

EXPLANATORY MEMORANDUM

APPROPRIATION (CONSOLIDATED FUND) BILL (NO. 6) 2003

PURPOSE OF BILL

The purpose of this Bill is to appropriate from the Consolidated Fund, capital expenditure excesses approved during the 2002/03 financial year for expenditure in 2002/03.

Schedule 1 of the Bill identifies expenditure excesses approved for each item in 2002/03. The total capital excess and the amount sought in this Appropriation Bill is \$13,073,030.00.

This Bill is largely a machinery Bill and reflects capital expenditure excesses for new items created during 2002/03 and expenditure overruns as a result of policy decisions or unavoidable cost increases against existing items during the course of 2002/03. The overruns are first charged to the Treasurer's Advance Account in accordance with section 8 of the *Financial Administration and Audit Act 1985* and section 5 of the *Treasurer's Advance Authorization Act 2002*.

To clear the Treasurer's Advance Account for the expenditure overruns, it is necessary to seek appropriation for these amounts. Accordingly, this Bill is the means by which Parliamentary approval to the use of the Treasurer's Advance Account and appropriation of Consolidated Fund is achieved.

Attached are further details of the capital expenditure excesses as identified in Schedule 1 of the Bill.

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Detailed Version

DETAILS OF CAPITAL EXPENDITURE EXCESSES AND NEW ITEMS FOR THE 2002/03 FINANCIAL YEAR

	Expenditure Excess \$
<i>PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS</i>	466,000.00

The additional funds were sought to assist the Parliamentary Commissioner for Administrative Investigations for costs associated with the collocating with the Office of the Public Sector Standards Commissioner.

<i>OFFICE OF ENERGY</i>	80,000.00
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Additional capital funds were required for the purchase of computing and office equipment for the Electricity Reform Implementation Unit.

<i>CONSUMER AND EMPLOYMENT PROTECTION.....</i>	200,000.00
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Following its merger into Department of Consumer and Employment Protection, the Labour Relations Division required additional capital funding for a refit of office accommodation.

However, this funding was offset by savings in recurrent expenditure due to a rent-free period arising from the renegotiation of the lease arrangement.

ZOOLOGICAL PARKS AUTHORITY..... 670,000.00

The 2002/03 State budget was predicted on the basis that the Zoological Gardens Board would continue to operate. In the course of the year the *Zoological Parks Authority Act 2001* was proclaimed which abolished the Zoological Gardens Boards and created the Zoological Parks Authority.

Consequential to this proclamation, the funding that had been allocated to the Zoological Gardens Board was transferred to the Zoological Parks Authority.

POLICE SERVICE 5,282,000.00

The additional expenditure was attributable to:

- costs associated with the purchase of the Computer Aided Dispatch and Communications System (CADCOM). Funds were transferred from the Department's existing recurrent appropriation to its capital appropriation to meet costs capitalised for internal salaries and planning expenditure associated with the purchase of CADCOM (\$3,582,000); and
- the purchase of additional counter-terrorism equipment (\$1,700,000). This additional capital purchase was completely offset by savings in recurrent expenditure associated with DNA expenditure.

FIRE AND EMERGENCY SERVICES AUTHORITY OF WESTERN AUSTRALIA..... 690,000.00

These funds were required for the purchase of additional equipment intended to improve the State's capacity to manage a Chemical, Biological and Radiological (CBR) emergency.

PLANNING AND INFRASTRUCTURE 5,400,000.00

Additional capital funding was sought during 2002/03 for the Transport Executive Licensing Information System (TRELIS).

COUNTRY HIGH SCHOOL HOSTELS AUTHORITY 200,000.00

A review of the debt servicing costs of the Country High School Hostels Authority concluded that the amount provided to make capital repayments to the Western Australian Treasury Corporation was insufficient. However, this was offset by an equal over-provision for recurrent expenditure associated with interest payments and the loan guarantee fee.

COMMUNITY DEVELOPMENT 85,030.00

Additional capital funding was sought by the Department following the sale proceeds of properties previously owned by the agency being returned to the Consolidated Fund. The Department has approval to retain and utilise proceeds from the disposal of properties in Derby and Gelorup, providing these funds are firstly remitted to the Consolidated Fund, and then appropriated back to the agency by way of supplementary funds. These funds are utilised in the undertaking of service delivery accommodation projects.

TOTAL **13,073,030.00**