerships we are able to connect people with community and government organisations who can provide ongoing assistance.

Victoria Police recognises that the community are at the centre of everything we do and that it relies heavily on the support it receives from the community in order to deliver effective policing. It is essential therefore, that the community has confidence in Victoria Police to perform its

role, and that they know Victoria Police will always demonstrate the highest standards of professionalism and ethical behaviour. Victoria Police works closely with the community, helping those in need of assistance and connecting them with others who can provide ongoing support.

Over the life of The Way Ahead, Victoria Police has committed to:

- Improving community confidence in Victoria Police; and
- Increasing satisfaction with the delivery of policing services.

	2009-10 (%)	2010-11 (%)	% change (2009-10 to 2010-11)
Improving Community Confidence in Police <sup>[1]</sup>	81.9	84.1	2.2
Satisfaction with service received from police during most recent contact <sup>[2]</sup>	83.6	84.0	0.4
General satisfaction with services provided by Victoria Police <sup>[3]</sup>	65.4	73.0	7.6

**Notes:**

All results are measured through by the independently conducted National Survey of Community Satisfaction with Policing.

1. reporting the proportion of respondents who Strongly Agreed/Agreed that they had confidence in police

2. reporting the proportion of respondents who had business contact with Victoria Police in the previous 12 months and were Very Satisfied/Satisfied with the service they received from police during that contact

3. reporting the proportion of respondents who were Very Satisfied/Satisfied with the performance of Victoria Police in general.

## 1. Improving Community Confidence

Victoria Police aims to improve community confidence by increasing community engagement to improve safety and confidence and by enhancing organisational capacity for policing diverse communities, including youth, multicultural and marginalised groups. In 2010-11, Victoria Police continued to support local communities, building on the results achieved through our existing partnerships and examining opportunities for further engagement that contribute to community strengthening and resilience.

Chapter 5 of this Annual Report explores and demonstrates Victoria Police's engagement with and initiatives in some of Victoria's diverse communities.

For the financial year 2010-11, Confidence in Police increased by 2.2 per cent to 84.1 per cent. Despite the increase, 'Confidence' levels for Victoria Police are still slightly below the national average result of 85.2 per cent.

## 2. Increasing Satisfaction with Police Services

Victoria Police works to increase satisfaction with police services by developing service strategies tailored to the needs of local communities. We monitor the community's perceptions of crime and safety issues at the local level and also its satisfaction with the delivery of policing services to address identified problems.

For the financial year 2010-11, general satisfaction with police services improved 7.6 per cent. Of these respondents who had contact with police in the 12 month reporting period, 84.0 per cent reported they were at least 'satisfied' with the service they received during their most recent contact with Police. This represents a very slight increase of 0.4 per cent from the 83.6 per cent result recorded at the end of 2009-10 and remains significantly above the national average of 82.2 per cent.

## VALUING OUR PEOPLE

Our people are the public face of policing. More than 15,500 people work for Victoria Police, dealing with complex issues and contributing to positive social outcomes. Each year, police deal with millions of people in a wide range of challenging situations. Police members are supported in their roles by public service professionals who work as administrators, managers and specialists in a range of functions such as law, accounting and forensic sciences.

It is important that our people are supported to perform their roles in terms of their health, safety and wellbeing and through the provision of appropriate facilities and equipment. We also continue to ensure that our people are supported by building leadership capability across all levels and creating opportunities for the professional development of our staff.

Over the life of *The Way Ahead*, we will work towards ensuring that:

- The health, safety and wellbeing of our people are improved;
- Our managers are committed to providing ethical, values based leadership and improving organisation performance; and
- Our people know that their skills and experience are valued.

### Improving the health, safety and wellbeing of our people

Our priority during 2010-11 continued to be on improving the health, safety and wellbeing of our people.

Our performance was measured through incremental achievement of the Victoria Police Protecting our People Strategy 2009-2012 objectives of:

- Zero workplace fatalities
- A reduction in workplace injuries
- A reduction in days lost to injury

The table below shows our performance against the targets forecast at the beginning of the year. Additional information on health and safety performance and initiatives and performance is included in Chapter 4 – Our People.

<b>TABLE 7: PERFORMANCE RESULTS – VALUING OUR PEOPLE</b>				
	<b>2010-11 Target *</b>	<b>2010-11 Result</b>	<b>%VARIATION FROM TARGET</b>	<b>2010-11 Result compared to 2009-10</b>
Zero Fatalities	0	0	0%	No change (0 fatalities)
Workplace Injuries	-20%	-7.6%	-12.4%	-14% less injuries
Days Lost to Injury	-20%	-5%	-15%	-3.5% less days lost

**Note:**  
\*target improvement is measured on comparison to the base year figure (2008-09 – Protecting Our People Strategy)

#### **KEY RESULTS: BUSINESS PLAN 2010-11**

Victoria Police delivers a range of services to the community on a daily basis. These services include:

- Responding to calls for assistance in matters of personal and public safety, including emergencies, serious incidents and routine response calls;
- Detecting and investigating offences and bringing to justice those responsible for committing them;
- Supporting the judicial process to achieve efficient and effective court case management;
- Providing community safety and crime prevention programs such as the authorised release of criminal history information in the interests of public safety; and
- Promoting safer road user behaviour and enforcing road safety laws.

In 2010-11, Victoria Police measured the quantity, quality and timeliness of its delivery of policing services through 12 key performance indicators. A summary of those indicators and results for 2010-11 appears in Table 8 below.

**TABLE 8: OUTPUT RESULTS REPORTED TO GOVERNMENT AT 30 JUNE 2011**

Measure	Performance Target	Performance Result	Performance Variation
<b>Quantity</b>			
Reduction in property crime <sup>[1]</sup>	-2%	-3.4%	-1.4%
Reduction in crimes against the person <sup>[2]</sup>	-2%	5.7%	+7.7%
Number of events responded to (metro area and from regional police communication centres) <sup>[3] [13]</sup>	780,000	776,840	-0.4%
Number of crime prevention and community safety checks conducted <sup>[4]</sup>	410,000	493,200	+20.3%
<b>Quality</b>			
Proportion of community satisfied with policing services (general satisfaction) <sup>[5]</sup>	66%	73.0%	+7.0%
Proportion of the community who have confidence in police <sup>[6]</sup>	82%	84.1%	+2.1%
Proportion of drivers tested who comply with alcohol limits <sup>[7] [13]</sup>	99%	99.7%	+0.7%
Proportion of drivers who comply with posted speed limits <sup>[8] [13]</sup>	99%	99.8%	+0.8%
Proportion of drivers tested who return clear result for prohibited drugs <sup>[9] [13]</sup>	97%	97.9%	+0.9%
Proportion of successful prosecution outcomes <sup>[10]</sup>	92%	91.6%	-0.4%
<b>Timeliness</b>			
Proportion of crimes against the person resolved within 30 days <sup>[11]</sup>	56%	53.1%	-2.9%
Proportion of property crimes resolved within 30 days <sup>[12]</sup>	20%	19.7%	-0.3%

**Note:**

<sup>1</sup> Calculated as the number of recorded offences per compared with the result at the same time in the previous year.

<sup>2</sup> Calculated as the number of recorded offences per compared with the result at the same time in the previous year.

<sup>3</sup> Events to which a police response is dispatched.

<sup>4</sup> Includes fee and non-fee based criminal history checks, crime and collision records, licence restorations and external agency referrals.

<sup>5</sup> Community Survey question related to those respondents who are satisfied or very satisfied with policing services in general

<sup>6</sup> Community Survey question related to those respondents who agree or strongly agree that they have confidence in police

<sup>7</sup> Drivers tested, as part of state-wide random/preliminary alcohol screening testing, who comply with blood alcohol content levels.

<sup>8</sup> Vehicles assessed, as part of the state-wide mobile speed camera operations, as travelling within given speed thresholds.

<sup>9</sup> Drivers tested as part of the random drug testing program who return a clear result for prohibited drugs.

<sup>10</sup> Matters listed for a contested hearing that result in a successful prosecution.

<sup>11</sup> Crimes against the person offences resolved or cleared within a 30 day period from the date reported to police.

<sup>12</sup> Property crime offences resolved or cleared within a 30 day period from the date reported to police.

<sup>13</sup> complete/actual data for Qtr 4 is not available in these instances due to Protected Industrial Action undertaken by sworn staff. Therefore, a portion of the result provided is based on an average of the three previous quarters in 2010-11.

**Factors significantly affecting output performance**

The 2010-11 results against output performance indicators have generally been good and within the forecast range of +/- 5 per cent.

This section provides comment on those results which fall outside that forecast range or where performance variation might otherwise be regarded as significant.

**Reduction in crimes against the person**

Assault offences constituted just over 76 per cent of all Crime against the Person and 10.3 per cent of total crime. The increase in Crime against the Person is driven almost entirely by a 5.3 per cent increase in recorded Assault offences. However, it should be noted that Assaults recorded in the context of police attendance at Family Violence Incidents have increased by 31.0 per cent. The results should be viewed in the context of continued improvements in the police response to support victims of family violence - leading to an increase in confidence and willingness on the part of victims to seek assistance from police.

**Crime Prevention and Community Safety Checks Conducted**

The results for this measure are partly demand driven and forecasting that demand has proved challenging. The 2010-11 target was set to reflect a modest increase on the anticipated result of 400,000 for 2009-10. The target for 2010-11 was set well in advance of the final result for 2009-10 (which was 434,171) being available. It was not clear at that stage what impact the three year cyclic Aged Care check requirements, together with newly enacted IVF checking requirements, would have on referral work to Victoria Police.

**Number of events responded to**

Complete data for the fourth quarter was not available due to protected industrial action undertaken by sworn staff. Therefore a portion of the result provided is based on an

**OUTPUT COSTS AND RESOURCE ALLOCATION**

In 2010-11, Victoria Police expended \$1.965.1 million on the delivery of the Policing Services output. This represented a 5.2 per cent increase over the 2009-10 total of \$1.858.7 million.

The table below provides a summary of comparative financial results over a five year period.

<b>TABLE 9. FIVE YEAR SUMMARY OF FINANCIAL RESULTS</b>					
	<b>2006-07 \$'000</b>	<b>2007-08 \$'000</b>	<b>2008-09 \$'000</b>	<b>2009-10 \$'000</b>	<b>2010-11 \$'000</b>
<b>Total income from transactions</b>	<b>1,583,522</b>	<b>1,676,603</b>	<b>1,784,140</b>	<b>1,859,679</b>	<b>1,972,598</b>
Total expenses from transactions	1,552,817	1,630,431	1,731,520	1,858,714	1,965,125
Net result from transactions	30,705	46,172	52,620	965	7,473
Net result for the period	27,094	45,766	36,373	4,496	13,364
Net cash flow from operating activities	43,932	54,694	54,398	78,793	24,466
<b>Total assets</b>	<b>1,719,746</b>	<b>1,190,259</b>	<b>1,298,833</b>	<b>1,377,255</b>	<b>1,724,695</b>
<b>Total liabilities</b>	<b>510,972</b>	<b>496,927</b>	<b>538,730</b>	<b>555,530</b>	<b>536,638</b>

# 4

## PEOPLE





## CAPACITY

### Recruitment

The government has made a commitment to significantly increase police numbers to maximise the safety and security of all Victorians and to directly address increases in demand for service. Over a four year period, an additional 1700 new police officers and 940 new Protective Services Officers (PSOs) will be deployed within Victoria and these numbers have been boosted by the redeployment of current police positions to the frontline.

Commencing this program of work in 2010-11, Victoria Police undertook the organisation's largest ever recruitment campaign resulting in over 3000 applications being received. Following rigorous selection, training and assessment, 1084 police were sworn in.

A great deal of preparatory work has been undertaken in readiness for successful delivery of the new PSO positions which will be responsible for public safety at railway stations. Victoria Police has led a comprehensive analysis of infrastructure, industrial issues and training requirements based on the new legislative powers and the organisation is now in a strong position to commence recruitment.

### Building Operational Capability and Capacity (BOCC)

The BOCC Project has provided the opportunity to review non operational support functions and redesign specific work group structures to enable sworn police officers to return to the frontline to better support the community. During 2010-11, a total of 154 policing positions have been allocated to uniform, highway patrol and crime investigation units in metropolitan and regional Police Service Areas, as well as the Operations Support Department.

To support the increased operational activity, additional VPS positions have been created while strong VPS recruitment and vacancy management has seen more than 16,500 applications received and processed over the past 12 months for permanent and fixed term positions over 3 months.

### International Deployment

Victoria Police continued to support the Australian Federal Police through a partnership approach which saw up to 40 members performing capacity building and peacekeeping duties in the Solomon Islands and Timor Leste during 2010-2011. Additionally, up to 53 members were deployed at any one time via a secondment model to the AFP Airport Unified Policing unit at Melbourne Airport. By agreement, these deployments will cease by the end of the 2011-12 financial year.

### Diversity

During 2010-11, Victoria Police continued to work in partnership with the diverse Victorian community to encourage applications from Indigenous Australians as well as people from multicultural backgrounds through building of relationships and attendance at a range of career events and meetings statewide. Reflecting the growing diversity of our workforce, 2010-11 saw the introduction of our first official police turban into the police uniform options.



## CAPABILITY

### Recruit Training

To continually develop the skills, capabilities and confidence of our people and support them in performing their roles, our focus during 2010-11 has been on strengthening our operational capability, safety, supervision and leadership.

From 10 January 2011, a revised Recruit and Probationary Constable Training Program, comprising a 33 week curriculum, was introduced, replacing the previous 23 week program. There is a focus on responding to different learning needs with a higher emphasis on cooperative, research and problem based learning, involving recruits being sworn in as probationary constables at the completion of week 12 and being assigned to one of the 83 Dedicated Training Work sites established across the State. Rotation between the academy and the operational environment occurs on four different occasions during the 33 week program. The underpinning philosophy of the new curriculum involves work based learning to enable the members to consolidate their residential learning in a timely manner. The changes have strengthened the quality, readiness and understanding of new members for their role, responsibilities and accountabilities as constables.

To support our learning environment, training facilities at the Victoria Police Academy have been enhanced with significant accommodation improvements and capital works, including a modular complex, operational tactics and safety training area, new state of the art library, information technology laboratory and simulated environments which reflect our operational world.

### Incident Command and Control System (ICCS)

During 2010-11, version 2 of the ICCS training to support our emergency management response was created and successfully delivered to 707 sworn and unsworn employees to enhance responsiveness to the fire season. The ICCS Emergencies handbook was also created to assist staff with Emergency Management roles and structures.

We maintained our focus on operational safety with 9,010 police members attending bi-annual Operational Tactics and Safety Training.

### Equipment

To support and protect operational members, Victoria Police is continuing to introduce new tactical equipment to provide front line police with improved capability and enhanced skills in resolving critical incidents. Major initiatives in 2010-11 included:

- Roll-out of the new integrated operational equipment vest across the organisation which is almost completed.
- Implementation of an extensive training program to support the introduction of the new semi automatic pistols.
- The continuing trial of conducted energy devices (tasers) in pilot areas of Bendigo and Morwell as we await the findings from the Final Evaluation.

### Mentoring Programs

Victoria Police continues to strengthen its leadership and management training.

The highly successful Leadership Mentoring Program has just completed its fourth year, with total participation of 75 Victoria Police leaders at the rank of Inspector through to Deputy Commissioner and VPS equivalents. The program is an innovative partnership development opportunity which has established networks and associations with Rotary International and the Business Community.

### Specialised Training

Promotional programs have been strengthened at Sergeant and Inspector levels, focussing on both command and control elements together with leadership and people management. The reintroduction of the Sergeant's qualification examination has enhanced learning for this key supervisory position.

Specialist skills have also been enhanced through the implementation of a revised delivery methodology for investigator training aimed at recruits through to senior investigators. The Road Policing Investigator's Program has also been developed aimed at enhancing the skills of our people to police our roads and reduce road trauma. Training continues in developing our people to respond to vulnerable persons arising in crisis situations, including an Australian Flexible Training Framework grant for an innovative mental health online training package which was developed and rolled out to selected Victoria Police employees throughout the State.

## SERVICE DELIVERY

### Enterprise Bargaining Agreement

Victoria Police continues bargaining the next EB Agreements for both Police and VPS employees. While the negotiations have not yet concluded for either Agreement, significant progress has been made on the non-wage outcome matters of simplifying the EB Agreement and 'people' processes contained within. Although the main VPS agreement is renegotiated centrally, Victoria Police continues to comment on the position being put forward and in addition, conducts the negotiations on its Agency-specific Appendix.

### HR Systems

2010-11 was a year of bedding in our new electronic human resource management system - HR Assist. This system provides a contemporary, integrated solution to support human resource (HR), payroll, safety, recruitment, business reporting and learning management. HR Assist provides Victoria Police employees with direct access to manage their personal information and training programs and provides managers at all levels with improved management information and reporting capabilities.

During the course of this year, HR Assist has been used to report almost 6,000 safety incidents, process over 13,000 job applications from existing employees, manage the bookings for almost 20,000 internal courses, and process over 85,000 transactions such as leave and staff movements through the self service option.

## SAFETY

### Protecting our People

The second phase of the 'Protecting Our People' health and safety strategy (2009-12) is well underway. Substantial improvement in performance was achieved in the first phase of the strategy and once again this year positive results have been achieved/ are evident.

Key initiatives during 2010-11 were:

- The Victoria Police Executive (VPE) formally relaunched the organisation's commitment to the health, safety and wellbeing of our employees in July 2010. The safety dedicated Compstat forum presented both internal and external ideas with clear accountabilities reinforced for all.

- A safety marketing campaign to further promote health, safety and wellbeing awareness across the organisation has delivered a safety calendar, range of safety posters, regular safety bulletins on key issues and other various communications to all employees.
- Safety and return to work management has been integrated into several promotional training courses.
- The safety management system has been reviewed ready for relaunch with the audit program showing steady improvement in usage and effectiveness.
- An OHS Innovation fund provided through the WorkCover agent has been instrumental in all regions and major departments developing and implementing their own health, safety and wellbeing initiatives. The year proved successful with projects covering stress prevention, a safety coaching program for key managers and development and provision of manual handling equipment.
- A partnership project to address key manual handling risks has commenced with the involvement of WorkSafe, The Police Association and Community and Public Sector Union and the WorkCover agent. Research on risks and consultation has identified solutions ready for implementation.
- Our injury management personnel continued their work with managers and our WorkCover agent to achieve early return to work of our injured employees.
- A new claims and injury management report for senior management developed with the assistance of the WorkCover agent has enabled improved management of return to work of injured employees.

The management of psychological injury is an important health and wellbeing issue. Improved analysis of the results of psychological research and data continues to guide direction for further improvement.

We have continued our focus firstly on eliminating or reducing risk factors; secondly, assisting employees to be more resilient and to manage stress; and finally offering support for employees who become ill.

## OCCUPATIONAL HEALTH AND SAFETY (OHS) PERFORMANCE INDICATORS

VICTORIA POLICE – OHS GOVERNANCE KEY PERFORMANCE INDICATORS (KPIs) 2010-11			
	2008-09	2009-10	2010-11
<b>FTE</b>	13,972	14,381.4	14,995
<b>1. Incidents and hazards</b>			
Number of incidents	3,774	3,356	3,481
Rate of incidents	27.0	23.5	23.2
<b>2. Standardised claims</b>			
Number of standard claims (lodged this year)	715	738	671
Rate of standard claims per 100 FTE's	5.1	5.3	4.5
Number of standard claims (Claims lodged in any year that became standard this year)	717	800	726
<b>3. Lost time standard claims</b>			
Number of Lost Time claims	272	282	288
Rate of Lost Time claims per 100 FTE	1.9	2.0	1.9
<b>4. Number of claims lodged this year that exceeded 13 weeks where a compensation payment was made.</b>	91	90	91
Number of claims that were active this year that exceeded 13 weeks of compensation payments	133	131	143
<b>5. Compensated fatalities</b>	0	0	0
<b>6. Average cost per claims Actual costs</b>	\$6,035	\$6,575	\$7,680
Costs plus estimates	\$41,471	\$42,703	\$70,803
<b>7. Return to work: percentage of claims that have return to work plans</b>	n/a*	n/a*	n/a*

## OCCUPATIONAL HEALTH AND SAFETY (OHS) PERFORMANCE INDICATORS (CONT.)

<p><b>8. Management Commitment</b></p> <p>Evidence of OHS Policy statement; OHS objectives; regular reporting to Senior Management of OHS and OHS plans (signed by CEO or equivalent)</p>	<p>The Victoria Police Safety Management System has been developed and reviewed in consultation with a broad range of stakeholders and has been progressively implemented and communicated across the organisation. A formal audit program enables continuous improvement</p> <hr/> <p>The OHS policy has been endorsed by the Chief Commissioner and distributed for posting on all noticeboards.</p> <hr/> <p><i>Valuing Our People</i>, supported by a specific People Plan is incorporated as a key component of our five year strategic plan, <i>The Way Ahead 2008-2013</i></p> <hr/> <p>The <i>Protecting Our People</i> Strategy is a planned approach to build a safety culture, through seven key enablers, where 'protecting our people' is at the forefront of everything we do.</p> <hr/> <p>Health and Safety activities are integrated into Regional and Department Business Plans.</p> <hr/> <p>OHS objectives are identified from analysis of data and discussion with relevant stakeholders.</p> <hr/> <p>A Safety Accountability framework outlines the roles and responsibilities of our people at all levels and includes KPIs for performance management.</p>
<p><b>9. Management Commitment</b></p> <p>Evidence of OHS criteria in purchasing guidelines (including goods, services and personnel)</p>	<p>Safe-T-Works Management System includes specific procedures for purchasing, contractor management and workplace design. Each of these highlights the need for OHS specifications to be considered as part of the procurement process of goods or services to be used by or for Victoria Police personnel. Clarification of these guidelines and OHS expectations continues with key stakeholders.</p> <hr/> <p>Examples of procurement processes involving OHS consideration in specification development include, but are not limited to; firearms, operational vests, equipment belts, provision of new uniforms, office furniture, major works and OC spray.</p>
<p><b>10. Consultation</b></p> <p>(a) Evidence of agreed structure of Designated Work Groups (DWGs), Health and Safety Representatives (HSRs) and Issue Resolution Procedures (IRPs).</p> <p>(b) Compliance with agreed structure DWGs, HSRs and IRPs</p>	<p>All HSRs and deputy HSRs provided with the opportunity to attend initial and refresher training courses. A preferred supplier panel has been established for this training.</p> <hr/> <p>Issue resolution procedures are actively promoted to address disputes as appropriate.</p> <hr/> <p>Consultation at the local level and beyond has been undertaken with Unions, HSRs and regional/departmental representatives on many specific projects.</p> <p>Examples include: Manual handling workshop, uniform committee; major works and renovations</p>

## OCCUPATIONAL HEALTH AND SAFETY (OHS) PERFORMANCE INDICATORS (CONT.)

<b>11. Risk Management - percentage of internal audits/inspections conducted</b>	<p>Safe-T-Works Safety Management System audit program has continued throughout 2010-11. All audits scheduled in 2010-11 were completed with comprehensive findings presented to management. Support and guidance continues to be provided for the development of action plans.</p> <p>A self assessment tool has been developed and implemented and is a practical tool for audit preparation.</p> <p>Approximately 65-70% of Station Hazards Inspection Checks completed by resident staff.</p>
<b>12. Risk Management – percentage of issues identified and actioned</b> <ul style="list-style-type: none"> <li>• Internal audits</li> <li>• HSR Pins (Access) WorkSafe Notices (Access)</li> <li>• OHS committee Recommendations (Cons)</li> <li>• OHS Projects (Cons)</li> </ul>	<p>All PINS (4 issued) and WorkSafe notices (5 issued) were addressed and complied with satisfactorily.</p> <p>OHS Projects included: Senior Sergeants OHS training; Effective OHS committee training; development of State Policing Operations Centre Safety Fact Sheets; Incident investigation and Analysis package; rollout of safety components of HR Assist system; preparation of submission for harmonised OHS legislation (Act and Regulations); risk assessments for new firearms; uniforms etc, involvement with major works at the Academy and implementation of OHS induction packages.</p>
<b>13. Percentage of Staff and Managers with OHS Training</b> <ul style="list-style-type: none"> <li>• Induction (Policy)</li> <li>• Management Training</li> <li>• Contractors/Temps and Visitors (Checklist – Health – Card with 3 points)</li> </ul>	<p>Safety induction is delivered to all police recruits (100%) in their first weeks of employment. A Health, Safety and Wellbeing online induction program for VPS employees and temps is now in place with 100% of new starters required to complete the intranet based program within 3 months of commencement (2,500 have completed the program to date).</p> <p>Further detailed induction packages have been developed and circulated for stations and departments to use. This also covers contractor induction.</p> <p>Safety training for recruits continues as part of the preliminary training program. Safety training has also been successfully integrated into the Sergeant and Snr Sergeant and Inspector Promotional courses. Working Well-Preventing Stress programs have been developed with implementation across the organisation being positively received</p> <p>OHS specific training for managers has been revised and delivery has commenced.</p>
<b>14. Percentage of HSRs with OHS Training</b> <ul style="list-style-type: none"> <li>• Acceptance of role</li> <li>• Retrain and Refresher</li> </ul>	<p>Relevant training is made available to HSRs and deputies - 98% completed.</p>
<b>15. OHS Survey</b>	<p>The People Matters survey was conducted with the assistance of the State Services Authority in May 2011. The results will inform future planning.</p>

**2010-11 HONOURS AND AWARDS****Australian Police Medal (APM)**

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

Superintendent BULL, Peter Leslie 19166

Assistant Commissioner DUNNE,  
Emmett Mark 19489

Inspector HOCKING, Douglas John 16980

Leading Senior Constable KISSANE,  
John Gerard 24005

Superintendent RYAN, Gerard Joseph 16740

Inspector TALBOT, Michael Graham 22223

Senior Sergeant CAULFIELD, Mark Robert 21878

Superintendent HOLLOWOOD, Paul Stephen 19066

Senior Sergeant McBRIDE, Paul Hilary 17884

Inspector RAYMAKERS, Robert Peter 18969

Senior Sergeant SMITH, Jeffrey Francis 19979

Senior Sergeant SMITH, Valentine 18596

Assistant Commissioner STEENDAM,  
Wendy Maree 24444

**Public Service Medal (PSM)**

*(Awarded in recognition of outstanding public service)*

HINE, Susan VPS2

**Valour Award**

*(Awarded to sworn police employees for a particular incident involving an act that displayed exceptional bravery in extremely perilous circumstances)*

Senior Constable CAINE, Cameron Scott 32039

Senior Constable COLLYER, Peter Lee 23702

Leading Senior Constable DWIGHT,  
Kenneth James 26884

Leading Senior Constable HAMILL,  
Ian Graham 22768

Senior Constable HENRY, Matthew 34519

Sergeant NICHOLS, Lee David 29722

Leading Senior Constable WALKER,  
Andrew Peter 27716

Leading Senior Constable WOOD,  
Roger Leonard 24754

Constable MURPHY, Steven 36154

**Medal for Courage**

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

Senior Constable BARRON, Alexander 34764

Senior Constable CANTY, Bernice Jane 34583

Senior Sergeant HESSE, Mark Douglas 23488

Senior Constable KEMEZYS, Paul 34348

Senior Constable LIDDEL, John Michael 32272

Leading Senior Constable TANIAN, Brett Dale 20701

Leading Senior Constable, TICKELL Gary 28717

Sergeant WILLIAMS, Peter Andrew 22440

Senior Constable BRADLEY, Michelle 33956

Leading Senior Constable HUXTABLE, Ian 28717

Senior Constable WILLIS, Brooke 32678

Constable COLQUHOUN, Luke 36859

Senior Constable GEDIK, Rifat 35480

Sergeant GILLANDERS, Iain 25844

Constable GRELIS, Patrick 35863

Acting Sergeant McCANN, Calum 31221

**Group Citation Medal for Merit**

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

Superintendent BARR, Gavin 16667

Superintendent BULL, Peter 19166

Assistant Commissioner CARTWRIGHT, Tim 18674

Inspector MAHONY, Scott 24650

Inspector MILLETT, Paul 24812

Sergeant BELLION, Peter 25829

Inspector HARMAN, Brett 26706

Senior Sergeant JOHNSTONE, Dale 30018

Senior Sergeant PERRY, Steven 22198

Sergeant RICHARDSON, Paul 26987

Inspector TALBOT, Michael 22223

Inspector WATSON, Dennis 21637

CRAWFORD, Karen VPS

HARTWICH, David VPS6

LAWSON, Margaret VPS

SHAW, Tara VPS6

WILLIAMS, Kirsten VPS5



**Medal for Merit**

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

- Leading Senior Constable BULL, Matthew 27181
- Senior Sergeant SPENCE, Wayne 20491
- Leading Senior Constable WEBB, Geoffrey 31509
- Sergeant ROSS, Marilynn 26191
- Senior Constable ARNELL, Cherie Elise 32543
- Senior Constable CHADWICK, Joshua 32155
- Senior Constable COOPER, Kate 34105
- Senior Constable DAVEY, Cameron 29012
- Senior Constable DENSLEY, Nicholas 32086
- Sergeant FAVRE, Nathan 32358
- Senior Constable FERWERDA, Michael 31421
- Sergeant FISHER, Brent 29235
- Sergeant FITZGERALD, Craig 26134
- Senior Constable HANSEN, Brian 31663
- Sergeant HUNTER, John 30791
- Sergeant KOS, Peter 25592
- Senior Constable McGRATH, Natalie 27621
- Senior Constable MORSE, Sara Anne 31786
- Senior Constable NICHOLSON, Sean 32162
- Senior Sergeant O'CONNELL, Shane 23964
- Sergeant RAINS, Peter 27292
- Senior Constable SIMPSON, Kyle 30229
- Inspector SMITH, Steven Lance 18931
- Sergeant SOLOMON, Solon 21136
- Senior Constable SORDELLO, David 32246
- Senior Constable WILSON, Gary 29879
- Sergeant PICKLES, Leonard 29962
- MILLS, Daniel VPS4

**Citizens Commendations**

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

- JOYCE, Matthew
- JOYCE, Luke
- BRAKE, Philip
- DAHDOUH, Michael

**Department Commendation**

*(provides recognition of exceptional performance or service)*

- Inspector BOYES, Alison 23886
- Sergeant HASSETT, Peter 25686
- Leading Senior Constable JAMES, David (now VPS)
- Superintendent O'NEILL, Christopher 20698
- Sergeant ROSS, Marilynn 26191
- Inspector RYAN, Gavan 21683
- Senior Constable GRAY, Barry 31543
- Senior Constable WEAVER, Glen 29539
- Senior Constable HABBEN, Nigel 28256
- ANGELUCCI, Tina VPS4
- BLAYNEY, Katrina VPS2
- COLLINS, Ashleigh VPS3
- PELL, Vicki VPS3
- WEEKS, Raymond VPS5
- WELSH, Kristy VPS4
- ZALEWSKI, Sue-Ellen VPS7
- TAYLOR, Grant VPS4

**Australian Bravery Award**

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

- Sergeant CLAYTON, Richard 28829 (Group Bravery Citation)
- Sergeant CLAYTON, Richard 28829 (Commendation for Brave Conduct)
- Constable COLE-SURJAN, Jim 35844 (Group Bravery Citation)
- Senior Constable GATHERCOLE, Daniel 34045 (Group Bravery Citation)
- Sergeant JAENSCH, David 29763 (Commendation for Brave Conduct)
- Senior Constable KNIGHT, nee TAHIN Samantha 30456 (Commendation for Brave Conduct)
- Senior Constable SAVAGE, Christian 32338 (Group Bravery Citation)
- Senior Constable SAVAGE, Christian 32338 (Commendation for Brave Conduct)
- Leading Senior TERESELLAS, Mark 25213 Constable (Commendation for Brave Conduct)
- Leading Senior Constable VERBAKEN, Harry 24019 (Bravery Medal)



**Royal Humane Society Awards**

*(Awarded if a person risks their life in saving or attempting to save the life of others)*

Leading Senior Constable DWIGHT, Ken 26884	Silver Medal
Leading Senior Constable HAMILL, Ian Graham 22768	Silver Medal
Leading Senior Constable HAMILTON, Peter 24249	Bronze Medal
Senior Constable HENRY, Matthew 34519	Silver Medal
Sergeant HESSE, Mark Douglas 23488	Certificate of Merit
Senior Constable KENEZYS, Paul 34348	Bronze Medal
Senior Constable LIDDELL, John 32272	Silver Medal
Sergeant NICHOLS, Lee 29722	Silver Medal
Senior Sergeant SPENCE, Wayne 20491	Bronze Medal
Senior Constable SPENCER, Samantha 33968	Bronze Medal
Leading Senior Constable TANIAN, Brett Dale 20701	Silver Medal
Acting Sergeant THOMPSON, Ian 32126	Silver Medal
Leading Senior Constable TICKELL, Gary 28717	Bronze Medal
Leading Senior Constable WALKER, Andrew Peter 27716	Silver Medal
Leading Senior Constable WEBB, Geoffrey 31509	Silver Medal
Sergeant WILLIAMS, Peter 22404	Bronze Medal
Leading Senior Constable WOOD, Roger 24754	Silver Medal
Leading Senior Constable TREGELLAS, Mark Ian 25213	Silver Medal
Senior Constable MACREADIE, Andrew 35195	Bronze Medal

**Victoria Police Star Award**

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

WATERHOUSE, Malcolm 12036
Sergeant SCOTT, Denis 28648
Senior Constable MACDONALD, Rod 18560
Sergeant KAPETANOVSKI, John 17978
Constable NELSON, Victor 5525
Constable PRATT, Michael Kenneth 18182
Senior Sergeant LE GUIER, Robert 17501
Constable SIMON, Michael 35658
Senior Constable THOMLINSON, Dale 29936

# 5

## INITIATIVES AND ACHIEVEMENTS



## OPERATIONS AND EMERGENCY MANAGEMENT INITIATIVES

### Project AIM

The Advancing Investigation Management (AIM) Project was established to improve the way in which investigations are conducted and managed across the organisation. In order to achieve this, there were four main challenges that needed to be addressed:

- Strengthen the organisation's prioritisation and tasking at all levels
- More effectively align our investigative resources
- Better support Frontline managers and members
- Improve investigative skills, processes and leadership

Meeting these challenges will increase public safety and improve justice outcomes in line with the Victorian community's expectations of delivering a safer Victoria.

In February 2010, two divisions (Moorabbin and Fawkner) were selected to participate in a twelve month pilot of AIM. The pilot commenced on 1 July 2010 and was subsequently expanded to include a rural division (Morwell). During the pilot, investigations were completed more quickly, accompanied by an increase in the resolution rate.

Due to the success of the pilot in achieving better performance in the quantity, quality and timeliness of investigations, it is proposed that the AIM model will be progressively rolled out to metropolitan divisions commencing after 1 September 2011.

### UpFront Project

The UpFront initiative aims to reverse engineer frontline operational processes in order to reduce administrative burden for members. This bottom-up continuous improvement mechanism returns capacity back to the front line by streamlining data and form-filling requirements. UpFront projects are underpinned by ideas submitted by police members. UpFront was initially developed as a three-month pilot, but it proved so successful that UpFront has become an ongoing mechanism.

The objectives of the UpFront initiative are:

#### *Short term:*

- To reduce time spent on frontline administrative functions
- To streamline existing frontline policing systems and processes
- To reduce duplication of data capture and collection
- To reduce unnecessary or non police-specific data capture where possible

#### *Medium term:*

- To enhance community engagement and interaction
- To provide greater service delivery capacity to the community
- To enhance employee engagement

#### *Long term:*

- To improve customer satisfaction
- To improve confidence in policing
- To improve organisational health and wellbeing.

Areas where significant streamlining has already occurred include:

- Reduction in the reporting requirements for non-injury collisions
- Upgrading of the Performance Development Assessment (PDA) system to allow for a more intuitive and streamlined process
- Abolition of official police diaries being kept by sergeants
- The introduction of simplified operation orders for small or routine operations within a response zone and not involving members from other agencies or units.

Significant work under the UpFront banner is presently being undertaken on streamlining the Family Violence (L17) form and the process for equipment issue and return.

### **Mercury 2010 – Counter Terrorism Exercise**

The National Counter-Terrorism Committee (NCTC) Mercury series of multi-jurisdictional exercises are designed to develop and/or assist in developing the Australian, State and Territory governments' capability to prepare for, prevent, respond to, and recover from multiple threats and/or acts of terrorism against Australians and Australian interests.

Mercury 10 was the fourth exercise of this type conducted by the NCTC and was aimed at evaluating national counter-terrorism (CT) arrangements. The exercise involved over 3,500 participants in a range of roles across two countries, six jurisdictions and 11 Australian government agencies. The budget supplementation for the exercise was \$3.4 million to cover a coordinated series of activities over two financial years.

Victoria Police was the lead agency for this nationally funded exercise. The Victorian component of Mercury 10 was essentially functional in style, meaning that there was no field-type deployment in Victoria. The benefit of this was that it provided an ideal opportunity for evaluation of key organisational capabilities, including command and control structures and decision-making abilities from Forward Command Post up through the various management structures of Victoria Police, the Victorian Government and partner private sector agencies. Further, this style of exercise proved more cost effective when compared to a full tactical field deployment such as Mercury 2005.

The planning for Mercury 10 extended over some 18 months, with Victoria Police providing the core personnel for exercise planning and writing, with substantial consultation and input from other key participants drawn from both government and private sector agencies.

The Victorian component of Mercury 10 commenced in February 2010 with a 'slow-burn' intelligence feed involving Tasmania and Australian Capital Territory Police.

This phase further built the multi-jurisdictional intelligence picture culminating in the Victorian functional exercise which took place over some 16 hours on 24 August 2010, which was sufficient time to meet the strategic objectives and allow the appointed evaluators' time to examine outputs against those objectives. It consisted of about 750 participants who responded, within their organisational parameters, to notional terrorist threats initially against the Melbourne Central Business District and associated rail and light-rail infrastructure, before culminating in a direct terrorist attack against a regionally located petrochemical plant and adjoining rail infrastructure.

The tactical surveillance phase gave Victoria Police the benefit of trialling, testing and improving functionality of their Police Emergency & Event Command (PEEC) system, both as an exercise management tool and as a critical incident command and control tool for decision makers and for key Emergency Management participants during the August deployment.

Victoria Police took a unique approach to managing the observers' forum by making it an interactive process with forum participants able to observe events unfolding at the forward command post via live streaming. A moderator was used to engage the participants and challenge them as to 'what they would do' in a situation such as this. This style moved away from the traditional 'show and tell' approach to a value driven forum held at the Victoria Police Academy and offers future exercises a different approach to managing observer forums.

The findings and recommendations arising from this exercise will provide the impetus for Victoria to improve its capability within the NCTC framework.

### State Police Operations Centre (SPOC)

During the Black Saturday Bushfire campaign the existing Victoria Police SPOC was found to be an unsuitable facility for police to exercise command and control for a Statewide emergency event. During 2010-11, the facility has undergone significant renovations to increase its size and improve its layout and functionality, resulting in the creation of a modern command and control centre where State Tier Command and Control is exercised from during emergencies and major incidents and events. The Centre went live in August 2010 and was immediately successfully tested during the National Counter Terrorism Mercury 2010 multi-jurisdictional exercise.

Full time specialist positions have also been created to ensure Victoria Police has an ongoing specialist capability for the SPOC and Regional Police Operation Centres. Those staff are responsible for developing and maintaining standards and actively supporting police operations.

The frequency in the use of the SPOC for emergencies and planned events and operations has increased significantly since it went live in August 2010. The SPOC has taken over responsibility for the maintenance of a State-Wide Duty Officer Guide, the State-Wide Duty Officer Roster and has regularly tested guidelines for State Tier Command, Control and Coordination arrangements, during planned and no notice exercises.

The State Emergency Support Centre, which provides an effective facility to support the Chief Commissioner in meeting his obligations pursuant to the *Emergency Management Act 1986*, was also upgraded as part of the SPOC renovations.

### Operation Unite

Operation Unite is a joint initiative of police commissioners from across Australia and New Zealand and is coordinated through the Australia and New Zealand Police Advisory Agency (ANZPAA). It aims to target alcohol fuelled violence and draw attention to the wider implications of alcohol misuse in public, including violence, anti social behaviour, health and injury problems and the subsequent impacts on the community.

Victoria Police undertook policing initiatives under the Operation Unite banner across three weekends in the 2010-11 year.

In September 2010, more than 450 police members were involved in operations focusing on violence and anti-social behaviour in the Melbourne Central Business District (CBD) and in four Police Service Areas with significant entertainment precincts (Moonee Valley, Stonnington, Boroondara and Port Phillip).

The December 2010 initiative involved a total of 1,000 police drawn from the Operations Response Unit, Transit police, local uniformed members, Taskforce Razon [liquor licensing], State Highway Patrol and Water Police. In addition to the Melbourne CBD, a number of regional centres, including Geelong, Ballarat, Bendigo and the Latrobe Valley also saw significant police deployment targeting anti-social behaviour and alcohol fuelled violence.

In May 2011, hundreds of police from across Victoria took part in the biggest ever national 'booze blitz'. Uniformed and plain clothes police patrolled bars, sporting clubs and other licensed venues in the Melbourne CBD, Bendigo, Shepparton, Seymour, Wyndham and Knox, ensuring that all licensing requirements are being met and patrons are behaving appropriately.

### Establishment of the PORT

The Public Order Response Team (PORT) was deployed for the first time during the Queen's Birthday weekend in 2011. The PORT is made up of specially trained and equipped police members from the Operations Response Unit and provides the capacity for a rapid, flexible and appropriate response to large scale public order incidents.

PORT members wear specially designed uniforms and have highly visible police vehicles. They will also provide support to Safe Streets operations, focusing on public order management around licensed venues and will also be on hand to assist with incidents at parties, mass gatherings and demonstrations.



## REDUCING VIOLENCE AGAINST WOMEN AND CHILDREN

### Victoria Police Strategy to Reduce Violence Against Women and Children 2009-2014

Launched by the Chief Commissioner in November 2009, *Living Free from Violence – Upholding the Right: Victoria Police Strategy to Reduce Violence Against Women and Children 2009-2014* demonstrates our commitment to improving responses to victims of family violence, sexual assault and child abuse. The Violence Against Women and Children Steering Committee oversees implementation of the Strategy and includes executive representation from across Victoria Police to ensure the 32 action items we have committed to are realised.

### Preventing Violence Against Women and Children

Victoria Police plays an important role in raising community awareness that violence against women and children is unacceptable. In the past year, Victoria Police has been involved in a range of prevention initiatives including:

- *Not 1 More*, which remembers victims and survivors of family violence and reminds us of the devastating impact of family violence on our community and forms part of White Ribbon Day activities; and
- the EVA (Eliminating Violence Against Women) Media Awards, which honour journalists for excellence in the reporting of violence against women.
- The statewide network of Family Violence Advisors and Family Violence Liaison Officers has been instrumental in ensuring improved community partnerships and increased community confidence in Victoria Police, supporting a proactive prevention approach and encouraging reporting.

### Sexual Offences and Child Abuse Investigation Teams (SOCIT)

The SOCIT model is the creation of specialist units comprising detectives who are highly trained to investigate the complex crimes of sexual assault and child abuse professionally, while responding to victims with the appropriate dignity and respect. The key roles of the SOCITs are to investigate crime, apprehend offenders, work in partnership with other services to ensure an empathetic, professional and comprehensive response to victims of sexual assault and child abuse, and initiate prevention and reduction strategies. In order to move to the specialist model, investigators working in SOCIT units require significant training in the forensic interviewing of both victims and offenders.

The SOCIT Project currently employs two specialist forensic interview advisors who are training police in 'The Whole Story' style of interviewing and investigation, a ground-breaking concept that brings a new level of understanding to educating police members working in the field of sexual assault and child abuse. In addition, SOCIT members are required to undertake detective and forensic investigation training.

The transition to the SOCIT model will conclude in February 2012 at which point there will be 25 units across Victoria. SOCIT Units in Frankston and Mildura are co-located within Multidisciplinary Centres (MDCs), which co-locate police with sexual assault counsellors and child protection workers and have strong links to forensic medical services. Mildura MDC was expanded in 2011 to incorporate child protection workers and a third MDC in Geelong is currently being established.

### Code of Practice for the Investigation of Family Violence

A revised Code of Practice for the Investigation of Family Violence was launched by the Chief Commissioner on 10 December 2010. The revised Code is more internally instructive to police members and increases the accountability of police in responding to and investigating family violence. The revised Code reaffirms the commitment of Victoria Police to taking family violence seriously and acknowledging that it is a core policing responsibility.



### Family Violence Safety Notices

An independent evaluation of the Family Violence Safety Notice (FVSN) pilot, introduced in December 2008 as part of the *Family Violence Protection Act*, found that FVSNs had contributed to an improved Victoria Police after hours response to family violence. The introduction of FVSNs was associated with an increase in the level of civil action when police respond to family violence incidents. The evaluation also found that police felt more empowered to respond to family violence after hours as a result of having FVSNs as an additional civil option. For this reason the evaluation found that FVSNs had been a positive legislative reform and recommended their retention.

On 26 May 2011, the *Family Violence Protection Amendment (Safety Notices) Act 2011* (the Act) was passed by both houses of Parliament. The Act will retain FVSNs, making them a permanent civil option for police to use when responding to family violence after hours.

### Strengthening Risk Management

Victoria Police is committed to taking a leadership role in the integrated family violence reforms. Police have been participating in the whole of government Strengthening Risk Management project for service providers, police and justice workers involved in responding to family violence. As well, the project aims to improve safety outcomes for women and children and increase accountability of men who use violence. This has included development of an agreed minimum level expectation of risk management across the state and the development of a framework and practice guidelines for agencies within and outside the integrated family violence system. This will build on the Family Violence Common Risk Assessment and Risk Management Framework.

### Research Initiatives

Victoria Police, together with a variety of government partners and universities, has been involved in Australian Research Council funded-research projects relating to family violence and sexual assault. These research projects provide valuable information to Victoria Police to enhance our response to these crime themes.

### COMMUNITY ENGAGEMENT

#### Radicalisation, Counter-Radicalisation and De-Radicalisation: Developing a New Understanding of Terrorism in the Australian Context.

This is a four year Australian Research Council linkage research project that is examining the drivers of radicalisation within a Victorian context. It represents Australia's first cross disciplinary study of Islamic extremism. Scholars from political science and psychology, working with state and Commonwealth officers, will measure the relative influence of familial, community, national and international factors in driving radicalisation.

It will do this through three key research areas:

- Examining a local terrorism case study with a view to identifying those forces which led these individuals to become radicalised
- Engaging in a comparative analysis between radicals in Australia, the United Kingdom and Canada, and
- Examining radicalisation and de-radicalisation within the Victorian prison network

It is anticipated that the research outcomes will facilitate government's capacity to design better calibrated, prevention-focussed, counter terrorism measures. The project commenced late in 2009 in partnership involving Victoria Police, Monash University, the Victorian Department of Premier and Cabinet, Corrections Victoria and the Australian Federal Police. The project is running to schedule and within budget. The project team plans to hold an academic forum in 2011-12 to release and discuss its interim research findings.

## SERVICES TO THE ABORIGINAL COMMUNITY

Victoria Police is committed to improving relationships with Aboriginal communities state-wide and building on the great work already undertaken to improve police service delivery and justice outcomes for Victoria's Koori communities and the broader Victoria community. Victoria Police will continue to work with, and seek to increase the positive proactive involvement with Koori communities at the local, regional and state levels to provide the community with a service that is responsive, sensitive and tailored to the communities needs.

The Victoria Police Aboriginal Advisory Unit (AAU) works to support police in understanding the issues that affect Koori communities and to provide support for programs and initiatives across Victoria. Many of the initiatives and programs undertaken during 2010-2011 have been instigated through the many existing relationships and partnerships between local Aboriginal communities and the Victoria Police.

### ACLO Program

The Aboriginal Community Liaison Officer (ACLO) program has continued to evolve since inception. The best practice program has been servicing local communities in Mildura, Warrnambool, Shepparton, Swan Hill, Morwell, Bairnsdale and several metropolitan areas of Melbourne, including Greater Dandenong, Yarra and Darebin.

The program has been instrumental in assisting police to provide a culturally appropriate service to the community and to raise awareness and understanding of the Aboriginal experience from colonisation to present day.

The ACLO program has undergone an evaluation indicating a positive outcome for both police and the Aboriginal community in creating a mutual trust and respect created between police and the Aboriginal community that is directly linked to the program.

### Cultural Awareness Training

Advancements in community engagement with local Koori communities have been achieved across Victoria in 2010/11. Local police across the State have been instrumental in engaging with local communities to improve the awareness and understanding of local community issues.

Cultural awareness training programs have been delivered to police in partnership with local Aboriginal communities in Lakes Entrance, Bairnsdale, Orbost from the Gunai/Kurnai community, Hamilton, Heywood, Portland and Warrnambool from the Gunditjmara community, Shepparton and Echuca from the Yorta Yorta community, Swan Hill from the Wemba Wemba community and in Mildura from the Latje Latje/ Barkinji community.

The AAU has employed a Koori Cultural Respect Officer to oversee the progress of cultural awareness training to police on a statewide basis and has been instrumental in providing training and education to both Police Aboriginal Liaison Officers (PALO) and recruits.

### Victoria Police NAIDOC celebration

The AAU initiated a NAIDOC event in 2010 to commemorate NAIDOC day showing respect to the Koori community and recognising the achievements and contributions of various Aboriginal community members to the Victoria Police.

Victoria Police invited a broad section of the Aboriginal Community to the Victoria Police Centre to show Victoria Police's respect for the Koori community and the contribution some community members have had working alongside police in achieving positive outcomes for both the Aboriginal community and police.

### East Gippsland area

A great community engagement initiative was organised by the local police PALO and ACLO and the community to support Aboriginal people from negative contact with police. The Koori Marshalls program runs during the summer months along the Ninety Mile Beach at Lakes Entrance. Police partner with a Koori community volunteer and patrol the local areas within the town and the beach front and provide assistance to Aboriginal people who may potentially come into contact with police. The program is a joint initiative supporting mutual respect and awareness of police process and procedure and Aboriginal culture.

This program is a sustainable and ongoing program which has had great success in preventing crime and preserving public order, as well as supporting the Aboriginal Justice Agreement (AJA).

### **Aboriginal Community Justice Panels**

The Aboriginal Community Justice Panels (ACJP) consist of voluntary community members, often Elders, who assist police with the welfare needs of Aboriginal people who have been detained or arrested. They also have a broader role in helping to minimise the contact of Aboriginal people in the criminal justice system. Victoria Police provides assistance and support to the ACJP program.

This year the ACJP provided funding for many worthy programs and projects supporting the relationship between the police and the local Aboriginal communities. The ACJP has also supported the delivery of Cultural Awareness Sessions and Diversion and Prevention Programs.

### **Building relationships paddling on the Murray River**

Under the new YMCA banner, the “Blues and Brothers” completed the 2010 Murray River Marathon. The team of 25 Aboriginal youth and Elders, and Victoria Police members from across the State came together to camp and paddle the 404 km stretch of the river together experiencing the challenges of the gruelling event working hand in hand together as a team to build trust and respect. The paddling crews comprised a combination of a police officer and an Aboriginal person. Close relationships and friendships were a result of the experience. The young Koori people achieved leadership and communication skills and improved self esteem by completing the marathon and by relationship building with police during the program.

### **Providing pathways to success - Aboriginal Employment**

In 2010/11 Victoria Police have been active in the attraction and retention of Aboriginal staff. Victoria Police has a plan to support Koori people interested in joining Victoria Police to promote pathways to success and to provide Aboriginal people with the opportunity to improve services to the Aboriginal community from inside the organisation. This plan supports programs through a mentoring process to gain skills and knowledge to enhance employment opportunities, access to educational short courses and services and improve and promote the Victoria Police and the Victorian Emergency Services as employers of choice.

### **Indigenous Community Awareness Campaign**

Based on the successful Indigenous Family Violence and Sexual Assault Public Awareness Campaign undertaken in Mildura, Victoria Police has worked with local communities to support implementation of similar campaigns in Warrnambool, Bairnsdale and Shepparton, with a fifth campaign anticipated in the Grampians. These campaigns provide locally produced community awareness materials that reinforce the message that family violence and sexual abuse are not part of Indigenous culture.

### **Local Indigenous Community Family Violence Protocols Project**

The Koori Family Violence Police Protocols project was an initiative of the Aboriginal Justice Forum supporting goals identified in the Victorian Indigenous Affairs Framework, the Victorian Aboriginal Justice Agreement and Strong Culture, Strong Peoples, Strong Families – the Indigenous 10 year plan. The Aboriginal Family Violence Prevention and Legal Service (FVPLS) has been managing the project, focused on improving the police response to incidents of family violence in three Aboriginal communities – Mildura, Bairnsdale and Darebin - through developing protocols for police investigating incidents of family violence in the Koori community. The Mildura protocol was launched in February 2011 and the Darebin and Bairnsdale protocols will be launched soon.

To ensure relevance and sustainability, it has been important to work cooperatively with local family violence and Aboriginal networks and peak groups and to build on local initiatives and identified needs.

## SERVICES TO MULTICULTURAL COMMUNITIES

### Community Integration Support Program

This is a joint Victoria Police program with Corrections Victoria, the Australian Federal Police, the Islamic Council of Victoria (ICV) and the Australian Multicultural Foundation. The program is directed at Victorian-based Muslim offenders for terrorism related offences. The program provides Islamic awareness sessions to prisoners; re-integration support for those who are nearing release from prison; religious support and mentoring; and post-release, re-integration individual and group social support including family support where appropriate. Continued participation in the program is mandated as part of released prisoners' parole conditions. The program is managed by ICV and reports to a working group and steering committee representing all partner agencies. The program is funded by the National Counter Terrorism Committee and is now in its second year.

### The Victorian Police Multi-Faith Council

The Victoria Police Multi-Faith Council was established in 2005 in response to the increasing role of faith in the community. The major function of the Multi-Faith Council is to strengthen partnerships between police and faith communities.

In September 2010, the Multi-Faith Forum, an initiative of the Multi-Faith Council Action Plan, was convened. Representatives of a broad range of faith communities attended the Forum where they were availed of the opportunity to engage with the council and to discuss and collaboratively develop strategies to address policing issues affecting faith communities.

The findings from the Forum will provide the framework for Multi-Faith Council activities between 2011 and 2013.

### Police and Community Multicultural Advisory Committee (PACMAC)

In its 29th year of operation, PACMAC continues to function as a highly meaningful and effective forum for information exchange between police and culturally linguistically diverse communities. PACMAN is representative of senior police, government and ethnic community stakeholders who meet on a bi monthly basis to address issues of mutual significance. PACMAC has played a key role in the development and support of all Victoria Police's strategic multicultural initiatives, including the Multicultural Liaison Officer network.

PACMAC is also responsible for selecting the recipients of the Police Multicultural Awards, presented annually under the Victorian Government Awards for Excellence in Multicultural Affairs.

### New and Emerging Community Liaison Officer Program

The New and Emerging Community Liaison Officer (NECLO) Program comprises a network of Victoria Police public servants who work in partnership with police officers stationed within metropolitan Melbourne.

During 2010-2011, NECLO activities included: the delivery of family violence information sessions to members of new and emerging communities; educating members of new and emerging communities on the role of police in Victoria; working with operational police and service providers to address community concerns; and brokering relationships between police and new and emerging communities.

### Community Engagement Events

During 2010-2011, the Operations Coordination Department hosted a series of community engagement events to pay homage to, and build upon relationships with, Victoria's diverse multicultural and multi-faith communities. These events included a Jewish community reception; an Ifta dinner (breaking of the fast during the Muslim holy month of Ramadan); a multi-faith reception; and a new and emerging community reception.

An additional community engagement event, known as the Cops and Rabbis Luncheon, was held on 9 December 2010. This annual event was hosted by the Rabbinical Council of Victoria, and attended by over ninety guests, including parliamentarians, community leaders and members of Victoria Police. The event was an opportunity for Jewish religious leaders and Southern Metro Region Police to interact and discuss local community issues in a relaxed and informal environment. The event, which is now in its third year, provides local police with a great understanding of Jewish practices and has played a significant role in strengthening police and Jewish community relationships.

### The Kirpan Card

In July 2009, a legislative amendment was made to section 8B of the Victorian *Control of Weapons Act 1990*, providing an exemption for initiated Sikhs to carry the kirpan in public. The kirpan is a ceremonial sword religiously required to be worn by initiated Sikhs at all times.

To enhance member understanding of the legislation and help instil confidence in the Sikh community, the Whittlesea PSA, with the support of the Multicultural Advisory Unit, has provided the *Kirpan Card*. In January 2011 a copy of the pocket sized card, outlining details of the kirpan exemption, was distributed to every operational police member in Victoria. Cards were additionally distributed to all Victorian Sikh temples to provide initiated Sikhs with a Victoria Police produced and endorsed resource that validates their legal right to carry the kirpan.

The Kirpan Card is regarded by both the Victoria Police and the Sikh community as a highly worthy initiative which has significantly increased police understanding of the kirpan exemption and strengthened police and Sikh community relationships in Victoria. Visits to the Academy by students from the Adult Migrant Education Service (AMES).

The Multicultural Advisory Unit continues to facilitate visits to the Police Academy by AMES students, all of whom are recent arrivals to Australia. Students are taken on a brief tour of the Academy before observing a recruit graduation ceremony. This is a highly valuable initiative that helps to instil confidence in students who in many cases are fearful of police, having fled countries with oppressive regime and entrenched police corruption.

In addition to building trust and allaying fears, it is hoped that the Academy visits will inspire some of the students to consider a career in policing.

## SERVICES TO YOUNG PEOPLE

### Common Referral Practice

Victoria Police has been engaged in the development and rollout of a Youth Referral program across Victoria in seven demonstration sites. The Youth Support Service is funded through the State Government and coordinated by the Department of Human Services Youth Justice Division. Victoria Police is able to refer young people fitting a criteria of 'at risk' to a contracted local service provider for assessment and assistance with identified issues. This early referral program aims to reduce youth entering the criminal justice system.

### Youth and Cultural Awareness Police Training

During the year under review, the Victoria Police Youth Advisory Unit has heavily committed to developing and delivering components of the Cultural Awareness Training for police recruits entering the Police Academy. The training aims to broaden recruits' awareness and improve service delivery for the diverse communities they will be interacting with, in particular the complex needs of young people. Work is also underway in the development of appropriate training for the new Transit Protective Service Officers who will commence training in 2011-12.

### Sudanese Youth Leadership Development Program

The Sudanese Youth Leadership Development Program was developed by a committee of police and community representatives, to enhance relationships between police and Sudanese youth in the Dandenong and Noble Park areas.

The Program, which ran between February and April 2011, entailed a series of 10 weekly sessions that delivered the 15 young male participants, information and training on subjects including, conflict resolution; various leadership styles; the role of police; the art of public speaking; project management; and employment readiness. Upon completion of the Program, a number of the participants involved themselves in local community activities, including organising a sporting clinic for members of culturally and linguistically diverse communities and attending Rotary leadership camps.

The Program has contributed to improved relationships between local Sudanese youth and their elders; and between Sudanese youth and police. For a number of participants, the Program has also ignited genuine interest in pursuing a career in policing.

Plans are now being considered to extend the leadership program to youth from the broad multicultural community.

## HUMAN RIGHTS EDUCATION

### Introductory Human Rights Education (Generalised)

Human Rights Introductory Seminars were conducted across the organisation, being delivered to a range of work units, department and police stations.

The seminars are made relevant and meaningful by using case studies relevant to participants' work area/functions. Case studies are chosen on the basis that they facilitate discussion around the necessary balancing of human rights issues relevant to the situation. Case studies are used to highlight human rights implications in day-to-day policing activities, both operational and non-operational Victoria Police activities.



### **Human Rights Risk Assessment and Good Practice Audit Workshops**

The workshops ran for two hours and enabled work units to assess their own workplace policies, procedures and practices for compliance with International Human Rights Standards for law enforcement. They are also intended to identify key areas of practice where potential human rights risks exist. This is essentially a self-assessment which includes developing redress mechanisms and mitigation strategies.

### **Advanced Human Rights Program (Curtin University/Victoria Police)**

This course is designed to provide hands on experience with problem solving using the human rights framework and tools. At the end of the five day face-to-face attendance the participants have to complete a project that addresses contemporary human rights challenges with force-wide implications. Through this it is expected that the participants will take this as an opportunity to use both the course learnings and their police experience to solve problems. The course will also provide participants with the knowledge and skills to conduct good practice audits, risk assessments and human rights impact assessments in their work area.

A total of four courses were offered during 2010-11. Some of the Projects generated through the Advanced Human Rights Program (Curtin University /Victoria Police) included:

- Counter terrorism policing and human rights (such as the challenges presented by preventative detention and control orders)
- Human Rights Risk Assessment of the Victoria Police Forensic Services Department Management Manual (VPFSDMM)
- Risk assessment on collection and storage and use of information submitted on Field Contacts
- Risk assessment on current processes for reporting historical claims of child abuse and human rights impact assessment of proposed mitigation strategy
- Risk assessment of the way whistleblowers are managed within the organisation and/or an impact assessment of the Whistleblowers legislation

### **Human Rights Lunchtime Seminars**

These have continued to be accessed by staff across Victoria Police. The most recent seminars were:

- Human Rights Framework in Support of Police Operations
- Responding to International Human Rights Expectations: Optional Protocols to the Convention Against Torture, Cruel and Inhuman Treatment (OPCAT)

The seminars give Victoria Police staff an opportunity to gain information on contemporary human rights issues, either identified through trends in questions coming to the Human Rights Unit, or requests through the Human Rights Compliance Advisory Committee.

### **Ongoing practice audits**

In addition to the audits conducted through the Advanced Human Rights Program, support has been provided to different parts of the organisation in measuring human rights compliance of their different practices against International Human Rights Standards for Law Enforcement.

In 2011, each Region was supported in undertaking human rights risk assessments of police interactions with the public, from the point when police detain a person, transport them to the police station, to the point of lodging them into the cells. While there were a number of significant findings, mental health and staff inexperience were the consistent areas that were identified.

The Victorian Government informed Victoria Police and other relevant public authorities of the Australian Government's intention to ratify the United Nations Optional Protocol to the Convention against Torture and other forms of Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT). Two projects were developed to:

- ensure OPCAT compliance and Victoria Police readiness for UN Inspections; and
- ensure compliance with Victoria Police obligations under the *Charter of Human Rights and Responsibilities Act 2006* (the Charter).

Every police station across Victoria Police was assessed for OPCAT compliance, and a report is being compiled.

## MENTAL HEALTH STRATEGY

Victoria Police nominated mental health as an organisational priority and set its strategic direction in *Peace of Mind: Providing policing services to people with, or affected by, mental disorders* in April 2007. The strategic direction involves a range of initiatives designed to:

- Improve the knowledge and information available to police on mental health and disability issues
- Strengthen collaboration between police and with external agencies, and
- Revise the training provided to police

Work has been underway to implement these initiatives involving most areas of the organisation and with the input of external experts. The key initiatives progressed in 2010-2011 are outlined below.

## IMPROVING KNOWLEDGE AND INFORMATION

### Research

Victoria Police has collaborated with a number of academics and service providers to support their research into aspects of police interactions involving people with a mental illness or disability. In the past year, Victoria Police has contributed to research by the Office of the Public Advocate into the role of trained independent third persons in police interviews, who provide support to a person with a cognitive impairment. Victoria Police is also a working party member in regards to risk assessment and referral pathways for youth firesetting in partnership with the Country Fire Authority. The outcomes of these research examples provide evidence of the need to inform operational responses, training and education materials.

In 2010-11, our five-year research collaboration with Monash University and the Victorian Institute of Forensic Mental Health resulted in analysis of police encounters with people experiencing mental disorder; fatal and non-fatal use of force by and against police; criminal offending and severe mental illness; victim experiences with police; police responses to people with an intellectual disability; and the relationship between intellectual disability, criminal offending and victimisation. The outcomes from these research projects include the publication of 19 summary papers on the Victoria Police intranet to raise awareness among police members, revised training curricula and scenario practicals, and planning for specific service responses.

## GUIDANCE

Victoria Police has placed an emphasis on developing guidance and tools to support police members in their application of policy and legislative obligations. The Victorian Auditor-General's Office, in its report on *Responding to Mental Health Crises in the Community* (November 2009), recognised that such guidance is important for quality assurance and risk management as it ensures consistency and certainty of operational practice.

Victoria Police, along with the Department of Health and Ambulance Victoria, has continued to implement the 17 recommendations in the report, including strengthening the two-way communication between the local areas and the corporate management, disseminating good practice models, nominating Mental Health Coordinators to represent police on liaison committees, and standardising liaison committee membership and terms of reference.

Complementing these initiatives was the dissemination in September 2010 of the revised *Department of Health and Victoria Police Protocol for Mental Health*. The Protocol provides frontline health, police and ambulance personnel with clarity about their respective roles and responsibilities when collaborating to respond to the needs of a person with a mental illness. The Protocol also documents the expectations of both organisations in terms of service standards and cooperation. Local areas are currently using the Protocol to re-examine their inter-agency arrangements, identify improvements to processes and undertake joint training.

Victoria Police also contributed to resources developed by external experts to assist police. One such example is the development of a pocket guide by the Commonwealth-funded Mindframe National Media initiative. The guide provides police with quick tips for managing a callout that involves mental illness or a suspected suicide, priority actions, state-specific telephone numbers, and national helpline and crisis counselling numbers. The guide compliments existing *Mindframe* resources for police media units and police members.

## STRENGTHENING INTERNAL AND EXTERNAL COLLABORATION

### Police-Service Sector Partnerships

In January 2011, police in the Moorabbin Police Service Area commenced a 12-month trial of a Police and Community Triage (PACT) team, in partnership with Southern Health. Police can refer consenting individuals to the PACT clinicians, who assess the individual's needs and support them to make contact with the appropriate local health and community services. The trial will be evaluated at its conclusion.

The underlying principle of all three trials is the recognition that police, through their day-to-day duties, are often the first point of contact with people who could benefit from further support and advice by the broader service sector.

Responding effectively and appropriately to the needs of people with a mental illness and who are in crisis or presenting welfare concerns requires a coordinated multidisciplinary response. In 2010-11 Victoria Police trialled several initiatives aimed at facilitating police referrals to health and welfare services. The trial continued of a joint secondary response PACER unit (Police, Ambulance & Crisis Assessment Early Response) in a metropolitan police division. The unit is staffed by a police member and a mental health clinician from Southern Health and provides prompt onsite clinical assessments, referrals to a broad range of services and response plans tailored to the specific needs of the individual. Victoria Police and the Department of Health are evaluating the trial to determine its feasibility and viability.

In October 2010, police in the Melbourne East, Swan Hill and Mildura Police Service Areas commenced a 12-month trial of an electronic support services referral management system through a not for profit organisation, Supportlink. This system enables police members to connect consenting members of the community with a range of local support agencies in a more efficient manner through a single gateway. The trial will be evaluated at its conclusion.

### Service Planning and Development

Victoria Police has actively contributed to planning and development initiatives across the service system. In 2010-11, this involved participating in a Reference Group formed by Centrelink and comprising other Victorian justice and health agencies to progress integrated responses to shared clients. Similarly, Victoria Police is a signatory to the Autism State Plan that commits to introducing a range of improvements to the responses to the needs of people with autism spectrum disorders, which includes our focus on developing autism-specific training and education material for police, in partnership with Autism Victoria.

Victoria Police is also the beneficiary of wide-ranging advice and feedback from external experts on the planning and development of our services. In addition to ongoing input from senior stakeholders via forums such as our Mental Health Strategy Expert Advisory Panel and the Inter-Departmental Liaison Committee, both of which meet quarterly to review service issues and endorse proposed improvements, Victoria Police seeks and receives guidance on specific initiatives. As an example, in 2010-11 research continued on a Victoria Police disability action plan. The ways in which the various forms and levels of disability are relevant for Victoria Police as both a service provider and employer requires the organisation to consult extensively in order to respond appropriately to the identified needs.

## POLICE TRAINING

### Mandatory training

In 2010-11, Victoria Police continued to revise the mental health and disability components of the foundational training provided to police recruits in the Diploma of Public Safety (Policing). The revisions included arranging for individuals with the lived experience to speak to recruits as part of the Community Encounters session, updating the course notes to reflect the advice provided by external experts, strengthening the focus on communication skills and sources of advice, and incorporating tasks to test recruits' application of their learning.

The July-December 2010 cycle of the mandatory two-day refresher Operational Tactics and Safety Training reiterated the key points from the four-hour module on recognising and responding to people in mental health crisis delivered during the January-June 2010 cycle and focused on acute behavioural disturbance. A new module was prepared on responding to people threatening or attempting suicide, for delivery in 2011-12.

Training and education materials were also developed for inclusion in the curriculum for the Protective Service Officers being employed to safeguard transport hubs from 2011-12.

### On-demand training

In recognition that some employees require or seek more in-depth training on specific issues, Victoria Police has been developing a suite of specialist courses that are accessible on an expression of interest basis. Accordingly, over the past year, 132 employees completed the two-day Mental Health First Aid course, which outlines the signs, symptoms and responses to a range of mental health issues, including anxiety, depression, psychosis, substance abuse and suicide. This brings the total number of employees across the state who have voluntarily undertaken this training to 1,410. Additional courses are scheduled for 2011-12, including at least three courses of combined police, ambulance and fire service personnel.

Similarly, the modules relating to mental health and disability in the Human Rights and Policing course run by Victoria Police and the Centre for Human Rights Education at Curtin University were updated over the past year to include case studies and scenarios facilitated by an operational police supervisor.

Victoria Police also arranged for LivingWorks, part of Lifeline to deliver Applied Suicide Intervention Skills Training to 120 Peer Support police members from across the state. The two-day course teaches participants how to recognise the indicators of risk of suicide and how to respond. Additional courses are planned for 2011-12.

### Training development

In September 2010, Victoria Police trialled a four-week online program developed and delivered in partnership with GippsTAFE on Suicide Awareness, Substance Use and Mental Health. Trialled with 20 employees in both rural and metro locations, this initiative reflects an organisational commitment to complementing mandatory training with education options that are accessible and relevant for police, regardless of their role, level of experience and work location.

## PROSECUTIONS

Prosecutions Division provides an independent and professional prosecutions service to the community by supporting judicial and coronial proceedings. The division directly services Magistrates', Children's and Coroners' courts in metropolitan Melbourne and Geelong as well as supporting regional prosecution offices state-wide.

### Introduction of Post Graduate qualifications

In 2010-11, Prosecutions Division embarked on a range of measures to recognise and promote the professionalism of police prosecutors including:

- The establishment of the Graduate Certificate of Public Safety (Police Prosecutions). This is a nationally accredited, two-year, post-graduate qualification that builds on the existing 16-week Prosecutor Training Course. This qualification is open to all Victoria Police prosecutors and articulates with a Bachelor of Laws degree through participating tertiary partners. It is the highest level of formal education offered by Victoria Police to date.
- The development of a Summary Case Conferencing Charter. This was developed in collaboration with key partners in the criminal justice system, and provides an undertaking to the community of guaranteed service levels.

### Improving the Response to Family Violence

In recent years, the number and complexity of family violence matters coming before the courts has increased significantly. To ensure appropriate prosecution services are provided to front-line police, victims and the community, a Civil Advocacy Unit has been established within Prosecutions Division. This newly formed unit utilises legal practitioners as solicitor advocates who specialise in family violence and family law. The Civil Advocacy Unit actively supports the Victoria Police Code of Practice for the Investigation of Family Violence through the provision of increased resources and legal expertise.

### Early Intervention and Case Management

Following a pilot program conducted at Broadmeadows Magistrates' Court in 2010, Prosecutions Division has re-engineered its business practices to incorporate intensive case management of briefs. The Case Management Model focuses on early intervention and resolution of cases from first contact through to finalisation. It also encourages prosecutors to maintain carriage of cases from first contact through to finalisation. The Case Management Model has reduced unnecessary court attendances by police and civilian witnesses, as well as improved stakeholder relationships. Data from 2010-11 shows that Prosecutions Division achieved the following productivity savings through case management:

- Return of more than 20,000 operational police shifts;
- Over 14,000 civilian witness days; and
- More than 21,000 court hours.

The 2010-11 prosecution success rate for matters adjourned for a contested hearing was 92%.

## ETHICS AND INTEGRITY

### Ethical Health Process Review

The Ethical Health Process Review was initiated in 2010 to address concerns with complaint investigation and resolution timeframes; develop an identified need to be more intelligence led; align Ethical Standards Department (ESD) with relevant organisational standards; and address recommendations from the Office of Police Integrity (OPI) regarding restorative justice, contemporary discipline processes, timeliness and complexity.

This review has identified a number of changes that will support Victoria Police's strategy to deliver a safer Victoria. The analysis and research performed during the review incorporated comparative research and analysis across Victoria and other Australian jurisdictions.

The proposed changes are designed to maintain the integrity of Victoria Police through appropriate and timely complaint outcomes and maintain community confidence through increased pro-active and anti-corruption initiatives. Those changes are also designed to demonstrate the value of our people with restorative and developmental approaches to service delivery issues (where appropriate).

The future focus for ethical health is intelligence-led, performance management based, early intervention and contemporary discipline processes.

It is planned to implement changes in the 2011-2012 financial year.

### Operation Barrot

The Operation Barrot taskforce was set up following an audit conducted by the Office of Police Integrity on the Victoria Police email system. This audit identified a number of breaches of the Victoria Police Manual 207-4 (Access, use and management of the e-mail system) by members of the organisation across all Regions.

The taskforce ran for approximately five months and over 200 members, including unsworn staff, were found to be involved in the introduction, distribution and circulation of inappropriate emails. To assess and triage these emails, an Assessment Tool was developed which is now used force-wide. The emails ranged from the "junk" chain type emails, right through to graphic images depicting death and dying and extreme pornography. Videos of cruelty to animals and bestiality were also circulated.

The majority of staff found to have been involved were dealt with through the internal Disciplinary Management Intervention Model.

As a result of the hearings conducted into the more serious level of offending, eight members were dismissed from Victoria Police.

### Investigation Oversight

In 2010-11 the Victoria Police Ethical Standards Department designed and implemented a pilot into a Framework and Guidelines for investigation oversight. This project was undertaken to introduce principles based oversight to ensure the quality and integrity of investigations and to enhance and maintain community confidence.

Victoria Police has a responsibility to ensure that investigations into staff conduct are thorough and consistent with legislation, policies, practices and procedures and provides natural justice and procedural fairness. The project reviewed all existing policy, procedures and practices around the accountabilities surrounding the Ethical Standards Department response to critical incidents, especially those in relation to death or serious injury in police presence. The Framework and Guidelines are designed to complement and reinforce current Victoria Police policies, procedures and guidelines while providing a relevant structure for oversight practices.

The Framework and Guidelines introduce a set of guiding principles for investigators and other staff in the performance of oversight investigations. The objective of these principles is to provide guidance and direction on matters that must be considered throughout the oversight investigation to ensure best practice standards are applied.



The principles are:

- Managing conflict of interest
- Accountability
- Proportionality
- Active and Ongoing Monitoring
- Capability
- Timeliness
- Human Rights
- Organisational Learnings pertaining to the investigation and oversight role
- Inclusiveness and openness with relevant parties.

The role of the oversight investigator in applying these principles is to:

- Ensure the integrity of the investigation is maintained
- Be seen and act as impartial and objective
- Maintain community confidence and engagement
- Uphold the rights and welfare of subject members
- Ensure quality of investigations is in line with oversight principles
- Maintain procedural fairness and natural justice
- Oversight police response holistically
- Ensure accountability and transparency
- Identify and investigate any criminality or breaches of discipline that arise
- Maximise opportunities for improvement through organisational learning

## CORPORATE INITIATIVES

### Priorities and Standards

Victoria Police released its *Priorities and Standards* document to the workforce in April 2011. The document was created to highlight key operational priorities for the next 12 months and inform all staff of our direction, deliverables and expectations. *Priorities and Standards* complements Victoria Police's longer term direction as articulated in its five year strategic plan *The Way Ahead 2008-13*.

There are two elements to Priorities and Standards. The operational priorities have been identified following a state wide strategic assessment which considered all the emerging risks based on contemporary intelligence and community feedback. Through this process, a number of challenging and high risk issues were identified which threaten significant harm to the community. These include the impact of alcohol-fuelled violence, the perception that people are not safe on public transport and the continuing deaths and injuries from crashes on our roads. Based on this comprehensive assessment, Victoria Police's key priorities for 2011-12 are:

- Responding to public safety, especially on public transport
- Reducing and preventing crimes against the person
- Fighting serious crime and organised crime
- Policing our roads
- Responding to incidents and emergencies, and
- Reducing and preventing property crime

These priorities will be used to inform tasking and coordination at state, regional, divisional and local levels, ensuring that all staff concentrate on what is important. The allocation of additional resources to build the capacity of police stations, the introduction of Dedicated Training Workplaces and initiatives like the UpFront Project all have a role to play in service delivery around the priorities.

The second element of the *Priorities and Standards* aims to guide staff through the expected standards of service delivery. It notes that how we deliver policing services to the community is as important as what we deliver. Victoria Police have contact with some four million Victorians every year in a complex and dynamic environment.

The organisation and the community expect that every person, no matter who they are or where they are from, will receive a consistent response from Victoria Police. The service standards provide the guidance to ensure that occurs. The service standards build on the values that underpin the policies, practices and procedures of Victoria Police and are non-negotiable minimum service standards that are expected from every staff member.

### Integrated Statewide Communications Project (ISEC)

This project relates to the consolidation of five rural police communications centres (D24) into a single multi-agency communications centre at Mt Helen, Ballarat; with call taking and despatching services supplied by the Emergency Services Telecommunications Authority (ESTA). The Centre at Ballarat is known as 'BalSecc'.

The rural communications centres will be transitioned to BalSecc in five phases and this project is presently running ahead of schedule and within budget. Approximately 60 police members will be returned to operational duties as a result of the transition of these rural communications centres to BalSecc.

On 8 December 2010, Phase 1 of the project was completed with the successful transition of the former Ballarat D24 to BalSecc. The transition ran smoothly, with a marked improvement noted by police in the quality of radio transmissions and call taking and dispatching services.

Phase Two, involving the transition of the former Bendigo D24 to BalSecc was initially timed to be implemented in April 2012. This was brought forward for implementation to July 2011. The Project Team is currently negotiating with ESTA to bring remaining transitions of rural police communications centres forward.

### Revisiting The Way Ahead

*The Way Ahead 2008-2013* Strategic Plan was launched in 2008, and during 2010-11, we entered the third year of its delivery.

To inform Victoria Police personnel and local communities on the progress of delivery, the Chief Commissioner undertook a series of 'town hall' style workshops throughout 2010-11 in various metropolitan and regional areas. These workshops aimed to:

- inform the public on achievements under the Strategic Plan to date
- to inform and explain our service delivery strategy, and
- obtain feedback from the community that would influence future policing activities.

Hitting the road and meeting with the community face-to-face provides an excellent opportunity for Victoria Police to talk directly with the public about our achievements, and also to address issues and concerns that the public may have.

### New Uniform Concept

In June 2011 Victoria Police released details of a proposed new general duties uniform to its workforce. The new designs are intended to meet the needs of modern policing with greater functionality, integration with equipment, better fit and overall comfort.

Significant consultation has taken place including with the general duties workforce and with textile and clothing industry experts. Advances in fabric technology were subsequently incorporated into the specifications, particularly as they related to cloth 'wickability', heat and moisture management and general robustness. Research was also undertaken with other policing jurisdictions, both in Australia and overseas.

One of the main differences between the existing uniform and the proposed new uniforms is the change from a light to dark blue colour for uniform shirts. This is intended to assist in creating a more consistent and professional appearance. The single block of dark navy also provides superior functionality from an operational perspective and for equipment integration purposes. Additionally, the move is in line with the direction taken by other Australian states.

General duties members' feedback has also led to the following being included into the new uniform designs:

- Longer shirts and pockets for females
- Better placement and functionality of pockets on tactical pants
- Knee padding as required
- Better fit for the male and female form
- Fabric that is cool in summer and warm in winter
- Better integration with equipment, including the thigh holster
- A light and comfortable hat that breathes, and
- Garments specifically designed to be worn under the integrated operational equipment vest

Tender specifications will be released to the market in early August 2011 and it is expected that general duties members will be able to take part in user trials of a new high quality, fit for purpose uniform later in 2011.

# 6

## APPENDICES



## DISCLOSURE INDEX

The Victoria Police Annual Report 2010-11 is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of Victoria Police's compliance with statutory disclosure requirements.

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## DISCLOSURE INDEX

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## WORKFORCE STATISTICS

<b>VICTORIA POLICE HEADCOUNT AND FULL TIME EQUIVALENT NUMBERS OF EMPLOYEES (30/06/2011)</b>		
<b>Rank/Classification</b>	<b>Headcount</b>	<b>Full time equivalent (FTE)</b>
Chief Commissioner	1	1.0
Deputy Commissioner	3	3.0
Assistant Commissioner	10	10.0
Commander	8	8.0
Chief Superintendent	1	1.0
Superintendent	81	81.0
Chief Inspector	5	5.0
Inspector	272	271.8
Senior Sergeant	601	600.0
Sergeant	2053	2032.7
Senior Constable	6732	6464.1
Constable	2426	2419.6
<b>Total Police</b>	<b>12193</b>	<b>11897.2</b>
Recruits in training	271	271.0
<b>Police and Recruits</b>	<b>12464</b>	<b>12168.2</b>
<b>Reservists</b>	<b>8</b>	<b>8.0</b>
<b>Protective Services Officers</b>	<b>146</b>	<b>145.7</b>
<b>Public Servant classification</b>		
Executive Officer EO-1		
Executive Officer EO-2	6	6.0
Executive Officer EO-3	9	9.0
Forensic Officer FO-7	2	2.0
Forensic Officer FO-6	18	17.2
Forensic Officer FO-5	27	24.8
Forensic Officer FO-4	57	50.4
Forensic Officer FO-3	56	55.0
Forensic Officer FO-2	62	58.5
Forensic Officer FO-1	1	1.0
Victorian Public Service Officer VPSG-7	14	13.6
Victorian Public Service Officer VPSG-6	135	133.4
Victorian Public Service Officer VPSG-5	195	190.1
Victorian Public Service Officer VPSG-4	498	460.3
Victorian Public Service Officer VPSG-3	544	526.8
Victorian Public Service Officer VPSG-2	1267	1161.4
Victorian Public Service Officer VPSG-1	46	31.4
<b>Total Public Servants</b>	<b>2937</b>	<b>2740.9</b>
<b>Total Workforce</b>	<b>15555</b>	<b>15062.9</b>

**Notes:**

1. FTE Totals may not tally due to rounding. 2. Includes 67 Federally funded police.

## WORKFORCE STATISTICS

<b>STATUTORY AND NATIONALLY FUNDED BODIES ADMINISTERED BY VICTORIA POLICE HEADCOUNT AND FULL TIME EQUIVALENT NUMBERS OF EMPLOYEES (30/06/2011 )</b>		
<b>Rank/Classification</b>	<b>Headcount</b>	<b>Full time equivalent (FTE)</b>
Executive Officer EO-1	2	1.8
Executive Officer EO-2	2	2.0
Executive Officer EO-3	3	2.8
Forensic Officer FO-7	1	1.0
Forensic Officer FO-6		
Forensic Officer FO-5		
Forensic Officer FO-4	1	0.6
Forensic Officer FO-3		
Forensic Officer FO-2		
Forensic Officer FO-1		
Victorian Public Service Officer VPSG-7	1	1.0
Victorian Public Service Officer VPSG-6	5	4.8
Victorian Public Service Officer VPSG-5	6	6.0
Victorian Public Service Officer VPSG-4	15	14.5
Victorian Public Service Officer VPSG-3	12	11.4
Victorian Public Service Officer VPSG-2	3	3.0
Victorian Public Service Officer VPSG-1		
<b>Total Public Servants</b>	<b>51</b>	<b>48.9</b>

**Notes:**  
1. FTE Totals may not tally due to rounding  
2. Statutory and nationally funded bodies included in the above table: Commissioner for Law Enforcement  
Data Security; Office of the Chief Examiner; Australia New Zealand Policing Advisory Agency, Victoria Police Youth  
Foundation and Police Appeals Board.

## WORKFORCE STATISTICS

FRD29 COMPLIANT VPS NUMBERS IN VICTORIA POLICE AS AT 18/06/2011								
Rank/ Classification	Ongoing		Fixed Term		Casual		TOTAL	
Public Servant classification	Headcount	Full time equivalent (FTE)	Headcount	Full time equivalent (FTE)	Headcount	Full time equivalent (FTE)	Headcount	Full time equivalent (FTE)
Executive Officer EO-1	0	0.00	0	0.00	0	0	0	0.00
Executive Officer EO-2	0	0.00	6	6.00	0	0	6	6.00
Executive Officer EO-3	0	0.00	9	9.00	0	0	9	9.00
Forensic Officer FO-7	2	2.00	0	0.00	0	0	2	2.00
Forensic Officer FO-6	16	15.60	2	1.60	0	0	18	17.20
Forensic Officer FO-5	24	22.23	1	1.00	0	0	25	23.23
Forensic Officer FO-4	54	47.81	0	0.00	0	0	54	47.81
Forensic Officer FO-3	53	52.40	0	0.00	0	0	53	52.40
Forensic Officer FO-2	52	48.46	3	3.00	0	0	55	51.46
Forensic Officer FO-1	0	0.00	1	1.00	0	0	1	1.00
Victorian Public Service Officer VPSG-7	12	11.60	2	2.00	0	0	14	13.60
Victorian Public Service Officer VPSG-6	122	120.90	11	10.48	0	0	133	131.38
Victorian Public Service Officer VPSG-5	175	171.23	14	13.00	0	0	189	184.23
Victorian Public Service Officer VPSG-4	431	411.48	36	34.00	4	0	471	445.48
Victorian Public Service Officer VPSG-3	480	465.20	49	47.60	0	0	529	512.80
Victorian Public Service Officer VPSG-2	1013	941.74	183	174.88	14	0	1210	1116.62
Victorian Public Service Officer VPSG-1	29	27.43	1	1.00	6	0	36	28.43
<b>Total Public Servants</b>	<b>2463</b>	<b>2338.09</b>	<b>318</b>	<b>304.56</b>	<b>24</b>	<b>0</b>	<b>2805</b>	<b>2642.64</b>

## Notes:

1. FTE Totals may not tally due to rounding.
2. As per Department of Treasury and Finance FRD-29.

## WORKFORCE STATISTICS

VICTORIA POLICE EMPLOYEES BY CLASSIFICATION AND GENDER (30-06-2011)						
	Full-Time			Part-Time		
Rank/Classification	M	F	Total	M	F	Total
Chief Commissioner						
Deputy Commissioner						
Assistant Commissioner						
Commander	8		8			
Chief Superintendent	1		1			
Superintendent	74	6	80	1		
Chief Inspector	5		5			
Inspector	249	22	271	1		
Senior Sergeant	541	57	598		3	3
Sergeant	1796	199	1995	27	31	31
Senior Constable	4767	1240	6007	127	598	598
Constable	1588	821	2409		17	17
<b>Total Police</b>	<b>9029</b>	<b>2345</b>	<b>11374</b>	<b>156</b>	<b>649</b>	<b>805</b>
Recruits in training	199	72	271			
<b>Police and Recruits</b>	<b>9228</b>	<b>2417</b>	<b>11645</b>	<b>156</b>	<b>649</b>	<b>805</b>
Reservists	2	6	8			
Protective Services Officers	131	14	145	1		1
Public Servant classification						
EO-1						
EO-2						
EO-3						
FO-7	2		2			
FO-6	10	5	15	1		1
FO-5	13	7	20		6	6
FO-4	18	24	42	2	13	15
FO-3	14	39	53		3	3
FO-2	12	35	47	1	8	9
FO-1						
VPSG-7	9	2	11		1	1
VPSG-6	77	43	120	1	3	4
VPSG-5	91	77	168	1	10	11
VPSG-4	179	207	386	11	47	58
VPSG-3	178	274	452	4	37	41
VPSG-2	187	672	859	2	193	195
VPSG-1	16	12	28	1	3	4
<b>Total Public Servants</b>	<b>806</b>	<b>1397</b>	<b>2203</b>	<b>24</b>	<b>324</b>	<b>348</b>
<b>Total Workforce</b>	<b>10167</b>	<b>3834</b>	<b>14001</b>	<b>181</b>	<b>973</b>	<b>1154</b>

M Male F Female FO Forensic Officer EO Executive Officer VPS Victorian Public Service Officer

Note: Note 1: All public servants within the following statutory and nationally funded bodies are excluded from the above table: Commissioner for Law Enforcement Data Security; Office of the Chief Examiner; Australia New Zealand Policing Advisory Agency; Victoria Police Youth Foundation and Police Appeals Board.

Fixed Term									
Full-Time			Part-Time			Casual			Total Staff
M	F	Total	M	F	Total	M	F	Total	
1		1							1
2	1	3							3
9	1	10							10
									8
									1
									81
									5
									272
									601
									2053
									6732
									2426
<b>12</b>	<b>12</b>	<b>14</b>							<b>12193</b>
									271
<b>12</b>	<b>12</b>	<b>14</b>							<b>12464</b>
									8
									146
4	2	6							6
2	7	9							9
									2
1		1	1		1				18
	1	1							27
									57
									56
1	5	6							62
	1	1							1
2		2							14
4	5	9		2	2				135
7	6	13	2	1	3				195
11	22	33		5	5	3	13	16	498
21	27	48		3	3				544
47	123	170	2	20	22	8	13	21	1267
	1	1				6	7	13	46
<b>100</b>	<b>200</b>	<b>300</b>	<b>5</b>	<b>31</b>	<b>36</b>	<b>17</b>	<b>33</b>	<b>50</b>	<b>2937</b>
<b>112</b>	<b>202</b>	<b>314</b>	<b>5</b>	<b>31</b>	<b>36</b>	<b>17</b>	<b>33</b>	<b>50</b>	<b>15555</b>

Note 2: Includes 67 Federally funded police.

## WORKFORCE STATISTICS

VICTORIA POLICE EMPLOYEES BY CLASSIFICATION AND GENDER (30-06-2011)					
Rank/Classification	Male	Female	Total	Percentage (Male)	Percentage (Female)
Police	9197	2996	12193	75.4%	24.6%
Recruits	199	72	271	73.4%	26.6%
Police & Recruits	9396	3068	12464	75.4%	24.6%
Reservists	2	6	8	25.0%	75.0%
PSO's	132	14	146	90.4%	9.6%
Public Servants	952	1985	2937	32.4%	67.6%
<b>Total Org</b>	<b>10482</b>	<b>5073</b>	<b>15555</b>	<b>67.4%</b>	<b>32.6%</b>

VICTORIA POLICE EMPLOYEES BY EMPLOYEE TYPE AND AGE GROUPING (30/06/2011)						
Age Grouping (Years)	Police	Recruits	Reservists	Protective Services Officers	Public Servants	Total
<25	571	101		3	239	914
25-34	2970	120		23	827	3940
35-44	4626	40		41	645	5352
45-54	3224	10		55	730	4019
55-64	786		5	23	445	1259
65+	16		3	1	51	71
<b>Total Workforce</b>	<b>12193</b>	<b>271</b>	<b>8</b>	<b>146</b>	<b>2937</b>	<b>15555</b>

**Note 1:**

All public servants within the following statutory and nationally funded bodies are excluded from the above table: Commissioner for Law Enforcement Data Security; Office of the Chief Examiner; Australia New Zealand Policing Advisory Agency; Victoria Police Youth Foundation and Police Appeals Board.

**Note 2:**

Includes 67 Federally funded police.



## WORKFORCE STATISTICS

### Selecting on Merit

Exemption from notification of vacancies pursuant to section 20 of the *Public Administration Act 2004*. During 2010-11, the Chief Commissioner approved the exemption of 92 positions from the requirement for advertisement. The breakdown of those exemptions is as follows:

Section 20 Exemptions by Department	
Business Services	8
Infrastructure & IT	14
People	26
Corporate Strategy & Governance	1
State Emergencies & Security	2
Crime	1
Forensic Services	7
Operations Support	14
Media & Corporate Communications	4
Office of the Chief Commissioner	1
Legal Services	1
Intelligence & Covert Support	2
Operations Co-ordination	1
North West Metro Region	1
Southern Metro Region	5
Eastern Region	2
Western Region	2
<b>Total</b>	<b>92</b>

Exemptions by Classifications	
VPSG-6	4
VPSG-5	6
VPSG-4	18
VPSG-3	19
VPSG-2	40
VPSG-1	2
FO-2	3
<b>Total</b>	<b>92</b>

## WORKFORCE STATISTICS

TABLE 1: NUMBER OF EXECUTIVE OFFICERS CLASSIFIED INTO 'ONGOING' AND 'SPECIAL PROJECTS'						
Class	All		Ongoing		Special Projects	
	No.	Var	No.	Var	No.	Var
EO-1	0	0	0	0	0	0
EO-2	6	1	6	1	0	0
EO-3	9	-2	9	-2	0	0
	15	-1	15	-1	0	0

TABLE 2: BREAKDOWN OF EXECUTIVE OFFICERS INTO GENDER FOR 'ONGOING' AND 'SPECIAL PROJECTS'										
Class	Ongoing					Special Projects				
	Male		Female		Vacancies	Male		Female		Vacancies
	No.	Var	No.	Var		No.	Var	No.	Var	
EO-1	0	0	0	0	0	0	0	0	0	0
EO-2	4	1	2	0	0	0	0	0	0	0
EO-3	2	-2	7	0	4	0	0	0	0	0
	6	-1	9	0	4	0	0	0	0	0

TABLE 3: RECONCILIATION OF EXECUTIVE NUMBERS					
			2011	2010	2009
Executives with remuneration over \$100,000			15	16	14
Add	Vacancies (table 2)		4	3	5
	Executives employed with total remuneration below \$100,000		0	0	0
	Accountable Officer (Secretary)				
Less	Separations		4	0	5
<b>Total executive numbers as at 30 June</b>			<b>15</b>	<b>19</b>	<b>14</b>

## Notes:

1. The statutory positions [Chair, Police Appeals Board, the Office of Chief Examiner and the Commissioner for Law Enforcement Data Security] and nationally funded executive positions within Australia New Zealand Policing Advisory Agency have been excluded.
2. This listing of executive numbers only includes Victorian Public Servants and excludes Police Commissioners.

## RESULTS OF DISCIPLINE CHARGES DETERMINED BY HEARING OFFICERS

## Part-1 Full Year 2010-2011

	MEMBERS - CHARGES AND RESULTS OF HEARINGS					
	Discipline Hearings <i>Police Regulation Act 1958 Sec 69</i>		Inquiries Into Convictions <i>Police Regulation Act 1958 Sec 80</i>		Inquiries into Fitness for Duty <i>Police Regulation Act 1958 Sec 82</i>	
	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011
1. Total discipline charges laid against members	106	128**	2	7	0	1
2. Members appearing before a Hearing Officer	98	110	2	7	0	1
3. Members Dismissed from Force	6	10				
4. Members – All Charges Dismissed after a discipline Hearing	6	4				

## Notes:

- A member can be charged with one or more Discipline charges
- \*\* The increase in the number of members charged with Discipline Charges is largely attributed to members investigated as a result of Operation 'Barrot' an inquiry into inappropriate use of the email system
- Statistics for Fitness for Duty hearing were sourced from the Professional Development Unit. The result of the 2010-2011 hearing is not finalised at this time.

## RESULTS OF DISCIPLINE CHARGES DETERMINED BY HEARING OFFICERS

### Part 1- Full Year 2010-2011

RESULT OF HEARINGS								
Hearing Level	Level 1 Superintendent or above		Level 2 Assistant Commissioner or above		Totals			
	2009 -2010	2010 -2011	2009 -2010	2010 -2011	Total 2009 -2010	Percentage 2009-2010	Total 2010 -2011	Percentage 2010-2011
Discipline Charges "Found Proven"	35	28	50	70	85	79%	98	73%
Charge Dismissed	2	1	4	3	6	5%	4	3%
Not Heard members issued with Discipline Charges, (Resigned/Retired prior to Discipline hearing)	1	0	15	33	16	15%	33	24%
Withdrawn	1	0	0	0	1	1%	0	0%
<b>Total Charges</b>	<b>39</b>	<b>29</b>	<b>69</b>	<b>106</b>	<b>108</b>	<b>100%</b>	<b>135</b>	<b>100%</b>

**Notes:**

- Table include public complaints and internally initiated investigations. Data relates to action taken during the relevant year notwithstanding the year in which the public complaint / internal discipline matter was received.
- The increase in the number of members dismissed is largely attributed to members dismissed as a result of (Operation 'Barrot') an inquiry into inappropriate use of the e-mail system.
- Result of Hearing table includes all Discipline and Inquiries into Convictions. Fitness for Duty matter not included; result pending

## REVIEW OF SANCTIONS RESULTING FROM COMPLAINT FILES

### Part 2 - 01 July 2009 to 30 June 2010 Part-II

	Number of Sanctions Reviewed		Review Result		
			Sanction Affirmed	Sanction Withdrawn	Sanction Varied
Admonishment Notice		4	0	4	4
Discipline Charge (s.76 Police Regulation Act)	PAB	10	9	1	1
	DC	0	0	0	0
Discipline Inquiry (s.80 Police Regulation Act)	PAB	1	1	0	0
	DC	0	0	0	0

**Notes:**

- 4 Admonishment Notices withdrawn and members formally counselled.

## REVIEW OF SANCTIONS RESULTING FROM COMPLAINT FILES

01 July 2010 to 30 June 2011 Part-II

	Number of Sanctions Reviewed		Review Result		
			Sanction Affirmed	Sanction Withdrawn	Sanction Varied
Admonishment Notice		1	0	1	0
Discipline Charge (s.76 Police Regulation Act)	PAB	20	10	1	9
	DC	0	0	0	0
Discipline Inquiry (s.80 Police Regulation Act)	PAB	0	0	0	0
	DC	0	0	0	0

**Notes:**

- 1 Admonishment Notice withdrawn and a Discipline Charge Notice issued.
- Section 91F of the Police Regulation Act 1958 only permits the Police Appeals Board (PAB) to review certain specific sanctions (i.e. Fine in excess of \$500; reduction in rank, seniority, remuneration; transfer to other duties; or dismissal from the Force.) Reviews of other sanctions arising from a discipline charge or inquiry are determined by a Deputy Commissioner (DC)
- Data relates to reviews completed during the stated financial year notwithstanding the year in which the sanction was originally handed down.
- Discipline Charge (s.76 Police Regulation Act) relates sanctions imposed if a member is charged with a breach of discipline, where as Discipline Inquiry (s.80 Police Regulation Act) relates to sanctions imposed if a member has been charged under the criminal law with an offence punishable by imprisonment (whether or not within the State or in any other jurisdiction) and the offence has been found proven. Each figure is taken individually, not as cumulative total as Discipline Charge (s.76 Police Regulation Act) may include sanctions under Discipline Inquiry (s.80 Police Regulation Act).

## CONSULTANCIES

### Greater than \$100,000

Victoria Police engaged a total of two consultancy services with a value of more than \$100,000 (inclusive of GST) during the 2010-11 financial year, one of which was subject to a contract variation. The total value of those consultancies was \$505,045.00

Consultant	Project	Value
BDO (NSW-Vic) Pty Ltd	Consultancy Services per Base Review Preparation	\$233,200.00
BDO (NSW-Vic) Pty Ltd	Variation to the Provision of Consultancy Services per Base Review Preparation	Variation Value: \$26,800.00 New Contract Value: \$260,000.00
Presence of IT	Requirements Analysis and Improvement Services	\$245,045.00

### Less than \$100,000

79 consultancies, where the total fee payable to the consultant was more than \$2,000 - less than \$100,000, were engaged during the financial year at a total value of \$827,484.03.



## IMPLEMENTATION OF THE VICTORIAN INDUSTRY PARTICIPATION POLICY (VIPP)

### Contracts/Projects commenced to which VIPP applied:

During 2010-11, Victoria Police has identified six contracts totalling approximately \$16,375,986.90 in value to which the VIPP applied. Of the contracts that commenced, one contract was in metropolitan Melbourne (\$8,250,000) and five contracts in regional Victoria (\$8,125,986.90).

Summary of the skills and technology transfer commitments outlined:

- Employment of trainees and apprentices in the construction industry;
- Employees will be attending training courses and seminars to improve their skills;
- First Aid Training to all site foreman;
- Computer skills development for all management staff;
- Second hand apprenticeship training through job availability;
- Training will be provided on Victoria Police's technology adding further value in line with vision and strategy;
- Estimated 31 full-time equivalent jobs created; and
- Estimated 79 full-time equivalent jobs retained.

Benefits to the Victorian economy in terms of skills and technology transfer include:

- Increased construction skilled labour, knowledge and experience;
- Attendance of training courses and seminars to improve skills; and
- Ongoing training and skill development across contracting services.

### Contracts/Projects completed to which VIPP applied:

Victoria Police has identified six contracts totalling approximately \$34,090,851 that have been completed during 2010-11. Of the contracts that were completed, two contracts were in metropolitan Melbourne (\$17,177,864) and four contracts in regional Victoria (\$16,912,987)

Achievements against planned commitments were as follows:

- Increased construction skilled labour, knowledge and experience;
- Increased OH&S training, training in the use of new technologies/products and new plant and equipment training;
- Increase in first aid training and apprenticeship training;
- 35 full-time equivalent jobs were created; and
- 2009 full-time equivalent jobs were retained.

Benefits to the Victorian economy in terms of skills and technology transfer include:

- Increased construction skilled labour, knowledge and experience;
- Increased number of apprentices in the construction industry; and
- Increased apprenticeship training.

## DISCLOSURE OF MAJOR CONTRACTS

Victoria Police has identified one contract that was entered into with a value greater than \$10 million during the 2010-11 financial year.

Ref #	Title	Vendor	Value
C1376-2015	Microsoft Licences Software Assurance	Insight Pty Ltd	\$18,800,000.00

## 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 market.

## FREEDOM OF INFORMATION

### **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.

During 2010-11, Victoria Police received 2,381 requests for access to documents under the *Freedom of Information Act 1982*, including requests from applicants to amend personal information. Of those applications, 1,892 related to personal requests and 489 were non-personal requests. An internal review of the decisions of the Freedom of Information Officers was requested on 82 occasions, which resulted in the original decision being confirmed in 65 applications. Nine (9) original decisions were varied and seven had yet to be finalised. One (1) internal review was withdrawn by the applicant.

Forty-nine (49) appeals against the original decision were lodged with the Victorian Civil and Administrative Tribunal (VCAT) for final determination, with 33 cases being decided upon in 2010-2011, including cases from previous years.

<b>REQUESTS FOR ACCESS TO DOCUMENTS</b>	
<b>Type of Request</b>	
Personal	1,892
Non Personal	489
<b>Total</b>	<b>2,381</b>
Internal Review Requested	82
Original Decision confirmed	65
Original Decision appealed to VCAT	49
Appeals actually determined	33

### **Application Procedure**

The Acting Chief Commissioner, Ken Lay is the Principal Officer for the purpose of administering the requirements of the *Freedom of Information Act 1982*. 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 Officer  
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 following are general types of documents which may be the subject of an FOI request:

Briefs of evidence  
Patrol Duty Returns  
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 and Corporate Communications Department  
Victoria Police Centre  
GPO Box 913  
Melbourne VIC 3001  
PH: (03) 9247 5276

## FREEDOM OF INFORMATION

### **Documents Available for Purchase**

The Victoria Police Manual is available for purchase from the Corporate Strategy and 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 statistics and analysis for crime and traffic issues are published regularly. Further information is available at: [www.police.vic.gov.au](http://www.police.vic.gov.au)

### **Privacy Policy Statement**

Victoria Police is bound by the *Information Privacy Act 2000* and *Health Records Act 2001* in how it collects, uses and/or discloses and secures personal and health information. Victoria Police is committed to protecting the personal and health information of the persons with whom it interacts in the course of its functions and activities. In line with the provisions of the Freedom of Information Act, individuals can request access to personal and health information held by Victoria Police. Applications should be addressed to the Freedom of Information Officer, Freedom of Information Division.

Further information about the Information Privacy Act or Health Records Act can be obtained from:

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

## STATEMENT IN RELATION TO THE *BUILDING ACT* 1993

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

### **New buildings conforming to standards**

For the 2010-11 financial year, all works controlled by Victoria Police were conducted in accordance with the provisions of the *Building Act* 1993, relevant building regulations and other statutory requirements. Victoria Police has established appropriate mechanisms to ensure compliance, including the issue of building permits and occupancy certificates. Capital works projects completed throughout the year were the refurbishment of the Sunbury Police Station, construction of a new police station at Carrum Downs and the replacement of existing police stations at Melbourne North, Elmore, Balmoral, Ararat, Riddells Creek, Buninyong, Axedale, Kyneton and Mortlake.

### **Maintenance of buildings in safe and serviceable condition**

Maintenance of Victoria Police built infrastructure is arranged through the Government Infrastructure Management System. Shared Services Provider (SSP) of Government continues to manage all 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. Essential Safety Measures (ESM) obligations on owned buildings are managed in-house by Victoria Police, while ESM for leased facilities is managed by SSP. All legislative requirements for asbestos monitoring and servicing of cooling towers have been met.

### **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 Public Development and Construction Management Act by only engaging contractors and consultants from the Construction Supplier Register of Department of Infrastructure, where required.



## REPORT UNDER THE CORRECTIONS ACT 1986

### Melbourne Custody Centre

The Melbourne Custody Centre (MCC) is operated pursuant to agreed service specifications and levels under contract to G4S Australia Pty Ltd. The contract commenced on 28 March 2010, with a term of seven years, which incorporates two, two year options: the options are dependent on the Chief Commissioner of Police being satisfied with the performance by G4S. G4S are aware of the requirements of the relevant legislation, as well as a complete understanding of the key result areas, performance standards and key performance indicators.

During 2010-11, the MCC:

- Managed 18,016 prisoner movements. In addition to this 4,455 intoxicated persons were lodged
- Managed 8,713 court movements with an average of some 35 per day between the MCC and the Melbourne Magistrates' Court
- Provided full time security of prisoners in 14 Melbourne Magistrates' Courts
- Facilitated a total of 12,652 visits to prisoners including 1,403 visits by relatives and friends, and 11,248 visits by members of the legal profession
- Provided 24-hour nursing services at the MCC through Police Custodial Risk Management Unit (CRMU). Over 50 per cent of prisoners are on prescribed medication, including assisting with drug and alcohol withdrawal regimes. In May 2011 the CRMU relocated from the Victoria Police Centre to the MCC.

In June 2011, building works were undertaken to renovate the medical rooms at the MCC. The examination area was increased to provide an improved environment for the delivery medical services.

In June 2011, painting of the facility commenced. The painting work is expected to be completed by the end of July 2011.

In July 2011, negotiations were finalised for the digital upgrade of the of the CCTV system. The new system will provide improved coverage, recording and picture quality. The cost for the period is based on a fixed establishment cost for start up, custodial services, staff and facility services. Variable costs are incurred for custodial supplies such as medical supplies and staffing, meals and prisoner provisions. The latter are dependent upon the number of prisoners at the facility.

G4S has continued to work collaboratively with Victoria Police in observance of the *Charter of Human Rights and Responsibilities Act 2006* which took effect on 1 January 2008. G4S have implemented mandatory Human Rights and Responsibilities training for all staff. The G4S MCC Centre Manager and Operations Manager have attended Victoria Police Human Rights introductory training.

Operations under the contract service level agreement are closely monitored by Victoria Police through the Prisoner Management Unit in conjunction with financial and contract management via the Business Services Department. Scheduled and unscheduled random financial auditing and contract service monitoring are conducted continually. This ensures Victoria Police is invoiced the correct amount of goods and services, operates within approved and authorised budgets, and ensures the appropriate level of service is being maintained. The service provider continued to deliver a satisfactory level of custodial services for the period 2010-11.

G4S Australia are accredited with an AS /N/ZS ISO 9001:2000 Certified Quality Management System.

## REPORTS UNDER THE WHISTLEBLOWERS PROTECTION ACT – DISCLOSURES

### *Disclosures under the Whistleblowers Protection Act 2001*

The current procedures established by the public body under part 6 are available on request.

Disclosures	2010-11
<b>Public Interest Disclosures</b>	2
<b>Protected Disclosures</b>	3
The number of disclosures referred during the year by the public body to the Ombudsman for determination as to whether they are public interest disclosures	3
The number and type of disclosed matters referred to the public body during the year by the Ombudsman	2
The number and type of disclosed matters referred during the year by the public body to the Ombudsman to investigate	0
The number and type of investigations of disclosed matters taken over by the Ombudsman from the public body to investigate	0
The number of requests made under Section 74 during the year to the Ombudsman to investigate disclosed matters	0
The number and type of disclosed matters that the public body has declined to investigate during the year	0
The number and type of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	2
Any recommendation of the Ombudsman under this Act that relate to the public body	<ul style="list-style-type: none"> <li>• The Brotherhood Risks associated with secretive organisations.</li> <li>• Investigation into an allegation about Victoria Police crime statistics.</li> <li>• Investigation into the failure of agencies to manage registered sex offenders</li> </ul>

## BUDGET PORTFOLIO OUTCOMES

The Budget Portfolio Outcomes provide comparisons between the actual financial statements of all general government sector entities within the portfolio and the forecasted financial information published in the Budget Papers.

The Budget Portfolio Outcomes comprises the comprehensive operating statement, balance sheet, cash flow statement and administered items statement. The Budget Portfolio Outcomes have been prepared on a consolidated basis and include all general government sector entities within the portfolio.

Financial transactions and balances are classified into either controlled or administered consistent with the published statements in the Budget Papers. The Budget Portfolio Outcomes statements are not subject to audit by the Victorian Auditor-Generals Office.

## COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2011

COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2011			
	2011 Actual \$'000	2011 Budget \$'000	Variation %
<b>Income from transactions</b>			
Grants	1,958,040	1,955,434	0.13%
Fair value of assets and services received free of charge	145	-	-
Other Income	14,412	7,214	99.78%
<b>Total income from transactions</b>	<b>1,972,598</b>	<b>1,962,648</b>	<b>0.51%</b>
<b>Expenses from Transactions</b>			
Employee expenses	1,357,314	1,353,528	0.28%
Depreciation and amortisation	62,774	80,899	(22.40%)
Capital asset charge	71,801	71,801	0.00%
Supplies and Services	469,970	450,810	4.25%
Interest expense	3,267	3,967	(17.64%)
<b>Total expenses from transactions</b>	<b>1,965,125</b>	<b>1,961,005</b>	<b>0.21%</b>
<b>Net result from transactions(net operating balance)</b>	<b>7,473</b>	<b>1,643</b>	<b>(354.83%)</b>
<b>Other economic flows included in net result</b>			
Net( gain)/loss on non-financial assets	3,648	10,700	(79.04%)
Net( gain)/loss from other economic flows	2,243	-	-
<b>Total other economic flows included in net result</b>	<b>5,891</b>	<b>10,700</b>	<b>(44.94%)</b>
<b>Net result</b>	<b>13,364</b>	<b>12,343</b>	<b>8.27%</b>
<b>Other economic flows - other non-owner changes in equity</b>			
Changes in physical asset revaluation surplus	321,069	-	-
<b>Comprehensive result - total change in net worth</b>	<b>334,434</b>	<b>-</b>	<b>-</b>

## BALANCE SHEET AS AT 30TH JUNE, 2011

BALANCE SHEET AS AT 30TH JUNE, 2011			
	2011 Actual \$'000	2011 Budget \$'000	Variation (a) %
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	35,731	85,415	(58.17%)
Receivables	357,116	387,872	(7.93%)
Investments	1,860	1,330	39.85%
<b>Total financial assets</b>	<b>394,707</b>	<b>474,617</b>	<b>(16.84%)</b>
<b>Non financial assets</b>			
Inventories	3,921	4,221	(7.10%)
Non financial assets classified as held for sale	8,196	3,799	115.74%
Property, plant and equipment	1,302,509	1,100,390	18.37%
Intangible assets	2,619	2,929	(10.58%)
Other Non financial assets	12,742	73	17355.14%
<b>Total non financial assets</b>	<b>1,329,988</b>	<b>1,111,412</b>	<b>19.68%</b>
<b>Total Assets</b>	<b>1,724,695</b>	<b>1,586,029</b>	<b>8.74%</b>
<b>Liabilities</b>			
Payables	65,178	98,877	(34.08%)
Borrowings	58,726	54,515	7.73%
Provisions	412,734	431,459	(4.34%)
<b>Total Liabilities</b>	<b>536,638</b>	<b>584,851</b>	<b>(8.24%)</b>
<b>Net Assets</b>	<b>1,188,055</b>	<b>1,001,177</b>	<b>18.67%</b>
<b>Equity</b>			
Accumulated Surplus / (Deficit)	78,925	77,903	1.3%
Contributed Capital	527,146	532,134	(0.94%)
Physical asset revaluation surplus	581,984	391,140	48.8%
<b>Total Equity</b>	<b>1,188,055</b>	<b>1,001,177</b>	<b>18.67%</b>

## CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2011

<b>CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2011</b>			
	<b>2011 Actual \$'000</b>	<b>2011 Budget \$'000</b>	<b>Variation(a) %</b>
<b>Cash flow from operating activities</b>			
Receipts from Department of Justice	1,945,203	1,958,934	(0.70%)
Payments to suppliers and employees	(1,907,462)	(1,760,917)	8.32%
Interest received	2,070	4,560	(54.61%)
Capital asset charge	(71,801)	(71,801)	0.00%
Borrowing costs	(3,267)	(3,967)	(17.64%)
GST recovered from ATO	59,723	(8,987)	764.55%
<b>Net cash flows from /(used) in operating activities</b>	<b>24,466</b>	<b>117,822</b>	<b>(79.24%)</b>
<b>Cash flows from investing activities</b>			
Payments for Investments	(530)	(52,487)	(9899.02%)
Proceeds on sale of property, plant and equipment	24,121	34,000	(29.06%)
Payments for property, plant & equipment	(69,774)	(114,210)	(38.91%)
<b>Net cash provided by /(used) in investing activities</b>	<b>(46,183)</b>	<b>(132,697)</b>	<b>(65.20%)</b>
<b>Cash flows from financing activities</b>			
Proceeds from capital contribution by Department of Justice	31,896	36,884	(13.52%)
Repayments of finance leases	(43,948)	(1,757)	2401.28%
<b>Net cash flows from /(used) in financing activities</b>	<b>(12,052)</b>	<b>35,127</b>	<b>(134.31%)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(33,770)</b>	<b>20,252</b>	<b>-</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>69,501</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>35,731</b>	<b>-</b>	<b>-</b>

## ADMINISTERED ITEMS STATEMENT FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2011

ADMINISTERED ITEMS STATEMENT FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2011			
	2011 Actual \$'000	2011 Budget \$'000	Variation (a) %
<b>Total income</b>			
Regulatory fees and fines	23,800	14,467	64.51%
Sale of Government property	15,229	12,698	19.94%
Seized & unclaimed monies	6,102	-	-
Other agency contributions	4,873	3,500	39.24%
Other	256	17	1406.28%
<b>Total administered revenue</b>	<b>50,260</b>	<b>30,682</b>	<b>63.81%</b>
<b>Administered expenses</b>			
Payments into the consolidated fund	35,740	26,239	36.21%
Repayment of seized & unclaimed monies	7,955	-	-
Other agency expenses	5,084	4,402	15.49%
Other	483	(3,842)	112.57%
<b>Total administered expenses</b>	<b>49,263</b>	<b>26,799</b>	<b>83.82%</b>
<b>Revenue less expenses</b>			
<b>Departmental comprehensive result</b>	998	3,883	(74.31%)
<b>Administered assets</b>			
Cash	181	11,445	(98.42%)
Receivables	9,895	4,062	143.59%
Investments	2,742	3,170	(13.50%)
Non Current Assets	29	-	-
<b>Total administered assets</b>	<b>12,846</b>	<b>18,677</b>	<b>(31.22%)</b>
<b>Administered liabilities</b>			
Trade Creditors and Accruals	4,486	20,791	(78.42%)
Other Liabilities	7,362	692	963.94%
<b>Total administered liabilities</b>	<b>11,849</b>	<b>21,483</b>	<b>(44.85%)</b>
<b>Net Assets</b>	<b>998</b>	<b>(2,807)</b>	<b>135.55%</b>



## OFFICE-BASED ENVIRONMENTAL IMPACTS

The continuing work of the Victoria Police Environmental Sustainability Branch (ESB) has again resulted in significant improvements in the organisation's environmental performance. Against a backdrop of increasing staff numbers and building floor area the implementation of a broad range of sustainability initiatives has seen improvements across all areas of measurement.

The ESB has maintained its involvement in issues and responsibilities outside of Victoria Police in the broader sustainability arena. Examples of this include the continued support and involvement in the Whole of Victorian Government (WoVG) Environmental Data Management System being developed on behalf of DSE. Involvement in trials with external bodies in order to identify products and services suitable for improving environmental outcomes has also been undertaken

Some of the major highlights were:

### Energy

- Exceeded GSET target of 20% (reduction in energy intensity per m<sup>2</sup> of floor area from 1999/00 levels), with a result of 23%.
- Exceeded the Green power target of 25% (of total electricity purchases to be sourced from green alternatives), with a result of 25.6%.

### Water:

- Since 2006/07 water consumption has been reduced by 19.6% or 44,782 kL per annum.
- Stormwater storage facilities were extended during the past year to 1.7 million litres of rainwater storage across the State.

### Waste:

- Continued implementation of the Waste Minimisation System which now covers in excess of 34% of all FTEs.
- Rates of waste diversion from landfill were maintained at 89%.

### Explanatory Notes – General.

- 1) ESB endeavours to ensure the reliability and validity of all reported information but notes that in some instances it is dependent on:
  - an assumption of the accuracy and veracity in third party data;
  - assumptions regarding coverage of third party data; and
  - extrapolation of data where unavoidable information gaps exist.
- 2) The adjusted deadline for annual report data submission for 2010-11, from mid-August to mid-July, has created/exacerbated information gaps in some cases, particularly where third party data has yet to become available. The delays to the development and implementation of the WoVG EdMS will result in increased information gaps. In these instances, the ESB has produced data according to best practice estimation techniques
- 3) With reference to the limitations associated with Note 1 above, all listed targets for 2011-12 and beyond are provisional at this stage.
- 4) FTEs – In accordance with the FRD24C definition of FTE, no contractors or consultants have been included in the Victoria Police figures.

## OFFICE-BASED ENVIRONMENTAL IMPACTS

### ENERGY MANAGEMENT PROGRAM.

Victoria Police consumes energy at many different facilities including police stations, administration offices, training venues, transport and storage warehouses. Energy is used for lighting, heating, cooling, equipment and appliances.

The data below was obtained from energy retailers billing data and also from the Victoria Police accounts system. It represents 99% of the sites occupied by Victoria Police.

ACTIONS UNDERTAKEN DURING 2010-11.	
<b>New buildings</b>	<ul style="list-style-type: none"> <li>Police stations built today are 20-25% more energy efficient than those built prior to 200</li> </ul>
<b>Existing buildings</b>	<ul style="list-style-type: none"> <li>Retrofit of energy saving lighting and air conditioning controls at 10 large facilities.</li> <li>Installation of 1.5 kW solar electricity systems as retrofits on 38 small police stations in northern Victoria, together with 6 systems installed at construction of new stations will generate in excess of 100MWH of renewable electricity.</li> </ul>

### RESULTS FOR 2010-11.

During the assessment period, the latest GSET target, of a 20% reduction in energy intensity per square metre of office space from 1999/00 levels, was also achieved; with an outcome of 23%, (with adjustment). During the same period the target of 25% Green power was also exceeded with the purchases reaching 25.6%. These results are summarised in the following table.

Indicator	2009-2010 <sup>3</sup>					2010-11 <sup>1</sup>				
	Black Electricity	Natural Gas	LPG <sup>2</sup>	Green Power	Total	Black Electricity	Natural Gas	LPG <sup>2</sup>	Green Power	Total
Total energy usage (GJ)	188,261	96,589	1,775	32,154	318,779	195,447	103,127	1,415	33,345	333,334
Greenhouse Gas Emissions 4 (Tonnes CO <sub>2</sub> -e)	63,799	5,013	106	0	68,918	65,692	5,352	85	0	71,129
Percentage of electricity purchased as Green Power	10%	n/a	n/a	5%	15%	11.0%	n/a	n/a	14.6%	25.6%
Energy use per FTE (MJ/FTE)	n/a	n/a	n/a	n/a	23,395	n/a	n/a	n/a	n/a	22,212
Energy use per unit of area (MJ/m <sup>2</sup> )	n/a	n/a	n/a	n/a	805	n/a	n/a	n/a	n/a	813

1. Energy figures are for the period June 2010 to May 2011 inclusive.
2. Energy units calculated from total expenditure and average cost per Kg of LPG.
3. Figures for 2009-10, shown above, vary slightly from those reported in the 2009-10 Annual Report due to having been re-calculated to correspond with the actual financial year period.
4. GHG – variation due to changes to release of new emissions' factors.

## OFFICE-BASED ENVIRONMENTAL IMPACTS

### ENERGY MANAGEMENT PROGRAM. (CONT.)

#### Trends in energy consumption.

Figure 1.1 demonstrates the achievements of the past 8 years of work on energy initiatives which has resulted in a continued decrease in energy intensity per square metre of floor area. These results compare with a potential business-as-usual outcome which would have been some 33% higher had no work been done in this area.

Throughout the same period, the organisation has progressively increased the proportion of green power it acquires as a percentage of total electricity purchases as shown in Figure 1.2.

Figure 1.1: Total energy consumption by floor area, (MJ/m<sup>2</sup>).

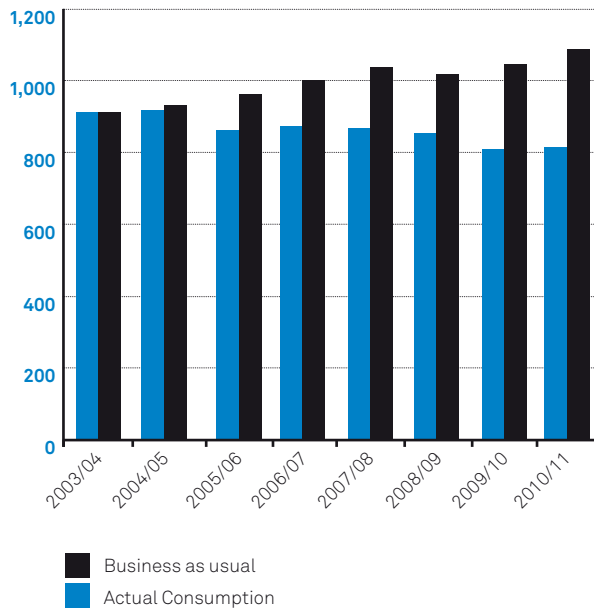
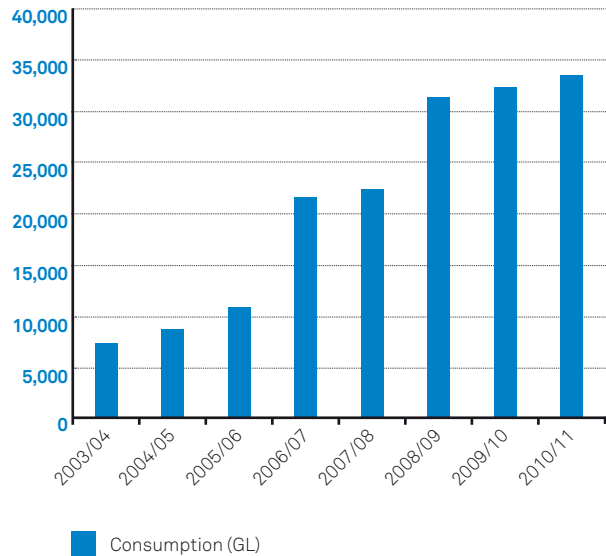


Figure 1.2: Consumption of Green Power



#### Targets for 2011-12

Investigation of the Federal Government's target of a 5% reduction in CO<sub>2</sub>e emissions, from 2000 levels, by 2020 is being undertaken to determine its appropriateness for Victoria Police purposes

#### Explanatory Notes.

The progressive increase in staff numbers combined with the increased size of police stations, to accommodate these staff, has resulted in a slight increase in the absolute energy consumption despite meeting all mandated energy reduction targets.

## OFFICE-BASED ENVIRONMENTAL IMPACTS

### MANAGEMENT OF WATER PROGRAM.

The data shown below is based on water meter readings from approximately 95% of Victoria Police sites; covering approximately 96% of FTEs.

ACTIONS UNDERTAKEN DURING 2010-11.	
State-wide initiatives	The implementation of Phase 2 of the Program continued during the assessment period with the installation of rainwater tanks at numerous metropolitan sites.
Collaboration	Work has continued with industry and water board representatives to identify areas where cost-effective water savings can be achieved.

Results for 2010-11.		
Indicator	2009-10	2010-11
Total units of metered water consumed by usage types (kL)	184,777	183,394
Units of metered water consumed in offices per FTE (kL/FTE)	13.38	12.22
Units of metered water consumed in offices per unit of office area (kL/m <sup>2</sup> )	0.47	0.45

In excess of 300,000 litres of additional rainwater storage capacity was installed during the financial year. This brings the total of storage installed under Phase 2 of the Management of Water Program to 1,700,000 litres. This water is predominantly used for toilet flushing and gardening purposes.

## OFFICE-BASED ENVIRONMENTAL IMPACTS

### MANAGEMENT OF WATER PROGRAM. (CONT.)

#### Trends in water consumption.

Water-saving initiatives introduced during the past five financial years have resulted in a progressive reduction in overall water consumption as well as consumption per FTE. The data in Figure 2.1 shows that water consumption has decreased by 19.6% in actual terms and that, had no work been undertaken in this area, potential consumption may have been up to 36% higher in 2010-11 than in 2006-07

Figure 2.1: Victoria Police Annual Water Consumption (kL)

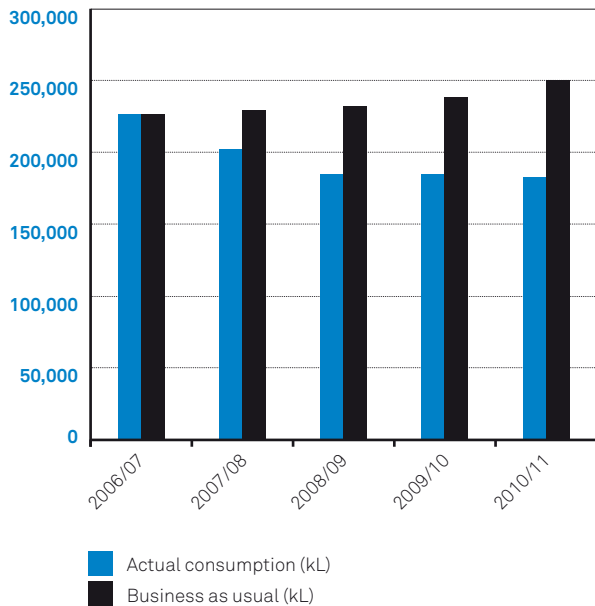
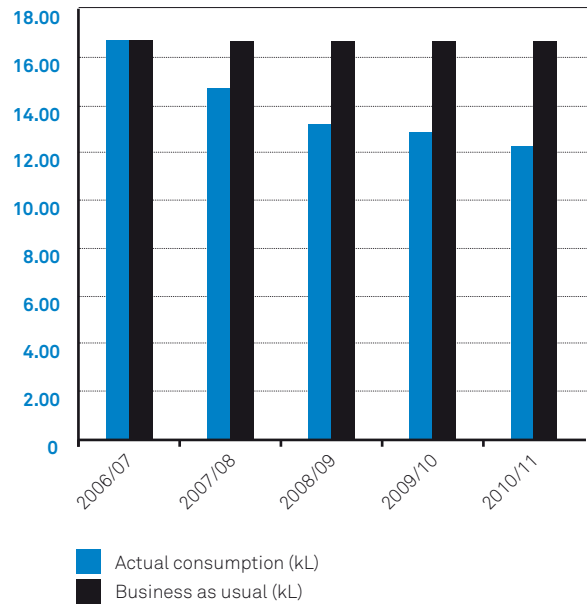


Figure 2.2: Victoria Police Water Consumption per FTE(kL)



#### Targets for 2011-12

- Investigate and, where appropriate opportunities exist, implement cost-effective initiatives to increase rainwater storage and/or reduction in water consumption.
  - Water usage (kL) data requested from 16 separate retailers through the Department of Sustainability and Environment (DSE)

<sup>1</sup> One member stations not included in the analysis, as residential and operational consumption not separable in most cases. They account in total for 26% of sites, and 0.007% of FTEs

## OFFICE-BASED ENVIRONMENTAL IMPACTS

### WASTE MANAGEMENT PROGRAM.

Victoria Police has continued the implementation of its locally-developed waste minimisation system (WMS), waste diversion from landfill.

The data below represents only the sites for which the WMS has been implemented, accounting for 5,135 (approximately 34%) of FTE staff. It is to be noted that the success of the WMS is clearly indicated by the 89% recycling rate demonstrated through waste audit measurements.

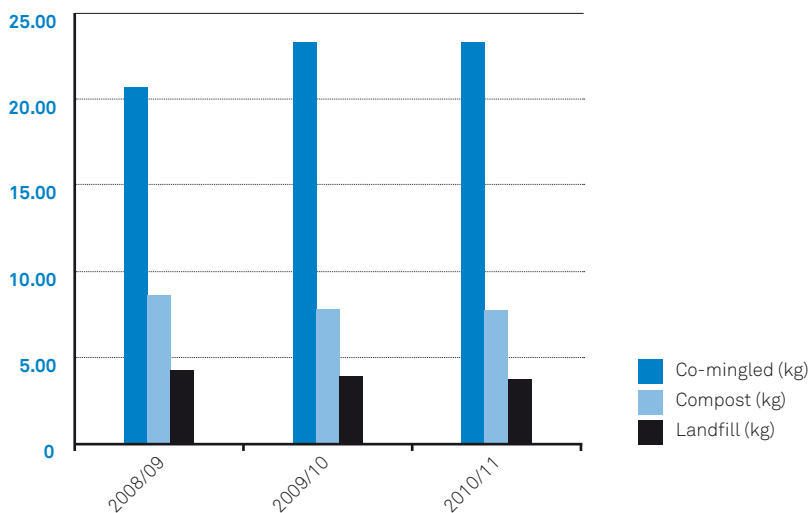
ACTIONS UNDERTAKEN DURING 2010-11.	
WMS Implementation	The WMS was rolled out to metropolitan and rural stations including Melbourne North, Carrum Downs, Kyneton and Trentham.
Collaboration	To further the waste minimisation ethos, the ESB has been working to drive incorporation of waste management best practice at the facility design stage.

Results for 2010-11.						
Indicator	2009-10			2010-11		
	Landfill	Co-mingled recycling	Compost	Landfill	Co-mingled recycling	Compost
Total units of waste disposed of by destination (kg/year)	18,605	109,181	36,644	19,231	119,439	39,878
Units of waste disposed of per FTE by destinations (kg/FTE)	3.96	23.27	7.81	3.75	23.26	7.77
Recycling rate (per cent of total waste)	89%			89%		
Greenhouse gas emissions associated with waste disposal (t CO <sub>2</sub> -e)	20.65			18.04		

## OFFICE-BASED ENVIRONMENTAL IMPACTS

### WASTE MANAGEMENT PROGRAM. (CONT.)

Figure 3.1: Waste streams per FTE (kg)



#### Targets for 2011-12

- Plans have been prepared to rollout WMS to all remaining 24 and 16 hour stations across the State during the next 24-36 months.

#### Explanatory Notes.

##### Extrapolated data

- Figures are whole-of-financial-year extrapolations based on single-day audits at representative sites.



## OFFICE-BASED ENVIRONMENTAL IMPACTS

### PAPER MANAGEMENT.

Victorian Government policy requires all copy paper to be purchased through Officemax/ Corporate Express. All data represented in the following table relates to paper purchased through these suppliers.

ACTIONS UNDERTAKEN DURING 2010-11.	
<b>Purchasing decisions.</b>	Continued emphasis on the purchase of recycled-content paper has resulted in a further reduction in purchases of virgin-pulp products; which now represent slightly less than 10% of total purchases.

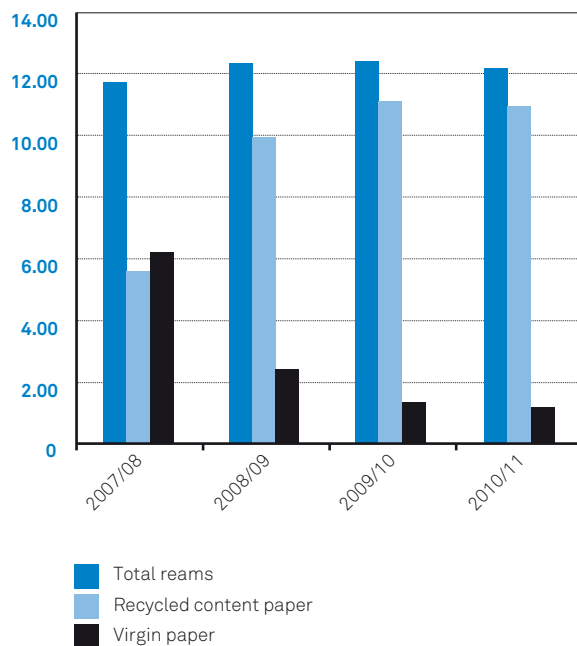
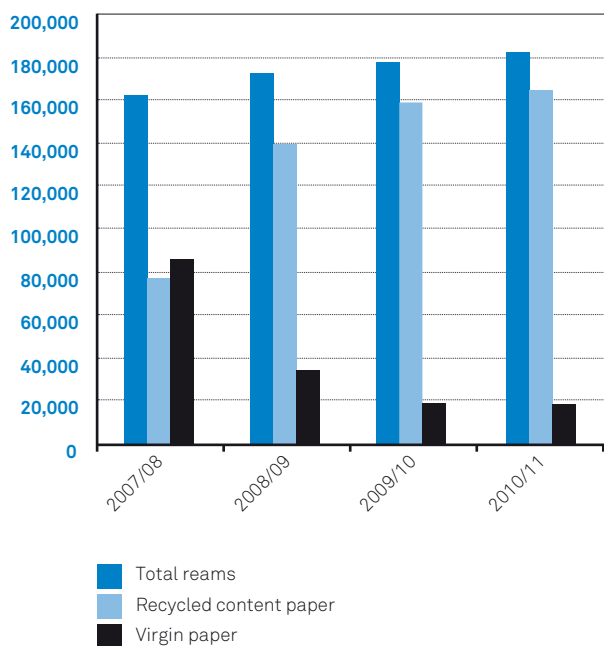
Results for 2010-11.		
Indicator	2009-10	2010-11
Total units of copy paper used (reams)	178,329	182,419
Total units of copy paper used (reams) per FTE (reams/FTE)	12.40	12.16
Percentage of 76-100% recycled-content copy paper purchased.	42.32	44.82
Percentage of 50-75% recycled-content copy paper purchased.	46.27	44.82
Percentage of 1-49% recycled-content copy paper purchased.	0.52	0.50
Percentage of virgin fibre copy paper purchased.	10.89	9.86

Trends in copy paper consumption.
Figure 4.1 highlights a reduction in the rate of growth of copier paper consumption within Victoria Police. This result has been achieved during a time of increasing staff numbers and, as Figure 4.2 demonstrates, the overall consumption pre FTE appears to have peaked during the past two financial years and is beginning to fall.

**PAPER MANAGEMENT. (CONT.)**

*Figure 4.1: Victoria Police purchase of copier paper, (A4 equivalents).*

*Figure 4.2: Victoria Police reams per FTE, (A4 equivalent).*



**Targets for 2011-12**

- Continued emphasis on the use of alternatives to hard copy production of documents and reports.
- Continued focus on the reduction in the procurement of virgin paper products.

**Explanatory Notes.**

1. For the purposes of reporting paper usage, Victoria Police is completely reliant on data from external suppliers.
2. Data relating to paper procurement on the Officemax/Corporate Express contracts is received from the Procurement, Contracts & Commercial Division of the Business Support Department.

## OFFICE-BASED ENVIRONMENTAL IMPACTS

## SUSTAINABLE TRANSPORT

RESULTS FOR 2010-11.		
Indicator	2009-10 <sup>1</sup>	2010-11
Total distance travelled by aeroplane (km)	5,009,992	7,502,559
Total greenhouse gas emissions associated with air travel (tonnes CO2-e)	1,577.54	1,924.56

**Explanatory Notes.**

1. The WoVG Travel Services Provider changed from QBT to FCm during the third quarter of 2009-10. Data provision was limited during this period. As a result, 'Total Greenhouse Gas Emissions Associated with Air Travel' was calculated independently of the FCm figure according to EPA methodology.

GREENHOUSE GAS EMISSIONS – VICTORIA POLICE VEHICLE FLEET		
Indicator	2009-10	2010-11
Total Energy Consumption by vehicles (Mega joules)	371.2	368.6
Total Vehicle Travel Associated with Victoria Police Operations (Kilometres):	80,032,147	87,171,188
Total Greenhouse gas emissions from vehicle fleet (tonnes CO2-e):	27,838	27,643
Greenhouse gas emissions from vehicle fleet per 1000 kilometres travelled (tonnes CO2-e):	0.348	0.317

## COMPLIANCE WITH OTHER LEGISLATION

<b>FIREARMS ACT 1996 (S153C)</b>		
	<b>2009-10</b>	<b>2010-11</b>
Number of Searches without warrant	25	18
<b>FIREARMS found</b>	<b>2009-10</b>	<b>2010-11</b>
Rifle	2	0
Air rifle/gun	0	0
Shotgun	0	1
Handgun	1	0
Machine Gun	0	0
Sawnoff firearm	0	2
Imitation firearm	1	1
Cartridge ammunition	1	0
Other firearm	2	0
<b>TOTAL</b>	<b>7</b>	<b>4</b>

<b>CONTROL OF WEAPONS ACT 1990 (S10B)</b>		
	<b>2009-10</b>	<b>2010-11</b>
Number of Searches without warrant	99	62

<b>CONTROL OF WEAPONS ACT 1990 (S10G)</b>				
	<b>Number of Wand Searches</b>	<b>Number of Weapons found</b>	<b>Number of outer searches (i.e pat down)</b>	<b>Number of Strip Searches</b>
<b>2009-10</b>	1909	36	27	0
<b>2010-11</b>	743	9	17	0

## COMPLIANCE WITH OTHER LEGISLATION

<b>DRUGS, POISONS AND CONTROLLED SUBSTANCES ACT 1981</b>	
<b>Number of searches</b>	
Persons Contacted (Total Searches without warrant)	Total 30
Searches of persons Under 18 years (s60 E)	26
Searches of persons irrespective of age (s60 F)	4
Male	17
Female	7
Unknown	6
Indigenous	2
Non indigenous	19
Unknown	9
Surrendered substances and items on request of police officer (s60 H 1(b))	None = 0 Some = 0 All = 57 Unknown = 0
Returned (s60 N)	None = 0 Some = 0 All = 57 Unknown = 0
Disposed (s60 O)	None = 0 Some = 0 All = 57 Unknown = 0
Forfeited (s60 P)	None = 0 Some = 0 All = 57 Unknown = 0
Substances seized	aerosol (paint) = 14 solvent = 14 plastic bag = 11 paper bag = 4 container = 0 gases (butane) = 9 other (silicone) = 5 Total = 57

## COMPLIANCE WITH OTHER LEGISLATION

<b>GRAFFITI PREVENTION ACT 2007 (S17)</b>		
	<b>2009-10</b>	<b>2010-11</b>
<b>Number of Searches without warrant</b>	107	99
<b>Graffiti Implements found</b>	<b>2009-10</b>	<b>2010-11</b>
Aerosol paint container	80	45
Texta / Marker	68	22
Other graffiti implement	19	12
<b>TOTAL</b>	<b>167</b>	<b>79</b>

<b>AGE GROUP BY FINANCIAL YEAR OF DATE OF SEARCH</b>		
<b>Age</b>	<b>2009-10</b>	<b>2010-11</b>
< 10	0	0
10 - 14	24	17
15 - 17	48	58
18 - 23	21	12
24 +	8	11
Unspecified	6	1
<b>Total</b>	<b>107</b>	<b>99</b>

## COMPLIANCE WITH OTHER LEGISLATION

**SEX WORK ACT 1994**

- a) the number of banning notices given; 139
- b) the number of persons to whom banning notices were given;] 139
- c) the number of banning notices given to each person who was given more than one banning notice; 0
- d) the declared areas in which those offences were suspected of being committed; Not available
- e) The ages of the persons to whom banning notices were given;

AGE GROUP	2009-10	2010-11
18-24	n/a	15
25-29	n/a	27
30-34	n/a	16
35-39	n/a	18
40-44	n/a	23
45-49	n/a	12
50-54	n/a	13
55-59	n/a	3
60-64	n/a	4
65-69	n/a	3
70-74	n/a	1
UNSPEC	n/a	4
<b>TOTAL</b>	n/a	139

- f) whether any of the persons to whom banning notices were given were of Koori origin; Not available
- g) the number of banning notices given in relation to each declared area. Not available



# 7 FINANCIAL STATEMENTS



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## ACCOUNTABLE OFFICER'S AND CHIEF FINANCIAL OFFICER DECLARATION

### Accountable Officer's and Chief Finance Officer's Declaration

We certify that the attached financial statements for Victoria Police have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian accounting standards 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 notes forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2011 and financial position of Victoria Police at 30 June 2011.

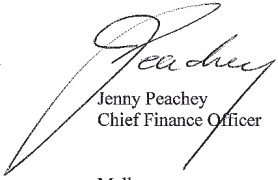
We are not aware of any circumstance which would render any particulars included in the financial report to be misleading or inaccurate.

We authorise the attached financial report for issue on 15<sup>th</sup> August, 2011.



Ken D Lay APM  
Acting Chief Commissioner of Police

Melbourne  
15<sup>th</sup> August, 2011



Jenny Peachey  
Chief Finance Officer

Melbourne  
15<sup>th</sup> August, 2011

## AUDITOR'S REPORT ANNUAL REPORT 2010-2011

## VAGO

Victorian Auditor-General's Office

## INDEPENDENT AUDITOR'S REPORT

**To the Chief Commissioner, Victoria Police***The Financial Report*

The accompanying financial report for the year ended 30 June 2011 of Victoria Police which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the accountable officer's and chief finance officer's declaration has been audited.

*The Chief Commissioner's Responsibility for the Financial Report*

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

*Auditor's Responsibility*

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

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

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

*Independence*

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

Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email [comments@audit.vic.gov.au](mailto:comments@audit.vic.gov.au) Website [www.audit.vic.gov.au](http://www.audit.vic.gov.au)*Auditing in the Public Interest*

## AUDITOR'S REPORT ANNUAL REPORT 2010-2011

# VAGO

Victorian Auditor-General's Office

### Independent Auditor's Report (continued)

#### *Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Victoria Police as at 30 June 2011 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*.

#### *Matters Relating to the Electronic Publication of the Audited Financial Report*

This auditor's report relates to the financial report of the Victoria Police for the year ended 30 June 2011 included both in the Victoria Police's annual report and on the website. The Chief Commissioner is responsible for the integrity of the Victoria Police's website. I have not been engaged to report on the integrity of the Victoria Police's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE  
15 August 2011



D D R Pearson  
Auditor-General

Level 24, 35 Collins Street, Melbourne Vic. 3000  
Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email [comments@audit.vic.gov.au](mailto:comments@audit.vic.gov.au) Website [www.audit.vic.gov.au](http://www.audit.vic.gov.au)

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*Auditing in the Public Interest*

## COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2011

	Note	2011 \$'000	2010 \$'000
<b>Income from transactions</b>			
Revenue from Government	2(a)	1,958,040	1,846,445
Other income	2(b)	14,558	13,234
<b>Total income from transactions</b>		<b>1,972,598</b>	<b>1,859,679</b>
<b>Expenses from transactions</b>			
Employee expenses	3(a)	1,357,314	1,299,664
Depreciation and amortisation	3(b)	62,774	57,284
Capital asset charge	3(c)	71,801	67,206
Supplies and services	3(d)	469,970	430,555
Interest expense	3(e)	3,267	4,006
<b>Total expenses from transactions</b>		<b>1,965,125</b>	<b>1,858,714</b>
<b>Net result from transactions (net operating balance)</b>		<b>7,473</b>	<b>965</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on non-financial assets	4(a)	3,648	4,124
Net gain/(loss) from other economic flows	4(b)	2,243	(594)
<b>Total other economic included in net result</b>		<b>5,892</b>	<b>3,531</b>
<b>Net result</b>		<b>13,364</b>	<b>4,496</b>
<b>Other economic flows - other non-owner changes in equity</b>			
Changes in physical asset revaluation surplus	20	321,069	0
<b>Comprehensive result - total change in net worth</b>		<b>334,434</b>	<b>4,496</b>

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

## BALANCE SHEET AS AT 30TH JUNE, 2011

	Note	2011 \$'000	2010 \$'000
<b>Assets</b>			
<b>Total financial assets</b>			
Cash and deposits	19(a)	35,731	69,501
Receivables	5	357,116	334,647
Investments		1,860	1,330
<b>Total financial assets</b>		<b>394,707</b>	<b>405,478</b>
<b>Non-financial assets</b>			
Inventories		3,921	4,221
Non-financial assets classified as held for sale	7	8,196	10,437
Property, plant and equipment	8	1,302,509	953,609
Intangible assets	10	2,619	2,936
Other non-financial assets	6	12,742	573
<b>Total non-financial assets</b>		<b>1,329,988</b>	<b>971,777</b>
<b>Total assets</b>		<b>1,724,695</b>	<b>1,377,255</b>
<b>Liabilities</b>			
Payables	11	65,178	78,043
Borrowings	12	58,726	60,638
Provisions	13	412,734	416,848
<b>Total liabilities</b>		<b>536,638</b>	<b>555,530</b>
<b>Net assets</b>		<b>1,188,055</b>	<b>821,726</b>
<b>Equity</b>			
Accumulated surplus / (deficit)		78,925	65,561
Contributed capital		527,146	495,250
Physical asset revaluation surplus	20	581,984	260,915
<b>Net Worth</b>		<b>1,188,055</b>	<b>821,726</b>
Commitments for expenditure	16		
Contingent liabilities	17		

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



## CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE, 2011

	Note	2011 \$'000	2010 \$'000
<b>Cash flows from operating activities</b>			
Receipts from Department of Justice		1,945,203	1,860,885
Payments to suppliers and employees		(1,907,462)	(1,767,481)
Interest received		2,070	884
Capital asset charge		(71,801)	(67,206)
Borrowing costs		(3,267)	(4,006)
GST recovered from ATO		59,723	55,717
<b>Net cash flows from/(used in) operating activities</b>	<b>19</b>	<b>24,466</b>	<b>78,793</b>
<b>Cash flows from investing activities</b>			
Payments for investments		(530)	(130)
Proceeds on sale of property, plant & equipment		24,121	24,685
Payments for property, plant & equipment		(69,774)	(83,048)
<b>Net cash flows from/(used in) investing activities</b>		<b>(46,183)</b>	<b>(58,493)</b>
<b>Cash flows from financing activities</b>			
Proceeds from capital contribution by Department of Justice		31,896	57,128
Repayment of finance leases		(43,947)	(46,059)
<b>Net cash flows from/(used in) financing activities</b>		<b>(12,051)</b>	<b>11,069</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(33,769)</b>	<b>31,369</b>
Cash and cash equivalents at the beginning of the financial year		69,501	38,131
<b>Cash and cash equivalents at the end of the financial year</b>	<b>19(a)</b>	<b>35,732</b>	<b>69,501</b>

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

## STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE, 2011

	Physical Asset Revaluation Surplus	Accumulated Surplus \$'000	Contributions by Owner \$'000	Total \$'000
<b>Balance 1st July, 2009</b>	<b>260,915</b>	<b>61,066</b>	<b>438,122</b>	<b>760,103</b>
Net Result for the year		965		965
Other comprehensive income for the year		3,531		3,531
Capital contribution from /(to) other state departments/entities			(6,870)	(6,870)
Capital contribution by Dept of Justice as part of annual grants			63,998	63,998
<b>Balance at 30th June, 2010</b>	<b>260,915</b>	<b>65,562</b>	<b>495,250</b>	<b>821,727</b>
Net Result for the year		7,472		7,472
Other comprehensive income for the year	321,069	5,891		326,960
Capital contribution from /(to) other state departments/entities			(4,565)	(4,565)
Capital contribution by Dept of Justice as part of annual grants		0	36,461	36,461
<b>Balance at 30th June, 2011</b>	<b>581,984</b>	<b>78,924</b>	<b>527,146</b>	<b>1,188,055</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements represent the audited general purpose financial statements for Victoria Police.

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

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 28 Glossary of terms.

**(A) STATEMENT OF COMPLIANCE**

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

Where appropriate, those AAS paragraphs applicable to non-for-profit entities have been applied.

The annual financial statements were authorised for issue by the Chief Commissioner of Police on 15th August 2011.

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.

**(B) BASIS OF ACCOUNTING PREPARATION AND MEASUREMENT**

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

These financial statements are presented in Australian dollars, the functional and presentation currency of Victoria Police.

In the application of AAS, judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. 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 made by management in the application of AASs that have significant effects on the financial statements and estimates, with a risk of material adjustments in the next year, are disclosed throughout the notes to the financial statements.

The report has been prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets. Exceptions to the historical cost convention include:

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2011 and the comparative information presented for the year ended 30 June 2010.

**NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011****NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(C) REPORTING ENTITY**

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

Victoria Police Centre  
637 Flinders Street  
Docklands VIC 3008

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

A description of the nature of Victoria Police's operations and its principal activities is included in the report of operations on page 5 which does not form part of these financial statements.

**Objectives and funding**

The objectives of Victoria Police are to provide a safe, secure and orderly society by serving the community and the law. Funding is provided to carry out its statutory obligations of preserving the peace, protecting life and property, preventing offences, detecting and apprehending offenders and helping those in need.

Victoria Police is predominantly funded by grants received from the Department of Justice.

**Outputs of Victoria Police**

The Policing Services output represents the Victoria Police contribution to the Government's desired outcome of Public Safety and Crime Reduction. It includes the prevention, detection and investigation of crime; responding to community calls for assistance in matters of personal and public safety and in emergencies; and promoting safer road user behaviour by road traffic law enforcement. These services reflect a focus on reducing the overall incidence and fear of crime and enhancing the safety of the Victorian community.

Information about expenses, income, assets and liabilities administered by Victoria Police is given in the schedule of administered expenses and income and the schedule of administered assets and liabilities (refer Note 21 Administered items).

**(D) BASIS OF CONSOLIDATION**

The consolidated 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 (see explanation below under administered items) are also not controlled and not consolidated.

**Administered items**

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

Administered income includes fees and fines and the proceeds from the sale of surplus property. Administered assets include government income earned but yet to be collected. Administered liabilities include government expenses incurred but yet to be paid.

Except as otherwise disclosed, administered resources are accounted for on an accrual basis using the same accounting policies adopted for recognition of the Victoria Police items in the financial statements. Both controlled and administered items of Victoria Police are consolidated into the financial statements of the State.

Disclosures related to administered items can be found in Note 21 Administered items.

**Funds held in trust - Other trust activities on behalf of parties external to the Victorian Government**

Victoria Police has responsibility for transactions and balances relating to trust funds on behalf of third parties external to the Victorian Government. Income, expenses, assets and liabilities managed on behalf of third parties are not recognised in these financial statements as they are managed on a fiduciary and custodial basis, and therefore are not controlled by Victoria Police or the Victorian Government. These transactions and balances are reported in Note 23 Trust account balances.

## (E) SCOPE AND PRESENTATION OF FINANCIAL STATEMENTS

### Comprehensive operating statement

Income and expenses in the comprehensive operating statement are classified according to whether or not they arise from 'transactions' or 'other economic flows'. This classification is consistent with the whole of government reporting format and is allowed under AASB 101 *Presentation of financial statements*.

'Transactions' and 'other economic flows' are defined by the *Australian system of government finance statistics: concepts, sources and methods 2005* Cat. No. 5514.0 published by the Australian Bureau of Statistics (refer Note 28 Glossary of terms).

'Transactions' are those economic flows that are considered to arise as a result of policy decisions, usually interactions between two entities by mutual agreement. Transactions also include flows within an entity, such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the Government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash.

'Other economic flows' are changes arising from market re-measurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets.

The net result is equivalent to profit or loss derived in accordance with AASs.

### Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial and non-financial assets.

Current and non-current assets and liabilities (those expected to be recovered or settled beyond 12 months) are disclosed in the notes, where relevant.

### Cash flow statement

Cash flows are classified according to whether or not they arise from operating, investing, or financing activities. This classification is consistent with requirements under AASB 107 *Statement of cash flows*.

### Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income related to other non-owner changes in equity.

### Rounding of amounts

Amounts in the financial statements (including the notes) have been rounded to the nearest thousand dollars, unless otherwise stated. Figures in the financial statements may not equate due to roundings.

## (F) INCOME FROM TRANSACTIONS

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured.

### Revenue from government - Grants received from the Department of Justice

Revenue from government becomes controlled and is recognised by Victoria Police when it has been granted by the Department of Justice. Additionally, Victoria Police is permitted under s29 of the *Financial Management Act 1994* to have certain income annotated to the revenue from government. The income which forms part of a s29 agreement is recognised by Victoria Police and the receipts paid into the Consolidated Fund as an administered item. At the point of income recognition, s29 provides for an equivalent amount to be added to the Department of Justice annual appropriation. Examples of receipts which can form part of a s29 agreement are Commonwealth specific purpose grants, the proceeds from the sale of assets and revenue from the sale of products and services.

Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes. All amounts of income over which Victoria Police does not have control are disclosed as administered income in the schedule of administered income and expenses (refer Note 21 Administered items). Income is recognised for each of Victoria Police's major activities as follows:

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.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Interest**

Interest includes interest received on 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 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.

**Sales of goods and services - Income from the supply of services**

Income from the supply of services is recognised by reference to the stage of completion of the services being performed. The income is recognised when:

- the amount of the income, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to Victoria Police.

Under the stage of completion method, income is recognised by reference to labour hours supplied or to labour hours supplied as a percentage of total services to be performed in each annual reporting period.

**Sales of goods and services - Income from sale of goods**

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;
- it is probable that the economic benefits associated with the transaction will flow to Victoria Police, and
- sale of goods and services includes regulatory fees which are recognised at the time the regulatory fee is billed.

**Grants**

Grants from third parties (other than contribution by owners) are recognised as income in the reporting period in which Victoria Police gains control over the underlying assets.

Where such grants are payable into the Consolidated Fund, they are reported as administered income (refer to Note 1(D) Basis of consolidation and Note 1(J) Financial instruments). For reciprocal grants (i.e. equal value is given back by the department to the provider), Victoria Police is deemed to have assumed control when the department has satisfied its performance obligations under the terms of the grant. For non reciprocal grants, Victoria Police is deemed to have assumed control when the grant is receivable or received. Conditional grants may be reciprocal or non reciprocal depending on the terms of the grant.

**Fair value of assets and services received free of charge or for nominal consideration**

Contributions of resources received free of charge or for nominal consideration are recognised at fair value when control is obtained over them, irrespective of whether these contributions are subject to restrictions or conditions over their use. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not received as a donation.

**(G) EXPENSES FROM TRANSACTIONS**

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

**Employee expenses**

These expenses include all costs related to employment (other than superannuation which is accounted for separately) including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

**Superannuation – State superannuation defined benefit plans**

The amount recognised in the comprehensive operating statement in relation to employer contributions for members of defined benefit superannuation plans is simply the employer contributions that are paid or payable to these plans during the reporting period. The level of these contributions will vary depending upon the relevant rules of each plan, and is based upon actuarial advice.

The Department of Treasury and Finance (DTF) in their Annual Financial Statements disclose on behalf of the State as the sponsoring employer, the net defined benefit cost related to the members of these plans as an administered liability. Refer to DTF's Annual Financial Statements for more detailed disclosures in relation to these plans.

**Depreciation and amortisation**

All buildings, plant and equipment and other non-financial physical assets (excluding items under operating leases, assets held-for-sale, and land) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Refer to Note 1 (L) Non-financial assets for the depreciation policy for leasehold improvements.

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

The following are typical estimated useful lives for the different asset classes for current and prior years:

	2011	2010
Buildings	1 - 53 years	1 - 53 years
Leasehold improvements	1 - 42 years	1 - 42 years
Plant and equipment	1 - 39 years	1 - 39 years
Leased plant and equipment	1 - 3 years	1 - 3 years
Software	1 - 3 years	1 - 3 years

Land and core cultural assets, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Intangible produced assets with finite useful lives are 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 consumption of intangible non-produced assets with finite useful lives is not classified as a transaction, but as amortisation and is included in the net result as an other economic flow.

**Interest expense**

Interest expense is recognised in the period in which it is incurred. Refer to Note 28 Glossary of terms for an explanation of interest expense items.

**Grants and other transfers**

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. Refer to Note 28 Glossary of terms for an explanation of grants and other transfers.

**Capital asset charge**

The capital asset charge is calculated on the budgeted carrying amount of applicable non-financial physical assets.

**Other operating expenses**

Other operating expenses generally represent the day to day running costs incurred in normal operations.



## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Supplies and services**

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

**Bad and doubtful debts**

Refer to Note 1(K) Financial assets – Impairment of financial assets.

**Fair value of 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 services would have been purchased if not donated.

**(H) OTHER ECONOMIC FLOWS INCLUDED IN THE NET RESULT**

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

**Net gain/ (loss) on non-financial assets**

Net gain/ (loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

**Revaluation gains/ (losses) of non-financial physical assets**

Refer to Note 1(L) Non-financial assets – Revaluations of non-financial assets.

**Disposal of non-financial assets**

Any gain or loss on the sale of non-financial assets is recognised at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at the time.

**Impairment of non-financial assets**

Intangible assets not yet available for use or with indefinite useful lives are tested annually for impairment (as described below) and whenever there is an indication that the asset may be impaired.

All other assets are assessed annually for indications of impairment, except for:

- inventories (refer to Note 1(L) Non-financial assets);
- non-financial physical assets held-for-sale (refer to Note 1(L) Non-financial assets).

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an other economic flow, except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a change in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Refer to Note 1(L) Non-financial assets in relation to the recognition and measurement of non-financial assets.

**Other gains (losses) from other economic flows**

Other gains/ (losses) from other economic flows include the gains or losses from:

- transfer of amounts from the reserves and/or accumulated surplus to net result due to disposal or derecognition or reclassification; and
- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.



**(I) ADMINISTERED INCOME****Taxes, fines and regulatory fees**

Victoria Police does not gain control over assets arising from taxes, fines and regulatory fees, 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 Note 21 Administered items. Refer to Note 1(F) Income from transactions for the accounting of grants.

**Grants from the Commonwealth Government and other jurisdictions**

Victoria Police's administered grants mainly comprise funds provided by the Commonwealth to assist the State Government in meeting general or specific service delivery obligations, primarily for the purpose of aiding in the financing of the operations of the recipient, capital purposes and/or for on-passing to other recipients. Victoria Police also receives grants for on passing from other jurisdictions. Victoria Police does not have control over these grants, and the income is not recognised in Victoria Police's financial statements. Administered grants are disclosed in Note 21 Administered items.

**(J) FINANCIAL INSTRUMENTS**

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Victoria Police's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract. However, guarantees issued by the Treasurer on behalf of Victoria Police are financial instruments because, although authorised under statute, the terms and conditions for each financial guarantee may vary and are subject to an agreement.

Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

**Categories of non-derivative financial instruments*****Loans and receivables***

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transactions costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Loans and receivables category included cash and deposits (refer to Note 1(K) Financial assets), term deposits with maturity greater than three months, trade receivables, loans and other receivables, but not statutory receivables.

***Held-to-maturity financial assets***

If the entity concerned has the positive intent and ability to hold nominated investments to maturity, then such financial assets may be classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

The held-to-maturity category includes term deposits which the entity intends to hold to maturity.

Victoria Police makes limited use of this classification because any sale or reclassification of more than an insignificant amount of held-to-maturity investments not close to their maturity, would result in the whole category being reclassified as available-for-sale. Victoria Police would also be prevented from classifying investment securities as held-to-maturity for the current and the following two financial years.

***Financial liabilities at amortised cost***

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instrument liabilities measured at amortised cost include all payables, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit or loss.

**(K) FINANCIAL ASSETS****Cash and deposits**

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank and deposits at call.

For cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as cash on the balance sheet.

**Receivables**

Receivables consist of:

- statutory receivables, which include predominantly amounts owing from Department of Justice for undrawdown appropriations and GST input tax credits recoverable; and
- contractual receivables, which include mainly debtors in relation to goods and services and accrued investment income.

Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less an allowance for impairment.

A provision for doubtful receivables is made when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

**Investments and other financial assets**

Investments are classified in the following categories:

- financial assets at fair value through profit or loss,
- loans and receivables, and
- available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Any dividend or interest earned on the financial asset is recognised in the consolidated comprehensive operating statement as a transaction.

**Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- Victoria Police retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Victoria Police has transferred its rights to receive cash flows from the asset and either:
  - (a) has transferred substantially all the risks and rewards of the asset, or
  - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where Victoria Police has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Victoria Police's continuing involvement in the asset.

**Impairment of financial assets**

At the end of each reporting period, Victoria Police assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Bad and doubtful debts for financial assets are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off by mutual consent and allowance for doubtful receivables are classified as 'other economic flows' in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

In assessing impairment of statutory (non-contractual) financial assets which are not financial instruments, professional judgement is applied in assessing materiality and using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of assets*.

**(L) NON-FINANCIAL ASSETS****Inventories**

Inventories include goods held for distribution at zero or nominal cost, or for consumption in the ordinary course of business operations.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are required 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 is assigned to land held for sale (undeveloped, under development and developed) and to other high value, low volume inventory items on a specific identification of cost basis. Cost for all other inventory is measured on the basis of weighted average cost.

Bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

**Non-financial physical assets classified as held for sale, including disposal group assets**

Non-financial physical assets (including disposal group assets) are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than continuing use.

This condition is regarded as met only when:

- the asset is available for immediate use in the current condition; and
- the sale is highly probable and the asset's sale is expected to be completed within twelve months from the date of classification.

These non-financial physical assets, related liabilities and financial assets are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation or amortisation.

**Property, plant and equipment**

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

The initial cost for non-financial physical assets under a finance lease (refer to Note 1(N) Leases) is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

Non-financial physical assets such as Crown land and heritage assets are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply.

The fair value of cultural assets and collections, heritage assets and other non-financial physical assets that the State intends to preserve because of their unique historical, cultural or environmental attributes, is measured at the replacement cost of the asset less, where applicable, accumulated depreciation (calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset) and any accumulated impairment. These policies and any legislative limitations and restrictions imposed on their use and/or disposal may impact their fair value.

The fair value of plant, equipment and vehicles, is normally determined by reference to the asset's depreciated replacement cost. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

Certain assets are acquired under finance leases, which may form part of a service concession arrangement. Refer to Note 1(N) Leases and Note 1(P) Commitments in relation to such assets and arrangements.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

For the accounting policy on impairment of non-financial physical assets, refer to Note 1(H) Other economic flows included in the net result – Impairment of non-financial assets.

**Leasehold improvements**

The cost of a leasehold improvement is capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

**Restrictive nature of cultural and heritage assets, Crown land and infrastructures**

Certain agencies hold cultural assets, heritage assets, and Crown land infrastructure which are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. Consequently, there are certain limitations and restrictions imposed on their use and/or disposal.

**Non-financial physical assets constructed by Victoria Police**

The cost of non-financial physical assets constructed by Victoria Police includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

**Revaluations of non-financial physical assets**

Non-financial physical assets are measured at fair value in accordance with the Financial Reporting Directions (FRDs) issued by the Minister for Finance. A full revaluation normally occurs every five years, based upon the asset's government purpose classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs.

Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in 'Other economic flows – other movements in equity' and accumulated in equity under the asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised immediately as other economic flows in the net result, except that the net revaluation decrease is recognised in 'other economic flows – other movements in equity' to the extent that a credit balance exists in the revaluation surplus in respect of the same class of property, plant and equipment. The net revaluation decrease recognised in 'other economic flows – other movements in equity' reduces the amount accumulated in equity under the asset revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment, are offset against one another within that class but are not offset in respect of assets in different classes. Any asset revaluation surplus is not normally transferred to accumulated funds on derecognition of the relevant asset.

**Intangible assets**

Purchased intangible assets are initially measured at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the State.

When the recognition criteria in AASB 138 Intangible Assets are met, internally generated intangible assets are recognised and measured at cost less accumulated amortisation and impairment. Refer to Note 1(G) Expenses from transactions – Depreciation and amortisation, and to Note 1(H) Other economic flows included in the net result – Impairment of non-financial assets.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

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

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

**Other non-financial assets****Prepayments**

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

**(M) LIABILITIES****Borrowings**

Borrowings are initially measured at fair value, being the cost of the borrowings, net of transaction costs (refer also to Note 1(N) Leases).

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in net result over the period of the borrowing using the effective interest method.

**Payables**

Payables consist of:

- contractual payables, such as accounts payable, and unearned income including deferred income from concession arrangements. Accounts payable represent liabilities for goods and services provided to Victoria Police prior to the end of the financial year that are unpaid, and arise when Victoria Police becomes obliged to make future payments in respect of the purchase of those goods and services; and
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost (refer to Note 1(J) Financial instruments). Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.



## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Provisions**

Provisions are recognised when Victoria Police has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

**Employee benefits**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

**(i) Wages and salaries and annual leave**

Liabilities for wages and salaries and annual leave are recognised in the provision for employee benefits, classified as current liabilities. Those liabilities which are expected to be settled within 12 months of the reporting period, are measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are also recognised in the provision for employee benefits as current liabilities, but are measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

**(ii) Long service leave**

Liability for long service leave (LSL) is recognised in the provision for employee benefits

**Unconditional LSL** is disclosed in the notes to the financial statements as a current liability even where Victoria Police does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months:

The components of this current LSL liability are measured at; nominal value – component that Victoria Police expects to settle within 12 months; and present value – component that Victoria Police does not expect to settle within 12 months.

**Conditional LSL** is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' (refer to Note 1(H) Other economic flows included in the net result)

**(iii) Termination benefits**

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. Victoria Police recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**Employee benefits on-costs**

Employee benefits on-costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision for employee benefits.

**(N) LEASES**

A lease is a right to use an asset for an agreed period of time in exchange for payment.

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are classified as finance infrastructure leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

**Finance leases - Victoria Police as lessee**

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease.

Minimum finance lease payments are apportioned between reduction of the outstanding lease liability, and periodic finance expense which is calculated using the interest expense implicit in the lease and charged directly to the comprehensive operating statement. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

**Operating leases - Victoria Police as lessee**

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received to enter into operating leases, the aggregate cost of incentives are recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**(O) EQUITY****Contributions by owners**

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

**(P) COMMITMENTS**

Commitments are disclosed at their nominal value and inclusive of the goods and services tax (GST) payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated.

**(R) ACCOUNTING FOR THE GOODS AND SERVICES TAX (GST)**

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it 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 taxation authority 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 taxation authority, are presented as operating cash flow.

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(S) EVENTS AFTER THE REPORTING PERIOD**

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between Victoria Police and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed in the reporting period. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period and which may have a material impact on the results of subsequent reporting periods.

**(T) AASs ISSUED THAT ARE NOT YET EFFECTIVE**

Certain new AASs have been published that are not mandatory for the 30 June 2011 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 2011, the following standards and interpretations that are applicable to Victoria Police had been issued but were not mandatory for the financial year ending 30 June 2011. Standards and Interpretations that are not applicable to Victoria Police have been omitted. Victoria Police has not early adopted these standards.



Standard/Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on departmental financial statements
AASB 9 <i>Financial Instruments</i>	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 <i>Financial Instruments: (AASB 139 Financial Instruments: Recognition and Measurement)</i> .	Beginning 1 Jan 2013	Detail of impact is still being assessed.
AASB 124 Related party disclosures (Dec 2009 version)	Government related entities have been granted partial exemption with certain disclosure requirements.	Beginning 1 Jan 2011	Preliminary assessment suggests the impact is insignificant. However Victoria Police still assessing the detailed impact and whether to early adopt.
AASB 2009-11 <i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12]</i>	This standard gives effect to consequential changes arising from the issuance of AASB 9	Beginning 1 Jan 2013	Detail of impact is still being assessed.
AASB 2010-4 Further amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1.7.101.134 and Interpretation 13]	This standard makes numerous improvements designed to enhance the clarity of standards.	Beginning 1 Jan 2011	No significant impact on the financial statements.
AASB 2010-5 <i>Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 &amp; 1038 and Interpretations 112, 115, 127, 132 &amp; 1042]</i>	This amendment contains editorial corrections to a range of Australian Accounting Standards and Interpretations, which includes amendments to reflect changes made to the text of IFRSs by the IASB	Beginning 1 Jan 2011	No significant impact on the financial statements.
AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]	This amendment adds and changes disclosure requirements about the transfer of financial assets. This includes the nature and risk of the financial assets.	Beginning 1 Jul 2011	This may impact on Victoria Police as it creates additional disclosure for transfers of financial assets.  Detail of impact is still being assessed

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on departmental financial statements
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	These amendments are in relation to the introduction of AASB 9.	Beginning 1 Jan 2013	This amendment may have an impact on Victoria Police as AASB 9 is a new standard and it changes the requirements of numerous standards.  Detail of impact is still being assessed
AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]	This amendment affects multiple Australian Accounting Standards and AASB Interpretations for the objective of increased alignment with IFRSs and achieving harmonisation between both Australian and New Zealand Standards. It achieves this by removing guidance and definitions from some Australian Accounting Standards, without changing their requirements.	Beginning 1 July 2011	This amendment will have no significant impact on public sector bodies.
AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & AASB 1054]	The objective of this amendment is to include some additional disclosure from the Trans-Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements	Beginning 1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) and has not decided if RDRs will be implemented to Victorian Public Sector
AASB 2011-3 Amendments to Australian Accounting Standards – Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments [AASB 1049]	This amends AASB 1049 to clarify the definition of the ABS GFS Manual, and to facilitate the adoption of changes to the ABS GFS Manual and related disclosures.	Beginning 1 July 2012	This amendment provides clarification to users on the version of the GFS Manual to be used and what to disclose if the latest GFS Manual is not used.  No impact on performance measurements will occur.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 2. INCOME FROM TRANSACTIONS

	2011 \$'000	2010 \$'000
<b>Income</b>		
<b>(a) Revenue from Government</b>		
Grants received from Department of Justice	1,958,040	1,846,445
<b>Total revenue from Government</b>	<b>1,958,040</b>	<b>1,846,445</b>
<b>(b) Other income</b>		
Income from sale of goods and services	2,070	834
Interest income	84	50
Income in relation to trusts	8,042	9,745
Other income	1,505	788
Assets recognised for first time	2,711	627
Plant and equipment received free of charge or nominal consideration	145	1,191
<b>Total Other Income</b>	<b>14,558</b>	<b>13,234</b>
<b>Total income from transactions</b>	<b>1,972,598</b>	<b>1,859,679</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 3. EXPENSES FROM TRANSACTIONS

	2011 \$'000	2010 \$'000
<b>(a) Employee expenses</b>		
Salary and wages expense	1,085,509	1,024,512
Superannuation expense (refer Note 14)	138,250	122,492
Long service leave expense	23,287	45,229
Other on-costs (fringe benefits tax, payroll tax and workcover levy)	110,268	107,430
	1,357,314	1,299,664
<b>(b) Depreciation and amortisation</b>		
Buildings	21,254	19,608
Leasehold improvements	1,339	1,396
Plant and equipment	11,799	9,740
Leased plant and equipment	27,981	24,143
	62,374	54,886
<b>Amortisation</b>		
Intangibles	400	2,398
	62,774	57,284
<b>(c) Capital asset charge</b>		
<b>Capital asset charge</b>	71,801	67,206
	71,801	67,206
<b>(d) Supplies and services</b>		
Communications	28,022	21,733
Transport	34,649	28,797
Administration	22,648	19,384
Accommodation	112,132	106,205
Computer facilities	88,106	93,642
Police operating expenses	168,258	148,789
Legal expenses	15,345	11,888
Ex Gratia Payments	125	105
Plant and equipment provided free of charge or for nominal consideration	24	13
Land provided free of charge or for nominal consideration	658	0
	469,970	430,555
<b>(e) Interest expense</b>		
Finance lease costs	3,267	4,006
	3,267	4,006
<b>Total expenses from transactions</b>	<b>1,965,125</b>	<b>1,858,714</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 4. OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT

	2011 \$'000	2010 \$'000
<b>(a) Net gain/(loss) on non-financial assets</b>		
Net gain/(loss) on disposal of plant, equipment and motor vehicles	3,648	4,124
	3,648	4,124
<b>(b) Net gain/(loss) from other economic flows</b>		
Net gain/(loss) arising from revaluation of long service leave liability	2,243	(594)
	2,243	594
<b>Total other economic flows included in net result</b>	<b>5,892</b>	<b>3,531</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 5. RECEIVABLES

		2011 \$'000	2010 \$'000
<b>Current receivables</b>			
<b>Contractual</b>			
Receivables from sale of goods and services	(i)	4,761	3,468
Other receivables		775	3,249
Allowance for doubtful contractual receivables (a)		(52)	(25)
		5,484	6,691
<b>Statutory</b>			
Amounts owing from the Victorian Government	(ii)	150,950	130,360
GST input tax credit recoverable		5,090	3,462
		156,040	133,822
<b>Total current receivables</b>		<b>161,524</b>	<b>140,513</b>
<b>Non-current receivables</b>			
<b>Statutory</b>			
Amounts owing from the Victorian Government	(ii)	195,592	194,134
		195,592	194,134
<b>Total receivables</b>		<b>357,116</b>	<b>334,647</b>
<b>(a) Movement in the allowance for doubtful contractual receivables</b>			
Balance at beginning of the year		(25)	(29)
Increase in provision recognised in the net result		(33)	(7)
Reversal of unused provision recognised in the net result		6	11
<b>Balance at end of the year</b>		<b>(52)</b>	<b>(25)</b>

(i) The average credit period for the sale of goods and services and for other receivables is 30 days.

(ii) Statutory receivables are amounts recognised from the Victorian Government for all funding commitments incurred through the appropriations and are drawn from the consolidated fund as they fall due.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 6. OTHER NON-FINANCIAL ASSETS

	2011 \$'000	2010 \$'000
<b>Current</b>		
Advances paid to Department of Treasury and Finance	6,649	500
Prepayments	6,093	73
<b>Total other non-financial assets</b>	<b>12,742</b>	<b>573</b>



## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE. 7 NON-FINANCIAL PHYSICAL ASSETS CLASSIFIED AS HELD FOR SALE

	2011 \$'000	2010 \$'000
<b>Current</b>		
Freehold land held for sale	4,244	6,264
Freehold buildings held for sale	1,584	2,274
Motor vehicles held for sale	2,368	1,899
<b>Total non-financial assets classified as held for sale</b>	<b>8,196</b>	<b>10,437</b>

Properties held for sale have been identified as surplus to requirements under the Strategic Facility Development Plan. This plan is reviewed on a regular basis and forms part of the government multi-year investment strategy.  
Motor vehicles held for sale are terminated leases awaiting disposal.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

**NOTE 8. PROPERTY, PLANT & EQUIPMENT CLASSIFICATION BY  
'PUBLIC SAFETY AND ENVIRONMENT' PURPOSE GROUP**

	2011 \$'000	2010 \$'000
<b>Land</b>		
<b>Crown land</b>		
At cost	1,312	13,304
At fair value	372,026	212,519
<b>Total land</b>	<b>373,338</b>	<b>225,823</b>
<b>Buildings</b>		
At cost	31,612	216,609
less: accumulated depreciation	(746)	(20,218)
	30,866	196,391
At fair value	682,431	370,074
less: accumulated depreciation	(775)	(41,820)
	681,656	328,254
Leasehold Improvements at cost	15,339	13,079
less: accumulated amortisation	(10,818)	(9,484)
	4,521	3,594
Buildings in the course of construction at cost	85,723	74,757
<b>Total buildings</b>	<b>802,766</b>	<b>602,997</b>
<b>Total land, buildings and leasehold improvements</b>	<b>1,176,104</b>	<b>828,820</b>
<b>Plant and equipment</b>		
At fair value	129,698	117,219
less: accumulated depreciation	(64,267)	(58,656)
	65,431	58,562
Motor vehicles under finance lease (at cost)	86,605	82,770
less: accumulated amortisation	(30,519)	(24,304)
	56,085	58,467
Plant and equipment in the course of construction at cost	628	4,622
<b>Total plant and equipment</b>	<b>122,143</b>	<b>121,651</b>
<b>Cultural and heritage assets</b>		
At cost	20	27
At fair value	4,243	3,113
<b>Total cultural and heritage assets</b>	<b>4,263</b>	<b>3,140</b>
<b>Total property, plant and equipment</b>	<b>1,302,509</b>	<b>953,609</b>

An independent valuation of Victoria Police's land and buildings was performed by the Valuer-General to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. In the case of police stations the method used was Depreciated Replacement Cost as the valuers believe it would be difficult to sell such assets in an active and liquid market. The valuation was based on independent assessments. The effective date of the valuation is 30 June 2011.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

**NOTE 9. PROPERTY, PLANT & EQUIPMENT****CLASSIFICATION BY 'PUBLIC SAFETY AND ENVIRONMENT' PURPOSE GROUP – MOVEMENTS IN CARRYING AMOUNTS.**

The basis of valuation of Victoria Police's land and buildings adopted at 20 June 2011 is in accordance with applicable accounting standards for the revaluation of non-current assets.

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Crown land at cost and fair value	Buildings at cost and fair value
Carrying amount at start of year	\$'000	\$'000
<b>Balance at 1 July 2009</b>	<b>225,476</b>	<b>477,996</b>
Fair value of assets received free of charge	1,107	
Fair value of assets given free of charge		
Additions	53	217
Disposals	(410)	(823)
Transfer in/out of assets under construction	1,943	67,734
Net Revaluation Increments / (Decrements)		
Transfer to/from Intangibles		
Transfers to / from Contributed Capital	(180)	(16)
Reclassification		17
Fair value of assets recognised for first time		
Depreciation/amortisation expense		(19,608)
Transfers to assets classified as held for sale	(2,165)	(872)
<b>Balance at 30 June 2010</b>	<b>225,823</b>	<b>524,645</b>
Fair value of assets received free of charge		
Fair value of assets given free of charge		
Additions		23
Disposals	(115)	(2,216)
Transfer in/out of assets under construction	500	37,968
Net Revaluation Increments / (Decrements)	146,750	173,213
Transfer to/from Intangibles		
Transfers to / from Contributed Capital	(150)	(58)
Reclassification		
Other		
Transfer to/from Prepayments		
Fair value of assets recognised for first time	530	198
Depreciation/amortisation expense		(21,252)
Transfers to assets classified as held for sale		
<b>Balance at 30 June 2011</b>	<b>373,338</b>	<b>712,522</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

**NOTE 9. PROPERTY, PLANT & EQUIPMENT**CLASSIFICATION BY 'PUBLIC SAFETY AND ENVIRONMENT' PURPOSE  
GROUP – MOVEMENTS IN CARRYING MOUNTS

Leasehold Improvements at cost	Plant and equipment at cost and fair value	Leased motor vehicles at cost	Buildings, P & E in the course of construction at cost	Cultural and heritage assets at fair value	Total
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>3,056</b>	<b>48,819</b>	<b>55,322</b>	<b>78,693</b>	<b>3,139</b>	<b>892,501</b>
	84				1,191
	(13)				(13)
129	11,474	46,247	85,132		143,251
(10)	(1,599)	(18,959)			(21,800)
1,858	8,911		(80,210)		236
			(3,999)		(3,999)
					(196)
(43)			(240)		(266)
	627				
(1,396)	(9,740)	(24,143)			(54,887)
					(3,037)
<b>3,594</b>	<b>58,561</b>	<b>58,467</b>	<b>79,376</b>	<b>3,139</b>	<b>953,609</b>
	145				145
	(24)				(24)
70	13,250	42,032	53,126	20	108,522
(0)	(2,178)	(15,963)			(20,473)
2,195	5,493		(46,156)		0
				1,103	321,066
					(208)
	1,983				2,711
(1,339)	(11,799)	(27,981)			(62,372)
		(469)			(469)
<b>4,521</b>	<b>65,431</b>	<b>56,085</b>	<b>86,346</b>	<b>4,263</b>	<b>1,302,509</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 10. INTANGIBLE ASSETS

	2011 \$'000	2010 \$'000
<b>Gross carrying amount</b>		
<b>Opening balance of work in progress</b>	235	4,022
Capitalised assets	0	(3,999)
Additions	0	212
<b>Closing balance of work in progress</b>	<b>235</b>	<b>235</b>
<b>Opening balance of capitalised software</b>	2,699	1,098
Additions	85	3,999
Amortisation (a)	(400)	(2,399)
<b>Closing balance of capitalised assets</b>	<b>2,384</b>	<b>2,699</b>
<b>Net book value at the end of the financial year</b>	<b>2,619</b>	<b>2,936</b>

(a) Amortisation expense is included in the line item 'depreciation and amortisation expense' in note 3.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 11. PAYABLES

	2011 \$'000	2010 \$'000
<b>Current</b>		
<b>Contractual</b>		
Supplies and services (i)	49,852	43,571
Amounts payable to government and agencies	5,464	942
Accrued salaries and wages	0	32,549
Other liabilities	256	698
	<b>55,572</b>	<b>77,760</b>
<b>Statutory</b>		
Taxes payable	9,606	283
<b>Total payables</b>	<b>65,178</b>	<b>78,043</b>

Notes: (i) The average credit period is 30 days and no interest is charged for the first 30 days from the date of the invoice.

**(a) Maturity analysis of contractual payables**

Please refer to Table 18.4 in Note 18 for the maturity analysis of contractual payables.

**(b) Nature and extent of risk arising from contractual payables**

Please refer to Note 18 for the nature and extent of risks arising from contractual payables.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 12. BORROWINGS

	2011 \$'000	2010 \$'000
<b>Current</b>		
Finance lease liabilities (i)	43,485	37,285
	43,485	37,285
<b>Non-current</b>		
Finance lease liabilities (i)	15,241	23,352
<b>Total borrowings</b>	<b>58,726</b>	<b>60,638</b>

**Notes:**

(i) 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.

**(a) Maturity analysis of borrowings**

Please refer to Table 18.4 in Note 18 for the maturity analysis of borrowings.

**(b) Nature and extent of risk arising from borrowings**

Please refer to Note 18 for the nature and extent of risks arising from borrowings.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 13. PROVISIONS

	2011 \$'000	2010 \$'000
<b>Non Current Provisions</b>		
(i) Employee benefits (Note 13(a)) - annual leave:		
(ii) Unconditional and expected to be settled within 12 months	27,990	27,548
(i) Employee benefits (Note 13(a)) - long service leave:		
(ii) Unconditional and expected to be settled within 12 months	30,000	24,000
(iii) Unconditional and expected to be settled after 12 months	256,250	265,587
	<b>314,240</b>	<b>317,135</b>
Provisions related to employee benefit on-costs (Note 13(a)):		
(ii) Unconditional and expected to be settled within 12 months	13,298	10,773
(iii) Unconditional and expected to be settled after 12 months	55,543	57,663
	68,841	68,436
(iv) Provision for unpaid salaries and wages	0	3,105
(v) Other provisions	3,908	626
<b>Total current provisions</b>	<b>386,989</b>	<b>389,302</b>
<b>Current Provisions</b>		
(i) Employee benefits (Note 13(a))	12,633	16,790
Employee benefits on costs (Note 13(a))	2,738	3,645
(ii) Deferred salary scheme	0	31
	15,371	20,467
Make-good provision	10,374	7,080
<b>Total non-current provisions</b>	<b>25,745</b>	<b>27,547</b>
<b>Total provisions</b>	<b>412,734</b>	<b>416,848</b>
<b>(a) Employee benefits and related on-costs</b>		
<b>Current employee benefits</b>		
Annual leave entitlements	27,990	27,548
Long service leave entitlements	286,250	289,587
(i) Provision for unpaid salaries and wages	0	3,105
	314,240	320,240
<b>Non-current employee benefits</b>		
Long service leave entitlements	12,633	16,790
(ii) Deferred salary scheme provision	0	31
<b>Total employee benefits</b>	<b>326,873</b>	<b>337,061</b>
Current on-costs	68,841	68,436
Non-current on-costs	2,738	3,645
<b>Total on-costs</b>	<b>71,579</b>	<b>72,081</b>
<b>Total employee benefits and related on-costs</b>	<b>398,452</b>	<b>409,142</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

	On-costs	Make-good	Other	Total
<b>(b) Movement in provisions</b>				
<b>Opening balance 1 July 2010</b>	72,081	7,080	3,731	82,892
Additional provisions	38,208	3,294	67,048	108,549
Reductions arising from payments/other sacrifices of future economic benefits	(38,710)	0	(66,871)	(105,580)
Other				
<b>Closing balance 30 June 2011</b>	<b>71,579</b>	<b>10,374</b>	<b>3,908</b>	<b>85,860</b>
Current	68,841		3,908	72,749
Non-current	2,738	10,374		13,112
	<b>71,579</b>	<b>10,374</b>	<b>3,908</b>	<b>85,860</b>

- (i) Provisions for employee benefits consist of amounts for salaries and wages, annual leave and long service leave accrued by employees, including on-costs.  
(ii) The amounts disclosed are nominal amounts.  
(iii) The amounts disclosed are discounted to present values.



## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 14. SUPERANNUATION

**GOVERNMENT EMPLOYEES'  
SUPERANNUATION FUND**

Employees of Victoria Police are entitled to receive superannuation benefits and Victoria Police contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

Victoria Police does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its financial report.

However, superannuation contributions paid or payable for the reporting period are included as part of employee expenses in the Operating Statement of Victoria Police.

The name and details of the major employee superannuation funds and contributions made by Victoria Police are as follows. There are no outstanding contributions as at 30 June 2011.

FUND	Paid contribution for the year	Paid contribution for the year
	2011 \$'000	2010 \$'000
<b>Defined benefit plans:</b>		
State Superannuation Fund -		
Revised and new	123,169	108,641
<b>Defined contribution plans:</b>		
VicSuper	15,046	13,815
Other	35	37
<b>Total</b>	<b>138,250</b>	<b>122,492</b>

The bases for contributions are determined by the various schemes.

The above amounts were measured as at 30th June 2011, or in the case of employer contributions, they related to the period ended 30th June 2011.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 15. LEASES

## DISCLOSURE FOR LESSEES - FINANCE LEASES LEASING ARRANGEMENTS

FINANCE LEASE LIABILITIES (i)				
	Minimum future lease payments		Present value of minimum future lease payments	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Not longer than one year	45,449	39,843	43,485	37,285
Longer than one year and not longer than five years	15,929	24,372	15,241	23,352
Longer than five years				
Minimum lease payments*	<b>61,378</b>	<b>64,215</b>	<b>58,726</b>	<b>60,638</b>
less future finance charge	(2,652)	(3,578)		
Present value of minimum lease payments	<b>58,726</b>	<b>60,638</b>	<b>58,726</b>	<b>60,638</b>
Current interest bearing liabilities (Note 18)			43,485	37,285
Non-current interest bearing liabilities (Note 18)			15,241	23,352
			58,726	60,638

\* Minimum future lease payments includes the aggregate of all lease payments and any guaranteed residual.

## Note

- (i) Finance leases relate to motor vehicles with lease terms of 36 months or 60,000 kms, whichever comes first, with the average lease period being 18 months. The lease terms and conditions are in accordance with the whole of government lease management facility.

## DISCLOSURE FOR LESSEES - OPERATING LEASES

LEASING ARRANGEMENTS		
	2011 \$'000	2010 \$'000
<b>Non-cancellable operating leases(ii)</b>		
Not longer than one year	35,412	33,119
Longer than one year and not longer than five years	95,137	121,874
Longer than five years	20,196	24,154
	<b>150,745</b>	<b>179,147</b>

## Note

- (ii) Some of the property leases in the above note may be subject to a CPI increase at a future date.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 16. COMMITMENTS FOR EXPENDITURE

The following commitments have not been recognised as liabilities in the financial statements:

	2011 \$'000	2010 \$'000
<b>(a) Capital commitments</b>		
<b>Plant, equipment and motor vehicles</b>		
Not longer than one year	1,240	1,196
Longer than one year and not longer than five years		
Longer than five years		
	<b>1,240</b>	<b>1,196</b>
<b>(b) Buildings</b>		
Not longer than one year	6,612	15,934
Longer than one year and not longer than five years	433	412
Longer than five years		
	<b>7,045</b>	<b>16,346</b>
<b>Total capital expenditure commitments</b>	<b>8,285</b>	<b>17,542</b>
<b>(c) Outsourcing commitments (i)</b>		
Not longer than one year	31,917	19,849
Longer than one year and not longer than five years	131,671	78,088
Longer than five years	59,205	97,209
<b>Total other expenditure commitments</b>	<b>222,793</b>	<b>195,146</b>
<b>Total commitments for expenditure (inclusive of GST)</b>	<b>231,078</b>	<b>212,688</b>
Less: GST recoverable from the Australian Taxation Office	<b>(21,007)</b>	<b>(19,335)</b>
<b>Total commitments for expenditure (exclusive of GST)</b>	<b>(210,071)</b>	<b>(193,353)</b>

## Notes

(i) The outsourcing commitments relate to a number of operational service agreements. The two current projects are the Mobile Data Network (MDN), and the Metropolitan Mobile Radio (MMR). Service payments to Motorola Pty Ltd commenced during 2005-06 with future contractual commitments to December 2014 (MDN - \$63.02m) and June 2012 (MMR - \$30.80m)

(ii) Finance lease and non-cancellable operating lease commitments are disclosed in Note 15.

(iii) All amounts shown in the commitments note are nominal amounts inclusive of GST

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 17. CONTINGENT LIABILITIES

	2011 \$'000	2010 \$'000
<b>Contingent liabilities</b>		
Legal proceedings and disputes	47,690	55,845
	<b>47,690</b>	<b>55,845</b>

These estimates are based on a separate assessment of all Victoria Police files by our legal advisors.

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011**NOTE 18. FINANCIAL INSTRUMENTS****(A) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

Victoria Police's principal financial instruments comprise: cash assets; term deposits; receivables (excluding statutory receivables); payables (excluding statutory payables); and finance lease payments. 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 1 of the financial statements.

The main purpose in holding financial instruments is to prudentially manage Victoria Police's financial risks within the government policy parameters.

Victoria Police's main financial risks include credit risk, liquidity risk, and interest rate risk. Victoria Police manages these financial risks in accordance with the *Financial Management Act 1994*, and the whole of government Standing Directions including the Financial Management Compliance Framework.

Victoria Police uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Chief Finance Office.

The carrying amounts of Victoria Police's contractual financial assets and financial liabilities by category are disclosed in Table 18.1 below.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 18. FINANCIAL INSTRUMENTS

<b>TABLE 18.1: CATEGORISATION OF FINANCIAL INSTRUMENTS</b>		
	<b>Contractual Financial Liabilities - loans and receivables \$'000</b>	<b>Contractual Financial Liabilities at amortised cost \$'000</b>
<b>2011</b>		
<b>Contractual financial assets</b>		
Cash and deposits	35,731	
(i) <b>Receivables</b>		
Sale of goods and services	4,709	
Other receivables	775	
Investments	1,860	
<b>Total contractual financial assets</b>	<b>43,075</b>	
<b>Contractual financial liabilities</b>		
(i) <b>Payables</b>		
Supplies and services		49,852
Amounts payable to government and agencies		5,464
Other payables		256
<b>Borrowings</b>		
Lease liabilities		58,726
<b>Total contractual financial liabilities</b>		<b>114,298</b>
<b>2010</b>		
<b>Contractual financial assets</b>		
Cash and deposits	69,501	
(i) <b>Receivables</b>		
Sale of goods and services	3,442	
Other receivables	3,249	
Investments	1,330	
<b>Total contractual financial assets</b>	<b>77,522</b>	
<b>Contractual financial liabilities</b>		
(i) <b>Payables</b>		
Supplies and services		43,571
Amounts payable to government and agencies		942
Other payables		33,247
<b>Borrowings</b>		
Lease liabilities		60,638
<b>Total contractual financial liabilities</b>		<b>138,398</b>

**Note:**

(i) The total amounts disclosed here exclude statutory amounts i.e. amounts owing from Department of Justice and GST input tax credit recoverable, and taxes payable.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 18. FINANCIAL INSTRUMENTS

**(B) CREDIT RISK**

Credit risk arises from the contractual financial assets of Victoria Police which comprise cash and cash deposits, and non-statutory receivables. Victoria Police's exposure to credit risk arises from the potential default of 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 because 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 assets, which are mainly cash at bank.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that Victoria Police will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Victoria Police's maximum exposure to credit risk without taking account of the value of any collateral obtained.

<b>18.2: CREDIT QUALITY OF CONTRACTUAL FINANCIAL ASSETS THAT ARE NEITHER PAST DUE NOR IMPAIRED.</b>			
	<b>Financial institutions Double-A credit rating \$'000</b>	<b>Government agencies Triple-A credit rating \$'000</b>	<b>Total \$'000</b>
<b>2011</b>			
Cash and deposits	307	35,424	35,731
Investments		1,860	1,860
	<b>307</b>	<b>37,284</b>	<b>37,591</b>
<b>2010</b>			
Cash and deposits	30,771	38,730	69,501
Investments		1,330	1,330
	<b>30,771</b>	<b>40,060</b>	<b>70,831</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 18. FINANCIAL INSTRUMENTS

<b>18.3: AGING ANALYSIS OF CONTRACTUAL FINANCIAL ASSETS</b>						
(\$ thousand)	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
<b>2011</b>						
(i) Receivables (contractual)	5,484	2,717	203	2,326	207	31
Investments	1,860	1,860				
	<b>7,344</b>	<b>4,577</b>	<b>203</b>	<b>2,326</b>	<b>207</b>	<b>31</b>
<b>2010</b>						
(i) Receivables (contractual)	6,716	4,660	315	1,701	9	32
Investments	1,330	1,330				
	<b>8,046</b>	<b>5,990</b>	<b>315</b>	<b>1,701</b>	<b>9</b>	<b>32</b>

**Note:**  
(i) The total amounts disclosed here exclude statutory amounts i.e. amounts owing from Department of Justice and GST input tax credit recoverable.

**Contractual financial assets that are either past due or impaired**

There are no material financial assets which are individually determined to be impaired. Currently Victoria Police does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The aging analysis table above discloses the aging only of contractual financial assets that are past due but not impaired.



## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 18. FINANCIAL INSTRUMENTS

**(C) LIQUIDITY RISK**

Liquidity risk is the risk that Victoria Police would be unable to meet its financial obligations as and when they fall due. Victoria Police operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

Victoria Police's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. Liquidity risk is managed by careful maturity planning of financial obligations based on forecasts of future cash flows.

Victoria Police's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. The carrying amount detailed in the following table of contractual financial liabilities represents Victoria Police's maximum exposure to liquidity risk.

The following table discloses the contractual maturity analysis for Victoria Police's contractual financial liabilities.

<b>18.4: MATURITY ANALYSIS OF CONTRACTUAL FINANCIAL LIABILITIES (ii)</b>						
(\$ thousand)	Carrying amount	Nominal amount	Maturity dates			
			Less than 1 month	1 - 3 months	3 months- 1 year	1 - 5 years
<b>2011</b>						
(i) Payables	55,572	55,572	55,572			
Borrowings	58,726	58,726	13,020	6,094	26,300	13,312
	<b>114,299</b>	<b>114,299</b>	<b>68,592</b>	<b>6,094</b>	<b>26,300</b>	<b>13,312</b>
<b>2010</b>						
(ii) Payables	77,760	77,760	77,760			
Borrowings	60,638	60,638	8,641	6,031	22,892	23,074
	138,398	138,398	86,401	6,031	22,892	23,074

**Note:**

- (i) The carrying amounts disclosed exclude statutory amounts (eg GST payable)  
(ii) Maturity analysis is presented using the contractual undiscounted cash flows.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 18. FINANCIAL INSTRUMENTS

**(D) MARKET RISK**

Victoria Police's exposure to market risk is primarily through interest rate risk which is insignificant and may arise through the interest bearing liabilities. These liabilities relate to the whole of government VicFleet motor vehicle leasing arrangement. As the interest rates applied to the vehicle leases are not variable or floating in nature, the vehicle leases are not subject to a sensitivity analysis. The adjustment to the interest rate that is made upon the settlement of the VicFleet leases is regarded as a recovery by the lessor of their borrowing costs. Hence the underlying interest rates in these leases are based on fixed interest rate exposure.

18.5: INTEREST RATE EXPOSURE OF FINANCIAL INSTRUMENTS					
	Weighted average effective interest rate	Interest rate exposure			
		Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing
2011	%	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>					
Cash and cash equivalents		35,731	60		35,671
Receivables		5,536	4		5,532
Investments	4.74%	1,860	1,860		
<b>Total financial assets</b>		<b>43,127</b>	<b>1,924</b>	<b>-</b>	<b>41,203</b>
<b>Financial liabilities</b>					
Payables		45,708			45,708
Borrowings	6.48%	60,948	60,948	-	
<b>Total financial liabilities</b>		<b>106,656</b>	<b>60,948</b>	<b>-</b>	<b>45,708</b>
<b>2010</b>					
<b>Financial assets</b>					
Cash and cash equivalents		69,501	60		69,441
Receivables		6,716	2		6,714
Investments	3.61%	1,330	1,330		
<b>Total financial assets</b>		<b>77,547</b>	<b>1,392</b>	<b>-</b>	<b>76,155</b>
Payables		77,760			77,760
Borrowings	6.78%	60,638		60,638	
<b>Total financial liabilities</b>		<b>138,398</b>	<b>-</b>	<b>60,638</b>	<b>77,760</b>

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011**NOTE 18. FINANCIAL INSTRUMENTS****(E) FAIR VALUE**

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

**Level 1** - the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices.

**Level 2** - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and

**Level 2** - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and

**Level 3** - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using observable market inputs.

Victoria Police only holds Level 1 financial instruments. We consider that the carrying amount of financial assets and financial liabilities recorded in the financial report to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 19. CASH FLOW INFORMATION

	2011 \$'000	2010 \$'000
<b>(a) Reconciliation of cash and cash equivalents</b>		
For the purposes of the cash flow statement, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Total cash and deposits disclosed in the balance sheet	307	30,771
Funds held in trust	35,364	38,670
Short Term Deposits	60	60
	<b>35,731</b>	<b>69,501</b>

Due to the State of Victoria's investment policy and government funding arrangements, government entities including Victoria Police generally do not hold a large cash reserve in their bank accounts. Cash received from the generation of revenue is generally paid into the State's bank account, known as the Public Account. Similarly, any expenditure, including those in the form of cheques drawn by Victoria Police for the payment of goods and services to its suppliers and creditors are made via the Public Account. The process is such that the Public Account would remit cash required for the amount drawn on the cheques. This remittance by the Public Account occurs upon the presentation of the cheques by Victoria Police's suppliers or creditors.

The above funding arrangements often result in Victoria Police having a notional shortfall in the cash at bank required for payment of unrepresented cheques at the reporting date.

**Funds held in trust**

These are monies provided by outside organisations for special purpose projects related to the normal operating activities of Victoria Police. The funds can only be used for those purposes and each trust fund has a nominated trustee. The funds are held in a departmental suspense account at the Department of Treasury and Finance on behalf of Victoria Police. The funds held under trust do not include investments as referred to in Note.23

**Short term deposits**

The deposits held during the year were bearing floating interest rates of 4.53% (2010: 3.72%).

**(b) Restrictions on the use of cash**

Funds held in trust are quarantined for used specifically for the purpose under which each trust has been established and are not operating purposes.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 19. CASH FLOW INFORMATION

	2011 \$'000	2010 \$'000
(c) <b>Reconciliation of net result for the period to net cash flows from operating activities</b>		
<b>Net result</b>	13,364	4,496
<b>Non-cash movements</b>		
(Gain)/loss on sale or disposal of non-current assets	(3,648)	(4,124)
Depreciation and amortisation of non-current assets	62,774	57,284
Transfer of resources free of charge or for nominal consideration	145	1,191
<b>Movements in assets and liabilities</b>		
<b>(Increase)/decrease in assets:</b>		
(Increase)/decrease in receivables	(22,469)	3,908
(Increase)/decrease in other non-financial assets	(12,169)	5,428
(Increase)/decrease in inventories	300	(213)
<b>Increase/(decrease) in liabilities:</b>		
Increase (decrease) in payables	20,665	(16,420)
Increase/(decrease) in provisions	(34,496)	27,244
<b>Net cash flows from operating activities</b>	<b>24,466</b>	<b>78,793</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 20. RESERVES

	2011 \$'000	2010 \$'000
<b>Physical asset revaluation surplus</b>		
<b>Land revaluation surplus</b>		
Balance at beginning of financial year	143,630	143,273
Reallocation to buildings		357
Revaluation increments/(decrements)	146,751	0
<b>Balance at end of financial year</b>	<b>290,381</b>	<b>143,630</b>
<b>Buildings revaluation surplus</b>		
Balance at beginning of financial year	114,362	114,719
Reallocation to buildings		(357)
Revaluation increments/(decrements)	173,215	0
<b>Balance at end of financial year</b>	<b>287,577</b>	<b>114,362</b>
<b>Cultural and heritage assets revaluation surplus</b>		
Balance at beginning of financial year	2,923	2,923
Revaluation increments/(decrements)	1,103	0
<b>Balance at end of financial year</b>	<b>4,026</b>	<b>2,923</b>
<b>Total physical asset revaluation surplus</b>	<b>581,984</b>	<b>260,915</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 21. ADMINISTERED ITEMS

In addition to the specific departmental operations which are included in the (balance sheet, operating statement and cash flow statement), Victoria Police administers or manages activities on behalf of the State. The transactions relating to these State activities are reported as administered items in this note. Administered transactions give rise to income, expenses, assets and liabilities and are determined

on an accrual basis. Administered revenues include taxes, fees and fines and the proceeds from the sale of administered surplus land and buildings. Administered assets include government incomes earned but yet to be collected. Administered liabilities include government expenses incurred but yet to be paid.

	<b>Total</b>	
	<b>2011</b>	<b>2010</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Administered income</b>		
Regulatory fees and fines	23,800	23,433
Sale of Government property	15,229	17,838
Seized & unclaimed monies	6,102	7,280
Other agency contributions	4,873	4,404
Other	256	653
<b>Total income</b>	<b>50,260</b>	<b>53,608</b>
<b>Administered expenses</b>		
Payments into the consolidated fund	35,740	39,453
Repayment of seized & unclaimed monies	7,955	5,678
Other agency expenses	5,084	7,182
Other	483	551
<b>Total expenses</b>	<b>49,263</b>	<b>52,863</b>
<b>Income less expenses</b>	<b>998</b>	<b>745</b>
<b>Administered assets</b>		
Cash held at Treasury	181	238
Receivables	9,895	3,222
Investments	2,742	1,740
Non-current assets	29	2,497
<b>Total assets</b>	<b>12,846</b>	<b>7,697</b>
<b>Administered liabilities</b>		
Trade creditors and accruals	4,486	4,290
Other liabilities - trusts	7,362	2,662
<b>Total liabilities</b>	<b>11,849</b>	<b>6,952</b>
<b>Net assets</b>	<b>998</b>	<b>745</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

**NOTE 22. ANNOTATED INCOME AGREEMENTS**

The following is a listing of Section 29 annotated income agreements approved by the Treasurer.

	2011 \$'000	2010 \$'000
<b>User charges, or sales of goods and services</b>		
Information services	5,566	5,803
Security escort services	193	382
Event management	4,325	3,229
Training services	98	100
<b>Proceeds from asset sales</b>		
Motor vehicles	128	186
Land and Buildings	8,154	10,634
Plant & Equipment	74	141
	<b>18,538</b>	<b>20,476</b>



## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 23. TRUST ACCOUNT BALANCES

**(A) TRUST ACCOUNT BALANCES RELATING TO TRUST ACCOUNTS CONTROLLED AND/OR ADMINISTERED BY VICTORIA POLICE**

CASH AND CASH EQUIVALENTS AND INVESTMENTS		
	Total	
	2011 \$'000	2010 \$'000
<b>Controlled trusts</b>		
Departmental Suspense Account	34,472	34,777
FBT Trust Account	805	1,386
Treasury Trust Fund	0	150
Traffic Accident Info System Trust Account	1,954	1,475
<b>Total controlled trusts</b>	<b>37,230</b>	<b>37,787</b>
<b>Administered trusts</b>		
Departmental Suspense Account	14,551	16,233
Treasury Trust Fund	1,087	869
Public Service Commuter Club	(147)	(125)
National Institute of Forensic Science Trust Account	0	671
Police Youth Fund	820	1,102
<b>Total administered trusts</b>	<b>16,311</b>	<b>18,750</b>

Victoria Police's portion of the Public Service Commuter Club Trust is temporarily in deficit due to the timing difference between the purchase of travel tickets and reimbursement from employees. The trust's working capital is funded by Department of Treasury and Finance. The overall Public Service Commuter Club Trust is in surplus.

**(B) TRUST ACCOUNTS OPENED AND CLOSED DURING 2011**

No trust accounts were opened during the reporting period.

During the reporting period the National Institute of Forensic Science was amalgamated with the Australian and New Zealand Policing Advisory Agency

Furthermore, Victoria Police Youth Foundation, part of the Police Youth Fund, ceased operations and it is anticipated that the financial transactions will be finalised during 2011-12

**(C) THIRD PARTY FUNDS UNDER MANAGEMENT**

The third party funds under management are funds held in trust for certain clients. They are not used for government purposes and therefore are not included in Victoria Police's financial statements.

Victoria Police maintains one such trust: Australia and New Zealand Policing Advisory Agency.

	2011 \$'000	2010 \$'000
Australia and New Zealand Policing Advisory Agency	2,232	1,103

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 24. 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:

<b>Responsible Minister</b>	
Minister for Police and Emergency Services The Hon Peter Ryan MP	2nd December 2010 to 30 June 2011
Minister for Police The Hon James Merlino MP	11th October 2010 to 1 December 2010
Minister for Police and Emergency Services The Hon Bob Cameron MP	1st July 2010 to 10 October 2010
<b>Accountable Officers</b>	
Chief Commissioner of Police Simon Overland APM	1st July 2010 to 30th June 2011
Acting Chief Commissioner of Police Ken Lay	17th June 2011 to 30th June 2011 (18 days)
Acting Chief Commissioner of Police Kieran Walshe	4th November 2010 to 18 November 2010 (15 days)

**REMUNERATION**

Remuneration received or receivable by the Accountable Officer in connection with the management of Victoria Police during the reporting period was in the range:

Simon Overland \$400,000 - \$409,999  
(2010: \$370,000 - \$379,999)

Simon Overland resigned effective 30 June 2011.  
Ken Lay will continue as Acting Chief Commissioner until a new appointment is made.

Amounts relating to the Minister are reported in the financial statements of the Department of Premier and Cabinet.

**Related party transactions**

Other related transactions and loans requiring disclosure under the Directions of the Minister for Finance have been considered and there are no other matters to report.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 25. REMUNERATION OF EXECUTIVES

The numbers of executive officers, other than the Minister and the Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits. Remuneration increases flowing from the Annual Executive Remuneration Review, and some executives receiving bonus payments influenced changes to total remuneration payable to Victoria Police executives during the reporting period.

In addition, three appointments were made to positions that had been vacant the previous year. These were: Director Forensic Services; Director of Finance and Director Strategic Business Engagement, Infrastructure and IT Services.

Income band	Total Remuneration		Base Remuneration	
	2011 No.	2010 No.	2011 No.	2010 No.
\$100,000 - \$109,999	-	-	-	-
\$110,000 - \$119,999	1	-	1	-
\$120,000 - \$129,999	-	3	-	6
\$130,000 - \$139,999	-	6	-	3
\$140,000 - \$149,999	4	1	5	2
\$150,000 - \$159,999	1	1	1	1
\$160,000 - \$169,999	1	3	2	2
\$170,000 - \$179,999	2	2	1	3
\$180,000 - \$189,999	1	3	2	3
\$190,000 - \$199,999	7	4	6	3
\$200,000 - \$209,999	3	2	2	2
\$210,000 - \$219,999	1	-	1	-
\$220,000 - \$229,999	-	1	1	1
\$230,000 - \$239,999	-	1	1	1
\$240,000 - \$249,999	1	1	-	1
\$250,000 - \$259,999	3	1	3	1
\$260,000 - \$269,999	1	1	-	1
\$270,000 - \$279,999	2	-	4	-
\$280,000 - \$289,999	2	1	-	1
\$290,000 - \$299,999	1	-	1	-
\$320,000 - \$329,999	1	-	1	-
<b>Total numbers</b>	32	31	32	31
<b>Total amount</b>	<b>\$6,759,810</b>	<b>\$5,573,926</b>	<b>\$6,605,548</b>	<b>\$5,492,105</b>

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 26. REMUNERATION OF AUDITORS

	2011 \$'000	2010 \$'000
Audit fees paid or payable to Victorian		
Auditor-General's Office for audit of Victoria Police's financial report	361	357
	<b>361</b>	<b>357</b>

The Victorian Auditor-General's Office has not provided Victoria Police any other services.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 27. SUBSEQUENT EVENTS

There are no known material subsequent events for the current reporting period.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 28. GLOSSARY OF TERMS

**Amortisation**

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an expense other economic flow.

**Capital asset charge**

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs.

**Comprehensive result**

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

**Commitments**

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

**Depreciation**

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

**Employee benefits expenses**

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

**Financial asset**

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual or statutory right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) 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 receive 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.

**Financial instrument**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

**Financial liability**

A financial liability is any liability that is:

- (a) A contractual or statutory obligation:
  - (i) To deliver cash or another financial asset to another entity; or
  - (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) A contract that will or may be settled in the entity's own equity instruments and is:
  - (i) 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
  - (ii) 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.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

## NOTE 28. GLOSSARY OF TERMS

**Financial statements**

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statements, and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (September 2007), which means it may include the main financial statements and the notes.

**Grants and other transfers**

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature. While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

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

**Intangible assets**

Intangible assets represent identifiable non-monetary assets without physical substance.

**Interest expense**

Costs incurred in connection with the borrowing of funds. Interest expenses include interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

**Interest income**

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

**Investment properties**

Investment properties represent properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet service delivery objectives of the State of Victoria.

**Net acquisition of non-financial assets (from transactions)**

Purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. It includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

**Net result**

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as other non-owner changes in equity.

**Net result from transactions/net operating balance**

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

**Net Worth**

Assets less liabilities, which is an economic measure of wealth

**Non-financial assets**

Non-financial assets are all assets that are not 'financial assets'.

## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2011

**NOTE 28. GLOSSARY OF TERMS****Other economic flows**

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal. In simple terms, other economic flows are changes arising from market re-measurements.

**Payables**

Includes short and long term trade debt and accounts payable, grants, taxes and interest payable.

**Receivables**

Includes amounts owing from government through appropriation receivable, short and long term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

**Sales of goods and services**

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

**Supplies and services**

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Department.

**Transactions**

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

**STATEMENT OF AVAILABILITY OF OTHER INFORMATION (FRD22B)**

Additional information about Victoria Police may be obtained from our website:  
[www.police.vic.gov.au](http://www.police.vic.gov.au)

FRD22B of the *Financial Management Act 1994* requires that certain categories of information not contained in the Annual Report be available on request.

The required additional information will be made available on the Victoria Police website by the end of the month in which this annual report is published.



