

'The future of the Service

NSW POLICE SERVICE ANNUAL REPORT 1996-97

depends on our own ability

to change the culture and

improve our standard of

accountability and integrity."

MISSION

The police and the community working together to provide a safer environment by reducing violence, crime and fear.

STRATEGIC PRINCIPLES

The Police Service:

- provides a policing service which is as close to the community as possible and acts without prejudice or favour to all sections of society
- focuses on reducing fear and securing the peace and good order of neighbourhoods by protecting life and property, investigating and preventing crime, and detecting criminals
- identifies and analyses its customers' needs and tailors its resources to provide quality service to meet those needs
- has committed professional people whose ethical standards are beyond reproach, whose honest mistakes are tolerated and who are managed by supportive and consistent leaders
- has systems and processes which are industry best practice and, as far as possible, resistant to corruption
- provides its stakeholders with measurable outcomes and value for money
- has vision and strategic leadership which values its people, and believes in quality performance and equality of opportunity for its workforce.

CHARTER

Governor Arthur Phillip established the first civilian police force in Australia in August 1789 when he created a night watch of 12 'well behaved' convicts of the Sydney colony.

The NSW Police Service, in its present form, was established by the *Police Regulation Act 1862*, which was replaced by the *Police Regulation Act 1899*.

In June 1987, the NSW Police Force (operations) and the NSW Police Department (policy and administrative support) were amalgamated as the New South Wales Police Service.

This was formalised by the *Police Service Act 1990*, which, as amended, is the legislation governing the organisation. Major reform legislation, the *Police Service Further Amendment Act 1996*, was introduced in December.



AUTHORITY

The 1996 reform legislation abolished the Police Board and effectively made the Commissioner of Police the employer of all members of the Police Service.

Previously, the Police Board had been the employer of officers in the Police Service Senior Executive Service.

The Commissioner reports directly to the Minister for Police.

Provided in accordance with Schedule 1, ARDR 1995.

Peter J. Ryan was sworn in as Commissioner of Police at Parliament House on 30 August 1996.



Commissioner Ryan announced on 19 November the most extensive overhaul of the Police Service in its history.

The State Government approved police reform legislation in December which abolished the Police Board.

Commissioner's Confidence powers, defined by the new legislation, empowered the Commissioner to remove corrupt and incompetent officers.

The Police Integrity Commission was established on 1 January 1997 as a 'standing' Royal Commission. Its principal interest is serious police misconduct.

A new executive and a flatter, more responsive management structure, as well as a new police *Code of Conduct and Ethics*, were announced on 4 February.

The Police Special Branch was disbanded on 12 March by Commissioner Ryan following evidence to the Royal Commission.

The Royal Commission into the NSW Police Service ended in March.

Royal Commission report handed down.



Restructure takes effect 1 July 1997.

JULY AUGUST SEPTEMBER OCTOBER NOVEMBER DECEMBER JANUARY FEBRUARY MARCH APRIL MAY JUNE

1996

1997

The Child Protection Enforcement Agency (CPEA) was established to investigate sexual abuse and criminal use of children. The Government committed \$4.6 million for 1997-98 to establish Joint Investigative Teams staffed by Community Services-Police Service teams to investigate child sexual and physical assault.



An Internal Witness Support Program was created to support and protect whistleblowers.

A Police and Community Training Project was initiated to strengthen relations between police and ethnic communities.

The State's Firearms' Buyback Scheme was launched.



Police security operations for the Sydney visit of President Clinton and Mrs Clinton were praised by US security officials.

More than 900,000 people visited the police pavilion at the Royal Easter Show to see the Service's 'Join the Team' exhibition.



Commissioner Ryan spoke to employees and answered their questions on the reform process in satellite broadcasts in August and April, a new method of communication for the Service.



A major campaign against domestic violence was launched in May.

Crime Stoppers processed more than 27,600 calls leading to arrests, property recovery and seizure/confiscation of illegal drugs.

Our Customer Assistance Unit received more than 19,000 calls compared with 13,334 the previous year. Compliments increased 174% while complaints decreased 26%.



OTHER MAJOR EVENTS

MAJOR OPERATIONS

- Operation Paradox, the September national child protection phone in, recorded the biggest response in its seven year history.
- Operation Ivy targeted property theft, focusing on pawnbrokers and second-hand dealers.

- Operation Dob in a Thief was the first phone in on property theft. Property valued at more than \$1.5 million was recovered.
- Almost 4,900 calls – 57% greater than 1996 – were received during Operation NOAH, a one day phone in for reporting the supply and manufacture of illegal drugs.

- A number of traffic initiatives targeted drink driving and speeding, especially during holiday periods. The three fatalities during the Easter period were the lowest since police started keeping Easter records in 1949. Driving offences also dropped from 1996.
- Operation Safer Streets saw 500 additional police deal with street crime and violence.

- An operation aimed at ram raids recovered property worth more than \$1.8 million.
- On the north coast, the Service's Drug Enforcement Agency seized cannabis plants with an estimated street value of more than \$7 million.
- The Jasmin 2 phone in took 50 calls reporting serious Asian organised crime.

HIGHLIGHT

1 JULY 1996 TO

30 JUNE 1997

The Royal Commission into the NSW Police Service ended March 1997. Justice James Woods handed down his three volume report to the Premier on 15 May and was due to table his report on paedophilia in August 1997. (Details begin on page 6.)

OUR COVER

In a message to Police Service employees, Commissioner Ryan issued the challenge of his reform agenda, outlined in 'The Year in Review' section of this report.

**WHO WE ARE**

The NSW Police Service is the oldest and largest police organisation in Australia and one of the biggest in the English speaking world.

Its 16,995* employees include 13,304 police serving a population of seven million in the 801,600 square kilometres of the state of New South Wales, which is double the combined geographic size of England, Scotland and Wales and comparable to Texas in the USA.

The Service is a nonprofit statutory authority funded by the NSW Government. For 1996-97, the net cost of the Service was almost \$1.169 billion.

* Actual strength at 30 June 1997.

WHAT WE DO

The Police Service aims to protect the community and property by preventing, detecting and investigating crime, ensuring good order and the safe travel of road users, and performing and coordinating emergency and rescue functions.

The Police Service operates on land and sea and from the air.

Other major services include promotion of road safety, traffic control, communications, intelligence analysis, and anti-terrorist negotiation.

We are coordinating security for the Sydney 2000 Olympics.

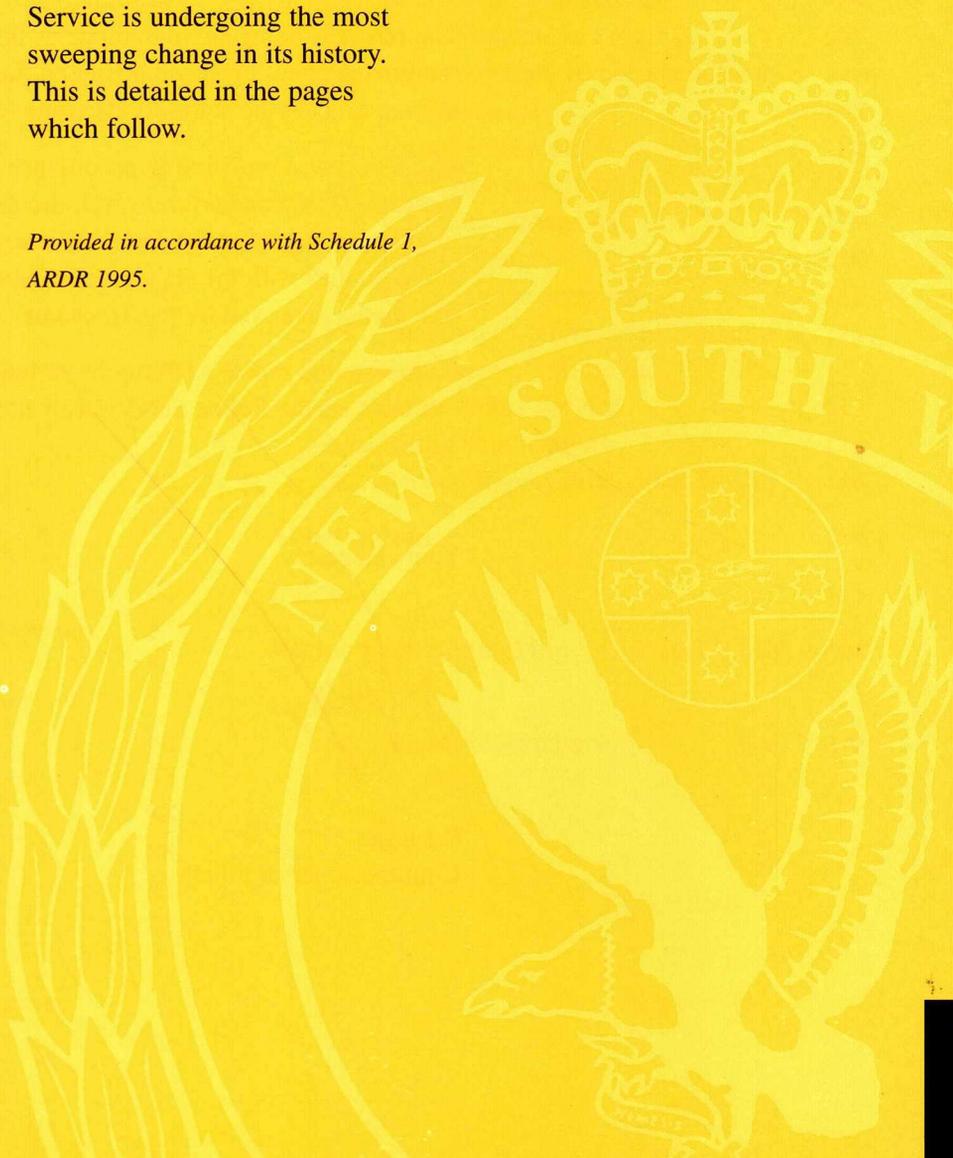
Community based policing is provided from 550 police stations to diverse communities speaking more than 30 languages. The stations range from large metropolitan to remote 'outback' single officer stations.

WHERE WE'RE HEADED

Our 208 year old history has been colourful and controversial. Reform, the theme of this annual report, is in response to the findings of the three year Royal Commission into the NSW Police Service which released its final report in May. As a result, the Service is undergoing the most sweeping change in its history. This is detailed in the pages which follow.

Provided in accordance with Schedule 1, ARDR 1995.

DEC 1999



Letter of Transmission



Provided in accordance with s11A, ARDA 1985.

5 November 1997

The Hon Paul Whelan LLB MP
Minister for Police
Level 20 Police Headquarters
Avery Building
14-24 College Street
Darlinghurst NSW 2010

Dear Minister

I am pleased to submit to you the NSW Police Service Annual Report for the year ending 30 June 1997, for presentation to the Parliament of New South Wales.

The report is being submitted late as the Auditor-General's Certificate for the Infringement Processing Bureau financial statements was not received in time to meet the statutory deadline of 31 October 1997.

The report was prepared in accordance with the provisions of the *Annual Reports (Departments) Act 1985*, the *Annual Reports (Departments) Regulation 1995* and the *Public Finance and Audit Act 1983* as amended and complies with the standardised reporting formulas for financial statements approved by the Treasurer.

Following the report's tabling in Parliament, a summary document will be available on the Police Service web site: <http://www.police.nsw.gov.au> for public access.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P J Ryan'. The signature is stylized and cursive.

P J Ryan
Commissioner of Police

Contents

Provided in accordance with c5(2), ARDR 1995.

	PAGE		PAGE
Commissioner's Review	4	17. Significant Departmental Committees	95
The Year in Review 1996-97		18. Police Service Membership of Significant Statutory Bodies	96
Royal Commission	6	19. Police Service Membership of Significant Inter-departmental Committees	96
Commissioner's Reform Agenda	8	20. Sponsorships	97
The Corporate Plan	9	21. Details of Overseas Visits	98
Financial Summary	13	22. Special Policing Scheme	
The Crime Challenge	14	User Pays Totals	102
Working with the Community	16	23. Drug Enforcement Agency Figures	103
The Future		24. Police Involvement in High Speed Pursuits	104
Commissioner's Reform Agenda Phase 2	24	25. Stores and Equipment Purchases	104
The Corporate Plan 1997-2000	26	26. List of Major Assets	104
The Organisation		27. Asset and Risk Management	105
The Executive Team	30	28. Real Property Disposals	106
Activities	32	29. Major Projects in Progress	107
Organisation Chart	33	30. Distribution of Total Expenditure by Command	108
Financial Statements		31. Use of Consultants	108
NSW Police Service	43	32. NSW Police Service Creditors' Payments	109
Infringement Processing Bureau		33. Legal Changes	110
Commercial Services Unit	66	34. Listening Devices Act	110
Appendices		35. Freedom of Information Statistics	111
1. Employee Statistics	80	36. Documents Held by the NSW Police Service	112
2. Total Strength Details	80	37. List of Publications	113
3. Strength Details (Police Officers)	80	38. Annual Report Production Details	114
4. Senior Executive Officers	81	Abbreviations	114
5. Age of Staff	81	Index	115
6. Years of Service of Staff	82	Region Commands Map	Inside back cover
7. Police Separations	82	Contacts	
8. Administrative & Ministerial Officer Separations	82	Addresses, phone numbers	Back cover
9. Employment - EEO Target Groups	83		
10. Ethnic Affairs Statement	86		
11. Performance Statements for Senior Officers	86		
12. Awards	87		
13. Valedictory	88		
14. Code of Conduct	88		
15. Guarantee of Service	93		
16. Research and Development	93		

Commissioner's Review



These past 12 months represent a milestone for the Police Service. It will be remembered as the year the Service embarked on the most ambitious reform program in its history.

With a new management team and organisational structure, our Service has a revitalised outlook. We are seeking to identify and implement better ways to do things, in an atmosphere of openness and honesty.

There are many highlights from the past 12 months and I am sure that as you read through this Annual Report you will be impressed with the breadth and depth of the changes the Police Service has undergone.

This has not been for change's sake. I have been tasked with driving a process of organisational improvement, unprecedented in the Australian public sector, which delivers a professional and honest Police Service responsive and responsible to the community it serves.

The need for such reorganisation has been undisputed and I greatly appreciate the vigour and enthusiasm demonstrated by the vast majority of the Police Service's 17,000 employees. This reform cannot succeed

without continued support from within.

This Annual Report also details many of the significant operational and administrative achievements recorded for 1996/97:

- introduction of Integrity Testing, a Code of Conduct and Ethics, and Commissioner's Confidence provisions
- establishment of the Child Protection Enforcement Agency
- launch of the Internal Witness Support Program
- increased public response to the Operation NOAH and Paradox phone ins
- major police operations targeting property and car theft, ram raid gangs, drug dealers, street crime and road safety
- the completion of 24 murder investigations, including a number of unsolved crimes from the 1980s
- the arrest and charging of several serial sexual offenders
- major drug seizures by the DEA, including 20kg of amphetamines, 3.8kg of ecstasy and almost 2,400 tabs of hallucinogens
- Police Service sponsorship of the Neighbourhood Watch program
- introduction of duty officers to ensure senior police are available 24 hours a day to advise and help officers at the front line
- administration of the Firearms' Buyback Scheme
- the location of 198 people as a result of information received during Missing Persons' Week
- the launch of the Tourist Support Service, a unique

scheme to provide a greater level of customer assistance to visitors to NSW who have fallen victim to crime.

This list is by no means exhaustive and many more similar achievements can be found in the following pages. They demonstrate that while the Service has been undergoing tremendous transformation, our officers and administrative staff have continued to serve the community well.

The Service can reflect on this past year with pride in its achievements.

From now on, as we introduce and refine new systems and improve our customer service and increased effectiveness against crime, I am confident we will be rewarded with greater public support and even better community safety.

The challenge which confronts the Police Service is to consolidate the reforms already in place while at the same time embarking on another 12 months of devising and implementing better procedures.

These are challenging times and I look forward to your continuing support.

A handwritten signature in black ink, appearing to read 'P J Ryan'. The signature is stylized and cursive.

P J Ryan
Commissioner of Police

The NSW Police Service has

THE YEAR IN REVIEW 1996-97

initiated radical reform

to repair the breach of

trust between the Service

and the community.

The Year in Review

Provided in accordance with Schedule 1, ARDR 1995.

The swearing in of Peter Ryan as the Commissioner of Police and the completion of the Wood Royal Commission were the two events in 1996-97 having the greatest impact on the NSW Police Service and its future.

The Commissioner's Reform Agenda, discussed on pages 8-12, was a direct response to the Royal Commission's First and Second Interim Reports, outlined below.

Reform driven change during the year emerged as a major challenge to Service employees. While delivering ongoing policing services to the community, they were involved in organisation wide discussions and activities which will alter Australia's largest police service.

Mr Ryan was sworn in at Parliament House on 30 August 1996 and presented with his Certificate of Commission by the Minister for Police before members of Parliament, the former Police Board and senior Service members. One of the biggest media conferences seen at Parliament House followed, with questions on corruption, drug law reform and Service morale being asked.

"We must not waste what is an unprecedented opportunity to capitalise on government and community support for change and our own enthusiasm to rebuild our Police Service as a world leader, recognised for its professionalism, integrity and ability to deliver," the Commissioner noted when he introduced his reform program in November.

He later told employees, *"The Service has to regain confidence*

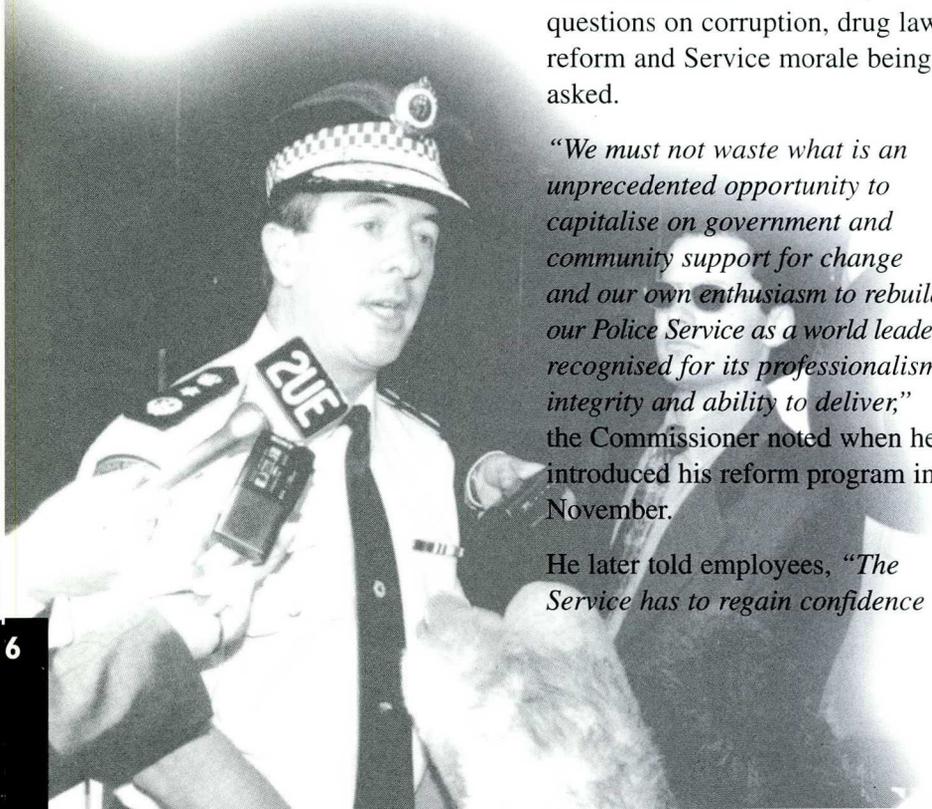
and trust in its ability to effectively deliver quality policing services with honesty and openness...I want to draw a line in the sand. I want to leave history where it rightly belongs. While acknowledging that those who do not learn the lessons of history are condemned to repeat them, I am determined to look forward and go forward. Those who want to dwell in the past are of no value to me or the Service."

THE ROYAL COMMISSION INTO THE NSW POLICE SERVICE

The three year, \$70 million Royal Commission came to an end on 15 May 1997 when Justice James Wood handed down a three volume report to the NSW Premier. The report of the inquiry into paedophilia is to be released in August 1997.

Many of the Commission's 174 recommendations were being addressed during 1996-97 as responses to interim reports issued in February and November 1996 and Commissioner Ryan's Reform Agenda, announced in November 1996.

When the inquiry was established on 13 May 1994, Justice Wood was authorised to investigate corruption in the Service, the activities of its then Professional Responsibility command, the promotion system, the impartiality of police investigating and prosecuting criminal activities, and the effectiveness of the Service's internal informers policy.



The Commission's scope was expanded twice for paedophiles and pederasts and the Service's treatment of them as well as "laws, penalties, monitoring and screening for protection and sufficiency of investigatory processes and procedures and criminal trial process".

Justice Wood's First Interim Report concluded: "the (Service's) existing investigative framework had been shown to be seriously inadequate, and to be in need of substantial reform"; and that "a state of systemic or entrenched corruption had provisionally been shown to exist".

A Police Integrity Commission was established from January 1997, primarily to "investigate or coordinate the investigation of serious police misconduct". The Service responded with a Royal Commission Implementation Unit to coordinate reform. The Unit operated in conjunction with a former Police Board subcommittee and was assisted by action groups drawn from a cross section of Service members.

The Second Interim Report confirmed the Commission's initial findings and stressed the importance of moving on with reform. It recommended immediate measures to:

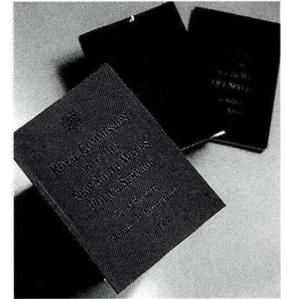
- provide the Commissioner with powers to remove staff who had lost his confidence and take command of staffing, some of which was the responsibility of the Police Board
- allow lateral entry into the Service of both sworn and unsworn staff

- focus on local area commands as centres of policing to enhance service delivery and promote community policing
- endorse proposals for targeted integrity testing and random drug and alcohol testing of Service personnel, and
- make it clear "the Service would no longer have a place for members who were not prepared to be conscientious or professional, or to live up to the high standards of integrity required of a police officer".

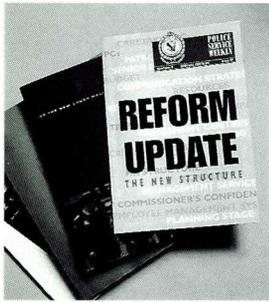
As a result, the *Police Service Act 1990* was amended to empower the Commissioner to dismiss officers, establish drug and alcohol testing of employees, require Service members to provide financial and integrity statements, protect whistleblowers against reprisals, authorise integrity testing, and establish the Commissioner of Police as responsible for staffing. Subsequently, the Police Board was abolished.

The Commissioner's second reform status report to the Royal Commission in February 1997 and the establishment of an Internal Reform Committee advanced the reform drive. Mr Ryan is scheduled to report again to the Government in November 1997.

The Service awaits the paedophilia report to determine its role in that area.



Many of
the 174
recommendations
made by the
Royal
Commission
were being
addressed
during
1996-97...



COMMISSIONER'S REFORM AGENDA

The Service has initiated radical reorganisation to repair the breach of trust between the Service and the community.

The Commissioner's Reform Agenda is a strategic, integrated program designed to deliver the highest standard of policing services to the people of NSW.

A three phase program affecting almost every facet of policing was launched in January 1997. Phase 1 of the 30 month change management program was completed at the end of June 1997. It established the structures to weed out corruption, increase local autonomy, further devolve accountability and clarify roles.

Phase 1 reform priorities were:

- promote integrity and eradicate negative aspects of the existing police culture
- streamline management and lines of accountability
- improve management of complaints and police behaviour generally and
- introduce proactive strategies, including integrity testing and adoption of a revised Code of Conduct and Ethics.

Background

Since the Royal Commission's First Interim Report, the reform process has involved comprehensive consultation throughout the Service, the elaboration of a framework for

improvement and the development of a standard change management methodology incorporating project handling principles.

The Internal Reform Committee coordinated reform activity. It was chaired by Dr Peter Crawford, an experienced change agent and professor of management, and had as its members the two deputy commissioners and the Executive Director, Human Resources & Development.

The appointment of Commissioner Ryan accelerated reform. Consultation involving the whole Service followed the work of action teams, focus groups from both NSW police associations, other representations and individual staff feedback.

As a result, priorities and local and Statewide issues were identified. The major areas of action announced by the Commissioner in his November 1996 report to the Minister for Police concerned:

- delivering maximum customer satisfaction at the optimum cost
- resourcing the front line
- providing leadership, improving communication and supporting our people
- continuously improving policing services.

Restructure emphasises front line policing

To communicate the reform process to Service members, the Commissioner made historic satellite closed circuit broadcasts to

THE CORPORATE PLAN

The 1995-98 Corporate Plan, as a focus for Police Service activity, was superseded by responses to the Royal Commission and action to implement the Commissioner's Reform Agenda. While the Service acknowledged the importance of Key Result, Key Practice and Key Management Areas determined two years ago, resources were focused on reform and preparation for the new organisation structure from July 1997.

A new Corporate Plan for 1997-2000 is being prepared to better reflect the new organisation and its service priorities. This plan is discussed in 'The Future', page 26.

police and civilian staff gathered at 200 locations throughout the State in August 1996 and April 1997. In April, he and senior officers addressed staff questions submitted by phone and fax.

The centrepiece of Phase 1 is concentration on front line policing in local area commands under a flatter management structure. In February 1997, the new structure was announced (see 'The Organisation', page 32). It consists of a four member executive team reporting directly to the Commissioner, region, specialist, and local area commands. Eleven region and 80 local area commands will replace four regions, 25 districts and 164 patrols, enabling reallocation of resources to areas of greatest need.

Although the restructure officially took effect from 1 July 1997, the executive team was announced in February 1997 and region commanders were appointed in March 1997 to lead new commands. Local area commanders were announced in June 1997.

Early in the report year, about 450 police and 250 other staff were released through the restructure process for duties with under-resourced local communities.



About \$40 million of resources was allocated to areas of need. This included employees (\$34 million), equipment worth \$6 million, eg vehicles and computers, being redirected from district and regional offices.

Front line policing means more police on the streets in areas of greatest need.

The concept of police working in teams was adopted by senior ranks and has resulted in real efforts to build more effective working relationships across all sections of management. This is critical as crime problems and trends spill across boundaries and through regions. Major incidents can exhaust the resources of one

delivering top level service to their communities. Their responsibilities include setting strategic direction, business planning, solving community problems and establishing management relationships. By delegating resources and authority, previously held at district and region levels, each local area command will meet community needs.

Even though the demographics and seasonal fluctuations of each local area command vary, all share a common requirement to provide intelligence led policing services. This gives the commander greater deployment flexibility.

The position of duty officer, at the rank of inspector, is essential to the new command teams. Duty officers will provide 24 hour leadership and support to their officers. They will report directly to the local area commander and will be responsible for managing the delivery of policing services during their shift.

Where the local area command covers more than one station, duty officers will also be responsible for managing personnel and policing response at those other locations. In more remote areas, irregular and unscheduled visits will be made. Regardless of the location, duty officers will attend serious incidents.



The Police Service reflects the State's multicultural character: (l-r) Snr Cst Sandra Brooks, Snr Cst Michael Spoelder, Clerical Officer Virginia Medeiros, Cst Victor Seto and Duty Officer Eddie Billett.

local area command, while prevention strategies and support networks achieve good results across large groups of communities.

Local area commanders are the pivotal positions in the restructure. They will be the front line managers directly responsible for

Commissioner's Confidence targets the corrupt

Amendments to the *Police Service Act*, effective from July and December 1996 and January 1997, focus on detecting, investigating, preventing and dealing with police corruption and other serious misconduct. The 'Commissioner's Confidence' provisions under the Act for officers empowered him to remove officers if he does not have confidence in regard to their "competence, integrity, performance or conduct".

The Commissioner's Advisory Panel helps him to exercise the power and comprises a deputy commissioner and two community members drawn from a pool agreed to by the Service and NSW Police Association.

Commissioner's Confidence was implemented at the end of January 1997. By the end of June 1997, about 150 officers were being assessed under the provisions.

Code of Conduct and Ethics

In February 1997, a new *Code of Conduct and Ethics* was introduced to make explicit unacceptable behaviours for all staff regardless of rank or grade, and to provide an ethical framework for Service decisions and actions. All employees must be aware of and comply with this and other Service policies, relevant legislation, guidelines and instructions as they relate to their work. (The full text of the Code appears on pages 88-92.)

Following an Ombudsman's Report highlighting cases in which police were considered to be involved in a conflict of interest, a working party was formed to ensure, through training and education, that the principles of the *Code of Conduct and Ethics* can be practically applied.

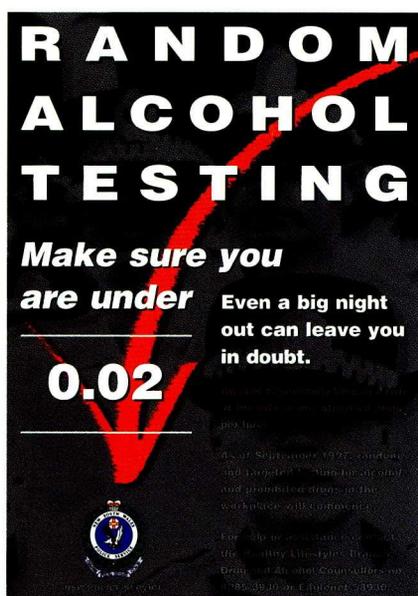
The Service established effective working relationships with the Ombudsman's Office and with other agencies including the Independent Commission Against Corruption, the Royal Commission and the Police Integrity Commission to identify and address areas of concern over standards of police behaviour.

Other reforms

Other important reform areas are:

- accountability panels have been introduced across the Service. The Commissioner personally reviews the performance of local area commanders and key organisational units and takes action where necessary.
- the Special Branch was disbanded in March 1997 following evidence to the Royal Commission. A review of the roles and responsibilities held by the branch and a full audit of its intelligence holdings are being conducted.
- Internal Affairs has absorbed the Professional Responsibility command to focus on treating police corruption as a crime. It uses Royal Commission and integrity testing methods to investigate corrupt officers and

All employees are required to be aware of and comply with the new Code of Conduct and Ethics.



Posters were developed to communicate the new random drug and alcohol testing program.

their external influences. Success depends largely on information provided by Service members who suspect corrupt activities. The command's work is aided by a Corruption Hotline and the Internal Witness Support Program.

- a strategy for civilianisation of intelligence and administrative positions has been developed to get more police back to front line duties.
- a *Drug and Alcohol Policy* involving random drug and alcohol testing of Service members was developed in consultation with the Police Association for implementation in the new financial year. Random tests will be carried out for prohibited drugs and a blood alcohol limit of 0.02% will apply to officers rostered on duty. The policy promotes support for staff who seek help for substance abuse problems.
- the *Internal Witness Support Policy* was launched in September 1996 to provide improved protection to Service members who offer information against other employees. The policy and its implementation by the Internal Witness Support Unit have been favourably received by the Office of the Ombudsman and the Whistleblowers organisation.
- the Employee Management System (EMS) is a new way of dealing with complaints against police in an equitable and non

legalistic manner. It seeks to find out whether complaints have arisen as much out of process failures as out of dereliction of duty or inappropriate behaviour. Enhanced management skills are considered the key to making these distinctions. For minor matters, an officer in the Service mediates with the employee and the complainant as soon as possible to improve behaviour or eliminate problems in service delivery.

- a number of criminal investigation procedures have been reviewed, tightened and/or introduced to improve informant management, use of search warrants, surveillance and conduct of operations.
- the Service will be subject to independent audits during the next three years over its response to the Royal Commission's recommendations. The audits will perform a checks and balances role, as well as identify weaknesses.

FINANCIAL SUMMARY

Police Service finances for 1996-97 were mainly affected by costs associated with the Royal Commission and the Commonwealth's Firearms Buyback Scheme.

The Net Cost of Services of \$1,169 million was \$24.4 million, or 2.1%, greater than the 1996-97 budget. Total Government Contributions of \$1,174 million was \$20.9 million or 1.8% more than the budget.

Much of this concerned firearms buyback funding. The Commonwealth Government provided \$50 million in firearms compensation grant funds and \$12.1 million for the scheme's administration costs. The total firearms compensation payment during 1996-97 was \$43.5 million, leaving a balance of \$6.5 million for payments in the next financial year.

There was no budget provision for Royal Commission expenses. The \$5.3 million costs incurred during the financial year were absorbed in the Service budget.

Employee related expenses were \$928.5 million representing 79.4% of the Net Cost of Services. Of this, \$667.3 million, or 71.9%, was spent on salaries and wages. Overall, employee related expenses increased 2.1% from 1995-96.

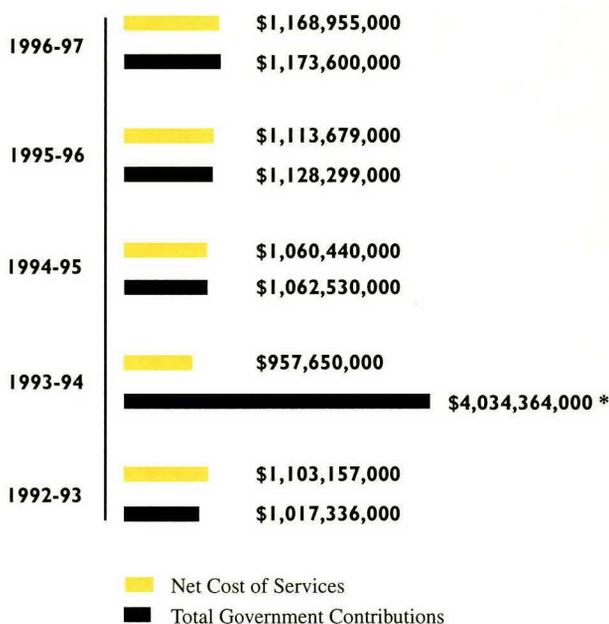
Maintenance of police stations, residences and leased premises was \$11.1 million, or 11% higher than budget, as a result of the

Service actively reducing building maintenance arrears.

Revenue from sales of goods and services was \$24.4 million, only slightly up from 1995-96 while revenue from grants and contributions was \$18.3 million or \$13.8 million over budget. This variation included the \$12.1 million grant for firearms administration costs which had not been budgeted.

(Financial Statements appear on pages 43-78.)

COSTS AND CONTRIBUTIONS



* The \$4 billion Government contributions resulted from changes in accounting policy. Following a Treasury directive, the \$3.086 billion Police Service liability for Police Superannuation was transferred to the State. This was shown in the Service's 1993-94 Operating Statement and formed part of the total Government contributions.



Above: Intelligence gathering is vital to crime investigation.

Right: Special operations during the year included extensive searches through difficult terrain for missing persons.

THE CRIME CHALLENGE

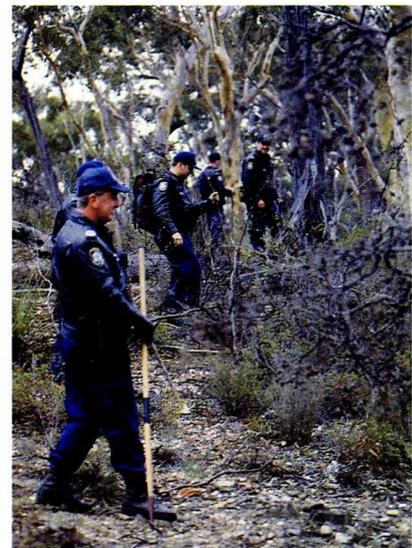
At the end of the report year, the Commissioner announced two major steps to ensure criminal investigation in NSW achieved world's best standards:

- the Child Protection Enforcement Agency (CPEA), the Commercial Crime Agency and a new Homicide and Serial Violent Crime Agency will investigate child abuse, murders, serial sexual offenders and large scale fraud
- the appointment of an expert panel comprising key figures from the judiciary, the bar and the community to advise on the best structure for dealing with organised crime, drug trafficking, extortion, money laundering, terrorism and kidnapping. The panel will comprise eminent people with recognised expertise in criminal justice, investigation, organised crime and corruption prevention.

The CPEA was established to investigate child serial sexual abuse, female genital mutilation, pornography and prostitution. The agency will supplement existing strategies for dealing with these crimes at local area command and regional levels. Its intelligence group, comprising research and tactical analysts as well as experienced investigators, is the largest dedicated unit of its type in Australia. The agency will work closely with the Departments of Community Services and Health, Australian

and international services and other agencies.

By the end of June, the Police Service had completed 24 murder investigations including several unsolved crimes from the 1980s; charged several serial sexual offenders and paedophiles; investigated a number of significant multi million dollar frauds; charged more than 50 people over more than 300 ram raid and armed robbery offences; and charged 27 people with 91 bank robbery offences.



Major and minor operations and task forces targeted a variety of crimes. As examples, the newly appointed region commanders were assigned key anticrime initiatives for implementation between April and June: Operation Roadwise targeted road trauma by enforcing traffic laws and cracking down on hooligan behaviour on the roads; Operation Cosmos focused on vehicle theft through intelligence driven operations at car theft black spots;

Operation Safer Streets responded to community concerns about personal safety, and antisocial behaviour in public places and on the transit system; and Operation Ivy addressed property theft by interacting with business and community groups to reduce theft and discourage trading in stolen property. Each initiative involved numerous operations focusing on specific problem areas.

Alcohol and drug use contribute to personal violence. They affect road and street safety and property theft. Alcohol use, for example, is involved in some 80% of violent crime.

Drug trafficking remains a challenging legal, criminal and social problem which devastates families and threatens communities. Police are working to detect drug related crime, particularly that involving supply, cultivation or manufacture of drugs.

Amphetamines and other psychostimulants were the most commonly seized illicit drugs after cannabis in Australia. Over the year, the Service's Drug Enforcement Agency reported seizing 19.9 kg of amphetamines, 3.8 kg of ecstasy and almost 2,400 tabs of hallucinogens. (See Appendix 23 page 103.)

Drug harm minimisation is an overall approach to reduce the adverse health, social and economic consequences of alcohol and other drugs by minimising or limiting the harm for the community and the individual, without necessarily eliminating use. This accepts that while abstinence or safe use is an ideal, total control of drug



supplies might not be possible.

Other harm minimisation strategies include making roads safer, promoting low alcohol drinks, legal limits on drink driving, as well as mass media education campaigns and programs aimed at schools. The challenge is in reconciling policing needs with these strategies.

Operation NOAH (narcotics, opiates, amphetamines and heroin), a major phone in conducted in May, concerned drug activity. Emphasising intelligence gathering on manufacturers and suppliers of illicit drugs such as amphetamines and designer drugs, the response was a record 4,890 NSW calls – 57% up on the 1996 total.

Water Police, Australian Customs Service and Australian Federal Police combined to promote a community awareness campaign to target suspicious marine activity on the mid north coast. It is expected to provide information about the smuggling of drugs, fauna and flora, illegal immigrants and property theft.

More than one million random breath tests were conducted to discourage drink driving. Total deaths in NSW resulting from road accidents was the lowest on record.

Operation Jasmin 2 took anonymous calls on serious Asian organised crime. Information from the 50 calls received concerned a range of crimes which included kidnapping, illegal firearms, home invasion and drug trafficking. Members of the Asian-Australian community helped police in handling calls.



Police on the beat get to know the people in their community and learn first hand their concerns.

WORKING WITH THE COMMUNITY

Community based policing is the Service's front line connection with the public. Police build relationships with communities by evaluating local needs and expectations and participating with special skills, expertise and resources that support and contribute to the community's well-being.

Under the *Police Service Act*, police services include:

- services by way of prevention and detection of crime
- the protection of people from injury or death, and property from damage, whether arising from criminal acts or in any other way
- the provision of essential services in emergencies.

Guarantee of Service

Our *Guarantee of Service*, a concise statement of what the public has a right to expect from police, was published in January. It outlines ways customers can ask questions to resolve problems over which police have control. The guarantee was developed after Service wide consultation and reflects a strong confidence in our ability to perform at high standards. (The *Guarantee of Service* appears as Appendix 15, page 93.)

Major Operations

The Service participates in State and national campaigns which combine resources to impact on issues affecting the community.

Crime Stoppers

The Crime Stoppers unit is vital to the exchange of crime information between the Service and the community. Crime Stoppers receives information from community sources, guaranteeing their anonymity, about crime and criminals. Rewards can be granted for information leading to an arrest. Information received is

disseminated to police through our new computerised Case Management System. Crime Stoppers is also the focal point for a number of major information gathering operations aimed at reducing crime.

More than 27,600 calls were made to Crime Stoppers in 1996-97. As a result of information received, illicit drugs worth more than \$1.6 million were seized or confiscated and property valued at more than \$80,000 was recovered, and 516 charges were laid against 204 people. As well, a Crime Stoppers' home page on the Internet, established in August 1996, recorded more than 10,000 visits per month.

The Service, in conjunction with the Australian Federal Police, established an ACT region Crime Stoppers in late 1996. A large amount of information has since been received on crime in the south east of the State and the ACT.

Child protection

Child abuse has become a major public issue. In its seventh year, Operation Paradox, September's national child protection phone in, prompted a record 1,569 calls identifying 1,815 alleged victims of child abuse and 1,535 suspects.

'Report it and Stop it' was the theme of the operation to raise community awareness of all child abuse – sexual, physical, emotional or neglect – and encouraged anyone who knew or suspected a child was being abused to report it. Reports of victims under 11 represented 85% of calls; 67% related to child sexual and physical

abuse. As a result, a number of victims at high risk of physical and sexual abuse were removed by Community Services.

To investigate alleged child abuse offences, Community Services/police teams were established at Bankstown and The Entrance as pilot Joint Investigation Teams. Nine teams, supported by Police Child Protection Investigation Teams in the Sydney metropolitan, Newcastle and Wollongong areas, are scheduled to operate in 1997-98. A model is being developed for rural areas.

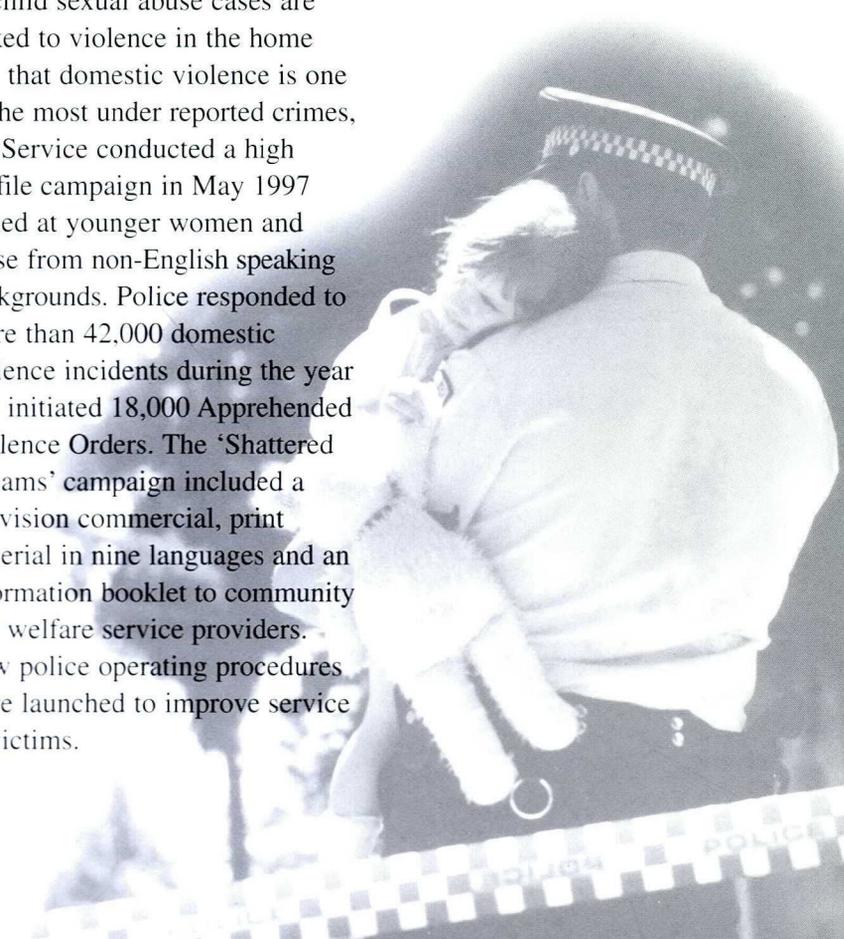
The State Government's \$4.6 million commitment to this program aims to improve responses to child sexual and physical assault cases, minimise delays in getting these matters to court and increase the success rate of prosecutions.

Domestic violence

Recognising that more than 50% of child sexual abuse cases are linked to violence in the home and that domestic violence is one of the most under reported crimes, the Service conducted a high profile campaign in May 1997 aimed at younger women and those from non-English speaking backgrounds. Police responded to more than 42,000 domestic violence incidents during the year and initiated 18,000 Apprehended Violence Orders. The 'Shattered Dreams' campaign included a television commercial, print material in nine languages and an information booklet to community and welfare service providers. New police operating procedures were launched to improve service to victims.

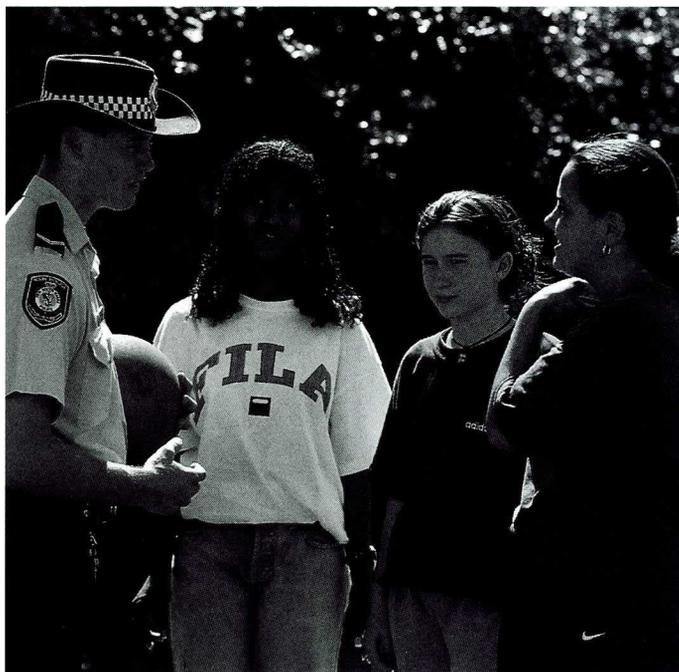


Phone ins provide important information. Operation Paradox telephonists received a record number of calls concerning child protection.



Firearms Buyback Scheme

The NSW Firearms Buyback Scheme was launched in November 1996 as the State's component in the Commonwealth drive to collect firearms banned under national laws. The Police



Younger police officers relate closely with the concerns of young people, often providing positive role models for the community.

Service administers the NSW scheme and is responsible for promoting it, operating collection centres, making compensation payments on behalf of the Commonwealth and destroying the firearms.

By the end of June 1997, 75,611 prohibited firearms had been handed back and \$43 million had been paid in compensation. The scheme runs until 30 September 1997, after which no compensation will be paid.

Youth issues

The *Police Service Youth Policy Statement 1995-2000* establishes the design context for programs,

projects and activities that provide policing services for young people. Early intervention is seen as the best way to improve the social environment for young people and the wider community in the long term.

The Service's role in Police and Community Youth Clubs is under review following a Royal Commission recommendation. The organisation, which has 55 branches, is a hybrid of Service members and community volunteers who provide programs to reduce youth related crime, improve relationships and enhance safety.

Youth focused activities during the year included:

- two annual Youth Liaison Officers Forums conducted at our Police Academy for police, youth workers, academics, other agencies and a judge to talk about juvenile justice reform, public space and practical programs
- Service involvement in the development and implementation of the *Young Offenders Act* and the *Children (Protection and Parental Responsibility) Act 1997* which are designed to limit young people's contact with the courts
- 'Blue Light' programs to provide entertainment for youth in environments free of alcohol, drugs and objectionable behaviour. The 60 branches of this popular program are run by police and the community.
- the Youth Crime Intelligence Unit produced an education package for police on graffiti and youth gangs.

Community relations

In June 1996, the Service established the Police and Ethnic Communities Advisory Council, chaired by the Commissioner, to enhance the relationship between police and ethnic communities. The Council's role is to advise the Commissioner on key policy issues and monitor progress of the Service's *Implementation Plan for the Charter of Principles for a Culturally Diverse Society*.

The Police and Community Training Project started in September 1996 to strengthen relations between police and ethnic communities. A joint initiative of the Service and the Ethnic Affairs Commission, it emphasises two way training of police and public and will be evaluated over three years.

The Police Aboriginal Council, chaired by the Commissioner, endorsed the Service's *Aboriginal Policy Statement and Strategic Plan*. The document, developed during the year by the newly established Aboriginal Coordination Unit, provides a framework to build mutual respect and trust to further improve relations between Aboriginal people and the Service.

Neighbourhood Watch (NHW) is one of a number of programs being reviewed to determine how they fit in our new community based policing model. In May 1997, Commissioner Ryan committed \$200,000 to provide NHW materials and information to communities through local police commands. This was in addition to another \$200,000 for programs

aimed at reducing property theft and a communication program to stimulate interest in community policing. NHW was introduced in 1984.

An Asian Neighbourhood Watch program, believed to be the first of its type in Australia, was developed specifically to cater for the expanding Asian community at a Sydney suburb. It was launched as an initiative of the Ermington Police Patrol/Asian Community Consultative Committee to break down barriers by increasing community awareness and understanding.

The 13 year old NSW Safety House program helps police identify and solve child safety concerns with the local community. In NSW 24,400 homes/businesses provide an identified safe haven for children. The Government has provided funding for resource material for primary schools to educate young people about safe travelling to and from school.

Our Volunteers in Policing program provides strong links between police and the community. During its three years of operation, 1,078 volunteers have been trained at the Police Academy and help police with victim support and community liaison activities at more than 50% of police stations.

A Witness Watch volunteer scheme was established by the Police Legal Services in 1989 to support witnesses before, during and after their appearance in court and to help them understand proceedings.

Safety

House:

Currently

24,400

homes and

businesses

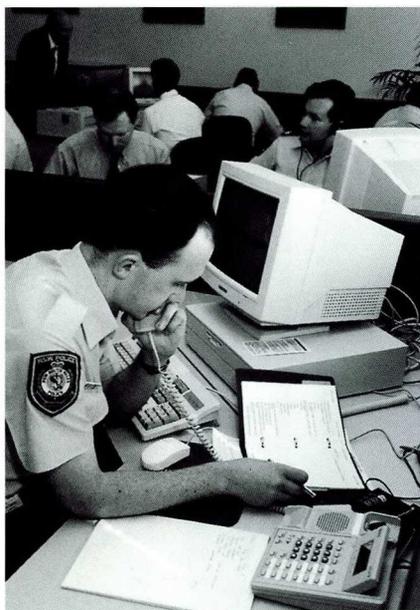
in NSW

provide an

identified

safe haven

for children.



Our Customer Assistance Unit provides a toll free telephone contact every day of the year. For 1996-97, it handled 43% more calls than the previous year.

Education

Education is a key tool in crime prevention and control. It provides information, enables contact between police and the community, increases awareness and returns intelligence which helps police in their work.

Following courses at the Police Academy, Community Drug Education Officers (CDEOs) were made available in all police areas in response to increasing requests for drug education talks from schools, parents, youth and other community groups. This is part of a long term program to train officers to speak expertly about drugs and the law. During the six months CDEOs were available, they spoke to primary and high school children, street kids, bar staff, liquor licensees, community groups and other police, and increased contact with other alcohol and drug service providers.

Another example of important community cooperation and education was the first North Region Aboriginal Youth Drug and Alcohol Education Camp held at the Great Aussie Bush Camp, Tea Gardens. Two senior constables and 40 young Aboriginals took part in a four day program organised in close cooperation with the Awabakal Medical Service, Awabakal youth workers, local police and community members to ensure the more formal discussions relating to drugs/ alcohol, domestic violence and sexual and nutritional health were as culturally sensitive as possible. Funded through the Service's Drug Programs Coordination Unit

with the Department of Health-Aboriginal Health, the camp helped to break down barriers between police and young Aboriginals.

A Community Fraud Prevention Manual issued for local area commands was the cornerstone of a crackdown on fraud which costs the insurance industry a billion dollars a year nationally. The manual has strong community focus and includes lecture and workshop materials, how to identify fraudulent activity and ways of helping police, a video on credit card fraud, security information on credit cards, overheads, fact sheets and our *Guidelines to Fraud Prevention*.

Road safety education programs aimed at reducing road injuries and deaths continued throughout the year. The Community and Road Education Scheme, a road safety program conducted at Kuring-gai Road Education Centre for hundreds of children and their families as part of Bicycle Safety Week in September was an example of this work.

Communication

Police work relies on one to one communication for much of its success. Our Customer Assistance Unit received 19,056 calls during the year. Most were for general advice and information: from what to do about domestic violence to apprehended violence orders to how the court system works. Only 2% were complaints about police. Compliments increased by 174%.

Missing Persons' Week '96, held in August, was run in conjunction with Operation Safe and Well to

break the silence of missing people by asking them to make a toll free call to a hotline with a message for concerned relatives. As a result, 198 people were found in NSW compared with 149 in 1995.

The Service helps media production houses with information about policing procedures and operations. The success of *Australia's Most Wanted*, a Channel 7 program, and other productions, including local issues on community access TV, is credited with a dramatic increase in the number of calls to Crime Stoppers.

Crime Watch, a weekly talkback radio show on 2GB, also provided a valuable public service link which produced further intelligence information.

A number of educational publications were produced through the Public Affairs Branch to support major campaigns and operations or by local stations for their specific community needs (see Appendix 37, page 113). Information made available by the Service included a series of brochures explaining new firearms legislation, the *Community Fraud Prevention Manual* for police patrols battling a \$190 million crime industry and drug education fact sheets.

The Service conducts daily and special briefings for media representatives. Personnel in public supervisory positions receive training in media management and interview situations to ensure more efficient handling of journalists' enquiries.

Special responses

Education, information and fun are elements of regular special events involving police participation.

More than 90,000 people visited their local police station during the annual Police Open Day in November 1996. The event is an opportunity to demonstrate the latest police technology as well as to introduce police to their community. At the 1997 Royal Easter Show, an estimated 900,000 people saw the award winning 'Join the Team' exhibit at the Service pavilion.

Police participated in more than 50 Seniors' Safety Seminars across the State in March. In another example of community based policing, Kiama Police joined local fire brigades and State Emergency Services to tell disabled people about police and emergency services which can help them.

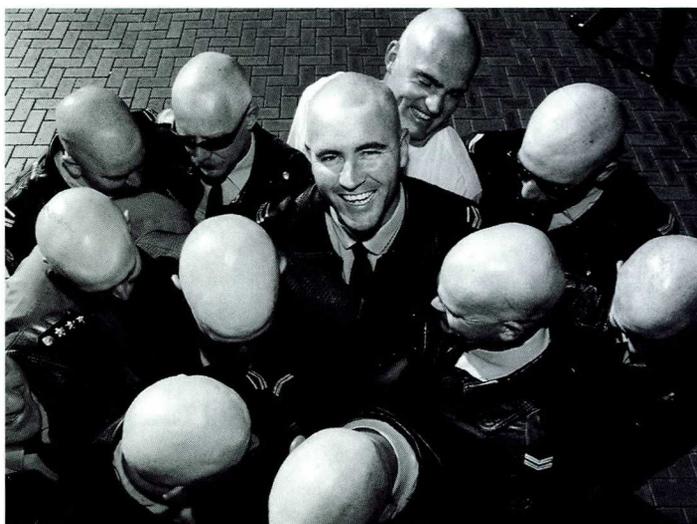
Liaison with the gay and lesbian community is ongoing. A Gay and Lesbian Community Internet Site was established as a world first to improve communication links between the community and the Service. For the Sydney Gay and Lesbian Mardi Gras parade, a Police Service Gay/Lesbian Liaison Officers' bus bore a banner declaring 'Stop Violence Against Gays and Lesbians, Tell the Police' and was part of the 1997 Gay and Lesbian Anti Violence Project.

In April 1997, the Tourist Support Service was launched by NSW Police and the Tourism Council of Australia (NSW). Under the auspices of the Service's Tourist



The annual Police Open Day brings together communities and their local police for a day of information and fun.

Liaison Unit, the new service coordinates or offers help to distressed visitors who are victims of crime or special circumstances, such as fire. The service will help in planning for the 2000 Olympics. Tourism is NSW's most valuable industry, bringing in \$15 billion annually.



Crop-A-Cop is a prominent annual event that raises money for children's cancer wards.

Sydney Water Police provide a unique service to meet the special challenges on the city's waterfront. The annual New Year's Eve and Australia Day fireworks spectacles are examples of large public events needing special policing strategies and skills on Sydney Harbour.

Helping heads and arms

Service employees participate each year in volunteer events which benefit the community. These have included the August Crop-A-Cop campaign and the Summer Blood Challenge. Some 1,200 police from all over Australia set a world record for the number of people having their heads shaved at one time when

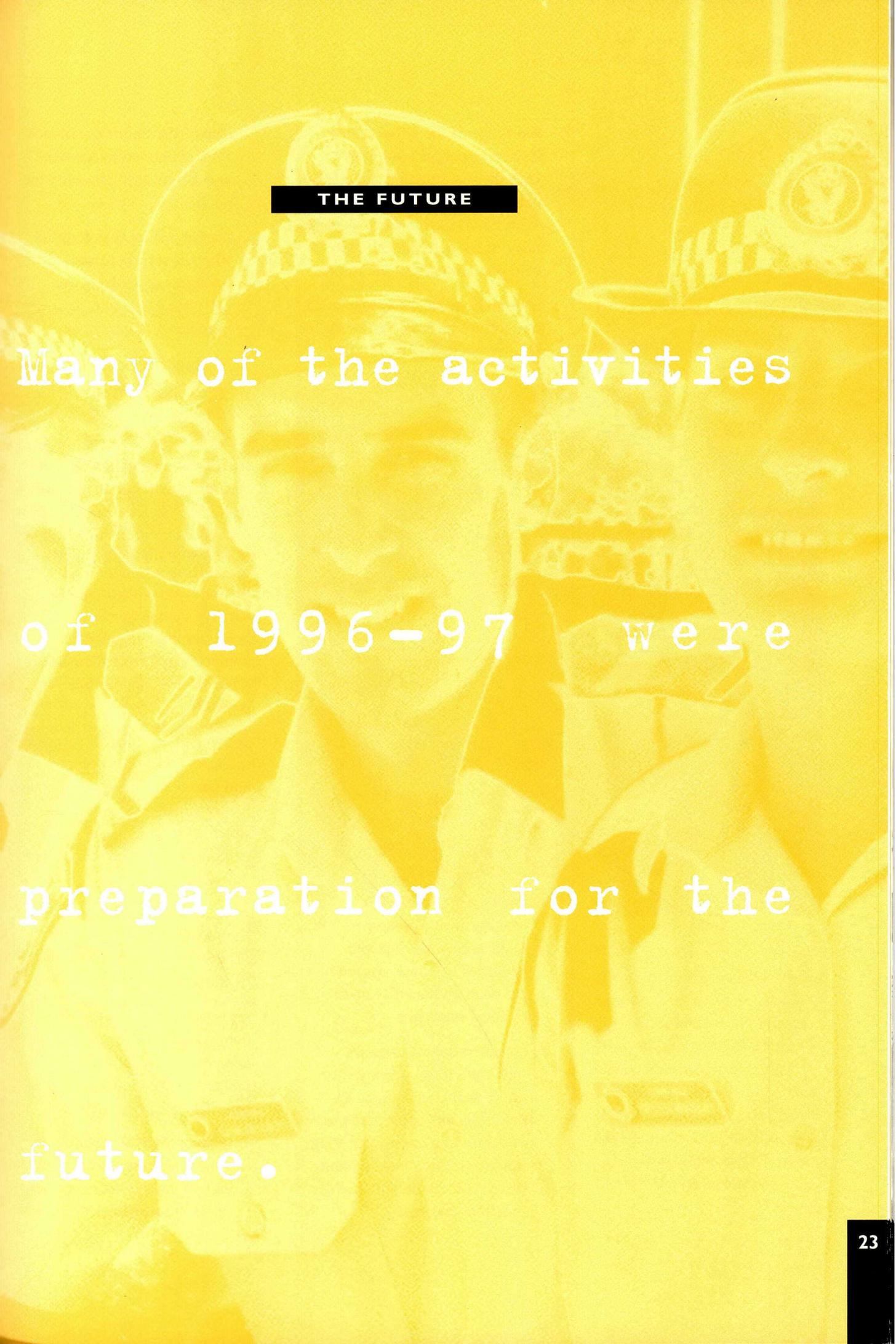
the 1996 Crop-A-Cop at Sydney's Darling Harbour raised \$1.27 million for children's cancer wards around the country.

During the summer Blood Bank drive, NSW police out donated members of motorcycle clubs: 1,001 donations to 602. The quantity received was a 90% improvement on the previous year while the event was an opportunity for police and bikers to meet for a shared interest.

Public relations

As well as providing security and helpful information at special community events, NSW police officers march in parades and police bands entertain the public. The Police Concert Band was invited by the Japanese Government to represent Australia in September 1996 at a seven country World Police Concert in Tokyo, the first time it had travelled outside Australia in its 100 year history.

The Police Pipe Band celebrated its 50th anniversary in September 1996. It is currently made up of two serving officers, musicians of the 3rd Royal Australian Regiment Pipes and Drums and community pipers.



THE FUTURE

Many of the activities
of 1996-97 were
preparation for the
future.

The Future

The future of the NSW Police Service began on 1 July 1997 when the new structure and reforms announced in the report year took effect. As detailed in previous pages, many of the activities of 1996-97 were preparation for this future.

Commissioner Ryan is scheduled to report to the Minister for Police in November 1997 on the status of his Reform Agenda and plans for the next three years.

He identifies the Service's immediate priorities as being to:

- effect reform by developing the Service in areas of management, resourcing, financing, structure and training, and
- restore public confidence and trust in our ability to effectively deliver quality policing services with honesty and openness.

REFORM PHASE 2

The principal Phase 2 reform initiatives on which resources and efforts will be focused are:

- development of an Employee Management System by 1998 to ensure complaints and instances of minor misconduct are dealt with swiftly and fairly by local managers.
- consideration of areas for 'civilianisation'. Core police duties will be examined to determine the appropriateness of continuing to perform fringe functions. Initiatives to focus police activity on core police functions include:

- trial of the Police Assistance Line to better allocate work and respond to calls from the public
 - market testing to determine whether certain corporate functions could be better performed by external agencies or contractors
 - function analysis to identify tasks performed by police which could be done by administrative staff.
- local area command autonomy. Resources will continue to be reallocated to local commands on a needs basis and they will be responsible for deploying them.
 - the Service will continue to identify members who have leadership and management competencies, train them and place them in appropriate positions
 - simple but meaningful success indicators will be developed and adopted to measure internal and external customer satisfaction as a means of helping and encouraging change
 - a user friendly information management system focused on supporting management decisions at the local level will be introduced
 - human resource issues will continue to be a main focus to ensure the Service is fulfilling and rewarding for its employees. Specific initiatives include:
 - development of career paths which appropriately reward and pay individuals on work related competencies

- continued development of assessment centres to identify the best personnel for specific positions
- development of a program to manage disaffected staff through methods such as voluntary or targeted redundancy
- continued development of a performance management system to help managers and to clearly define individuals' roles and responsibilities
- implementation of an education and training curriculum which supports the notion of a practitioner career path.
- improved criminal investigation based on an integrated, holistic approach to the management of crime which recognises the local area command as the centre of service delivery and tackles the problem of organised and serious crime, drug importation, offences against children and fraud
- the Service is developing a code of practice aimed at improving police accountability in relation to police procedures and the treatment of prisoners. The Service will work with the Police Ministry in the preparation of legislation similar to *PACE (Police and Criminal Evidence Act 1984)*, the English legislation considered best practice.

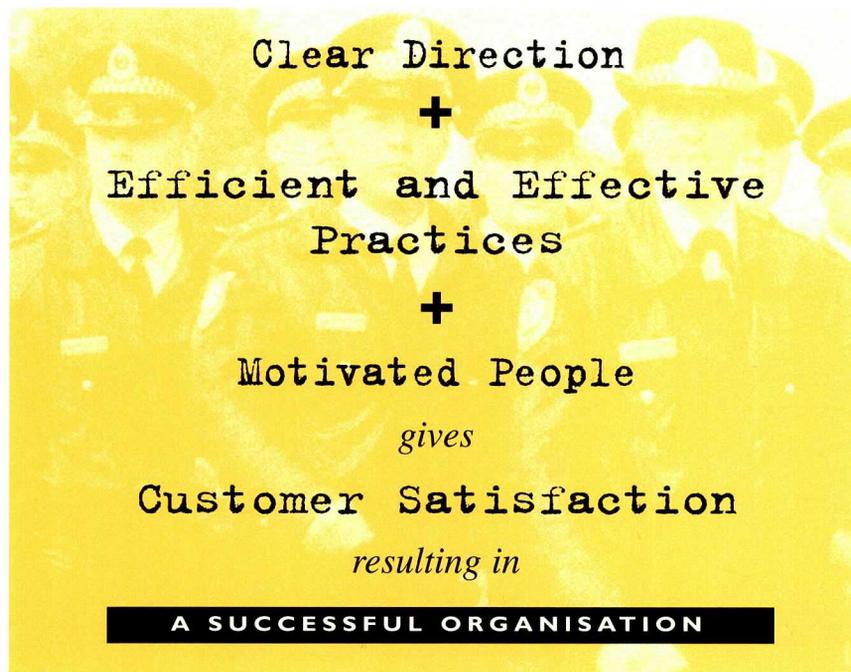


Diversity marks the NSW Police Service: (l-r) Prb Cst Cameron Forsyth, Volunteer in Policing Tracy McDermott, Ethnic Communities Liaison Officer Loc Tran, Parking Patrol Officer Robert Ciacciarelli, Aboriginal Communities Liaison Officer Lesley Townsend and Clerical Officer Megan Tattam.

**1997-2000
CORPORATE PLAN**

The revised Corporate Plan draft identifies a new vision and contains a reworded mission and objectives, subject to annual reviews.

The new plan will include outcomes to be finalised in September 1997. The proposed outcomes are based on the following model:



- **Clear Direction:** Crime is everyone's business, criminals are ours. Our job is to prevent crime and identify and target repeat offenders.
- **Effective and Efficient Work Practices:** Identify and implement better procedures, practices and action which really need to be done. Do things in a simple, correct,

effective way to prevent and minimise exposure to risk and provide consistent quality of customer service.

- **Motivated People:** Motivated employees are committed to a professional policing service because they understand and value what they do. They feel appreciated, trusted, supported and respected. They are confident they can do their job, can make and learn from mistakes, are recognised as vital contributors and know where the organisation is going.
- **Customer Service - Responsiveness:** Provide everyone with a professional and responsive Police Service based on our own expectations for, or of:
 - courtesy and explanation
 - compassion
 - empathy
 - timeliness (responsiveness)
 - patience
 - impartiality (equity)
 - effectiveness.

The overall strategy to achieve our objectives is community policing, with the local area command as the centre of service delivery.

The emphasis is on prevention strategies, service standards and effective and appropriate evaluation mechanisms. Success will be measured by a high level of community satisfaction with all aspects of our services.

The community policing approach encourages customer input to service delivery and collaboration with other agencies and nongovernment organisations to provide:

- better quality, more responsive and effective service delivery
- improved resource management to ensure 'best value for money' in service provision
- optimum allocation of scarce public sector resources
- accountability of results.

WORKFORCE REFORM

Workforce reform is a mammoth undertaking which must address key components of the Royal Commission recommendations, the Commissioner's Reform Agenda and Service wide discussions. Critical is the redesign of many jobs and the provision of career paths which emphasise the business of policing while rewarding people for practising their professional skills.

Expected outcomes are a workforce aligned to achieving the Service's objectives; demonstrably improved professional behaviour; jobs which focus on and enhance policing practice; a stable and supported workforce; effective supervision and management; career paths, rewards, recognition and remuneration which acknowledge the importance and responsibilities of police practice.

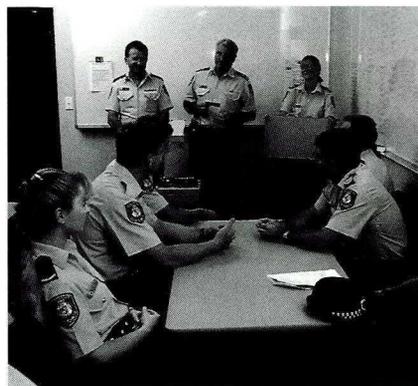
RESTRUCTURE

Duty officers, command managers, executive support, financial coordinators, and staff and support officers will be appointed for local area commands as soon as possible in the new financial year. Commanders will be allocated a budget and will develop with their management team a business plan to help them bid for funds for the following financial year.

Local commands will be developed into management units where service delivery, management of employees and their performance will be the primary focus. This system will ensure complaint management will be local, swift and fair and the responsibility of local commanders. It will focus on career management by ensuring work skills and performance are recorded. All the changes are designed to give greater job satisfaction supported by leadership and empowerment of employees.

Positions of local area managers will be created for the first time. They will be administrative professionals whose duties include coordination of intelligence collation and analysis, rostering and financial management and other administrative functions.

Within the local command, the job of duty officer will be one of the most demanding and rewarding. Duty officers are to guide, support, encourage, remedy, coach, task, deploy and account for all people on duty with them.



The success of local area commands depends on a team approach where all participants' contributions are valued.

SENIOR MANAGEMENT

As many senior officers have been appointed on an interim basis, their positions, including those of the 11 region commanders, will be advertised internationally in November and December 1997. All applicants will be put through an external assessment centre process. The new senior management team is expected to be announced in March 1998.

OLYMPIC SECURITY

The Sydney Organising Committee for the Olympic Games (SOCOG) has contracted the NSW Police Service for government agency security planning needs. An Olympic Security Group was formed to develop the Service's security planning and coordinate support from Federal and State agencies. It is supported by the input from 11 work groups which provide a wide range of expertise in areas as diverse as maritime and aviation security through to equipment and training.

Olympic and Paralympic security planning uses sound risk management principles to ensure that, with the cooperation of Federal and State agencies and the private sector, an effective yet unobtrusive security operation will be provided for both events.

OTHER INITIATIVES

- A new Police Service Culture Survey, the first since 1995, will be conducted in October 1997 and the results published in the new year. It will canvass all Service employees about key indicators of the reform agenda and look at issues such as trust and openness of individuals, groups and the organisation.
 - Random and targeted drug and alcohol testing of police will begin in September 1997. Alcohol abuse will be viewed as a breach of the *Code of Conduct and Ethics* and illicit drug use as a criminal offence. Police who voluntarily seek help for dependency problems will be offered confidential support and rehabilitation.
 - The Police Assistance Line, scheduled to be trialed in 1997-98, could change the way the Service does business. It aims to provide specific advice and offer many police services over the phone to the community. If successful and implemented, it could release a significant amount of police resources.
 - A streamlined Computerised Operational Policing System (COPS) for recording major incidents will be introduced.
 - A 'Healthy Lifestyles' program is being made available to all Service members to encourage better diet, exercise regimes and living patterns. It will also stress the dangers of drug and alcohol abuse.
- A program is being developed to include the study of ethics as a basis or important component of training courses.
 - The Commissioner's Instructions to police are being rewritten in plain English to reduce their volume and make them clearer. Those which are redundant will be removed.
 - A corporate Intranet will be launched to provide policy and procedure information on line to police.

The new structure removes

THE ORGANISATION

unnecessary duplication

and bureaucracy. Already

personnel and other

resources ... have been

allocated to areas of

greatest need.

The Executive Team 1996-97

Provided in accordance with Schedule 1, ARDR 1995.



*The 1996-97 Executive Team
(clockwise from centre):
Commissioner of Police Peter
Ryan, Deputy Commissioner
Field Operations Bev Lawson,
Deputy Commissioner
Specialist Operations Jeff
Jarratt, Acting Executive
Director Management Services
Neil Bridge, and Executive
Director Human Resources &
Development Christine Nixon.*

COMMISSIONER OF POLICE

Peter Ryan QPM, BA, MSc

Appointed in August 1996 after 33 years as a police officer in the UK, rising to the rank of Chief Constable (Commissioner). His experience includes uniform and detective duties, counter terrorism, security management for the Royal Family and the North Sea gas rigs, developing and implementing management and financial systems for police forces and improving the education and training of officers. Mr Ryan was the UK's first National Director of Police Training. His international policing experience includes work in China, Ghana, Hong Kong, the US, Hungary and the Czech Republic. Mr Ryan was closely involved in the restructure of several police forces in post Communist Eastern Europe.

DEPUTY COMMISSIONER, SPECIALIST OPERATIONS

Jeff Jarratt APM, BA, MBA

Appointed in January 1997 after heading the then Royal Commission Implementation Unit, responsible for implementing the reform process. Joined the Service in 1965. Previously an Assistant Commissioner, served as Commander North West Region; Commander Professional Responsibility and Strategic

Services with corporate responsibility for operational policy and the detection of corruption; and has been involved in previous significant reforms.

Mr Jarratt has been awarded the Australian Police Medal and the National Medal and clasp. For the past two years he has been an evaluator for the Australian Quality Awards.

DEPUTY COMMISSIONER, FIELD OPERATIONS

Bev Lawson APM, Assoc Dip Admin

Appointed in February 1997 after serving as Acting Deputy Commissioner from February 1996. Joined the Service in 1964. Served as Executive Staff Officer to the Minister for Police and Emergency Services. Previously a patrol and district commander. Experienced in general duties, criminal investigations, traffic and divisional licensing procedures, patrol and district management and emergency management. Lecturer in Criminal Assaults Complaints at the then Sydney Police Academy. Chairman, Board of Directors, House with No Steps, 1986-97; Council member, University of Wollongong; President, Management Committee, Wollongong Police Community Youth Clubs, 1988-97.

ASSISTANT COMMISSIONER, EXECUTIVE DIRECTOR, HUMAN RESOURCES & DEVELOPMENT

Christine Nixon APM, MPA, BA,
Dip Labour Law

Appointed Executive Director, Human Resources (now known as Human Resources & Development) in April 1994. Joined the Service in 1972, with a period of school lecturing followed by attachments with the Criminal Investigation Branch, Darlinghurst Police Station, the Commissioner's Policy Unit and the Academy. Served a secondment with the London Metropolitan Police and is a Harvard Fellow.

ACTING EXECUTIVE DIRECTOR MANAGEMENT SERVICES

Neil Bridge M Litt (Policy Studies),
B Soc Sc

Appointed in January 1997 to the acting position on the Commissioner's interim Executive Team. Joined the Police Service in 1988. Previously served as the Executive Director, Strategy and Review, a command which was responsible for strategic development, review and evaluation and continual improvement programs.

The Organisation

Provided in accordance with s11(1)(d), ARDA 1985 and c3(d), ARDR 1995.

The Service completed the financial year with a strength of 16,995 employees: 13,304 police, 3,197 administrative officers, 433 ministerial officers and 61 transit police.

The Commissioner is the chief executive and became the designated employer of all staff under amendments to the *Police Service Act 1990* at the end of 1996. The Commissioner reports directly to the Minister for Police.

The legislation also abolished the Police Board which, since 1990, had been the employer of officers in the Police Service Senior Executive Service. Since 1991, its responsibilities also included supervising and promoting career development and training, reviewing Police Service procedures designed to safeguard the integrity of the Service, and making reports or recommendations to the Minister.

Following a worldwide selection process, Peter Ryan, a senior British police officer with 33 years' experience, was appointed Commissioner by the NSW Government in August 1996.

Until Mr Ryan's appointment, Deputy Commissioner Neil Taylor was Acting Commissioner. He retired on 30 August 1996 after more than 41 years' service.

NEW STRUCTURE

Commissioner Ryan announced the new organisation structure in February 1997. The flatter structure is divided into four commands: Field Operations, Specialist Operations, Human Resources & Development, and Management Services.

From 1 July 1997, 11 regions and 80 local area commands replaced four regions, 25 districts and 164 patrols. As a result, up to \$2 million in salaries will be available to supplement staffing of local area commands with commanders, duty officers and supervisors.

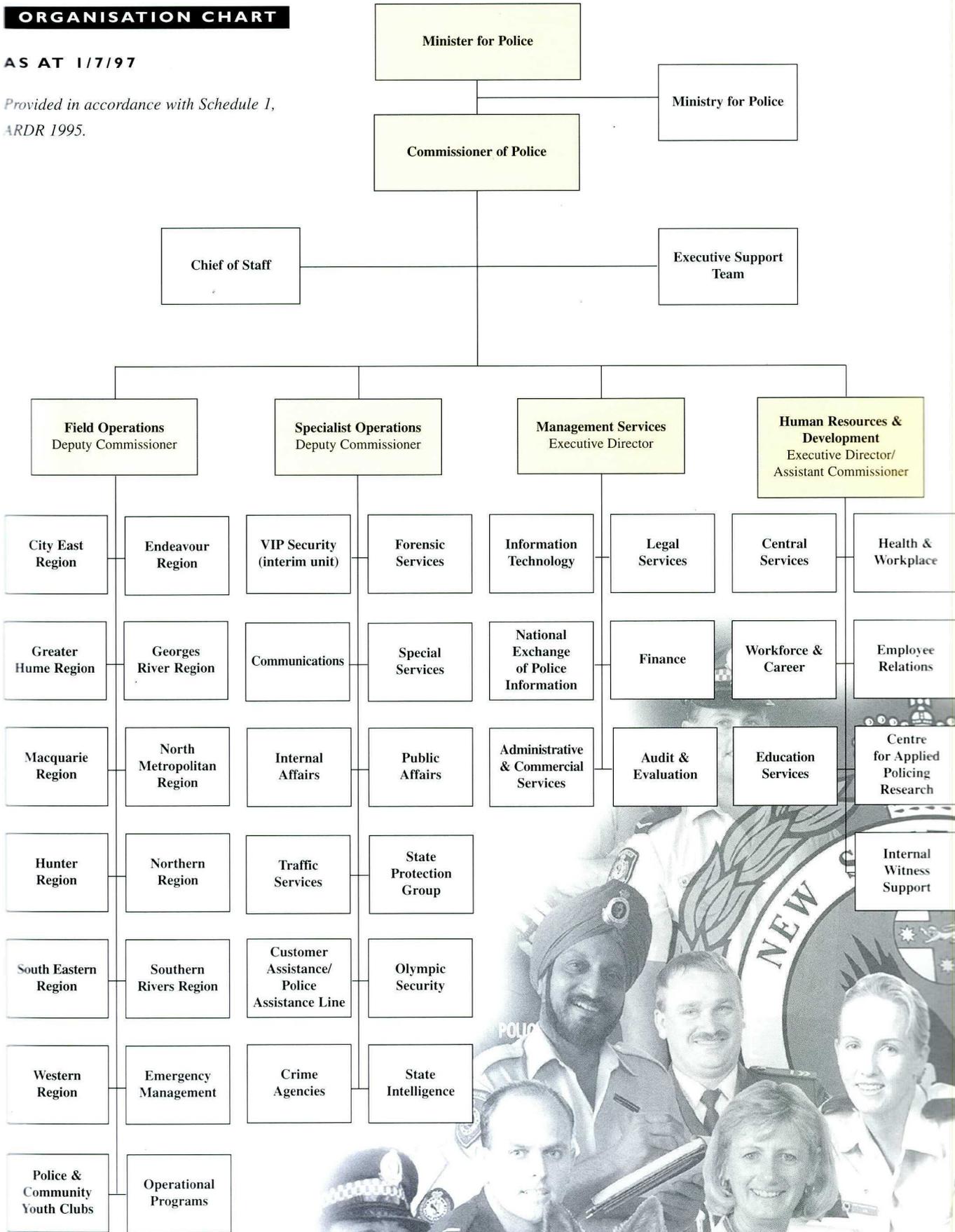
The new structure removes unnecessary duplication and bureaucracy. Already, personnel and other resources, including equipment, have been reallocated to areas of greatest need. In the future, local commanders will be able to allocate police from a range of disciplines to ensure optimum staffing levels.

NB: The new organisational structure announced by the Commissioner at the start of February 1997 established the interim Executive Team to implement the Police Service's restructure from 1 July 1997. During the 1996-97 report period, both old and new management structures co-existed.

ORGANISATION CHART

AS AT 1/7/97

Provided in accordance with Schedule 1,
ARDR 1995.



THE TEAM

The Commissioner's Executive Team comprises two deputy commissioners and two executive directors. The Commissioner's five year contract is until 29 August 2001 while Deputy Commissioners Jeff Jarratt and Bev Lawson are on three year contracts which expire on 4 February 2000. The Executive Director, Human Resources & Development, Christine Nixon, is on a five year contract until 2 May 2002. Some commanders and most senior officers have been appointed on an interim basis until the restructure becomes

effective and all positions are assessed and advertised.

During the report period, Neil Bridge, Executive Director, Strategy & Review, served as Acting Executive Director Management Services. An executive appointment to the position was made in July 1997.

Deputy commissioners are involved in strategic decision making and must meet Government requirements by implementing agreed courses of action within specified time frames. Collectively, the executive team is responsible for setting and maintaining strategic direction and achieving agreed milestones outlined in the reform program.

All applicants for senior positions must undergo assessment centre processes to ensure successful candidates have the required management skills to implement reform and deliver high quality policing services to the community.

At the end of June 1997, local area command appointments, some on a temporary basis, were announced. The 80 successful candidates were selected through rigorous assessment centres which matched performance against the operational difficulties of the command. The assessment process followed input from the then district and patrol commanders, the senior executive and two police associations.

Each command has been assessed and graded according to its size, responsibilities and demands.

EMPLOYEES (ACTUAL STRENGTH)

AS AT 30 JUNE 1997

Police Officers 13,304*

Transit Police 61



Administrative Officers 3,197

Ministerial Officers 433

* Of these, 70 were on secondment to other public sector agencies

Commanders are paid according to the grading of their commands.

Almost all operational administrative staff have been through some sort of adjustment due to the restructure, many of them negotiating new positions and locations. They are encouraged to pursue a range of career paths which provide more diverse and challenging work for more varied, satisfying and rewarding careers. A review panel, comprising a cross section of representatives from the Service, the executive, the Public Service Association and industrial relations, as well as field and operational staff, was set up to ensure the change process was fair and equitable for all staff. Employment has been guaranteed, although positions and/or locations have not.

RESTRUCTURE CHANGES

Important changes taking effect during the report year were:

- an Executive Support Team was established to improve decision making for the Executive Team through in depth analysis of policy, environmental scanning and corporate issues papers. It answers to the Executive Team, facilitates meetings and handles secretarial functions.
- the Region Support, Special Agencies and Professional Responsibility commands were absorbed into the Specialist Operations command which

supports Field Operations. The command comprises Communications, Crime Agencies, Forensic Services, Internal Affairs, Olympic Security Group, the trial Police Assistance Line, Public Affairs, Special Services, State Intelligence Group, State Protection Group, Traffic Services and an interim VIP Security unit.

- Field Operations encompasses the 11 new regions, State Emergency Operations, Police and Community Youth Clubs and Operational Programs.
- the new Human Resources & Development command draws together the former Education and Training and the Reform Coordination Unit (previously the Royal Commission Implementation Unit). It includes Employee Assistance, Industrial Relations, Internal Witness Support, Personnel, Police Academy, Recruitment, Restorative Justice Group and Workforce and Career Directorate.
- management support services were combined into Management Services to support operational areas and help to develop and implement reform projects. The command includes Administrative & Commercial Services, Audit & Evaluation, Finance, Information Technology, Legal Services and the National Exchange of Police Information Unit.
- the Aboriginal Coordination Unit was established in December 1996 as part of the



The mobility of laser based hand held speed detectors and other new technologies, such as vehicle mounted speed cameras, make it easier for police to conduct speed deterrent operations.

Community Safety Development Branch to develop and coordinate policy/programs and strategic directions for Aboriginal issues. It helps the Police Aboriginal Council, which provides an advisory role to the Service on significant policy issues affecting Aboriginal people. The Council comprises representatives from Aboriginal communities and key Service officers.

commissioned officers were achieved during the year via consent awards. Competency based incremental progression, which was a feature of both enterprise agreements, was fully implemented for non-commissioned officers on 1 July 1996, and is to be implemented for commissioned officers from 1 July 1997. A multi disciplinary committee has also been working towards the implementation of fixed term employment for commissioned officers.

Administrative officers gained 4% pay rises through a general increase in salaries across the Public Service. Further salary increases of up to 12% are available over the next two years.

A consent award was also entered into covering clinical forensic medical officers. Other consent awards covering parking patrol officers, special constable security officers and special constable members of the Police Concert Band have been finalised and will be lodged with the Industrial Relations Commission early in the new financial year.

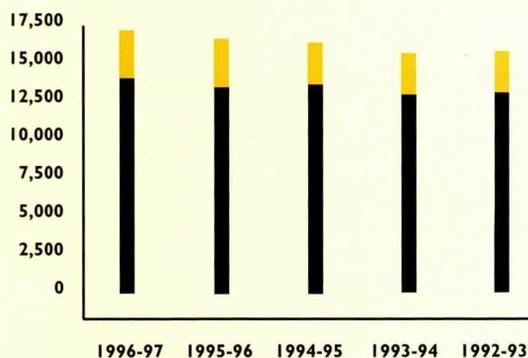
Twenty-six industrial disputes were lodged in the Commission. Of those, 22 were applications for relief from alleged unfair dismissals. As at 30 June 1997, 10 disputes remain before the Industrial Relations Commission, which include three matters from the previous year. All were related to alleged unfair dismissals.

The Police Association took industrial action aimed at restoring full appeal rights for

EMPLOYEES (ACTUAL STRENGTH)

AT END OF FINANCIAL YEARS

TOTALS 16,995 16,568 16,372 15,963 16,003



■ Police Officers*
 ■ Administrative, Ministerial & Other Employees*

* Details in Appendix 1 page 78 .

INDUSTRIAL RELATIONS

Provided in accordance with Schedule 1, ARDR 1995.

All police remain covered under two major enterprise agreements. Salary increases of 6% for commissioned and non-

police officers dismissed via the exercise of the Commissioner's Confidence provisions. This was formally resolved by amendments to the *Police Service Act* which provide for an Industrial Relations Commission review. Also successfully resolved were resolutions for industrial action over assessment processes for local area commanders and the taking up of positions of duty operations officers.

Public Service Association members also passed a resolution calling for industrial action over the restructure. This was settled to the mutual satisfaction of the Service and the Association.

EDUCATION AND TRAINING

Common education and training standards are being developed for Australian and New Zealand police. These establish comparable minimum levels and give police more mobility and the chance to transfer to other states. The first set of standards for criminal investigators and intelligence officers was developed by the Steering Committee of the National Police Education Standards Council and approved by the commissioners. Competency standards are being developed in other areas of policing.

An Executive Development Program continues to produce high level leadership capability. Selected participants are involved in a range of developmental

activities over two years. They are evaluated by Assessment Centre competencies, career breadth, education and work performance and will undertake a specially designed Graduate Diploma in Police Management at Macquarie University.

The Goulburn Academy, as an institution of professional education, provides some 90 programs, courses and/or modules which span a broad range of pre-service and in service educational activity in support of the training needs of Service personnel. A major review was undertaken of policy guidelines associated with the review and/or development of these educational units.

A primary challenge facing the Academy involves recasting current and new programs to meet the training needs of a changing Service.

The Tertiary Scholarship Scheme operates alongside and is complementary to other Service driven initiatives in support of developing our people. For more than two decades, the Scheme has assisted personnel with higher education studies linked to required qualifications and participants' motivations, expectations and career aspirations.

The Mandatory Continuing Police Education Scheme for all non-commissioned police officers below inspector became effective from 1 July 1997. Officers must complete at least four training packages a year to qualify for pay increments. This ensures police will be better educated and motivated.

Our Rejoinee
Program saw
31 former
officers
accepted
back into
the Police
Service.

The first class of NSW police to graduate from the Diploma of Applied Science (Forensic Investigation) course received diplomas in May 1997. The course, conducted by the Canberra Institute of Technology, contributes to a major upgrading of the quality of forensic investigation training and professionalism within the Service.

RECRUITMENT

A total of 1,093 people were accepted by the Police Academy for police recruit training from 3,089 applicants during the year. Of the total, 36% were women, 15% were university graduates and more than 11.2% identified as having a non-English speaking background.

The Service aims to increase the number of Aboriginal and Torres Strait Islander employees to a minimum 2% by the year 2000 and will provide training and career opportunities particularly for Aboriginal women and people with a disability. The intake of Aboriginals for the year was almost 1.3 %.

The Service developed a full time one semester access course at TAFE to bridge a gap in our educational standard for Aboriginals. The Service also recognises work and life experience as ways to the Police Academy and offers 150 career paths, some of which provide on the job training.

To increase diversity in the organisation, we promote

employment opportunities to ethnic and minority communities. During the year, a campaign was conducted to attract gay and lesbian recruits. The Service also actively recruits women and people from ethnic backgrounds. The first senior Asian officers were appointed after being recruited overseas in 1997. (Equal Employment Opportunity actions and statistics appear in Appendices 9-10, pages 83-86.)

Our Rejoinee Program saw 31 former officers accepted back into the Service from 67 applicants. The program recognises the skills and community associations of former employees who left to pursue other interests.

WORKPLACE IMPROVEMENTS

Job design and workplace equity were improved during the year with:

- 12 job streams replacing 1,814 statements of duties and accountabilities
- the updating of the Service's policy on Sex Based Harassment and Sexual Harassment following extensive consultation
- development of a Healthy Lifestyle Policy.

The Restorative Justice Group (formerly the Conflict Assistance Unit) was established to find more effective ways of dealing with conflicts, complaints, disciplinary issues and workplace problems

within the Service. 'Restorative justice' is meant to promote a shared understanding of the relationships needed in the Service for behavioural change to occur. The Service has received national and international recognition for its work in this area.

CONTINUAL IMPROVEMENT IN POLICING

Continual Improvement in Policing is the Service's method for introducing Total Quality Management (TQM). A self assessment based on Australian Quality Council questions was conducted in November 1996 with findings incorporated in the development of the Service's TQM strategy. An inaugural Quality Teams Conference was held in February 1997 to showcase work done by 27 patrol improvement teams. North Sydney Process Improvement Team represented the Service at the Australian Quality Council's State Teams Event in May 1997.

A new Continuous Improvement Register manages Service wide suggestions and improved work practices. It combines the Suggestion Award Scheme and the recently introduced Register of Best Practice.

Project Management is the most efficient way of mobilising the Service's depth of talent. It has been endorsed by the Commissioner as a primary means of achieving necessary change. Project teams allow staff to participate in the

Reform Agenda on the basis of their skills and expertise, rather than rank or grade.

RISK MANAGEMENT

Risk management applies to all areas of the Service. It includes issues such as prevention of fraud and corruption, preservation of the corporate image and management of human resources by educating supervisors and managers about their responsibility to ensure all work is carried out in a professional manner.



A *Risk Management Policy Statement* issued in October 1996 makes commanders and managers responsible for the development, implementation and evaluation of risk management action plans within their areas. Region commanders received copies of the *NSW Risk Management Action Plan for the Protection of Physical Resources* to implement programs across the State. They

Project teams encourage Service wide participation in TQM strategies aimed at continually improving the organisation and the way it operates.

are being helped by members of the Service's Risk Management Committee. (Additional information in Appendix 27, page 105.)

The success of our revised Safe Driving Policy is reflected in the declining number of police claims as well as the cost of each claim. As a result, the Service's premium contribution was reduced.

ENERGY CONSERVATION

Our 1996-97 energy conservation program saw projects completed at police stations at Blacktown, Campbelltown, Castle Hill, Dee Why, Ermington, Flemington, Goulburn, Hornsby, Liverpool, Manly, Macquarie Fields, Newcastle, Parramatta and Wagga Wagga as well as the Academy.

New electricity purchase contracts for Police Headquarters and the Sydney Police Centre are expected to save \$425,000 in 1997-98. In addition, power factor correction equipment was installed at five major police sites, while a further 13 had smart metering installed. This combined strategy is aimed at achieving the maximum possible discount in the next round of electricity purchase contracts. Eight extra buildings will benefit with an expected further annual saving of \$1 million.

On a smaller scale, the Ermington station won our internal energy conservation prize for achieving a 26.8% saving in one billing period. Savings are assessed on a percentage basis rather than total dollars saved, so the smallest station has the potential to win an award. Ermington received energy saving devices worth \$3,000.

Annual Financial Statements

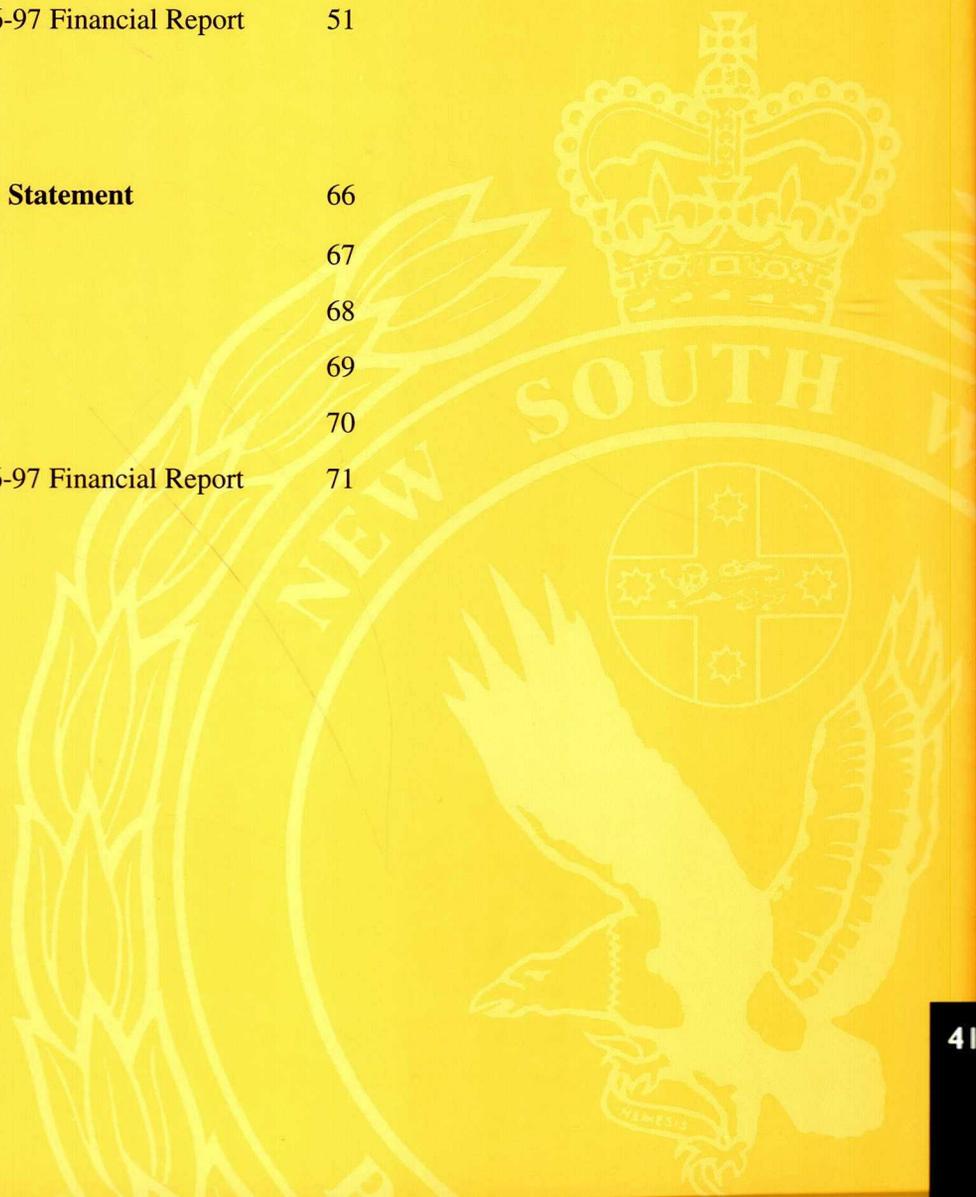
NSW POLICE SERVICE

AS AT 30 JUNE 1997

CONTENTS

NSW Police Service Financial Statement	43
Auditor-General's Certificate	44
Operating Statement	45
Statement of Financial Position	46
Cash Flow Statement	47
Program Statement - Expenses and Revenue	48
Summary of Compliance with Financial Directives	50
Notes to and Forming Part of the 1996-97 Financial Report	51

Infringement Processing Bureau	
Commercial Services Unit Financial Statement	66
Auditor-General's Certificate	67
Operating Statement	68
Statement of Financial Position	69
Cash Flow Statement	70
Notes to and Forming Part of the 1996-97 Financial Report	71



Pursuant to section 45F of the Public Finance and Audit Act 1983, we state that:

- (a) the accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Financial Reporting Code for Budget Dependent Agencies*, the applicable clauses of the *Public Finance and Audit (General) Regulations 1995*, applicable Australian Accounting Standards, the Urgent Issues Group Consensus Views and other Treasury Accounting Policy Statements.
- (b) the statements exhibit a true and fair view of the financial position and transactions of the Police Service; and
- (c) we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



P.J. Ryan QPM
Commissioner

Dated: 10 October 1997



J.C. Thoms FCPA
Executive Director, Finance

Dated: 10 October 1997



BOX 12 GPO
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT

NEW SOUTH WALES POLICE SERVICE

To Members of the New South Wales Parliament and the Commissioner

Scope

I have audited the accounts of the New South Wales Police Service for the year ended 30 June 1997. The preparation and presentation of the financial report consisting of the accompanying statement of financial position, operating statement, statement of cash flows, program statement - expenses and revenues and summary of compliance with financial directives, together with the notes thereto and the information contained therein is the responsibility of the Commissioner. My responsibility is to express an opinion on the financial report to Members of the New South Wales Parliament and the Commissioner based on my audit as required by sections 34 and 45F(1) of the *Public Finance and Audit Act 1983*. My responsibility does not extend here to an assessment of the assumptions used in formulating budget figures disclosed in the financial report.

My audit has been conducted in accordance with the provisions of the Act and Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates.

In addition, other legislative requirements which could have an impact on the New South Wales Police Service financial report have been reviewed on a cyclical basis. For this year, the requirements examined comprise: Chief Executive Service/Senior Executive Service remuneration, payroll tax on superannuation benefits, disaster recovery plans for computer installations and prompt payment of accounts.

These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the requirements of the *Public Finance and Audit Act 1983*, Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) so as to present a view which is consistent with my understanding of the Service's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report of the New South Wales Police Service complies with section 45E of the Act and presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Service as at 30 June 1997 and the results of its operations and its cash flows for the year then ended.

A. C. HARRIS

SYDNEY
13 October 1997

NSW POLICE SERVICE OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 1997

	Notes	Actual 1997 \$'000	Budget 1997 \$'000	Actual 1996 \$'000
Expenses				
Operating expenses				
Employee related	2(a)	928,516	938,572	909,074
Other operating expenses	2(b)	193,720	185,461	186,300
Maintenance	2(c)	11,106	10,000	12,064
Depreciation and amortisation	2(d)	35,832	36,000	35,618
Grants and subsidies	2(e)	19	0	654
Other expenses	2(f)	45,105	1,842	1,420
Total Expenses		1,214,298	1,171,875	1,145,130
Less:				
Retained Revenue				
Sale of goods and services	3(a)	24,442	20,747	23,166
Investment income	3(b)	3,083	2,000	2,041
Grants and contributions	3(c)	18,276	4,433	4,625
Other revenue	3(d)	131	200	2,880
Total Retained Revenue		45,932	27,380	32,712
Gain/(Loss) on Sale of Non-Current Assets	4	(589)	(87)	(1,261)
NET COST OF SERVICES	20	(1,168,955)	(1,144,582)	(1,113,679)
Government Contributions				
Recurrent appropriation	5	1,014,761	964,454	935,808
Capital appropriation	5	36,902	42,351	37,390
(Asset sale proceeds transferred to the Crown Transactions Entity)		(901)	(995)	(1,318)
Acceptance by the Crown Transactions Entity of employee entitlements and other liabilities	7	122,838	146,919	156,419
Total Government Contributions		1,173,600	1,152,729	1,128,299
SURPLUS/(DEFICIT) FOR THE YEAR		4,645	8,147	14,620

NSW POLICE SERVICE STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 1997

	Notes	Actual 1997 \$'000	Budget 1997 \$'000	Actual 1996 \$'000
ASSETS				
Current Assets				
Cash	19	27,171	18,229	17,592
Receivables	8	20,352	3,186	3,198
Inventories	9	4,460	6,545	6,545
Other		5,885	5,841	5,588
Total Current Assets		57,868	33,801	32,923
Non-Current Assets				
Property, plant and equipment	11	551,782	551,782	544,013
Total Non-Current Assets		551,782	551,782	544,013
Total Assets		609,650	585,583	576,936
LIABILITIES				
Current Liabilities				
Accounts payable	12	14,738	12,915	12,415
Employee entitlements	14	51,313	34,181	34,181
Other		10,161	3,269	3,269
Total Current Liabilities		76,212	50,365	49,865
Non-Current Liabilities				
Borrowings	13	245	460	460
Employee entitlements	14	7,852	7,461	7,461
Total Non-Current Liabilities		8,097	7,921	7,921
Total Liabilities		84,309	58,286	57,786
Net Assets		525,341	527,297	519,150
EQUITY				
Accumulated funds	15	525,341	527,297	519,150
Total Equity		525,341	527,297	519,150

NSW POLICE SERVICE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 1997

	Notes	Actual 1997 \$'000	Budget 1997 \$'000	Actual 1996 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(794,470)	(791,141)	(759,325)
Grants and subsidies		(19)	0	(654)
Other		(246,609)	(197,556)	(197,464)
Total Payments		(1,041,098)	(988,697)	(957,443)
Receipts				
Sale of goods and services		24,492	20,747	22,327
Other		19,968	6,633	5,580
Total Receipts		44,460	27,380	27,907
NET CASH FLOWS FROM OPERATING ACTIVITIES	20	(996,638)	(961,317)	(929,536)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment		1,885	1,990	2,809
Purchases of property, plant and equipment		(44,112)	(45,846)	(40,620)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(42,227)	(43,856)	(37,811)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings and advances		(2,318)	0	0
NET CASH FLOWS FROM FINANCING ACTIVITIES		(2,318)	0	0
CASH FLOWS FROM GOVERNMENT				
Recurrent appropriation		1,014,761	964,454	935,808
Capital appropriation		36,902	42,351	37,390
Asset sale proceeds transferred to the Crown Transactions Entity		(901)	(995)	(1,318)
NET CASH FLOWS FROM GOVERNMENT		1,050,762	1,005,810	971,880
NET INCREASE/(DECREASE) IN CASH		9,579	637	4,533
Opening cash and cash equivalents		17,592	17,592	13,059
CLOSING CASH AND CASH EQUIVALENTS	19	27,171	18,229	17,592

NSW POLICE SERVICE PROGRAM STATEMENT - EXPENSES AND REVENUES
FOR THE YEAR ENDED 30 JUNE 1997

AGENCY'S EXPENSES AND REVENUES	Program 61.1.1*		Program 61.1.2		Program 61.1.3	
	1997	1996	1997	1996	1997	1996
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses						
Operating expenses						
Employee related	234,079	226,420	124,328	136,068	190,903	161,504
Other operating	48,837	46,175	25,939	27,155	39,829	32,884
Maintenance	2,800	3,034	1,487	1,999	2,283	2,111
Depreciation and amortisation	9,033	8,574	4,798	4,962	7,367	5,981
Grants and subsidies	5	171	3	103	4	110
Other expenses	11,370	347	6,040	212	9,274	269
Total Expenses	306,124	284,721	162,595	170,499	249,660	202,859
Retained Revenue						
Sale of goods and services	6,162	6,256	3,274	3,557	5,025	4,163
Investment income	777	521	413	311	634	368
Grants and contributions	4,607	1,180	2,447	706	3,758	833
Other revenue	33	776	17	451	27	542
Total Retained Revenue	11,579	8,733	6,151	5,025	9,444	5,906
Gain/(loss) on sale of non-current assets	(148)	(296)	(79)	(210)	(121)	(224)
NET COST OF SERVICES	(294,693)	(276,284)	(156,523)	(165,684)	(240,337)	(197,177)
Government contributions	295,866	280,559	157,145	168,384	241,292	200,304
SURPLUS/(DEFICIT) FOR THE YEAR	1,173	4,275	622	2,700	955	3,127
ADMINISTERED EXPENSES AND REVENUES						
Administered Revenues						
Consolidated Fund						
Taxes, fees and fines						
Other						
Total Administered Revenues						

* The name and purpose of each program is summarised in Note 10.

Program 61.1.4		Program 61.1.5		Program 61.1.6		Total	
1997	1996	1997	1996	1997	1996	1997	1996
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
167,504	163,224	103,344	114,731	108,358	107,127	928,516	909,074
34,947	33,761	21,561	24,397	22,607	21,928	193,720	186,300
2,004	2,087	1,236	1,377	1,296	1,456	11,106	12,064
6,464	7,917	3,988	4,185	4,182	3,999	35,832	35,618
3	108	2	76	2	86	19	654
8,137	266	5,020	161	5,264	165	45,105	1,420
219,059	207,363	135,151	144,927	141,709	134,761	1,214,298	1,145,130
4,409	3,824	2,720	2,692	2,852	2,674	24,442	23,166
556	350	343	241	360	250	3,083	2,041
3,297	793	2,034	547	2,133	566	18,276	4,625
24	551	15	284	15	276	131	2,880
8,286	5,518	5,112	3,764	5,360	3,766	45,932	32,712
(106)	(219)	(66)	(148)	(69)	(164)	(589)	(1,261)
(210,879)	(202,064)	(130,105)	(141,311)	(136,418)	(131,159)	(1,168,955)	(1,113,679)
211,717	202,728	130,621	143,090	136,959	133,234	1,173,600	1,128,299
838	664	516	1,779	541	2,075	4,645	14,620

Not Attributed		Total	
1997	1996	1997	1996
\$'000	\$'000	\$'000	\$'000
137,390	132,694	137,390	132,694
926	1,349	926	1,349
138,316	134,043	138,316	134,043

FOR THE YEAR ENDED 30 JUNE 1997

	Actual Appropriations***		Estimated Expenditure**	Actual Appropriations		Estimated Expenditure**
	Original	Revised		Original	Revised	
	1997 \$'000	1997 \$'000	1997 \$'000	1996 \$'000	1996 \$'000	1996 \$'000
Recurrent Appropriations						
Program 61.1.1*	217,891	255,821	255,821	203,845	231,514	231,514
Program 61.1.2*	170,958	135,876	135,876	162,671	138,535	138,535
Program 61.1.3*	127,446	208,635	208,635	136,081	165,978	165,978
Program 61.1.4*	212,890	183,063	183,063	196,560	169,701	169,701
Program 61.1.5*	99,616	112,943	112,943	110,332	120,465	120,465
Program 61.1.6*	135,653	118,423	118,423	127,963	109,615	109,615
	964,454	1,014,761	1,014,761	937,452	935,808	935,808
Capital Appropriations						
Program 61.1.1*	9,404	9,304	9,304	9,836	9,542	9,542
Program 61.1.2*	7,602	4,941	4,941	6,104	5,719	5,719
Program 61.1.3*	5,654	7,587	7,587	5,008	6,791	6,791
Program 61.1.4*	9,677	6,657	6,657	7,380	6,382	6,382
Program 61.1.5*	4,330	4,107	4,107	3,913	4,444	4,444
Program 61.1.6*	5,684	4,306	4,306	4,849	4,512	4,512
	42,351	36,902	36,902	37,090	37,390	37,390
Total Appropriations	1,006,805	1,051,663	1,051,663	974,542	973,198	973,198

* The name and purpose of each program is summarised in Note 10.

** In New South Wales, agencies are not required to separately record expenditures which are financed by the Consolidated Fund as distinct from expenditures financed by their own user charges. As a result, they are not able to determine accurately the exact amount of the expenditures that are related to the Consolidated Fund. However, the amount of revised appropriation should approximate the actual expenditure of Consolidated Fund monies by agencies.

*** A variation between the Revised and the Original Recurrent Appropriations was \$50.3 million. This was due to insurance premium increased by \$4 million, Firearms Compensation of \$50 million was not included in the Original Appropriation less procurement savings and other adjustments of \$3.7 million.

I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Reporting Entity**

The NSW Police Service, as a reporting entity, comprises all the entities under its control, including the agency's commercial activities, namely: commercial infringement processing, uniform sales and academy operations.

In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

(b) Basis of Accounting

The Service's financial statements are a general purpose financial report which has been prepared on an accruals basis and in accordance with applicable Australian Accounting Standards and the Urgent Issues Group Consensus Views, the requirements of the *Public Finance and Audit Act and Regulations*, and the Financial Reporting Directions published in the *Financial Reporting Code for Budget Dependent Agencies* or issued by the Treasurer under section 9(2)(n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

Statement of Accounting Concepts are used as guidance in the absence of applicable Accounting Standards, Urgent Issues Group Consensus Views and legislative requirements.

Except for certain investments and property, plant and equipment, which are recorded at valuation, the financial statements are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency. The accounting policies adopted are consistent with those of the previous year.

(c) Administered Activities

The Service administers, but does not control, certain activities as detailed in Note 22 on behalf of the Crown Transactions Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the agency's own objectives.

Transactions and balances relating to administered revenues are not recognised as the Service's revenues but are disclosed in the accompanying schedules as 'Administered Revenues'.

The cash basis of accounting has been adopted for the reporting of the administered activities.

(d) Parliamentary Appropriations and Contributions from Other Bodies

Parliamentary appropriations and contributions from other bodies (including grants and donations) are recognised as revenues when the Service obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions is normally obtained on the receipt of cash.

(e) Employee Entitlements*(i) Wages and Salaries, Annual Leave, Sick Leave and On-Costs*

Liabilities for wages and salaries and annual leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the entitlements accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee entitlements to which they relate have been recognised.

(ii) Long Service Leave and Superannuation

The Service's liabilities for long service leave and superannuation are assumed by the Crown Transactions Entity. The Service accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Transactions Entity of Employee Entitlements and Other Liabilities'.

Long service leave is measured on a nominal basis. The nominal method is based on the remuneration rates at year end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salaries. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) Non Renewal Benefit

Police officers employed under fixed term appointment are entitled to the payments of non renewal benefits equal to 12.5 percent of the total salary earnings for each completed term appointment. Such benefit shall only be payable upon the officer's termination from the Service.

Liabilities for non renewal benefits are recognised from the beginning of the first fixed term appointment of each officer and are measured on the accumulated salary earnings of the officers at reporting date. Total non renewal benefit liability for 1996-97 was \$5.195 million.

(f) Insurance

The Service's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on experience.

(g) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the agency. Cost is determined as the fair value of the assets given as consideration plus the costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

(h) Plant and Equipment

Plant and equipment costing \$5,000 and above individually are capitalised. However, any computer equipment, including printers, irrespective of costs is also capitalised.

(i) Revaluation of Physical Non-Current Assets

The Police Service has followed the valuation methodology set out in the NSW Treasury Technical Paper, *Policy Guidelines for Valuation of Physical Non-Current Assets in the NSW Public Sector*.

All property assets have a land value component which has been valued at market value by the Valuer-General between 1990 and 1992. Buildings which are given an 'essential' status such as police stations are valued at replacement cost. Internal components of plant associated with these assets are determined on a pre-established percentage basis and subtracted from the replacement cost of the building. Buildings classified as non-essential such as police residences are valued at market value. Surplus land and buildings are recorded at market value.

Buildings were last valued between 30 June 1992 and 31 October 1992. Land valuation updates are received on a regular basis from the Valuer-General's Office. When properties are bought or sold, valuations are also obtained from the Valuer-General's Office.

As a result of the size and nature of the Police Service's assets, a progressive revaluation is to be conducted over a three year period. The next such revaluation will be commenced during 1997-98.

Where assets are revalued upward or downward as a result of a revaluation of a class of non-current physical assets, the agency restates separately the gross amount and the related accumulated depreciation of that class of assets.

The recoverable amount test has not been applied as the agency is a not-for-profit entity whose service potential is not related to the ability to generate net cash inflows.

(j) Depreciation of Non-Current Physical Assets

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity. Land is not a depreciable asset.

(k) Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Operating lease payments are charged to the Operating Statement in the periods in which they are incurred. The Service does not have any finance leases.

(l) Major Periodic Maintenance

The Service has developed an Asset Maintenance Plan for all existing major non-current physical assets. This plan indicates the appropriate level and cost of maintenance to achieve optimal operation, the pre-determined service potential and expected useful life of the assets.

Major periodic maintenance is part of a planned program of maintenance. An expense reflecting the estimated cost of major periodic maintenance is recognised systematically over the period up to the performance of the planned maintenance. Commencement and reflection of major periodic maintenance will be shown in the 1997-98 accounts.

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost is calculated using the average cost or 'first in first out' method.

(n) Trust Funds

The Service receives monies in a trustee capacity for various trusts as set out in Note 21. As the Service performs only a custodial role with respect of these monies, and because they cannot be used for the achievement of the Service's own objectives, they are not brought to account in the financial statements.

(o) Program Allocations

Operating expenses and capital works costs have been directly apportioned to programs and activities using a ratio of the average monthly workload surveys conducted by the Service during the financial year and applicable cost centre charges.

The workload surveys as approved by Treasury recognise that Police resources are not discrete units used against crime, and that the basis of apportionment outlined in *Treasury Circular 1984/5* is inappropriate.

(p) Change in Accounting Policies

(i) Capitalisation of Assets

Prior to 1 July 1995, only capital expenditure in excess of \$500 was captured in the Fixed Assets System, except for computer equipment, all of which was capitalised regardless of cost.

The capitalisation policy has been changed, effective from 1 July 1995, to capitalise only those assets with a value of \$2,000 and above, except for computers and communication network equipment, which irrespective of cost are fully capitalised. Computer software with an acquisition cost greater than \$5,000 is capitalised.

An adjustment representing accelerated depreciation relating to assets in the Fixed Assets System between \$500 and \$1,999 was made in July 1995. As a result of this change in policy, \$3.987 million was charged to depreciation and is shown in the Notes as an abnormal item.

As from 1 July 1996, only assets with a value of \$5,000 and above were capitalised, except for computers and communication network equipment in terms of *Treasury Circular 1991/36* all of which are capitalised irrespective of cost. An adjustment of \$4.707 million has been charged to depreciation this financial year.

(ii) Payroll-related Liabilities

Funds were set aside at the end of the financial year for the payment of accrued salaries, as well as unremitted payroll deductions for PAYE tax. \$15.480 million has been transferred to the 'Balance of Salaries Suspense Account' at Treasury as in previous years as per Treasury instructions. Unlike last year, however, these liabilities are disclosed as such in this year's primary financial statements with an offsetting receivable to represent the amount of cheques remitted to Treasury.

NOTES TO AND FORMING PART OF THE 1996-97 FINANCIAL REPORT

(iii) Surplus Property, Plant and Equipment

Under the original Financial Reporting Code, surplus property, plant and equipment was shown as an 'Investment' in the Statement of Financial Position. However, the revised Financial Reporting Code requires such surplus assets to be included as part of 'Property, Plant and Equipment'.

(iv) Retrospective Adjustments for Asset Values Not Previously Brought to Account

Asset values brought to account for the first time were previously shown in the Operating Statement as 'Other Non-Cash Revenues'. Following the release of the revised *Financial Reporting Code for Budget Dependent Agencies*, these corrections are now adjusted directly against accumulated funds. \$2.751 million was recognised as Revenue in 1995-96 and \$1.546 million was adjusted against Equity in the current year.

(v) Abnormal Item

Previously, abnormal items were included on the face of the Operating Statement above the 'Net Cost of Services' figure. The revised Code does not disclose abnormal items on the face of the Operating Statement, rather, abnormal items are disclosed in a note to the Operating Statement.

	1997	1996
	\$'000	\$'000

2 EXPENSES**(a) Employee related expenses comprise the following specific items:**

Salaries and wages	667,262	621,860
Superannuation entitlements	91,700	118,164
Long service leave	24,857	38,255
Recreation leave	69,893	65,345
Workers' compensation insurance	11,695	11,004
Payroll tax and fringe benefits tax	62,785	54,399
Other	324	47
	928,516	909,074

(b) Other operating expenses

Auditor's remuneration	267	251
Bad and doubtful debts	27	49
Rental expense relating to operating leases	21,145	19,877
Insurance	16,493	15,089
Other building expenses	9,902	9,238
Subsistence and transport	15,419	15,098
Motor vehicles, launches and aircraft	28,282	31,512
Fees for services rendered	38,654	35,041
Gas and electricity	6,863	6,835
Postal and telephone	20,619	19,812
Stores and printing	25,411	23,610
Maintenance contracts and agreements	10,575	8,662
Other	63	1,226
	193,720	186,300

	1997 \$'000	1996 \$'000
(c) Maintenance		
Repairs and routine maintenance		
Police stations	8,777	10,090
Police residences	2,214	1,881
Leased premises	115	93
	11,106	12,064
(d) Depreciation and amortisation		
Buildings	12,456	12,179
Computer equipment	9,009	10,827
General plant and equipment	14,367	12,612
	35,832	35,618
(e) Grants and subsidies		
Neighbourhood Watch Committee	5	27
Police and Community Youth Clubs	0	300
Community Safety Program	14	327
	19	654
(f) Other expenses		
Witness expenses	1,629	1,420
Firearms compensation	43,476	0
	45,105	1,420

3 REVENUES

(a) Sale of goods and services		
Rents and leases	2,816	2,271
Officers on loan	2,274	2,295
Interviews regarding accidents	1,382	1,335
Academy operations	2,601	2,299
Commercial Infringement Bureau	5,858	5,271
Inventory sales to other agencies	4,253	4,491
Minor user charges	5,258	5,204
	24,442	23,166
(b) Investment income		
Interest - NSW Treasury	3,083	2,041
	3,083	2,041

NOTES TO AND FORMING PART OF THE 1996-97 FINANCIAL REPORT

	1997 \$'000	1996 \$'000
(c) Grants and contributions		
RTA Road Trauma Program	3,921	2,392
Alcohol and Drug Related Crime Program	579	837
Australian Traineeship Scheme	343	393
Commonwealth Aboriginal Training Program	249	235
Firearms Administration Costs*	12,100	0
Other	1,084	768
	18,276	4,625

* Unspent Grant for Firearms Administration Costs (\$5.1 million)
was carried forward to 1997-98

(d) Other revenue		
Assets brought to account for the first time	0	2,751
Discount on inventory purchases	129	118
Other	2	11
	131	2,880

4 GAIN/(LOSS) ON SALE OF NON-CURRENT ASSETS

Gain/(loss) on disposal of property, plant and equipment		
Proceeds from sale	1,885	2,809
Written down value of assets sold	(2,474)	(4,070)
Net gain/(loss) on disposal of property, plant and equipment	(589)	(1,261)

5 APPROPRIATIONS

Total recurrent appropriations (Per Summary of Compliance)	1,014,761	935,808
Less: Transfer payments	0	0
Recurrent appropriations (Per Operating Statement)	1,014,761	935,808
Total capital appropriations (Per Summary of Compliance)	36,902	37,390
Less: Transfer payments	0	0
Capital appropriations (Per Operating Statement)	36,902	37,390

	1997	1996
	\$'000	\$'000

6 ABNORMAL ITEMS

Depreciation	4,707	3,987
	4,707	3,987

7 ACCEPTANCE BY THE CROWN TRANSACTIONS ENTITY OF EMPLOYEE ENTITLEMENTS AND OTHER LIABILITIES

The following liabilities and/or expenses have been assumed by the Crown Transactions Entity or other government bodies:

Superannuation	91,700	118,164
Long service leave	24,857	38,255
Payroll tax on superannuation	6,281	0
	122,838	156,419

8 CURRENT ASSETS - RECEIVABLES

Sale of goods and services	3,160	2,002
Accrued group tax paid to NSW Treasury	8,326	0
Accrued salaries and wages paid to NSW Treasury	7,154	0
Other debtors	1,787	1,256
	20,427	3,258
Less: Provision for doubtful debts	(75)	(60)
	20,352	3,198

9 CURRENT ASSETS - INVENTORIES

Raw materials	286	621
Work in progress	281	460
Finished goods	4,861	5,810
Forms and stationery	152	775
Stores	6	1
	5,586	7,667
Less: Provision for inventory loss	(1,126)	(1,122)
	4,460	6,545

10 PROGRAMS/ACTIVITIES OF THE AGENCY**(a) Program 1 - Policing Services: Property Theft – Program 61.1.1**

Objective: To reduce the incidence of property theft.

Description: Responding to requests for assistance and information and to reports of property theft. Identifying and reducing the influence of problem locations and the prevention of crimes before they occur.

(b) Program 2 - Policing Services: Street Safety – Program 61.1.2

Objective: To increase safety and the feeling of well being which occurs in the use of public streets and places.

Description: Responding to requests for assistance and information and to reports of street offences. Identifying and reducing the influence of problem locations and the prevention of crimes before they occur.

(c) Program 3 - Policing Services: Personal Safety – Program 61.1.3

Objective: To reduce the incidence of personal violence and abuse. To increase feelings of safety in the community.

Description: Responding to requests for assistance and information and to reports of criminal activity. Identifying and reducing the influence of problem locations and the prevention of crimes before they occur.

(d) Program 4 - Policing Services: Road Safety – Program 61.1.4

Objective: To reduce the number and severity of road accidents by concentrating police activities on identified crash locations with emphasis on alcohol and speed related crashes.

Description: Responding to requests for assistance and information and to reports of traffic accidents. Identifying and reducing the influence of problem locations and the prevention of crimes before they occur.

(e) Program 5 - Policing Services: Alcohol and Drug Related Crime – Program 61.1.5

Objective: To minimise the harmful effects of alcohol and drug related crime. To reduce the quantity of illicit drugs available at street level.

Description: Responding to requests for assistance and information and to reports of property theft. Identifying and reducing the influence of problem locations and the prevention of crimes before they occur.

(f) Program 6 - Policing Services: Safety in Custody – Program 61.1.6

Objective: To reduce the incidence of prisoner injury.

Description: Responding to requests for assistance and information and to reports of prisoner injuries. Identifying and reducing the influence of problem locations, identifying high risk prisoners and the taking of action to prevent prisoner injuries before they occur.

II NON-CURRENT ASSETS

(a) Property, plant and equipment

	Land	Buildings	Computer Equipment	Gen. Plant & Equipt.	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
At Cost or Valuation					
Balance, 1 July 1996	116,655	392,043	70,454	86,516	665,668
Additions	1,046	17,492	13,285	14,309	46,132
Disposals	(630)	(1,233)	(1,932)	(7,061)	(10,856)
Balance, 30 June 1997	117,071	408,302	81,807	93,764	700,944
Accumulated Depreciation					
Balance, 1 July 1996	0	(51,032)	(39,181)	(31,442)	(121,655)
Depreciation for the year	0	(12,456)	(9,009)	(14,367)	(35,832)
Write back on disposal	0	158	1,774	6,393	8,325
Balance, 30 June 1997	0	(63,330)	(46,416)	(39,416)	(149,162)
Written down value					
At 1 July 1996	116,655	341,011	31,273	55,074	544,013
At 30 June 1997	117,071	344,972	35,391	54,348	551,782

Land and buildings are at valuation except those purchased or constructed since 1992-93.

For computer and general equipment, the Service believes market value to be comparable to the book value.

(b) Summary of Fully Depreciated Assets:

Category	1997		1996	
	No. of Assets	Cost \$'000	No. of Assets	Cost \$'000
Computer equipment	6,100	23,502	4,990	20,222
Radio communication equipment	170	3,769	169	3,236
Plant equipment and machinery	114	2,279	103	1,655
Scientific equipment and apparatus	135	2,121	93	1,576
Aircraft	6	1,278	6	1,277
Non-depreciable assets (less than \$500 value)	6,360	10,231	4,608	4,651
Other	106	1,230	72	891
	12,991	44,410	10,041	33,508

The Police Service has not attempted to estimate the value of the fully depreciated assets.

NOTES TO AND FORMING PART OF THE 1996-97 FINANCIAL REPORT

	1997 \$'000	1996 \$'000
12 CURRENT LIABILITIES - ACCOUNTS PAYABLE		
Creditors	5,851	5,723
Other	8,887	6,692
	14,738	12,415
13 NON-CURRENT LIABILITIES - BORROWINGS		
Advances repayable	245	460
	245	460
14 CURRENT/NON-CURRENT LIABILITIES - EMPLOYEE ENTITLEMENTS		
Recreation leave	32,981	29,380
Accrued salaries and wages	7,156	0
Provision for non-renewable benefit	5,195	0
Other	5,981	4,801
Current Employee Entitlements	51,313	34,181
Payroll tax oncost on long service leave	7,852	7,461
Non-Current Employee Entitlements	7,852	7,461
15 CHANGES IN EQUITY		
Balance at the beginning of the financial year	519,150	504,530
Operating result for the year	4,645	14,620
Correction to previously recognised assets (See Note 1(p)(iv))	1,546	0
Balance at the End of the Financial Year	525,341	519,150
16 COMMITMENTS FOR EXPENDITURE		
(a) Capital Commitments		
Aggregate capital expenditure contracted for at balance date and not provided for:		
Not later than one year	22,923	29,271
Later than one year and not later than two years	14,057	17,143
Later than two years and not later than five years	14,588	13,232
Later than five years	2,000	13,962
	53,568	73,608

	1997 \$'000	1996 \$'000
(b) Operating Lease Commitments		
Aggregate capital expenditure contracted for at balance date and not provided for:		
Not later than one year	21,431	14,926
Later than one year and not later than two years	12,302	13,028
Later than two years and not later than five years	31,693	13,767
Later than five years	28,465	18,217
	93,891	59,938

These commitments are not recognised in the financial statements as liabilities.

17 CONTINGENT LIABILITIES

Estimated contingent liabilities arising from legal claims lodged against the Police Service and pending decision by the courts	30,719	26,169
---	---------------	---------------

18 BUDGET REVIEW

Net Cost of Services

The actual net cost of services this year was higher than budget by \$24.4 million. This result was mainly due to the following factors:

- over expenditure in Other Operating Expenses due to additional costs incurred in the operation of the Royal Commission and firearms legislation
- over expenditure in Maintenance Expenses resulting from the Service actively reducing building maintenance arrears
- over expenditure in Grants and Subsidies reflects additional grant funding provided for the Community Safety Program and the Neighbourhood Watch Committee
- over expenditure in Other Expenses due to compensation payments for the Firearms Buyback Scheme
- loss on disposal of assets
- offset by savings in superannuation and additional revenue from:
 - Treasury interest on cash management scheme
 - Commercialised infringement processing
 - Telstra rebates and Academy operations.

Assets and Liabilities

- Cash is higher than anticipated due to the unspent Firearms Compensation grant funds. The Commonwealth provided \$50 million for Firearms Compensation Payments. The total payments during the 1996-97 financial year were \$43.5 million, leaving a balance of \$6.5 million for payments in the subsequent year.
- Receivables are inflated due to different accounting treatment this year. The amount of cheques remitted to Treasury for the group tax and accrued salaries totalling \$15.5 million has been shown as a receivable from Treasury.
- Inventory is lower than budget due to a policy of minimising stock held.

NOTES TO AND FORMING PART OF THE 1996-97 FINANCIAL REPORT

- Accounts payable is higher than budget due to accruals for Police Academy accommodation, Crown Solicitor's fees, electricity, HECS fees and proactive road safety operations.
- The liability for employee entitlements has increased due to the introduction of a non renewable benefit for commissioned officers (\$5.2 million) and the inclusion of accrued salaries (\$7.2 million).
- Other current liabilities are above budget due to the inclusion of group tax of \$8.3 million.

Cash Flows

- Other operating payments were inflated by firearms compensation payments (\$43.5 million).
- Sale of goods and services was above budget in rents, infringement processing fees and Police Academy operations.
- Other operating revenue exceeded budget as a result of the firearms grant (\$12.1 million), RTA additional funding (\$1.4 million) and interest earned (\$1.1 million).
- Recurrent appropriation increased mainly due to the firearms compensation funding.
- Capital appropriation was reduced by \$5.4 million. This was due to productivity and corporate savings imposed by Treasury (\$3.8 million), deferral of the purchase of pistols (\$2.0 million) less over expenditure in plant and equipment used in front line policing (\$0.4 million).

	1997	1996
	\$'000	\$'000

19 CASH AND CASH EQUIVALENTS

For the purposes of the Cash Flow Statement, cash includes cash on hand (including permanent and temporary advances) and cash in bank.

Cash on hand	965	890
Cash in bank	26,206	16,702
	27,171	17,592

20 RECONCILIATION OF NET COST OF SERVICES TO NET CASH FLOWS FROM OPERATING ACTIVITIES

Net cash used on operating activities	(996,638)	(929,536)
Depreciation	(35,832)	(35,618)
Net loss/(gain) on sale of plant and equipment	(589)	(1,261)
Acceptance by CFE of Agency's liabilities:		
Superannuation	(91,700)	(118,164)
Long service leave	(24,857)	(38,255)
Payroll tax oncost on superannuation	(6,281)	0
Non-cash revenue	418	3,144
Increase/(decrease) in receivables	17,155	(16,107)
Increase/(decrease) in inventories	(2,086)	(1,884)
Increase/(decrease) in prepayments and other assets	296	549
(Increase)/decrease in accounts payable	(2,322)	53
(Increase)/decrease in employee entitlements	(17,523)	5,660
(Increase)/decrease in other liabilities	(8,996)	17,740
Net Cost of Services	(1,168,955)	(1,113,679)

	1997	1996
	\$'000	\$'000

21 TRUST FUNDS

The NSW Police Service holds money in a Crown Trust Fund and a Statutory and Other Funds Account which cannot be used for the achievement of the Agency's objectives. As at the end of the financial year, these funds had the following balances:

Crown Trust Fund Account

Opening Balance	2,097	2,159
Add: Receipts	5,759	2,307
Less: Payments	(3,050)	(2,369)
Closing Balance	4,806	2,097

Statutory and Other Funds Account – NEPI

Opening Balance	78	50
Add: Receipts	8,854	4,605
Less: Payments	(6,078)	(4,577)
Closing Balance	2,854	78

22 ADMINISTERED REVENUE COLLECTIONS**(a) Motor Traffic Act Infringements**

The Service administers on behalf of the State Government, the collection of fines for traffic infringements.

The administered revenues collected by the Police Service are actual cash receipts. It is the Service's view that there would be no material difference between fine revenue collected on a cash or an accruals basis.

Cash Receipts

Traffic	70,456	73,052
Parking	36,233	35,222
Red light camera	10,562	11,467
Speed camera	17,087	9,279
	134,338	129,020

	'000	'000
--	------	------

Number of Infringement Notices Issued

Traffic	715	777
Parking	746	733
Red light camera	76	84
Speed camera	185	99
	1,722	1,693

NOTES TO AND FORMING PART OF THE 1996-97 FINANCIAL REPORT

	1997 \$'000	1996 \$'000
(b) Self Enforcement Infringement Notice Scheme (SEINS)		
The Police Service and other agencies within the Government have the responsibility for pursuing unpaid infringement notices under the SEINS scheme. The following potential revenue was not collected by the Police Service:		
Infringement notices not actioned	2,772	2,161
Infringement notices waived	6,399	5,860
Infringement notices quashed	223	357
	9,394	8,378
(c) Other Revenue		
Firearms licensing	258	515
Security industry licensing	1,973	1,829
Fines and forfeitures	365	862
Receipts under Crimes Act	456	468
Sale of Capital Assets	900	1,317
Other	26	32
	3,978	5,023

END OF AUDITED FINANCIAL STATEMENTS

Pursuant to Section 45F of the Public Finance and Audit Act 1983, we state that:

- (a) the accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Financial Reporting Code for Budget Dependent Agencies*, the applicable clauses of the *Public Finance and Audit (General) Regulations 1995*, applicable Australian Accounting Standards, the Urgent Issues Group Consensus Views and other mandatory Treasury Accounting Policy Statements.
- (b) the statements exhibit a true and fair view of the financial position and transactions of the Infringement Processing Bureau's Commercial Services Unit.
- (c) we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



S. Sheen
Director
Infringement Processing Bureau
Dated: 31 October 1997



J.C. Thoms FCPA
Executive Director, Finance
NSW Police Service
Dated: 4 November 1997



BOX 12 GPO
SYDNEY NSW 2001

INDEPENDENT AUDIT REPORT
POLICE SERVICE OF NEW SOUTH WALES -
COMMERCIAL SERVICES UNIT

To Members of the New South Wales Parliament and the Commissioner

Scope

I have audited the accounts of the Police Service of New South Wales - Commercial Services Unit for the year ended 30 June 1997. The preparation and presentation of the financial report, consisting of the accompanying statement of financial position, operating statement and statement of cash flows, together with the notes thereto and the information contained therein is the responsibility of the Commissioner. My responsibility is to express an opinion on the financial report to Members of the New South Wales Parliament and the Commissioner based on my audit as required by sections 34 and 45(1) of the *Public Finance and Audit Act 1983*.

My audit has been conducted in accordance with the provisions of the Act and Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the requirements of the *Public Finance and Audit Act 1983*, Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) so as to present a view which is consistent with my understanding of the Unit's financial position and the results of its operations and its cash flows.

This audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report of the New South Wales Police Service - Commercial Services Unit complies with section 41B of the Act and presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the New South Wales Police Service - Commercial Services Unit as at 30 June 1997 and the results of its operations and cash flows for the year then ended.

S. McLeod

S. McLEOD, FCPA
DIRECTOR OF AUDIT
(duly authorised by the Auditor-General of New South Wales
under section 41C (1A) of the Act)

SYDNEY
4 November 1997

OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 1997

	Notes	Actual 1997 \$'000	Budget 1997 \$'000	Actual 1996 \$'000
Expenses				
Operating expenses				
Employee related	2(a)	1,361	1,139	1,139
Other operating expenses	2(b)	936	628	686
Maintenance	2(c)	47	32	31
Depreciation and amortisation	2(d)	64	64	64
Other expenses	2(e)	3,000	2,000	3,300
Total Expenses		5,408	3,863	5,220
Less:				
Retained Revenue				
Sale of goods and services	3	5,874	4,560	5,289
Total Retained Revenue		5,874	4,560	5,289
Gain/(Loss) on Sale of Non-Current Assets	4	(5)	0	(5)
NET COST OF SERVICES	14	461	697	64
Government Contributions				
Acceptance by the Crown Transactions Entity of employee entitlements and other liabilities	5&1(s)	81	0	0
Total Government Contributions		81	0	0
SURPLUS/(DEFICIT) FOR THE YEAR		542	697	64

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 1997

	Notes	Actual 1997 \$'000	Budget 1997 \$'000	Actual 1996 \$'000
ASSETS				
Current Assets				
Cash	13	4,985	4,876	4,588
Receivables	6	532	194	254
Inventories	7	6	5	1
Total Current Assets		5,523	5,075	4,843
Non-Current Assets				
Property, plant and equipment	8	148	149	206
Total Non-Current Assets		148	149	206
Total Assets		5,671	5,224	5,049
LIABILITIES				
Current Liabilities				
Accounts payable	9	4,635	4,034	4,563
Employee entitlements	10	29	28	21
Total Current Liabilities		4,664	4,062	4,584
Total Liabilities		4,664	4,062	4,584
Net Assets		1,007	1,162	465
EQUITY				
Accumulated funds	11	1,007	1,162	465
Total Equity		1,007	1,162	465

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 1997

	Notes	Actual 1997 \$'000	Budget 1997 \$'000	Actual 1996 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(1,273)	(1,100)	(1,217)
Other		(4,221)	(3,600)	(3,543)
Total Payments		(5,494)	(4,700)	(4,760)
Receipts				
Sale of goods and services		5,358	4,500	5,277
Other		543	500	0
Total Receipts		5,901	5,000	5,277
NET CASH FLOWS FROM OPERATING ACTIVITIES	14	407	300	517
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment		0	0	0
Purchases of property, plant and equipment		(10)	(12)	(12)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(10)	(12)	(12)
NET INCREASE/(DECREASE) IN CASH		397	288	505
Opening cash and cash equivalents		4,588	4,588	4,083
CLOSING CASH AND CASH EQUIVALENTS	13	4,985	4,876	4,588

I SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Reporting Entity**

The Commercial Services Unit operates as a commercial activity within the Infringement Processing Bureau of the New South Wales Police Service.

(b) Basis of Accounting

The Commercial Services Unit's financial statements are a general purpose financial report which has been prepared on an accruals basis and in accordance with applicable Australian Accounting Standards and the Urgent Issues Group Consensus Views, the requirements of the *Public Finance and Audit Act and Regulations*, and the Financial Reporting Directions published in the *Financial Reporting Code for Budget Dependent Agencies* or issued by the Treasurer under section 9(2)(n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

Statement of Accounting Concepts are used as guidance in the absence of applicable Accounting Standards, Urgent Issues Group Consensus Views and legislative requirements.

Plant and equipment are recorded at valuation. The financial statements are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency. The accounting policies adopted are consistent with those of the previous year.

(c) Expenditure Incurred by Other Parties

In addition to the expenses incurred by the Commercial Services Unit, the surplus for the year is calculated after providing for expenditure for services which are utilised by the Commercial Services Unit that have been incurred by other units within the Infringement Processing Bureau and other sectors of the Police Service.

Such expenses which have been incurred by other units of the Infringement Processing Bureau have been apportioned to the Commercial Services Unit using the percentage of loaded infringement notices related to the commercial activity to the total number loaded by the Infringement Processing Bureau in the relevant period. This percentage is considered to be the best estimate for the utilisation of staff and other resources of the Infringement Processing Bureau.

In processing the infringements of the Commercial Services Unit a charge has been made by the Infringement Processing Bureau for usage of equipment.

(d) Employee Entitlements

- (i) The core staff of the Commercial Services Unit are employees of the NSW Police Service.
- (ii) Wages and Salaries, Annual Leave and On-Costs

Liabilities for wages, salaries and annual leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

The outstanding amounts of payroll tax which is consequential to employment, are recognised as a liability and expenses where the employee entitlements to which they relate have been recognised.

(iii) Long Service Leave and Superannuation

The liabilities for long service leave and superannuation are assumed by the Crown Transactions Entity. The Commercial Services Unit accounts for the long service leave liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the Crown Transactions Entity of Employee Entitlements and other Liabilities'.

Long service leave is measured on a nominal basis. The nominal method is based on the remuneration rates at year end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

(e) Insurance

The Unit's insurance activities are conducted by the NSW Police Service through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies.

(f) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Unit. Cost is determined as the fair value of the assets given as consideration plus the costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenue at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

(g) Plant and Equipment

Plant and equipment costing \$5,000 and above individually are capitalised. However, any computer equipment, including printers, irrespective of cost is also capitalised.

(h) Revaluation of Physical Non-Current Assets

The Commercial Services Unit has followed the valuation methodology set out in the NSW Treasury Technical Paper, 'Policy Guidelines for Valuation of Physical Non-Current Assets in the NSW Public Sector.'

The recoverable amount test has not been applied as the agency is a not-for-profit entity whose service potential is not related to the ability to generate net cash inflows.

(i) Depreciation of Non-Current Physical Assets

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Commercial Services Unit.

(j) Leasehold Improvements

Leasehold Improvements are valued at cost.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost is calculated using the average cost or 'first in first out' method.

(l) Income

Income includes proceeds from fees for processing infringements for clients of the Commercial Services Unit and sale of goods relating to sale of notebooks and book covers for use by clients of Commercial Services Unit.

(m) Cash

The balance of cash is held in NSW Police Service Account.

(n) Debtors

It is not considered necessary to make provisions for doubtful debts as it is expected all amounts owing will be collected/recovered prior to disbursement of collections made on paid infringements to clients.

(o) Contingent Liabilities

There are no known material contingent liabilities.

(p) Contribution to NSW Police Service

The contribution to the NSW Police Service is recognised as an expense in the Operating Statement to comply with the revised *Financial Reporting Code for Budget Dependent Agencies*. The contribution is net after allowing sufficient funds to cover creditors less debtors.

(q) Commitments for Capital Expenditure

The Commercial Services Unit has no commitments for capital expenditure.

(r) Changes in Accounting Policy*Capitalisation of Assets*

Prior to 1 July 1995, only capital expenditure in excess of \$500 was captured in the Fixed Assets System, except for computer equipment, all of which was capitalised regardless of cost.

The capitalisation policy was changed, effective from 1 July 1995, to capitalise only those assets with a value of \$2,000 and above, except for computers and communication network equipment, which irrespective of cost are fully capitalised. Computer software with an acquisition cost greater than \$5,000 is capitalised.

An adjustment representing accelerated depreciation relating to assets in the Fixed Assets System between \$500 and \$1,999 was made in July 1995.

Starting from 1 July 1996, only assets with a value of \$5,000 and above are to be fully capitalised, except for computers and communication network equipment in terms of Treasury Circular 1991/36, all of which will be capitalised irrespective of cost. As a result of this change in policy, \$9,567 was charged to depreciation. The policy on computer software has remained unchanged.

(s) **Comparative Figures for Long Service Leave, Recreation Leave and Superannuation**

Comparative figures for long service leave, recreation leave and superannuation cannot be ascertained due to the limitation of payroll system and Human Resources (HR) system. The data were not readily available.

	Actual 1997 \$'000	Actual 1996 \$'000
--	--------------------------	--------------------------

2 EXPENSES

(a) **Employee Related Expenses comprise the following specific items:**

Salaries and wages	1,102	949
Long service leave	62	0
Recreation leave	4	0
Superannuation	19	0
Payroll tax	83	70
Other	91	120
	1,361	1,139

(b) **Other Operating Expenses**

Auditor's remuneration	12	11
Rental expense relating to operating leases	194	179
Insurance	1	1
Subsistence and transport	8	8
Motor vehicles, launches and aircraft	2	2
Fees for services rendered	522	278
Gas and electricity	5	7
Postal and telephone	20	14
Stores and printing	111	123
Consultancy fees	0	15
Other	61	48
	936	686

(c) **Maintenance**

Repairs and routine maintenance	25	22
Cash receipting equipment maintenance	22	9
	47	31

	Actual 1997 \$'000	Actual 1996 \$'000
(d) Depreciation		
Other property, plant and equipment	64	64
	64	64
(e) Other Expenses		
Contribution to NSW Police Service	3,000	3,300
	3,000	3,300

3 REVENUES

Sale of goods and services	5,874	5,289
	5,874	5,289

4 GAIN/(LOSS) ON SALE OF NON-CURRENT ASSETS

Loss on disposal of property, plant and equipment		
Written down value of assets sold	(5)	(5)
Net loss on disposal of property, plant and equipment	(5)	(5)

5 ACCEPTANCE BY THE CROWN TRANSACTIONS ENTITY OF EMPLOYEE ENTITLEMENTS AND OTHER LIABILITIES

The following liability has been assumed by the Crown Transactions Entity:

Superannuation	19	0
Long service leave	62	0
	81	0

6 CURRENT ASSETS - RECEIVABLES

Sale of goods and services	510	15
Other debtors	22	239
	532	254

7 CURRENT ASSETS - INVENTORIES

Finished goods	6	1
	6	1

8 NON-CURRENT ASSETS

(a) Property, Plant and Equipment

	Land \$'000	Buildings \$'000	Computer Equipt. \$'000	Gen. Plant & Equipt. \$'000	Total \$'000
At Cost or Valuation					
Balance, 1 July 1996	0	67	338	91	496
Additions	0	0	10	0	10
Disposals	0	0	(3)	(26)	(29)
Balance, 30 June 1997	0	67	345	65	477
Accumulated Depreciation					
Balance, 1 July 1996	0	(10)	(250)	(30)	(290)
Depreciation for the year	0	(7)	(19)	(38)	(64)
Write back on disposal	0	0	3	22	25
Balance, 30 June 1997	0	(17)	(266)	(46)	(329)
Written Down Value					
At 1 July 1996	0	57	88	61	206
At 30 June 1997	0	50	79	19	148

	1997 \$'000	1996 \$'000
(b) Summary of Fully Depreciated Assets		
Category		
Computer equipment (original cost)	209	163
	209	163

The Commercial Services Unit has not attempted to estimate the value of the fully depreciated assets.

9 CURRENT LIABILITIES - ACCOUNTS PAYABLE

Accounts payable	44	145
Commercialised infringements customer funds	1,559	1,101
Sundry accruals	32	17
Accrued contribution to the NSW Police Service	3,000	3,300
	4,635	4,563

	1997 \$'000	1996 \$'000
10 CURRENT LIABILITIES – EMPLOYEE ENTITLEMENTS		
Recreation leave	16	19
Accrued salaries and wages	7	0
Payroll oncost on extended leave entitlements	6	2
	29	21
11 CHANGES IN EQUITY		
Accumulated surplus at 1 July	465	401
Operating result for the year	542	64
Accumulated surplus at 30 June	1,007	465

12 BUDGET REVIEW

The actual surplus (net cost of services) this year was lower than budget by \$0.24 million. This result was mainly due to the following factors:

- over expenditure in employee related expenses due to higher apportionment on a usage basis for expenses incurred by other units of the Infringement Processing Bureau.
- over expenditure in other operating expenses due to increased charges for computer usage and computer contract labour.
- over expenditure in other expenses higher than budget reflect additional contributions to the Police Service.

Assets and Liabilities

- Increase in accounts receivable on account of processing fees due from clients. This is offset by increase in funds collected for Commercial Clients.

Cash Flow

- Payments for operating expenses were higher than budget. This was offset by additional revenue.

Actual	Actual
1997	1996
\$'000	\$'000

13 CASH AND CASH EQUIVALENTS

Cash	4,985	4,588
Closing cash and cash equivalents (per Cash Flow Statement)	4,985	4,588

14 RECONCILIATION OF NET COST OF SERVICE TO NET CASH FLOWS FROM OPERATING ACTIVITIES

a) Reconciliation of cash

For purposes of the Statement of Cash Flows, the Commercial Services Unit considers cash to include cash on hand and in banks including permanent and temporary advances.

b) Reconciliation of Net Cash used on Operating Activities to the Net Cost of Services:

Net Cash Used on Operating Activities	407	517
Adjustments for non-cash items:		
Depreciation	64	64
Loss on sale of property, plant & equipment	5	5
State acceptance of Police Service liabilities for:		
long service leave and superannuation	81	0
(Increase)/decrease in receivables	(279)	(246)
(Increase)/decrease in inventories	(5)	7
Increase/(decrease) in creditors and advances	372	26
Increase/(decrease) in current provisions	(300)	600
Increase in other provisions	8	(3)
Total non-cash adjustments	(54)	453
Net Cost of Services	461	64
(Refer to Operating Statement)		

END OF AUDITED FINANCIAL STATEMENTS

Appendices

NSW POLICE SERVICE ANNUAL REPORT 1996-97

CONTENTS	PAGE	PAGE
Employee Statistics	80	20. Sponsorships 97
Total Strength Details	80	21. Details of Overseas Visits 98
Strength Details (Police Officers)	80	22. Special Policing Scheme User Pays Totals 102
Senior Executive Officers	81	23. Drug Enforcement Agency Figures 103
Age of Staff	81	24. Police Involvement in High Speed Pursuits 104
Years of Service of Staff	82	25. Stores and Equipment Purchases 104
Police Separations	82	26. List of Major Assets 104
Administrative and Ministerial Officer Separations	82	27. Asset and Risk Management 105
Employment – EEO Target Groups	83	28. Real Property Disposals 106
20. Ethnic Affairs Statement	86	29. Major Projects in Progress 107
21. Performance Statements for Senior Officers	86	30. Distribution of Total Expenditure by Command 108
22. Awards	87	31. Use of Consultants 108
23. Valedictory	88	32. NSW Police Service Creditors' Payments 109
24. Code of Conduct and Ethics	88	33. Legal Changes 110
25. Guarantee of Service	93	34. Listening Devices Act 110
26. Research and Development	93	35. Freedom of Information Statistics 111
27. Significant Departmental Committees	95	36. Documents Held by the NSW Police Service 112
28. Police Service Membership of Significant Statutory Bodies	96	37. List of Publications 113
29. Police Service Membership of Significant Inter-departmental Committees	96	38. Annual Report Production Details 114

I EMPLOYEE STATISTICS

Provided in accordance with Schedule 1, ARDR 1995.

Actual Strength	1996-97	1995-96	1994-95	1993-94	1992-93
Police officers	13,304*	13,070*	13,103*	12,718*	12,936*
Administrative, ministerial and other employees	3,691	3,498	3,269	3,245	3,067
Total	16,995	16,568	16,372	15,963	16,003

* Includes officers seconded to other public sector agencies.

2 TOTAL STRENGTH DETAILS

(ACTUAL STRENGTH AS AT 30 JUNE 1997)

Police officers*	13,304
Administrative officers	3,197
Ministerial officers	433
Transit police	61
Total	16,995

* Of these, 70 were on secondment to other public sector agencies.

3 STRENGTH DETAILS (POLICE OFFICERS)

(AS AT 30 JUNE 1997)

Rank	Actual Strength	Secondees ¹	Secondees ²	Total
Executive Officer*	6	0	0	6
Senior Officer#	448	4	1	453
Senior Sergeant & Sergeant	2,650	15	9	2,674
Senior Constable & Constable	9,217	22	19	9,258
Probationary Constable	913	0	0	913
Total	13,234	41	29	13,304

¹ Officers on external secondment, nonpolice funded. ² Officers on external secondment, police funded.

* Includes officers at the rank of Commissioner, Deputy Commissioner and Assistant Commissioner.

Includes officers at the rank of Chief Superintendent, Superintendent, Chief Inspector and Inspector.

4 SENIOR EXECUTIVE OFFICERS

Provided in accordance with s8, ARDR, 1995.

(I) POLICE SERVICE SENIOR EXECUTIVE SERVICE (PSES) POSITIONS

PSES Level	PSES Band	No. of positions at 30 June 1997 #	No. of positions at 30 June 1996
6	3 Upper	1	1
5	3 Lower	2	9
4	2 Upper	5	3
3	2 Lower	12	5
2	1 Upper	12	24
1	1 Lower	8	19
Total		40	61

The column relates only to the number of occupants at each level and band as the number of PSES positions was being comprehensively revised at 30 June 1997 for the Service's restructure.

(II) FEMALE PSES OFFICERS

1996/7	1995/6
4	4

(III) PSES OFFICERS LEVEL 5 OR ABOVE AT 30 JUNE, 1997

Name	Position	Level
Beverley Lawson	Deputy Commissioner (Field Operations)	Level 6, Band 3 Upper
Jeff Jarratt	Deputy Commissioner (Specialist Operations)	Level 5, Band 3 Lower
Christine Nixon	Executive Director, Human Resources and Development	Level 5, Band 3 Lower

5 AGE OF STAFF

(AS AT 30 JUNE 1997)

Age (in years)	Police Officers		Other Staff*		Total
	No.	%	No.	%	
Under 25	1,892	14.2%	468	12.7%	2,360
26-30	3,315	25.0%	495	13.4%	3,810
31-35	2,741	20.6%	510	13.8%	3,251
36-40	1,941	14.6%	512	13.9%	2,453
41-45	1,374	10.3%	644	17.4%	2,018
46-50	1,172	8.8%	539	14.6%	1,711
Over 50	869	6.5%	523	14.2%	1,392
Total	13,304	100.0%	3,691	100.0%	16,995

* Includes administrative and ministerial officers and transit police

6 YEARS OF SERVICE OF STAFF

(AS AT 30 JUNE 1997)

(Includes all full time and part time employees)

Years of Service	Police Officers		Other Staff*		Total
Under 5	2,684	20.2%	1,601	43.4%	4,285
5-10	4,597	34.6%	1,299	35.2%	5,896
11-15	1,934	14.5%	352	9.5%	2,286
16-20	1,414	10.6%	170	4.6%	1,584
21-25	1,144	8.6%	128	3.5%	1,272
Over 26	1,531	11.5%	141	3.8%	1,672
Total	13,304	100.0%	3,691	100.0%	16,995

* Includes administrative and ministerial officers and transit police

7 POLICE SEPARATIONS

Rank	Retire	Death	Resign	Medically Unfit	Dismissed ¹	Total
Executive Officer*	2	0	2	0	0	4
Senior Officer#	44	0	4	5	0	53
Senior Sergeant & Sergeant	49	5	42	48	5	149
Senior Constable & Constable	7	8	314	46	6	381
Probationary Constable	0	0	38	1	0	39
Total	102	13	400	100	11	626

¹ Dismissal confirmed in 1996-97.

* Includes officers at the rank of Commissioner, Deputy Commissioner and Assistant Commissioner.

Includes officers at the rank of Chief Superintendent, Superintendent, Chief Inspector and Inspector.

8 ADMINISTRATIVE AND MINISTERIAL OFFICER SEPARATIONS

Category	Retire	Death	Resign	Medically Unfit	Dismissed or Terminated	Temporary	Transfer	Total
Clerical	10	3	250	11	6	100	53	433
Professional	1	1	9	1	0	7	1	20
Other#	2	2	9	1	3	2	0	19
Ministerial	3	2	84	5	3	1	0	98
Total	16	8	352*	18	12	110	54	570

* Includes officers who took voluntary redundancy.

Includes keyboard operators, clerical assistants and ancillary staff.

9 EMPLOYMENT – EEO TARGET GROUPS

(YEAR ENDING 30 JUNE 1997)

Provided in accordance with TC G1991/18. EEO statistical information as particularised in Schedule 1, ARDR 1995.

NB: Employees provide information about Aboriginality, cultural background and level of physical disability on a voluntary basis. For this reason, there might be some undercounting of EEO target groups in this data.

(I) EEO TARGET GROUPS (POLICE OFFICERS)

Rank	Total	Women	ATSI	CDB	PWPD
Executive officer*	6	2	0	0	0
Senior officer#	453	8	1	13	20
Senior Sergeant & Sergeant	2,674	99	6	80	174
Senior Constable & Constable	9,258	1,649	43	204	256
Probationary Constable	913	312	0	4	0
Total	13,304	2,070	50	301	450

* Includes officers at the rank of Commissioner, Deputy Commissioner and Assistant Commissioner.

Includes officers at the rank of Chief Superintendent, Superintendent, Chief Inspector and Inspector.

(II) EEO TARGET GROUPS (ADMINISTRATIVE OFFICERS)

Rank	Total	Women	ATSI	CDB	PWPD
SES	10	1	0	0	1
Grades 6-12	495	139	1	52	17
Grades 1-5	1,368	784	21	175	73
Other*	1,324	1,271	9	50	37
Total	3,197	2,195	31	277	128

* Includes A&C General Scale, CO1 and below CO1.

(III) EEO TARGET GROUPS (OTHER OFFICERS)

Rank	Total	Women	ATSI	CDB	PWPD
Transit patrol officer	61	3	0	4	8
Parking officer	298	155	3	54	9
Security officer	106	11	2	10	1
Police Band member	28	1	0	2	1
Matron	1	1	0	0	0
Total	494	171	5	70	19

Notes Appendix 9 I-III

ATSI

Aboriginal or Torres Strait Islander.

CDB

Culturally diverse (non-English speaking) background.

PWPD

People with a physical disability or disabilities.

(IV) WOMEN

The following tables are provided in accordance with TC G1991/18.

Women's Employment (Police Officers)

Rank	Total			Women			Percentage		
	96-97	95-96	94-95	96-97	95-96	94-95	96-97	95-96	94-95
Executive Officer*	6	8	12	2	1	1	33.3%	12.5%	8.3%
Senior Officer#	453	463	493	8	6	6	1.8%	1.3%	1.2%
Snr Sergeant & Sgt	2,674	2,723	2,630	99	86	59	3.7%	3.2%	2.2%
Snr Constable & Cst	9,258	8,990	9,025	1,649	1,471	1,397	17.8%	16.4%	15.5%
Probationary Constable	913	886	943	312	278	255	34.2%	31.4%	27.0%
Total	13,304	13,070	13,103	2,070	1,842	1,718	15.6%	14.1%	13.1%

* Includes officers at the rank of Commissioner, Deputy Commissioner and Assistant Commissioner.

Includes officers at the rank of Chief Superintendent, Superintendent, Chief Inspector and Inspector.

Longer Term Trends (Police Officers)

Between 1991-92 and 1996-97, the number of female officers increased from 1,477 to 2,070, rising from 11.45% of officers to 15.5%. Steady improvement has been seen in the number of women rising above the rank of constable. In 1996-97, 5.3% of female officers were sergeant or higher, compared with 2.5% in 1991-92 (increasing from 37 to 109). Women now represent more than 3% of all police officers at sergeant or higher. Below sergeant, about 19% of officers are women, compared to 14.8% in 1991-92.

Initiatives designed to encourage women to continue their police careers, including the introduction of permanent part time work, flexible work practices and the operation of a family day care scheme, have contributed significantly to the continuing increase in the number of women officers.

Women's Employment (Administrative Officers)

Rank	Total			Women			Percentage		
	96-97	95-96	94-95	96-97	95-96	94-95	96-97	95-96	94-95
SES	10	15	12	1	2	2	10.0%	13.3%	16.7%
A&C Grades 10-12	149	177	177	34	41	37	22.8%	23.2%	20.9%
A&C Grades 6-9	346	325	288	105	103	81	30.3%	31.7%	28.1%
A&C Grades 3-5	630	361	389	232	199	170	36.8%	55.1%	43.7%
A&C Grades 1-2 & Clerical Grades 3-6	738	874	793	552	592	606	74.8%	67.7%	76.4%
CO1 & General Scale	1,309	1,254	1,111	1,256	1,064	951	96.0%	84.8%	85.6%
Below CO1	15	11	24	15	11	20	100.0%	100.0%	83.3%
Total	3,197	3,017	2,794	2,195	2,012	1,867	68.7%	66.7%	66.8%

Longer Term Trends (Administrative Officers)

The percentage of female administrative officers declined from 74.16% in 1991-92 to 68.7% in 1996-97. While women remain concentrated in the lower grades (in 1996-97, 76.3% of administrative officers occupying positions at the level of Grade 5 or less were women) the percentage of women at Grade 6 or higher had increased from 23.7% of all administrative officers in 1991-92 to 27.7% in 1996-97. In 1991-92, 4.1% of female administrative officers held positions at the level of Grade 6 or above, compared with 6.4% in 1996-97.

(V) PEOPLE FROM CULTURALLY DIVERSE (NON-ENGLISH SPEAKING) BACKGROUNDS

Since November 1995, the Service has gathered information provided voluntarily by employees about their cultural background. Such information was not kept previously so reliable comparative data over time is not available. Information on the cultural diversity of staff as at 30 June 1997 is provided at 9 (1), (11), (111).

In 1996-97, 2.3% of officers and 9.4% of other employees were recorded as having declared their culturally diverse backgrounds.

(VI) ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE**Recruitment of Aboriginal and Torres Strait Islander People**

	Police Officers		Administrative Officers	
	1996-97	1995-96	1996-97	1995-96
Aboriginal and TSI Recruitment	14	3	3	14
Total Recruitment	1,093	676	660	440
Aboriginal/TSI Staff	50	56	31	31
Total Staff	13,304	13,070	3,197	3,017

Our Aboriginal Employment, Training and Career Development Strategy has been operating since December 1995. It aims to provide support to Aboriginal and Torres Strait Islander employees; raise awareness and understanding of all staff about their culture and contemporary society; and increase the number of Aboriginal and Torres Strait Islander people employed by the Service to a minimum of 2% of staff by 2000. At 30 June 1997, 0.47% of staff identified as Aboriginal and Torres Strait Islander.

No complete Aboriginal and Torres Strait Islander recruitment data is available for comparative purposes for ministerial and other employees.

(VII) PEOPLE WITH A PHYSICAL DISABILITY**Police Service Recruitment of People with a Physical Disability (PWPD)**

	Police Officers		Administrative Officers	
	1996-97	1995-96	1996-97	1995-96
PWPD Recruitment	Nil	Nil	#	3
Total Recruitment	1,093	676	660	440
Staff who are PWPD	450	480	128	140
Total Staff	13,304	13,070	3,197	3,017

Data not available

As with the data about People from a Culturally Diverse Background, the Service began to gather information on the level of disability of individual employees only after November 1995. However, such data is notified by employees on a voluntary basis and no additional notifications were obtained during 1996-97.

No complete recruitment data is available for comparative purposes for ministerial and other employees who identify as coming from a culturally diverse background.

**(VIII) MAJOR EEO
ACHIEVEMENTS FOR
1996-97**

Provided in accordance with Schedule 1, ARDR 1995.

Significant progress continues in the implementation of the Aboriginal Employment, Training and Career Development Strategy to increase the number of Aboriginal and Torres Strait Islander people employed by the Service. Since the December 1995 start of the strategy, 35 people have been employed under the program which is designed to provide support in employment, training and career development while raising awareness and understanding of Aboriginal and Torres Strait Islander culture.

The ministerial working party on Women In Policing, formed in 1996, has overseen the development of a revised *Gender Based and Sexual Harassment Policy* and associated grievance procedures. The revised policy and procedures are designed to eliminate discrimination/harassment and to empower complainants with choices in relation to resolution alternatives. Other strategies address employment, support, career and promotion. The initiatives are expected to be implemented progressively, starting with the policy launch in the second half of 1997.

Following on from the Human Resources and Development command restructure, the Equal Employment Opportunity Branch has become the Equity & Diversity Branch. To allow the branch to concentrate on changing behaviours, attitudes and practices, it will no longer monitor grievances. The grievance handling procedures have been redesigned and will be monitored by a new conflict assessment unit.

**10 ETHNIC AFFAIRS
STATEMENT**

Provided in accordance with ARD Amendment (Ethnic Affairs) Regulation 1997.

The Police Service is currently developing an *Ethnic Affairs Priorities Statement (EAPS)*, as required under the *Ethnic Affairs Commission Act*, outlining the policies and programs to be implemented for ethnic affairs issues over the next 12 months. The EAPS document will be completed by 30 September 1997.

An ethnic employment strategy is being developed to ensure various groups within the wider community are proportionately represented within the Service. The intention is to work towards a Police Service which better reflects the cultural and linguistic composition of Australian society.

The Service has nine specialist Ethnic Community Liaison Officers (ECLOs) working in local area commands within the Sydney metropolitan area to help police in their relations with ethnic community members. As administrative officers with specific cross cultural and language skills, the ECLOs provide a vital link between police and their local communities. This program will be reviewed as part of the EAPS process.

**11 PERFORMANCE
STATEMENTS FOR
SENIOR OFFICERS**

Provided in accordance with s7, ARDR 1995.

The following statement has been prepared by the Hon Paul Whelan, LLB, MP, Minister for Police:

Since Commissioner Ryan took up his appointment on 30 August 1996, he has provided the necessary leadership that the Service requires if it is to meet the challenge of re-establishing public confidence and improving service.

A significant reform program has been embarked upon with an emphasis on promoting integrity and improving management. A major restructure of the Service has been effected, aimed at reducing bureaucracy and improving service to the public. New command arrangements took effect from 1 July 1997.

Government policy has been implemented. Recommendations of the Royal Commission into the NSW Police Service, as adopted by Government, are being implemented.

This Annual Report represents a statement of the activities and achievements of the Police Service and as such reflects the Commissioner's performance.

The following statement has been prepared by P J Ryan, Commissioner of Police:

The performances of Deputy Commissioner Jeff Jarratt (Specialist Operations), Deputy Commissioner Beverley Lawson (Field Operations) and Assistant Commissioner Christine Nixon (Executive Director Human Resources & Development) during the period of review were satisfactory. This Annual Report represents a statement of the activities and achievements of the NSW Police Service and as such reflects the performance of the three officers.

12 AWARDS

NB: The names of award recipients are followed by their Service numbers and their stations/work locations.

A. POLICE SERVICE AWARDS

COMMISSIONER'S VALOUR AWARDS

R M Wilkinson	25327	State Protection Group
J M Medd	24745	State Protection Group
W I Dick	19242	State Protection Group

COMMISSIONER'S COMMENDATIONS

G L Walsh	24240	Wyong
G H Gilbert	22786	Wyong
D T Watson	20623	Wyong
W L Marks	28258	Hornsby
R B Williams	11357	Crime Squad North
C P Martin	24467	Dog Squad North
B J Hallett	22836	Pittwater
A P Spitzer	27292	North Sydney
R J Biles	26582	Singleton
C Duncan	16078	Singleton
P Bourke	19142	Liverpool
T C Heaslip	21407	Liverpool
M J McLean	23668	Liverpool
D G Hooper	25541	Liverpool
A J Sparkes	22779	Coffs Harbour
G M Dengate	24547	Coffs Harbour
R Steinborn	19074	State Protection Group
C Reardon	17626	State Protection Group
P A Flannery	20489	State Protection Group
B Burcham	21439	State Protection Group
D J Brodie	28082	State Protection Group
M H Ford	22321	Patrol Support North
P M Byrne	22381	Dog Squad North
R Blackburn	18930	Patrol Support North
D Cox	20859	Patrol Support North
R Cousins	27375	Wallsend
J Little	27476	Wallsend
R J Carolan	23160	Copmanhurst
D J Waples	23641	Blue Mountains
S A Gilpin	25868	Blue Mountains
J G Kinney	20631	Gosford
S A Russell	27483	Gosford
M A Stannard	20243	Gosford
W L Morris	23611	State Protection Group
J C Williams	23750	State Protection Group
A G Berry	29118	Macquarie Fields

BENEFACTOR AWARDS

St John Ambulance Australia Award

for actions involving resuscitation and life support

C S Woods	29913	Mt Druitt
A D Stelling	28730	Mt Druitt
M D Moroney	30089	Liverpool
R R Buglass	29296	Liverpool
M B Falconer	29341	Campsie

John Dynon Award

for achievement in police organised sport

A Pollock	10142	City of Sydney
-----------	-------	----------------

Vincent Gatton Kelly Award

for achievement during the Patrol Commanders' Course

R Shaw	11413	Mascot
--------	-------	--------

Josh Abrahams Award

for Mounted Police skills

B Nix	27477	Mounted Police
-------	-------	----------------

Patrons Award

for Mounted Police skills

K McFadden	27923	Mounted Police
------------	-------	----------------

B. AUSTRALIAN HONOURS AND AWARDS

AUSTRALIAN POLICE MEDAL

for distinguished police service

C Nixon	00173	Human Resources
G Schuberg	11644	Professional Responsibility
I Ellis	11263	Georges River
G Morgan	14263	Major Crime North West
P Shinfield	16630	Academy
T Lupton	13678	Firearms and Weapons Training

AUSTRALIAN BRAVERY DECORATIONS

Bravery Medal

E Emerson	26770	Macarthur
D G Hooper	25541	Licensing Enforcement
M J McLean	23668	Liverpool

Commendation for Brave Conduct

P Bourke	19142	Liverpool
T C Heaslip	21407	Liverpool

Group Citation for Bravery

L W Hoffman	16046	Guyra
-------------	-------	-------

NATIONAL MEDALS

(for 15 years' service with good conduct)

800 police were nominated for the National Medal and subsequent clasps to the award.

C. NEW SOUTH WALES AWARDS

ROYAL HUMANE SOCIETY OF NSW

Bronze Medal

G Rusten	29069	Macquarie Fields
M Clarke	2000	Kempsey
J Byers	12889	Corrimal
P Bourke	19142	Liverpool
T Heaslip	21407	Liverpool
M McLean	23668	Liverpool
D Hooper	25541	Licensing Enforcement
R Biles	26582	Singleton
C Duncan	16078	Singleton

Certificate of Merit

C Van Ryn	24513	Nowra
M Lockerbie	27849	Penrith
K Cooke	24354	Penrith
C Anderson	27645	Springwood
E Moore	19696	Green Valley
P Connor	19535	Randwick

13 VALEDICTORY

Constable David Carty, 25, was fatally stabbed on 18 April 1997 at Fairfield while he was off duty. Constable Carty passed out from the Police Academy in August 1994 and was stationed at Liverpool for three months before his transfer to Fairfield. He received a commendation for good police work and professionalism displayed in connection with an attempted holdup of a takeaway food store in Fairfield in February 1996. NSW Premier Carr, Police Minister Whelan and Commissioner Ryan honoured David at a service in his home town of Parkes.

14 CODE OF CONDUCT AND ETHICS

Provided in accordance with s9(1)(d), ARDA 1985.

Introduction

The people of New South Wales have the right to expect Police Service officers, both sworn and unsworn, to work with efficiency, fairness, impartiality and integrity.

Just as important, you have the right to a workplace free of any form of harassment, unfair discrimination or fear. This requires standards of behaviour of you and your colleagues which promote and maintain confidence and trust among ourselves and the public in our services.

The purpose of this organisational code is to make explicit certain behaviours which are unacceptable for all sworn and unsworn officers regardless of rank or grade, and to provide an ethical framework for your decisions and actions. Such a framework recognises that it is not possible to address all ethical questions you might encounter. For that reason, you need to be aware of and comply with relevant legislation, this Code, Police Service policy, guidelines and instructions as they relate to your work, and you should seek additional advice from a person in authority whenever you are in doubt about any matter.

Statement of Values

Each member of the Police Service is to act in a manner which:

- places integrity above all
- upholds the rule of law
- preserves the rights and freedoms of individuals
- seeks to improve quality of life by community involvement in policing
- strives for citizen and police personal satisfaction
- capitalises on the wealth of human resources
- makes efficient and economical use of public resources, and
- ensures authority is exercised responsibly.

Failure to Comply

If you fail to comply with this Code or any other lawful directive, you will be asked to explain your actions.

Should your conduct be contrary to the Code's requirements, and does not involve an honest mistake, you will be subject to a range of management options or remedies up to removal from the Service.

Where this Code conflicts with another Police Service instruction, policy, or guideline, you are to comply with the requirements of this Code.

Fair Treatment

If you believe you have not been treated fairly according to this Code, you can request the circumstances of the case to be reviewed at the next level of command.

Guide to Ethical Decision Making

When you are faced with a decision which poses an ethical dilemma, you should consider, either alone or in consultation with your supervisor or specialist adviser (eg Employee Assistance Program, Chaplain, Peer Support Officer), the following questions:

- Is the decision or conduct legal and consistent with government policy?
- Is the decision or conduct in line with the Police Service's policy objectives and *Code of Conduct and Ethics*?
- What will be the outcomes for yourself, your colleagues, the Police Service, other parties?
- Do these outcomes raise a conflict of interest or lead to private gain at public expense?
- Can the decision or conduct be justified in terms of the public interest and would it withstand public scrutiny?

Reporting Corrupt Conduct

Corruption is deliberate dishonesty; deliberate unlawful conduct. Some examples are the giving or taking of bribes, giving false evidence, falsifying documents, mistreatment of prisoners in custody and gross abuse of authority. Corrupt conduct is not about making honest mistakes which can be dealt with through good management practices at the local level.

You must report suspected corrupt conduct, misconduct, serious mismanagement or substantial waste of public resources. The law prescribes that you can be

guilty of corrupt conduct yourself if you fail to report suspected corruption.

Depending upon the circumstances, you should report possible corrupt conduct or unethical conduct to:

- an officer senior in rank to you
- a Professional Standards Council in your command
- the Commissioner
- the Police Integrity Commission
- Ombudsman
- the Independent Commission Against Corruption.

Under the *Police Service Act* and the *Protected Disclosures Act 1994*, you have certain protection from reprisals. There is also an Internal Witness Support Policy and Program operating within the Service. This program can ensure you are provided with assistance and support.

All managers and commanders must ensure you have the information you need about internal reporting procedures, and will notify you about any action taken or proposed in relation to the disclosure.

Criminal Convictions

If a criminal offence is proven against you in a court of law, there is a presumption of removal from the Service. Examples include offences such as dishonesty, assault, unlawful access to or use of confidential information, supply of illegal substances and driving under the influence of alcohol.

From 1 February 1997, all Police Service officers will be required to sign an acknowledgment they have received and read this Code,

and a conditional amnesty will exist for all prior convictions. These convictions, however, will be referred to when considering discipline for future breaches of the Code.

Conflicts of Interest

You must avoid any financial or other interests which could compromise the impartial performance of your duties, and are to disclose any potential or actual conflicts of interest to your manager or other senior officer.

Conflicts of interest might also occur where you have personal beliefs or attitudes which could influence your impartiality in performing your job.

Outside activities including studies and volunteer work can pose a conflict if they adversely affect your ability to perform your job.

If you have developed a relationship with people with whom the Police Service is dealing, you must ensure this relationship does not form an improper association.

If you are uncertain whether a conflict exists, you should discuss the matter with your manager. In this way, there is a joint responsibility to avoid or resolve the conflict.

All managers and commanders must actively resolve any conflicts of interest involving their staff.

Acceptance of Gifts or Benefits

You must never solicit a gift or benefit for yourself or anyone else, and are not to accept any such gift or benefit in the course

of your duties regardless of value, other than in the circumstances specified below. This includes times off-duty when the gift or benefit is or appears to be associated with your employment with the Police Service. In this way, there will be no circumstances where you might be, or might appear to be, compromised.

If someone offers you a gift or benefit for any reason, you should politely decline by explaining Service policy. This does not mean you cannot accept an offer of light refreshment such as a cup of tea or coffee.

You may, however, accept gifts of nominal value from another organisation on behalf of the Service (or in situations where you believe you would cause severe embarrassment to an individual by refusing) provided it becomes the property of the Service or permission is given in writing by your manager to retain the gift. In some cases, you might be asked to return the gift. A register of gifts must be maintained by managers for this purpose.

Donations to the Police Service in connection with recognised charity events such as golf days are allowed provided appropriate records are maintained for audit.

Other than meals and refreshment provided by other individuals or organisations in the course of your official duties, you are expected to seek reimbursement from the Service when you incur appropriate work-related expenses.

Benefits such as free travel on

trains for sworn officers in uniform are permitted provided they follow a written standing agreement between the Police Service and the organisation providing the discount. In other words, a formal arrangement must exist and you must comply with that arrangement.

Where goods, services, or cash are given to the Service by any individual or organisation, in return for any benefit such as publicity or recognition of the sponsor, you must comply with the Service's *Sponsorship & Endorsement Policy, 1996*. Any other endorsement of commercial products or services is prohibited.

Discrimination and Harassment

You must not harass or discriminate against your colleagues or members of the public for any reason including:

- gender
- physical appearance
- marital status
- pregnancy
- age
- race
- ethnic or national origin
- physical or intellectual impairment
- sexual preference
- religious or political conviction.

If you witness harassment or discrimination, you should do something to stop it if possible and report it to your manager or other senior officer.

Examples of harassment include:

- verbal abuse or threats
- unwelcome remarks, jokes, innuendoes or taunting about a

person's body, attire, marital status, sex, pregnancy, ethnic or national origin, sexual lifestyle or disability

- displaying sexually suggestive, racist or other offensive or derogatory material such as posters or cartoons
- physical intimidation
- practical jokes which may cause awkwardness or embarrassment
- persistent and unwelcome invitations, requests or intimidation
- leering and/or other offensive gestures
- persistent and unwelcome physical contact such as patting, pinching, punching or touching.

Essentially, harassment is any behaviour which results in a person feeling threatened, uncomfortable or unable to cope in their work environment.

Offensive Language

The use of obscenities or offensive language is unacceptable when dealing with members of the public or with other Police Service officers.

Failure in this regard will result in remedial counselling and if warranted, appropriate disciplinary action.

Management

All managers and commanders are accountable for the work-related needs of their staff and are expected to:

- keep staff informed of legislation which applies to them and of the consequences

if they fail to comply

- develop and instil corporate values as the cornerstone of service and proper conduct
- treat all staff with honesty and courtesy.

In particular, managers and commanders must:

- inform staff of this *Code of Conduct and Ethics*
- provide an environment supportive of flexible work practices and adaptable to staff needs both in and outside the workplace
- ensure equal access to training and development for all staff
- acknowledge and reward individual and team achievements
- develop and implement effective local corruption prevention measures
- ensure staff create and maintain full and accurate records documenting activities, incidents, decisions and reasons for them
- develop an understanding of the Police Service, its purpose and corporate plan among all staff
- develop agreed, realistic goals for staff
- monitor their progress, ensuring any performance problems are discussed and dealt with
- foster a learning ethic by offering development opportunities and actively planning for these
- comply with all legislative, industrial and administrative requirements of the Police Service
- take appropriate action against staff who fail to comply with this Code and related standards of conduct.

Drugs and Alcohol

You must not perform your job, remain at work or undertake any Police Service related activity if you are impaired by alcohol or other drugs including those prescribed by your doctor. This includes training functions and seminars. If you are off duty and impaired, you are not allowed to visit the workplace.

Customer Rights

We guarantee to provide a satisfactory level of service to any person or organisation with whom or which we have contact: our customers.

If unsatisfactory service results from your failure to be consistent with our standards of professionalism, courtesy, equity, or any other factor under your control, you will be held accountable.

Customers have a basic right to have their questions answered, be kept informed about matters involving contact with police, and to lodge complaints.

You need to be aware of your responsibilities in relation to the requirements of the NSW Government's *Charter of Victims' Rights* which focuses on their entitlement to information and help.

Limitations of Authority

Whatever your position, you may not act beyond the powers the law and the Police Service give you.

If you have the authority to use discretion in determining any action, you must ensure the principle of reasonableness is

applied and you consider all circumstances.

Professional Competency and Development

The Police Service is responsible for the training and development needs of its officers. You are responsible for maintaining your professional competency and development.

Although the Service recognises honest mistakes do happen, you should not act outside your level of competency and authority. If practicable, you have a duty to consult your colleagues or supervisor if in any doubt about how you should exercise delegated powers or fulfil duties.

Private Conduct

Lawful behaviour while off duty is not of concern unless it brings, or has the potential to bring, discredit to the Police Service.

All Police Service officers have an obligation to act and to be seen to act by the public in accordance with the spirit and the letter of the law including the terms of this *Code of Conduct and Ethics* whether on or off duty.

Any private activity which adversely affects your job performance will be regarded as a work-related issue.

Media Relations

Specific legal obligations must be observed when releasing information to the media. These include the protection of an individual's right to privacy; the rights of victims and their families

to a minimum of stress; the rights of an accused to a fair trial.

If you have authorisation to speak to the media, you must follow our published Media Policy (Instruction 52). This document indicates the nature of information which may be released; the circumstances which need to be considered; the level of authority necessary for releasing information.

Public Comment

Although you have the right as a private individual to make public comment and enter into public debate on political and social issues, you may not make or appear to make statements on behalf of the Police Service.

You may accept speaking engagements with professional, educational and community groups relating to Police Service activities if you have obtained approval. If you receive a fee for the engagement (other than from approved secondary employment), it must be paid into an appropriate Police Service account. You cannot retain the fee.

Protecting Confidential Information

You must not access, use or disclose any official information, eg information kept on the Computerised Operational Policing System (COPS), without proper authorisation or lawful reason. You will be liable for a criminal charge and might be dismissed.

You must make sure confidential information cannot be accessed by unauthorised people and

sensitive information is released only to people inside and outside the Service who have a lawful access need.

Use of Facilities and Equipment

Official facilities and equipment can be used only for private purposes when official permission has been given. This might include short private local telephone calls and limited use of facsimile equipment which does not disrupt official work.

Permission for private use of Service vehicles needs to be documented.

Secondary Employment

You must have approval before you engage in any form of employment outside official duties. Police Service duties take precedence and secondary employment will not be approved when there is actual or potential conflict of interest.

Relevant Legislation

The main legislation which applies to Police Service officers and their standards of behaviour are the *Police Service Act, 1990*, the *Police Service Regulation* and the *Public Sector Management Act, 1988*. The following legislation might also be relevant:

- *Police Integrity Commission Act, 1996*
- *Anti-Discrimination Act, 1977*
- *Independent Commission Against Corruption Act, 1988*
- *Ombudsman Act, 1974*
- *Protected Disclosures Act, 1994*
- *Public Finance and Audit Act, 1983.*

15 GUARANTEE OF SERVICE

Provided in accordance with Schedule 1, ARDR 1995.

The Guarantee

We guarantee to provide a satisfactory level of service to any person or organisation with whom we have contact: our customers.

If unsatisfactory service results from a failure on our part to be consistent with our standards of professionalism, courtesy, equity or any other factor under our control, we will rectify the problem.

Customers

We acknowledge that NSW society is a complex, multicultural and diverse mix of people and expectations.

To achieve equity, and provide a consistent high standard of service to everyone, we believe that it is important to be able to respond to different needs of different groups. For this reason, we have implemented programs and services specific to the needs of various groups including ethnic communities, youth, aged, gays and lesbians, and Aboriginal people.

The needs of residents of NSW are identified through ongoing customer research which links to our corporate plan. For example, we conduct focus groups drawn from the general community to discuss specific issues, and we listen carefully to our customer councils on a wide range of topics.

Satisfactory Service

Satisfactory service means

meeting all reasonable expectations of our customers in relation to those matters over which we have control. If we fail to meet those expectations, we will acknowledge it and do something to correct the problem.

Some examples of what you can expect from us include:

Response Times

Police will provide you with an estimated time of arrival depending on the nature of your call. In emergency situations your call will always receive top priority. In less urgent situations, response may have to be deferred because of emergencies. If the estimated time you were given needs to be changed, you will be contacted to arrange another suitable time.

Issue of Licences

If you apply for a licence issued by the Police Service, it will normally be processed within six weeks depending on the type of licence required. This is, of course, dependent on all relevant details, including details of any criminal offence or apprehended violence order being fully disclosed.

There is also a mandatory waiting period of 28 days before firearms licences can be issued.

You will be advised of the date you can expect delivery of any licence, and have a right to a satisfactory explanation if there is any delay.

If you are not satisfied with the explanation and require a refund of fees paid in advance, they will

be refunded in full.

How You Can Help

You can help us to identify the main causes of dissatisfaction with police services by telling us about them!

A Customer Assistance Unit has been established to help you with any concern, problem, question, complaint or compliment you may have regarding police services. You can call toll free on: 1 800 622 571.

In cases where you suspect a serious act of misconduct or criminal behaviour involving bribery or corruption, the complaint may be made to any police officer. You may also make your complaint directly to the Ombudsman or to any Member of Parliament. Complaints may be made orally or in writing and can be anonymous if you wish.

16. RESEARCH AND DEVELOPMENT

Provided in accordance with Schedule 1, ARDR 1995.

The Police Service Research Advisory Council

The Police Service Research Advisory Council (PSRAC) was established by the Police Board in April 1992. The Council provided advice to the Police Commissioner and Police Board on research proposals requiring significant commitment of Police Service resources. This includes solicited and unsolicited proposals received from internal and external researchers. As the Police Board was abolished in 1996, the

PSRAC now reports directly to the Commissioner.

A number of research projects endorsed by the Council are long term projects continuing for two or three years. Research projects continuing in this reporting period are *'Police Culture and Professionalism'* and *'Policing in Cabramatta'*.

Projects completed during the reporting period include investigation into the treatment of internal witnesses and retrospective recovery and analysis of unsolved crime.

National Police Research Unit

The National Police Research Unit (NPRU) is an inter-governmental body which conducts research on national policing issues. Its Board of Control comprises the eight State commissioners of police and a representative of the Commonwealth Government. The NPRU seeks to develop officer professionalism through research projects associated with the delivery of policing services in Australia. The NSW Police Service contributed approximately \$200,000 to the 1996-97 NPRU budget.

NPRU research projects continuing during the reporting period include: *'The Psychological Screening of Police Applicants: A National Approach'*, *'Extortion Through (Threats of) Food or Product Contamination'*, *'Development of Organisational Commitment'*, and *'Australasian Environmental Scanning'*.

Innovations

The State Intelligence Unit is conducting the Service's first comprehensive strategic analysis of the policing environment in NSW, both as it exists and its future characteristics. The assessment will assist the Executive in managing policing resources and providing direction to intelligence collation at operational level.

A Criminal Investigation Review Team was established to address deficiencies in the conduct of criminal investigation practices, identify risks of corruption and enhance the accountability and practical management of criminal investigation practices. Extensive review and consultation contributed to the development of practices now being trialed in the field.

Our Computerised Assessment Scheme (CAS), a world first, was launched 1 July 1996 as an information technology solution for officers from (and including) senior constable to senior sergeant who are six months away from an incremental pay rise. The CAS covers basic competencies concerning current law, practice and procedure and policy. Results highlight deficiencies in overall knowledge levels and will help commanders and managers identify officers needing further development.

The Police Assistance Line (PAL) Project Team researched the call centre industry to establish a special telephone call centre to help increase street time for operational police and improve

customer satisfaction. PAL will be trialed in 1997-98. (See page 28.)

Two major projects were the research and development of assessment centres to identify the most appropriate personnel for promotion and placement and implementation of the process for the appointment of local area commanders, and the research, design and development of the restructure of operational policing, specialist services and administrative support to improve front line policing.

The Internal Witness Research Project looked at the physical, psychological and social effects of becoming an internal witness. The project, funded by a Sir Maurice Byers Fellowship, was completed in December 1996. Copies have been distributed to all members of the Internal Witness Advisory Council and the Police Integrity Commission.

The State Intelligence Group sponsored two research projects:

- Offender Profiling/Spatial Analysis to validate overseas research and theory relating to criminal profiling and spatial analysis of crime. The Service is providing \$5,000 in conjunction with a Federal grant of \$15,000 for this research. Preliminary findings have been published and the research is continuing.
- Initial Police Response to Serious Crimes aims to develop a practical, effective model for the initial police response to serious crime, to ensure integrity of the crime scene and

preservation of evidence. This is a joint venture of the State Intelligence Group, NSW Police Service and an Australian National University law student.

Youth Crime Intelligence

The Youth Crime Intelligence Unit (YCIU) compiled papers on *Youth Crime in NSW and The Longevity of Association* and *Criminality of Individuals to Youth Gangs*, commenced research into the movement of juvenile offenders into adult career crime and the nature and scope of youth crime, and continued research on the use of technology to reduce crime.

Research partnerships eliminate duplication of effort and knowledge and allow sharing of resources. Partnerships have been established with the WA Premier's Department concerning an e-mail news group focusing on graffiti; The University of New South Wales to research juvenile recidivism; Shoalhaven Shire Council, the University of Wollongong and Nowra Police to develop a graffiti reduction program; and tactical partnerships with two suburban patrols to develop models of best practice.

Issues researched have included youths charged with riot at a high school, violence in the community and schools, the theft of motor vehicles by youths, youth violence, graffiti damage and graffiti prevention initiatives.

Byers Fellowship

The Sir Maurice Byers Fellowship was established in 1990 to provide research opportunities for Australian academics and researchers. It encourages those who possess special expertise, knowledge or interests to examine aspects of the Australian criminal justice system, relevant to local conditions, circumstances and communities.

New research projects commenced in 1996-97 were concerned with training and employment of Aboriginal Community Patrollers in Wilcannia, and 'Ethics in Police Education'.

Scholarship and Fellowship

The Michael O'Brien Memorial Scholarship provides overseas study opportunities in major criminal investigation or investigative support activities to members of the Service up to and including the rank of senior sergeant. The scholarship, funded by Armaguard, was established in 1991 in memory of the late Det Supt Michael O'Brien who had a long and distinguished career in criminal investigation. Armaguard contributes \$10,000 annually towards the scholarship.

Det Acting Inspector R.W. Oxford, Homicide Unit, Crime Agencies, was awarded the 1997 scholarship. He studied homicide investigations, major crime investigation management and serial offenders with law enforcement agencies in Los Angeles, Washington, DC and New York City.

Det Snr Sgt Phil Flogel, Training and Research Branch (Physical Evidence), was awarded the Michael Duffy Travel Fellowship to present a paper at the International Association of Forensic Science in Japan. He then visited the National Training Centre in the UK, and the National Forensic Science Technology Centre and Federal Bureau of Investigation in the USA.

17 SIGNIFICANT DEPARTMENTAL COMMITTEES

Provided in accordance with Schedule 1, ARDR 1995

- The Executive Team
- State Command Action Team (SCAT)
- Executive Development Committee
- Strategic Planning Group (SPG)
- Commissioner's Expenditure Review Committee (CERC)
- Comprehensive Review of Criminal Investigations (CROCI) Steering Committee
- COPS Steering Committee
- Human Resource Advisory Committee (HRAC)
- Olympic Security Planning Committee
- NSW Standing Committee on Drugs.

18 POLICE SERVICE MEMBERSHIP OF SIGNIFICANT STATUTORY BODIES

Provided in accordance with Schedule 1, ARDR 1995.

Authority	Member	Position
Independent Commission Against Corruption (ICAC)	Police Commissioner	Operations Committee Member
NSW Crime Commission	Police Commissioner	Board Member
Government and Related Appeals Tribunal (GREAT)	Various depending on appeal being heard	Member
State Emergency Management Committee	Deputy Commissioner, Field Operations Commander, Macquarie Region Director, Public Affairs	Board Member (SEOCON) Board Member Board Member (Media Services Functional Area Coordinator)
State Rescue Board	Deputy Commissioner, Field Operations Commander, City East Region	Board Member (SEOCON) Board Member
National Crime Authority	Commander, Crime Agencies	Member
NSW Crime Commission	Police Commissioner	Member
NSW Child Protection Council	Commander, Child Protection Enforcement Agency	Member
Bush Fire Council	Commander, Emergency Management	Member

19 POLICE SERVICE MEMBERSHIP OF SIGNIFICANT INTER-DEPARTMENTAL COMMITTEES

Provided in accordance with Schedule 1, ARDR 1995.

A. Committees where the Service is the lead agency:

- Children at Risk Committee
- Data Management Committee
- Interdepartmental Information Technology Committee

- Internal Witness Advisory Council
- Olympic Intelligence Subcommittee
- Organised Crime Branch (OCB) Management Committee
- Pawnbrokers Steering Committee
- Police Aboriginal Council
- Police and Ethnic Communities Advisory Council (PECAC)
- Police Service/DPP Prosecution Liaison Committee
- Sexual Assault Committee
- Standing Committee on Intelligence.

B. Committees where the Service is not the lead agency:

- Child Abuse Interdepartmental Committee
- Community Advisory Committee on Speeding
- Ethnic Communities Consultative Committee
- Gay and Lesbian Task Force
- Hazardous Chemicals Advisory Committee
- Interdepartmental Committee on Juvenile Justice
- Juvenile Justice Advisory Council

- National Heads of Criminal Intelligence Agencies
- National Police Education Standards Council
- National Road Safety Strategy Task Force
- National Safety Council
- National Search and Rescue Conference
- NSW Disaster Welfare Coordinating Committee
- NSW Tourism Steering Committee
- Parliamentary Staysafe Committee
- Pretrial Diversion of Offenders Board of Management
- Road Safety Advisory Council
- State and Commonwealth Protection Against Violence (SACPAV) Committee
- State Emergency Management Committee
- State Rescue Board
- State Search and Rescue Committee
- Sydney Organising Committee for the Olympic Games (SOCOG).

20 SPONSORSHIPS

A sponsorship is an agreement where a sponsor provides the Police Service with resources to help achieve a policing objective, in return for specified benefits. Sponsorships can fund existing activities or new projects. Support may be cash, goods or services, and the sponsorship may extend over a defined period with terms for renewal specified in the agreement.

Close links with the community are fundamental to community based policing and can enhance policing effectiveness. Sponsorship makes it possible for the business community to support and work with the Service in activities which directly benefit the community.

SPONSORSHIPS RECEIVED IN 1996-97

Sponsor	Amount	Purpose/Comment
Philips Electronic	\$24,000	Audio Visual Equipment Royal Easter Show
John Sands	\$17,350	Missing Persons Week
Telstra	\$16,550	Operation NOAH
Balanced IT Services/Compaq	\$12,000	Operation NOAH
Telstra	\$11,900	Operation Paradox
Optus	\$11,600	Royal Easter Show
Anabelle Bits	\$11,000	Operation Paradox
Armaguard	\$10,000	Michael O'Brien Memorial Scholarship
Registered Clubs of NSW	\$10,000	Royal Easter Show
Anabelle Bits	\$7,500	Computers, Royal Easter Show
Polaroid	\$7,500	Royal Easter Show
EAC Multilist	\$6,700	Missing Persons Week
Redflex	\$5,000	Touch screen for Royal Easter Show
NRMA	\$4,000	Investigation into organised theft of vehicles (Flemington)
NRMA (Wallsend)	\$3,576	Furnishing of Victim Support room
Bob Jane T Mart	\$3,500	Good driving awards for motorists (Wollongong)
EAC Multilist	\$3,100	Operation NOAH
ACER Computers	\$2,999	Missing Persons' Week
Balanced IT Services/Hewlett Packard	\$1,440	Operation NOAH
Total	\$169,715	

21 DETAILS OF OVERSEAS VISITS

YEAR ENDING 30 JUNE 1997

Provided in accordance with Schedule 1 ARDR, 1995.

1) Travel at full cost to the Police Service.

Name & Position	Destination	Purpose	Duration	Cost
Snr Cst E Shaw Prospect District	New Zealand	Attend Asian crime NZ police conference	30.6-7.7.96	\$642
Supt J Heslop CPEA	Sweden	Congress Against Sexual Exploitation	4-23.8.96	\$4,937
Insp P Woods Sgt L Freudenstein Internal Affairs	New Zealand	Extradition	13-16.8.96	\$1,284 each
Det Ch Supt R Harvey SMIG	Hawaii	Asian Organised Crime Conference	8-13.9.96	\$4,787
Snr Cst B Peters Snr Cst C Hickey SPG	New Zealand	Sniper course	28.9-12.10.96	\$1,725 each
Det Ch Supt R Harvey SMIG	Hong Kong, Singapore	Interview Asian investigators	27.10-11.11.96	\$7,281
Supt G Owens DEA	Singapore, Hong Kong	Asian investigator recruitment	27.10-13.11.96	\$8,530
Sgt P Lennon Snr Cst S James North West MCS	Scotland	Extradition	22.11-2.12.96	\$4,000 each
Ch Supt R Mahoney Academy	France, Ireland, Holland	12th Heads of Police College Symposium	3-13.12.96	\$10,232
Snr Cst A Parsons North Region	Japan	Attend court hearing	2-6.12.96	\$6,000
Snr Sgt G Kendall North Region MCS	Chile	Extradition	10-16.1.97	\$3,793
Sgt A O'Reilly South Region MCS	South Africa	Extradition	15.1-22.2.97	\$14,524
Sgt V Reid South Region MCS	South Africa	Extradition	20.1-12.2.97	\$7,977
Insp Z Feszczuk Human Resources	Quantico, USA	Program at FBI Academy	21.1-28.3.97 <i>32 days' leave also taken</i>	\$9,200

Name & Position	Destination	Purpose	Duration	Cost
Snr Cst J Watson DEA	Hong Kong	Extradition	7-9.2.97	\$2,522
Snr Cst B Shipton Academy	New Zealand	Exchange staff with Royal Police College	16.2-1.3.97	\$969
Sgt N Minkley CPEA	Argentina	Interpol conference	17-23.3.97	\$2,500
Sgt A Williams North Region MCS	England	DNA testing	19.3-3.4.97	\$6,387
Ms L Price Drug Programs	France & UK	International conference	20.3-21.4.97 <i>10 days' leave also taken</i>	\$5,476
Ms S Forell Drug Programs	France	International conference	23-27.3.97	\$1,959
Sgt P Stafford SIG	New Zealand	National Intel. Course NZ Police Academy	6-12.4.97	\$1,441
Ch Insp M Edwards Forensic Services	USA	FBI Conference	11-20.5.97	\$1,000
Ms H Plant Snr Cst J Cottee Academy	New Zealand	Youth Aid Intro Course	11-25.5.97	\$1,755 each
Sgt J Lynch Sgt M Rudolph South Region MCS	South Africa	Extradition	15-21.5.97	\$4,139 each
Sgt P Hunt Snr Cst P Dawson Academy	UK	National Protection Drivers' Course	11.6-6.7.97	\$11,842 each
Insp W Laney Det Sgt B Cox FEA	UK	Telegraphic transfer investigation	15.6-1.7.97	\$7,500 each
Ch Insp D Wilson SMIG	Canada	Homicide seminar	16-27.6.97	\$7,000

2) Travel paid for (fully or partly) by other bodies. (Police Service funding is listed in last column.)

Name & Position	Destination	Purpose	Duration	Cost
Snr Cst B Powter Snr Cst B Gallagher Olympic Security	Atlanta	Organising Committee, Police Department	1.7-6.8.96	\$3,600 each
<i>Airfares paid by SOCOG. The sums listed are travelling allowance/incidentals paid by the Police Service.</i>				
Snr Cst D McMahon Olympic Security	Atlanta	Research security	10.7-6.8.96	\$2,820
Snr Sgt G Spring Olympic Security	Atlanta	Research security	14.7-5.8.96	\$2,711
A/C D Gilligan Region Support	Atlanta	Research security	14.7-6.8.96	\$2,700
Snr Cst J Thistlethwaite Olympic Security	Atlanta	Research security	14.7-12.8.96	\$3,036
Sgt R Constable Forensic Services	Atlanta	Bomb disposal response training and planning	15.7-6.8.96	\$2,062
Insp P Moss Hunter District, Ch Insp R Tisdale North West Region, Insp S O'Grady South Region	Atlanta	Research security	17.7-1.8.96	\$1,500 each
Insp N Horton South West Region	Atlanta	SOCOG member representative	17.7-2.8.96	\$1,400
Insp D Ruming SPG	Atlanta	Assess Olympics security response	17.7-18.8.96	\$2,062
Sgt P Woodward Olympic Security	Atlanta	Research security	31.7-26.8.96	\$3,600
<i>SOCOG paid airfares for those listed above. Accommodation was provided by the Georgia Bureau of Public Safety. Amounts listed were paid as travelling allowance/incidentals by the Police Service.</i>				
Sgt G Merkel SPG	Thailand	Basic Negotiation course trainer	25.7-17.8.96	NIL
<i>Costs paid by the Counter Terrorist Operations Centre, Bangkok, Thailand.</i>				
Snr Sgt P Flogel Forensic Services	Japan, UK, USA	Michael Duffy Travel Fellowship	25.8-28.9.96	NIL
<i>Costs met by the Michael Duffy Travel Fellowship.</i>				

Name & Position	Destination	Purpose	Duration	Cost
Ch Insp T Jamison PCYC and Snr Cst R Hunter, Britain Police Band	Japan	World Police Concert	2-7.9.96	\$291 each
Police Band members:				
Snr Sgt R McMaster, Sgt D Williams, Snr Cst I Keuning, Sp Cst T Marsden, Snr Cst G Courtney, Snr Cst P Donohoe, Sp Cst T Marsden, Sp Cst P Almond, Sp Cst M Anderson, Sp Cst R Bensted, Sp Cst P Blankenstein, Sp Cst A Bodkin, Sp Cst A Brahe, Sp Cst E Bromfield, Sp Cst K Dean, Sp Cst R Gillett, Sp Cst L Goodfellow, Sp Cst R Harris, Sp Cst M Holland, Sp Cst M Knott, Sp Cst D Llewellyn, Sp Cst K McKinlay, Sp Cst R Nairn, Sp Cst G Nichols, Sp Cst S Nolan, Sp Cst M Pearce, Sp Cst J Saunders, Sp Cst B Stojcevski, Sp Cst M Telford, Sp Cst K Till, Sp Cst A Tomkins, Sp Cst R Willis, Sp Cst J Woodbury, Sp Cst M Wootton.				
<i>Airfares and accommodation for band members were paid by Japanese daily newspaper Mainichi. Incidental expenses listed were paid for by the Police Service.</i>				
Ch Insp M Edwards Forensic Services	USA	Presentation at American Academy of Forensics	21-28.9.96	\$2,300
<i>Airfare paid by The Australian National Institute for Science. The listed costs are travelling allowances paid by the Police Service.</i>				
Snr Cst J Karp Reform Coord Unit	Malaysia, India, Pakistan	Scholarship study tour	1.1-2.2.97	NIL
<i>Cost paid by The St James Ethics Centre through the Vincent Fairfax Foundation.</i>				
Sgt R Kell Sydney Airport	Hong Kong	Presentation on emergency procedures at airports conference	17-21.1.97	NIL
<i>Accommodation and airfare costs paid by Cathay Pacific Airways.</i>				
Det Sgt N Kaldas North West MCS	Vancouver	Michael O'Brien Memorial Scholarship	20.8-12.9.96	NIL
	Quantico USA	FBI program	15-29.9.96	NIL*
Sgt R Oxford North West MCS	Los Angeles, New York City, Washington DC	Michael O'Brien Memorial Scholarship	28.5-25.6.97	NIL
<i>Costs met by the Michael O'Brien Memorial Scholarship.</i>				
<i>* Funded by Standing Advisory Committee State and Commonwealth for the Protection Against Violence.</i>				

(3) Travel undertaken in the member's own time at no cost to the Police Service.

Name & Position	Destination	Purpose	Duration	Cost
Snr Sgt T O'Connell Conflict Assistance (Personnel)	Canada	Deliver paper to National Conference on Indian/Aboriginal Justice	19-29.4.97 <i>6 days leave also taken</i>	NIL
<i>Costs paid by The Canadian National Institute for Administration of Justice.</i>				

22 SPECIAL POLICING SCHEME USER PAYS TOTALS

POLICE PERSONNEL

Year	On Duty Police	Hours	Volunteer Police	Hours	Charge
1996-97	1,036	7,297	3,358	22,016	\$769,368
1995-96	820	6,297	2,651	18,194	\$557,541
1994-95	775	5,668	1,700	12,328	\$332,861

Year	Police Vehicles	Hours	Charge
1996-97	167	1,064	\$25,281
1995-96	139	311	\$11,662
1994-95	26	212	\$5,133

Year	Events	Invoice Total	Payments	Balance Due
1996-97	405	\$794,648	\$559,067	\$235,582
1995-96	354	\$569,204	\$460,432	\$108,772
1994-95	316	\$337,994	\$297,567	\$76,067

23 DRUG ENFORCEMENT AGENCY (DEA) FIGURES

ARRESTS AND CHARGES 1996-97

Total number of arrests: 337 Total number of charges: 777*

* includes drug related charges only; numerous other nondrug related charges have been laid by the DEA in the course of its work.

DEA CHARGES (YEAR ENDING 30 JUNE 1997)

Drug	Import ¹	Manufacture ¹	Cultivate ¹	Supply ¹	Use	Possess	Total
Heroin	8			149	1	57	215
Cocaine				48		14	62
Amphetamine		3	5	56	1	30	95
Ecstasy	4			19		8	31
LSD				16	1	7	24
Cannabis Leaf				122	13	101	236
Cannabis - Other*						4	4
Steroids							0
Chemicals				1		1	2
Total	12	3	5	411	16	222	669

¹ includes commercial and noncommercial quantities

* includes cannabis plants, resin, seeds and oil

CASH AND PROPERTY SEIZED

Cash seized (subject to goods in custody): \$562,087

Total value of property seized: \$818,350

DRUGS SEIZED

The Drug Enforcement Agency has prevented the drugs listed entering the market. The total estimated potential street value of these illicit substances is almost \$150 million.

DEA - DRUGS SEIZED (YEAR ENDING 30 JUNE 1997)

Drug Type	Total Seized	Value ¹
Amphetamine	19.97kg	\$1,997,400
Cocaine	1.07kg	\$213,200
Ecstasy	3.82kg	\$527,034
Hallucinogens	2,385 trips	\$59,625
Heroin	85.94 kg	\$85,935,000
Cannabis Leaf	338.94kg	\$4,183,239
Cannabis Oil	2 litres	\$100,000
Cannabis Seeds	108.9gms	\$1,344
Cannabis Resin	45gms	\$2,250
Cannabis Plants	28,036	\$56,072,000

¹ estimated potential street value

24 POLICE INVOLVEMENT IN HIGH SPEED PURSUITS, 1996-97

Provided at the recommendation of the Staysafe Committee (Staysafe 27)

A) REASON FOR INITIATING PURSUIT

Reason	Number	Percent
Criminal offence	172	11%
Traffic offence	1,009	63%
Stolen vehicle	400	25%
No data	31	2%
Total	1,612	100% (rounded)

B) RESULT OF PURSUIT

Result	Number	Percent
Completed without incident	918	57%
Terminated by supervisor	309	19%
Stopped due to motor vehicle accident	160	10%
Discontinued by pursuing officer	222	14%
No data	3	0.2%
Total	1,612	100% (rounded)

Source: Traffic Services Branch - Pursuit Management Program

25 STORES AND EQUIPMENT PURCHASES

(YEAR ENDING 30 JUNE 1997)

1996-97			1995-96		
Stores (\$'000)	Equipment (\$'000)	Total (\$'000)	Stores (\$'000)	Equipment (\$'000)	Total (\$'000)
11,134	1,956	13,090	10,310	1,267	11,577

26 LIST OF MAJOR ASSETS

Provided in accordance with s.5(a) ARDR 1995.

Asset Category	Description	Asset Category	Description
Building	Sydney Police Centre	Building	Wollongong Police Station
Building	Goulburn Police Academy	Building	Bathurst Police Station
Building	Chatswood Police Station	Building	Parramatta Police Station
Building	Joint Technical Emergency Services Complex	Building	Albury Police Station
Building	Hurstville Joint Emergency Complex	Building	Tamworth Police Station
Building	Newcastle Police Station	Building	Sutherland Police Station
Computers	COPS Stage I	Building	Redfern Mounted Police
		Building	Penrith Police Station

Major acquisitions were made at Coffs Harbour, Eagle Vale, Marrickville, Randwick and the Redfern Child Protection Enforcement Agency at a total project cost of about \$8.338 million.

27 ASSET AND RISK MANAGEMENT

Provided in accordance with Schedule 1, ARDR 1995.

Asset Purchase and Protection

The purchase of assets is undertaken under delegation from specific Capital allocations and recorded in the Fixed Asset Register. For each asset, the description, serial number, cost and location by cost centre are recorded. Individual commands run monthly validation reports to verify the expenditure incurred and the asset purchased.

Asset audit listings at a cost centre level are available for review as required by the managers. A physical audit of assets against the Fixed Asset Register is undertaken annually, with a certificate provided by each command to the Executive Director, Finance. These certificates are available to the Auditor-General during his audit of the Police Service accounts.

Risk Management

A report on risk management was prepared for the Service in 1996 by Consultel Pty Ltd. Major activities resulting from the report were:

- establishment of a process for high level environmental scanning
- design and implementation of a simple, structured decision making process which includes a risk analysis component for individual strategic or significant tactical/operational decisions
- completion of a *Supervision*

and Leadership Policy which addresses Royal Commission and Government concerns regarding supervision and leadership reform. Assessment centres were established to determine the best qualified people for jobs and to highlight where training is needed. The new policy has been forwarded to local area commanders for implementation.

- improvement of organisational commitment among employees. A previous study looked at Personal Behavior Risk Management and noted that low organisational commitment on the part of the individual increases the risk that he/she will engage in unethical conduct on the job. A successful pilot which involves commanders keeping files containing relevant information on individual officers was tried at a district. The model provided the foundation for the trial of the Employee Management System discussed earlier in this report.
- the launch of the new *Code of Conduct and Ethics* as part of the Corruption Risk Management Awareness Program
- establishment of a Business Risk Committee as part of the Management Assurance Group, the Service's internal audit section. The Committee is to ensure organisational objectives are met by managing the 'control of risk', including financial, operational, corruption, security and occupational health and safety issues.

The Service is committed to the implementation and maintenance of an integrated, multidisciplinary risk management program to effectively and economically manage and minimise the adverse effects of losses through accident, negligence, theft or fraud.

Major components of this program are:

- to maintain an awareness of risks in every area of operations by all personnel
- to provide continuing communication at all levels to identify, evaluate and manage the financial impact of losses
- the apportionment of costs and losses incurred by the organisation to the appropriate centre to ensure maximum participation by managers
- the assumption of responsibility by commanders and managers for the development of risk management programs within their operation areas
- the ongoing analysis and review of claim details to help in the development of appropriate loss prevention/reduction strategies.

An integral component of this program is the Treasury Managed Fund encompassing all Public Sector organisations with each paying a premium to cover risk exposure in Motor Vehicle, Workers' Compensation, Property, Liability and Miscellaneous areas. The main thrust is that each region/branch in the organisation is responsible for the management of its own risk exposure.

Each policy is a self insurance policy. Premiums are paid into the Treasury Managed Fund Pool and claims' costs are deducted from individual premiums. Any monies not spent become a surplus for that member and become a source of extra funding.

The Service has been committed to financial and physical resources risk management since the Fund's introduction. Principles have been successfully promoted throughout the Service, most notably with the vehicle fleet. Our *Safe Driver Policy* has illustrated that despite a high risk potential, effective controls reduce the incidence and cost of claims. Considerable focus has been directed towards the cost and the impact on the Service of work related injuries.

The effectiveness of our risk management strategies is best judged by comparing performance against the hundred or so Treasury Managed Fund members. The Service, despite its greater potential for risk, compared with

most other members, has achieved a surplus each year since the introduction of the Managed Fund program. The most recent hindsight premium calculations for the 1995-96 insurance year show the Service can again expect a surplus exceeding \$650,000.

The Service compares favourably with the fund members in all categories of insurance. This is illustrated by the performance figures issued on a regular basis by Fund Manager, GIO. Good performance is best reflected in the premium charged for the insuring years. For the 1997-98 insurance year, a 15% increase in premium costs is indicated for fund members generally, while the increase for the Service is 12%.

In March 1995, action was taken to ensure all levels in the organisation designed and implemented their own risk management action plans. The *1996 Police Service Risk Management Policy* included a requirement for commanders/managers to be responsible for the

development and implementation of a risk management action plan within their areas of responsibility.

An information package was designed to help supervisors, managers and commanders to identify potential risks to the financial and physical resources in their areas of control. It also suggested possible controls and a system to monitor implementation of the planned strategies and their results.

Importantly, the application of risk management is not limited to the protection of financial and physical resources. Risk management should be considered in all aspects of the decision making.

The Royal Commission has identified further areas where risk management practices need to be applied, particularly in the areas of corruption prevention, personal behaviour and supervision and leadership.

28 REAL PROPERTY DISPOSALS

Provided in accordance with Schedule 1, ARDR 1995.

In 1996-97, Real Estate Property asset sales realised net proceeds of \$1,801,387. Nineteen properties excess to Service requirements were disposed of, with not one exceeding \$5 million. Funds raised were distributed equally between the Police Service and NSW Treasury. The \$900,000 kept by the Service was applied to its Capital Works budget. In accordance with the Government's policy, no police stations were closed.

Assets Disposed	Net Proceeds	Gain/(Loss) on Sale
15 Jubilee Road, Armidale	\$75,965	(\$42,531)
11 Ronald Street, Dubbo	\$63,663	(\$5,219)
48 Anson Street, Orange	\$88,929	\$22,176
19 Banksia Crescent, Dubbo	\$121,416	(\$16,973)

Assets Disposed	Net Proceeds	Gain/(Loss) on Sale
3 Eddy Street, Tamworth	\$106,782	\$16,352
47 Railway Parade, Junee	\$63,656	(\$2,717)
42 Churinga Close, Kelso	\$86,913	(\$13,447)
Truck Road, Fernmount	\$112,340	\$24,181
77 Church Street, Dubbo	\$74,782	(\$9,657)
30 Edgecombe Avenue, Moorebank	\$155,217	\$16,033
10 Agnes Street, Queanbeyan	\$103,161	\$22,094
42 Main Street, Cundletown	\$94,228	(\$11,646)
15 Boberah Street, Wongarbron	\$74,201	\$13,196
Police Reserve, Spring Hill	\$95,634	\$42,676
Paddock Site, Bulga	\$12,201	(\$7,799)
Police Site, Adamstown	\$169,968	\$59,978
83 Alma Street, Wee Waa	\$18,179	(\$1,821)
6 Valetta Avenue, Moss Vale	\$196,839	\$1,091
6 Irene Avenue, Batehaven	\$87,313	(\$10,147)
Total	\$1,801,387	\$95,820

29 MAJOR PROJECTS IN PROGRESS

Provided in accordance with Schedule 1, ARDR 1995.

Project	Due for Completion	Cost to 30/6/97 (\$'000)
Buildings:		
Quakers Hill Police Station	August 1997	2,127
Dubbo - Crime Scene Unit	October 1997	329
Newtown Police Station (Air conditioning plant replacement)	November 1997	32
Wagga Wagga Police Station (rationalisation)	August 1997	224
Wooli Police Station/Residence	August 1997	166
Green Valley Police Station*	June 1998	2,790
Quakers Hill Police Station	August 1997	2,127
Narellan Police Station	June 1998	10
Cell Improvement Program	June 2003	4,329
Computers:		
Records Management	June 1998	2,375
Network Modernisation	June 2000	1,478
Computerised Operational Policing System (COPS) Stage 11	June 1998	10,487
Infringement Processing Bureau System Upgrade	June 1998	99
Patrol Computers Enhancement Program	June 1999	1,030
Plant and Equipment:		
Self Loading Pistols	June 2001	665

* Green Valley has been completed, but during 1997-98 the Police Service will still have financial implications.

There were no significant cost overruns of major works. The provision of a station at Narellan did not proceed when the purchase of the preferred site was unsuccessful; a suitable site is yet to be found. The project remains on the Capital Works Building Program for 1997-98.

The Service restructure will see large numbers of police returned to operational functions at the local level from regional and district offices. Accommodation needs in some areas will be reduced while other stations may need to be expanded to accommodate the larger patrols. Accordingly, it will be necessary to review the whole building program, including some major works for which funding was provided in 1996-97. These include new or upgraded police stations at Ashfield, Auburn, Kogarah, Penrith, Raymond Terrace, Thornton, Waverley and Woy Woy.

Once the outcome of the restructure has been assessed, detailed accommodation briefs will be prepared and major building projects will recommence.

30 DISTRIBUTION OF TOTAL EXPENDITURE BY COMMAND

(YEAR ENDING 30 JUNE 1997)

Command	\$'000	Percentage
North Region	183,046	15.07%
North West Region	161,132	13.27%
South West Region	145,223	11.96%
South Region	187,126	15.41%
Region Support	151,918	12.51%
Special Agencies	21,153	1.74%
Education & Training	50,553	4.16%
Human Resources	17,266	1.42%
Corporate Services	61,153	5.04%
Executive Management	8,764	0.72%
Royal Commission	5,323	0.44%
Strategy & Review	11,965	0.99%
Professional Responsibility	7,137	0.59%
Office of the Solicitor	3,774	0.31%
Finance	4,288	0.35%
Service wide	194,477	16.02%
Total	1,214,298	100%

31 USE OF CONSULTANTS

Provided in accordance with Schedule 1, ARDR 1995.

This table contains information on consultants as defined by the Public Employment Office (PEO).

Name of Consultant	Project	Amount
Less than \$30,000:		
Ryder Self Group	Implementation plan and communication strategy for the Service's strategic direction	\$12,375
Successful People	Review of the Sydney Police District	\$24,550
More than \$30,000:		
Business Improvements	Review of the Service's radio communications	\$50,960

32 NSW POLICE SERVICE CREDITORS' PAYMENTS

Provided in accordance with Schedule 1, ARDR, 1995, and TC G1992/12.

I. CREDITORS' PAYMENT PERFORMANCE INDICATORS

During 1996-97, the following related to accounts paid by the Police Service:

I) Creditors' Payment Performance

	1st Quarter \$'000	2nd Quarter \$'000	3rd Quarter \$'000	4th Quarter \$'000
Total accounts paid on time	66,409	68,241	62,278	107,873
Total accounts paid	67,061	69,251	63,426	109,373
% of accounts paid on time	98.40%	97.58%	97.15%	96.83%

II) Aged Creditors Outstanding as at 30 June 1997

Status	1st Quarter \$'000	2nd Quarter \$'000	3rd Quarter \$'000	4th Quarter \$'000
Current	860	671	838	5,514
Less than 30 days overdue	1,057	0	833	0
Between 31 and 60 days overdue	68	0	44	0
Between 61 and 90 days overdue	4	0	5	0
More than 90 days overdue	12	0	20	0
Total Creditors	2,001	671	1,740	5,514

2. COMMENTARY ON ACTION TAKEN

I) Problems affecting prompt processing of payments during the year:

- misplaced accounts or invoices going astray through suppliers sending invoices with the goods or not directing them to the correct paying entity
- invoices not submitted promptly for processing due to unresolved queries or amendments and delays by suppliers validating or agreeing to the changes

- partial delivery of goods for minimal amounts (invoices are processed for payment only when the total order is satisfied)

- invoices received before goods are delivered (processing for payment is initiated only after goods are delivered in good order and condition).

II) Initiatives implemented to improve payment performance:

- advising officers receipting goods to ensure invoices are directed to correct paying entity for prompt processing

- providing onsite access to Accounts Payable System to decentralise locations for quicker processing of payments
- providing managers with up to date reports on the status of all outstanding accounts in the system to help prompt decisions on problem accounts
- reduction of paper flow through online receipting of goods and services in the Purchasing System.

III) Penalty interest paid during the year: NIL.

Provided in accordance with Schedule 1, ARDR 1995.

The Police Integrity Commission Act 1996

The Act establishes the Police Integrity Commission, the principal function of which is to detect, investigate and prevent police corruption and other serious misconduct. Various portions of the Act took effect at different times, the first being on 1 July 1996.

The Police Legislation Amendment Act 1996

This Act amended the *Police Service Act* to make further provision for dealing with complaints about police consequent to the establishment of the Police Integrity Commission. Its provisions took effect at various times between 1 July 1996 and 1 January 1997.

The Police Legislation Further Amendment Act 1996

Various parts of this Act began on 16 December 1996, while the remainder started on 1 January 1997. The Act amended the *Police Service Act* to abolish the Police Board and provide for the removal of officers in whom the Commissioner did not have confidence.

The Impounding Amendment Act 1996

From 1 August 1996, the Impounding Act was amended to let police impound animals left unattended in public places.

The Criminal Legislation Amendment Act 1996

The Act came into effect on 16 August 1996, and made amendments to a number of others. The amendments created new offences such as 'dangerous navigation', 'possessing implements for making false instruments', 'harbouring an escapee from another state' and 'unauthorised entry of a vehicle or boat'.

The Firearms' Act 1996

Some parts of the Act began during the report year, while the rest took effect from 1 July 1997. The Act's buyback scheme is already in place. Once the Act is fully operational, it will provide a new regime for the registration and licensing of firearms.

The Liquor and Registered Clubs Legislation Amendment (Enforcement) Act 1996

This Act amended both the *Liquor Act* and *Registered Clubs Act* in a number of areas, including the closure of licensed premises and enforcement.

The Police Service Amendment (Commissioned Officers) Act 1996

The Act, which started on 1 January 1997, provided for term appointments of non executive commissioned officers.

The Justices Amendment (Committals) Act 1996

The Act amended the *Justices Act* on the conduct of committal proceedings. Witnesses will rarely have to attend a committal hearing unless directed to do so by the court. It began on 24 February 1997.

Crimes Amendment (Apprehended Violence Orders) Act 1996

Various changes were made to that portion of the *Crimes Act* dealing with apprehended violence orders. The changes are important to police as, in certain circumstances, they are obliged to apply for orders on behalf of complainants. The Act came in on 1 March 1997.

The Victims Rights Act 1996

The Act, which began on 2 April 1997, gives statutory recognition to the Charter of rights of victims of crime.

The Pawnbrokers and Second-hand Dealers Act 1996

The Act creates a new regime for the licensing and regulation of pawnbrokers and second-hand dealers. It replaces the *Pawnbrokers Act 1902* and the *Secondhand Dealers and Collectors Act 1906*. Under the Act, which began on 30 April 1997, police are obliged to help owners of stolen goods to claim them from licensees.

34 LISTENING DEVICES ACT

Between 1 July 1996 and 30 June 1997, the Legal Services Branch (formerly the Office of the Solicitor) made 262 applications for warrants for listening devices for investigating police. These applications resulted in the issue of 687 warrants under the *Listening Devices Act 1984* (NSW) by eligible judges of the Supreme Court.

35 FREEDOM OF INFORMATION STATISTICS

(YEAR ENDING 30 JUNE 1997)

Provided in accordance with s 6(1), ARDA 1985.

SECTION A

FOI Requests	Personal	Other	Total
New (incl. transferred in)	2,234	56	2,290
Brought forward	54	4	58
Total to be Processed	2,288	60	2,348
Completed	2,213	56	2,269
Transferred out	0	0	0
Withdrawn	22	0	22
Total	2,235	56	2,291
Unfinished (carried forward)	53	4	57

SECTION B

Result of FOI Request	Personal	Other
Granted in full	965	28
Granted in part	118	8
No trace	1,130	20
Deferred	0	0
Completed	2,213	56

SECTION C

Ministerial Certificates issued:	NIL
----------------------------------	-----

SECTION D

Number of requests needing formal consultations:	Initial - 8
	Total - 22

SECTION E

Result of amendment request:		
Agreed - 0	Refused - 2	Total - 2

SECTION F

Number of requests for notation:	NIL
----------------------------------	-----

SECTION G

Basis of Disallowing or Restricting Access	Personal	Other
Section 19 (appl. incomplete, wrongly directed)	0	0
Section 22 (deposit not paid)	0	6
Section 22 (diversion of resources)	3	2
Section 25 (1) (a) (exempt)	216	22
Section 25 (1) (b), (c) (d) (otherwise available)	8	0
Section 28 (1) (b) (documents not held)	1,073	5
Deemed refused - 21 day time limit expired	0	0
Section 31 (4) (released to medical practitioner)	2	0
Totals	1,302	35

SECTION H

FOI Fees: all completed requests	\$62,102
----------------------------------	----------

SECTION I

Type of Discount	Personal	Other
Public Interest	0	1
Financial Hardship Pensioner	463	3
Financial Hardship Nonprofit	9	0
Under 18 Years	0	0
Totals	472	4
Significant Correction of Records	0	0

SECTION J

Elapsed Time	Personal	Other
0-21 days	2,086	30
22 to 35 days	0	0
Over 35 days (extended consultation)	3	0
Over 21 days (out of time determinations)	143	26
Over 35 days (out of time determinations after consultation)	3	0
Totals	2,235	56

SECTION K

Processing Hours	Personal	Other
0-10 hours	2,226	56
11-20 hours	8	0
21-40 hours	1	0
Over 40 hours	0	0
Totals	2,235	56

SECTION L

Number of Internal Reviews Finalised	18
Number of Ombudsman Reviews Finalised	5
Number of District Court Actions Finalised	1

Basis of Internal Review - Grounds on Which Requested

	Personal		Other	
	Upheld	Varied	Upheld	Varied
Access Refused	9	3	0	0
Deferred	0	0	0	0
Exempt Matter	3	0	0	1
Unreasonable Charges	0	0	0	0
Charge Unreasonably Incurred	0	0	0	0
Amendment Refused	0	0	0	0
Totals	12	3	0	1

Provided in accordance with c.9(1)(b) and (3) of FOI (General) Regulation 1995.

The total number of FOI applications (personal and non-personal) received by the Police Service in 1996-97 was 2,348 compared with 2,299 in 1995-96. The total number of applications processed in the respective financial years was 2,291 compared with 2,242. These figures indicate a marginal increase in applications received and processed in 1996-97. Fees received for 1996-97 totalled \$62,102 compared with \$60,970 for 1995-96.

Applications for personal documentation significantly outnumbered nonpersonal ones in both financial years. Grounds for disallowing or restricting access in 1996-97, as was the case in 1995-96, were maintained by Section 28(1)(a) and (b) of the Act in that documents were either exempt in part or in full or not held by the Service.

While there was a marked increase in the number of formal consultations by the Service in 1996-97, there were no Ministerial Certificates issued in either

financial year periods nor were there any requests for notation or significant correction of records.

There were ten finalised Internal Reviews for 1995-96. All applications were for access to personal documentation. The corresponding number of finalised Internal Reviews for 1996-97 totalled 18. Fifteen applications were for access to personal documentation, one for nonpersonal documentation and two were withdrawn. The Service upheld 12 of the original determinations at Internal Review and varied the original determination on four applications.

There was one finalised Ombudsman's appeal in 1995-96. The Ombudsman supported the Service's determination to exempt material in part under Clauses 4 and 6 of the Act. There were five finalised Ombudsman's appeals in 1996-97. The Ombudsman supported the Service's determinations on four applications and recommended release in full of material claimed as exempt in

part under Clauses 6 and 9 of the Act on one application. The Service complied with this recommendation and released deleted information in full to the applicant.

While there was no District Court appeal in 1995-96, there was one finalised District Court appeal in 1996-97. The magistrate dismissed the appeal on the grounds that the court had no jurisdiction to hear the appeal.

36 DOCUMENTS HELD BY THE NSW POLICE SERVICE

The *NSW Freedom of Information Act* came into effect on 1 July 1989. Under Section 14, the Service is required to publish annually a *Statement of Affairs*.

Our most recent Statement was published in June 1997. Copies are available from the FOI Unit, Police Headquarters, 14-24 College Street, Darlinghurst NSW 2010.

Requests under the *Freedom of Information Act* for access to the

Service's documents are dealt with by the FOI Unit. Requests should be made on the appropriate form available from Police Headquarters and police stations. Requests must be accompanied by the appropriate fee and provide adequate information to identify the document being sought.

Direct requests for access to documents to: Commander, FOI Unit at the above address.

Direct telephone enquiries to the FOI Unit on (02) 9339 5199.

Many of the documents held by the Service are for use throughout NSW while others are designed specifically for headquarters, region and local area use.

The Service maintains a Records Management Centre at Police Headquarters. The centre uses a Records Management System (RMS) to record a wide range of files which form the working documents for the Service's administration and policy development functions.

Other well defined and formalised record keeping systems include the Accident Information Unit, Information Unit, Criminal Records Unit, Warrant Index Unit and the Traffic Penalties Payment Office, all located at the Ferguson Centre, 130 George Street, Parramatta.

Information on accidents, including the relevant police reports, results of police actions and statements by people involved are available for purchase through the Accident Information Unit. Crime Information Reports are available for purchase through the

Centralised Insurance Section of the Information Unit.

The Firearms' Registry is on the 3rd Floor, Butler House, Greenbank Street and Ormonde Parade, Hurstville. The Registry keeps a record of all people holding licences under the *Firearms' Act*, people holding permits under the *Prohibited Weapons Act* and people licensed under the *Security (Protection) Industry Act*. The Registry maintains a record of all pistols and prohibited firearms and articles held by licensed people.

The Card Index of Licenses at State Licensing Investigation Command is responsible for maintaining a register of people licensed under the *Commercial Agents and Private Inquiry Agents Act 1963*.

Any member of the public may peruse the Register on the issue, renewal or cancellation of licenses concerning: private inquiry agents, private inquiry subagents, commercial agents and commercial subagents.

Applications on a prescribed form are processed at the Licensing Enforcement Agency, Level 4, Prince Alfred Park building, 219-241 Cleveland St, Strawberry Hills 2012. The prescribed fee for perusal of the Register is \$13 in accordance with Regulation 28 of the Act.

At a regional and local level, records are kept within each area; however, it is expected in the future, regions will maintain their records in line with the RMS.

Files no longer in use are transferred to the Records Management Centre

at Police Headquarters and subsequently transported to the Archives Authority for storage.

37 LIST OF PUBLICATIONS

(PUBLISHED DURING 1996-97)

Provided in accordance with Schedule 1, ARDR 1995.

General and Community Information

- *Seniors' Day*
- *Domestic Violence – 'Yesterday it was a bunch of fives'*
- *Neighbourhood Watch*
- *Keep Your House Safe – tips for home security*
- *The Australian Firearms' Buyback*
- *Reform of Service – implementation status report*
- *Reform of the NSW Police Service – Phase One*
- *NSW Police Service Guarantee of Service*
- *Community Safety* magazine
- *Safety House*
- *Sponsorship and Endorsement Policy*
- *Glossary of Drug Related Terminology*
- *Burglary – Reducing the Risks*
- *Drink Driving – the facts*
- *Missing Persons – Operation Safe and Well*
- Fact sheets on alcohol, amphetamines, cocaine, ecstasy, hallucinogens, heroin, inhalants, marijuana and methadone
- *Tobacco – the law in NSW*
- *Community Fraud Prevention Manual*

Brochures Available in Languages other than English

- *Seniors' Day*
- *Burglary – Reducing the Risks*
- *Neighbourhood Watch*

Information for Staff

- *Joint Investigation Team – policy and procedures*
- *Commander's guide to security when staff are threatened*
- *Directions in Australasian Policing*
- *Standard Operating Procedures – investigation and management of domestic violence*
- *Child Protection Procedures*
- *Informant Management Manual*
- *What's the Go*
- *Police Service Weekly*
- *NSW Police Service Code of Conduct and Ethics*
- *NSW Police Service Drug and Alcohol Policy*
- *Tobacco – a fact sheet for police*
- *Harm Minimisation Made Simple*
- *Harm Minimisation & Practical Solutions*
- *NSW Police Guidelines for support of needle and syringe exchange and methadone programs*
- *Needle and Syringe Exchange and Methadone Program – Everything police need to know*
- *Audit of State Intelligence Group Holdings*
- *Environmental Scanning Report*
- *Firearms in New South Wales*
- *Youth Crime*
- *Car Jacking*
- *The Longevity of Association and Criminality of Individuals to Youth Gangs*
- *The Nature and Scope of Youth Crime*
- *Graffiti education package*

- *Unauthorised Computer Access*
- *Sydney 2000 Olympic and Sydney 2000 Paralympic Games Strategic Plan*
- *Equity and Diversity.*

Career Information

The following career information is available from the Police Recruitment Section, Police Headquarters. Telephone (02) 9339 5350:

- *Application for Police Employment*
- *NSW Police Recruitment – General Information*
- *Preparing for the Physical Agility Test*

38 ANNUAL REPORT PRODUCTION DETAILS

Provided in accordance with s5(e), ARDR 1995.

Production cost per copy: \$12.29
Number of copies printed: 2,000

The Annual Report was produced by the Public Affairs Branch, NSW Police Service.

- Editor: Frank Wells
- Design: Debbie Mcleod
- Photography: Mike Combe

Additional copies are available from Public Affairs, Police Headquarters.
Tel. (02) 9339 5755.

This report is printed on totally chlorine free (TCF) stock with a minimum 50% recycled content.

ABBREVIATIONS USED IN THIS REPORT

APM	Australian Police Medal
ARDA	Annual Reports (Departments) Act 1985
ARDR	Annual Reports (Departments) Regulation 1995
ATSI	Aboriginal and/or Torres Strait Islander(s)
CDB	Culturally Diverse (non-English speaking) Background
CDEO	Community Drug Education Officer
CFE	Consolidated Fund Entity
COPS	Computerised Operational Policing System
CPEA	Child Protection Enforcement Agency
DEA	Drug Enforcement Agency
EAPS	Ethnic Affairs Priorities Statement
ECLO	Ethnic Community Liaison Officer
EEO	Equal Employment Opportunity
EMS	Employee Management System
FEA	Fraud Enforcement Agency
FOI	Freedom of Information
GIO	Government Insurance Office
IPB	Infringement Processing Bureau
M	Million
MCS	Major Crime Squad
NHW	Neighbourhood Watch
NSW	New South Wales
PCYC	Police and Community Youth Clubs
PEO	Public Employment Office
PSSSES	Police Service Senior Executive Service
PWPD	People with a Physical Disability or Disabilities
RMS	Records Management System
SEOCN	State Emergency Operations Controller
SIG	State Intelligence Group
SMIG	State Major Incident Group
SOCOG	Sydney Organising Committee for the Olympic Games
SPG	State Protection Group
TC	Treasury Circular
TQM	Total Quality Management

Abbreviations	114	Drug Enforcement Agency	Inside cover, 15, 103, 114
Aboriginal	19-20, 35-36, 38, 57, 83, 85-86, 93, 95-96, 100, 114	Drugs	Inside cover, 4, 12, 15, 17-18, 20, 59, 91, 103
Addresses	Back cover	Education	11, 15, 18, 20-21, 25, 35, 37, 113-114
Annual Report	1-2, 86, 114	Employee Management System	12, 24, 105, 114
Appendices	79	Employee Statistics	1, 34, 36, 80-86
Assessment Centre	25, 28, 34, 37, 105	Energy Conservation	40
Asset and Risk Management	105	Equal Employment Opportunity	38, 83-86, 114
Assets	45-46, 48-49, 51-55, 57-58, 60-63, 65, 67-68, 71-76, 104-107	Ethnic Affairs Statement	86
Authority	Inside cover, 10	Ethnic Communities	Inside cover, 19
Awards	36, 87-88	Ethnic Community Liaison Officers	86
Charter	Inside cover	Executive Team	Inside cover, 9, 30-32, 34-35, 86, 95
Child Protection	Inside cover, 4, 14, 17, 114	Field Operations	30-33, 35
Child Protection Enforcement Agency	Inside cover, 4, 14, 96, 104, 114	Financial Statements	13
Code of Conduct and Ethics	Inside cover, 4, 8, 11, 28, 88-92, 105, 114	– NSW Police Service	43-65
Commissioner of Police	Inside cover, 4, 6-8, 11, 14, 19, 24, 30, 32-34, 39, 86, 93-94, 96, 110	– Infringement Processing Bureau	66-78
Commissioner's Advisory Panel	11	Firearms Buyback	Inside cover, 4, 13, 18, 62-63, 113-114
Commissioner's Confidence	Inside cover, 4, 11, 37	Fraud	14, 20-21, 25, 39, 105, 113
Commissioner's Reform Agenda	Inside cover, 6, 8-12, 27	Freedom of Information	111-113, 114
Commissioner's Review	4	Front line Policing	8-9, 62, 94
Communication	Inside cover, 8, 19-21, 72	Future, The	23-28
Community based Policing	Inside cover, 16, 19, 21	Gay and Lesbian Community	21
Community Drug Education Officers	20	Guarantee of Service	16, 93, 113
Community Relations	19	High Speed Pursuits	104
Complaints	Inside cover, 8, 12, 20, 24, 38, 91, 93, 110	Highlights of the Year	Inside cover
Compliments	Inside cover, 20	History	Inside cover, 1
Computerised Operational Policing System	28, 92, 107, 114	Human Resources & Development	24-25, 31-39, 86
Consultants	108	Independent Commission Against Corruption	11, 89
Contact numbers	Back cover	Industrial Relations	36-37
Continual Improvement	39	Integrity Testing	4, 7-8, 11
Corporate Plan	9, 26	Internal Affairs	11, 35
Corruption	6-8, 11-12, 14, 39, 89, 91-94, 105-106, 110	Internal Reform Committee	8
Creditors' Payments	109	Internal Witness Support	Inside cover, 4, 12, 35, 89
Crime	Inside cover, 1, 4, 10-11, 14-18, 20-22, 25-26, 35, 59, 93-95, 110, 113-114	Internet	2, 17, 21, back cover
Crime Stoppers	Inside cover, 16-17, 21, back cover	Joint Investigation Teams	Inside cover, 17
Crop-A-Cop	22	Legal Changes	Inside cover, 7, 11, 32, 37, 110
Customer Assistance	Inside cover, 4, 20, 93	Letter of Transmission	2
Customer Service	Inside cover, 1, 4, 26	Listening Devices Act	110
Domestic Violence	Inside cover, 17, 20, 114	Local Area Commanders	9-11, 37, 94
Drug and Alcohol Policy	12, 114		

Local Area Commands	7, 9, 20, 27, 32	Police Open Day	21
Major Projects in Progress	107	Police Pipe Band	22
Management Services	30-35	Police Special Branch	Inside cover, 11
Media Relations	21, 92	Police Stations	1, 13, 19, 40, 53, 56, 106-108
Memberships		Professional Responsibility	6, 11, 35
– Inter-departmental Committees	96	Property Theft	Inside cover, 15, 19, 59
– Significant Departmental Committees	95	Publications	21, 113-114
– Statutory Bodies	96	Quality Teams	39
Minister for Police	Inside cover, 2, 6, 8, 24, 32-33, 86	Ram Raids	Inside cover
Missing Persons' Week	4, 20, 97	Random Breath Tests	15
Mission Statement	Inside cover	Random Drug and Alcohol Testing	7, 12
Murders	14	Real Property Disposals	106
Neighbourhood Watch	4, 19, 56, 62, 113-114	Recruitment	35, 38, 85-86, 114
NSW Police Association	11	Reform	Inside cover, 1, 4-12, 24-25, 27-28, 34-35, 39, 86, 105, 111
Olympic Security	1, 28, 35	Regions	9-10, 32, 35, back cover
Ombudsman	11-12, 87, 92-93, 112	Research & Development	24-25, 93-95
Operation Cosmos	14	Risk Management	28, 39-40, 105-106
Operation Dob in a Thief	Inside cover	Road Safety	Inside cover, 1, 4, 20, 59, 63
Operation Ivy	Inside cover, 15	Robbery	14
Operation Jasmin	Inside cover, 16	Royal Commission	Inside cover, 1, 6-9, 11-13, 18, 27, 62, 86, 105-106
Operation NOAH	Inside cover, 4, 15, 97	Royal Easter Show	Inside cover, 21, 97
Operation Paradox	Inside cover, 17, 97	Safety House	19, 111
Operation Roadwise	14	Salaries	13, 32, 36, 47-48, 50-51, 54, 61-63, 70, 72, 75
Operation Safe and Well	20, 111	Security	Inside cover, 1, 22, 28, 105, 111
Operation Safer Streets	Inside cover, 15	Seniors' Safety Seminars	21
Operations	Inside cover, 4, 12, 14-17	Services	1, 10, 16, 26-28, 59, 62-63, 93
Organisation Chart	33	Special Agencies	35, 108
Organisation Structure	Inside cover, 4, 9, 32-36	Special Policing Scheme User Pays	102
Organisation, The	29-40	Specialist Operations	30, 32-33, 35
Overseas Visits	98-102	Sponsorships	97
Performance Statements for Senior Officers	86	Strategic Principles	Inside cover
Phone Numbers	Back cover	Stores & Equipment Purchases	104
Police Aboriginal Council	19, 36, 96	Summer Blood Challenge	22
Police Academy	18-20, 35, 38, 62, 104	Tourist Support Service	4, 21
Police and Community Training Project	Inside cover, 19	Training	19, 21, 24-25, 28, 32, 37-38, 85-86, 91-92, 105
Police and Community Youth Clubs	18, 35, 56, 114	Valedictory	88
Police and Ethnic Communities Advisory Council	19, 96	Volunteers in Policing	19
Police Assistance Line	24, 28, 35, 94	Water Police	15, 22
Police Board	Inside cover, 6-7, 32, 91, 110	Witness Watch	19
Police Concert Band	22, 36	Women in Policing	86
Police Integrity Commission	Inside cover, 7, 11, 89, 92, 94, 110	Year in Review, The	5-22
		Youth	18, 20, 95, 114

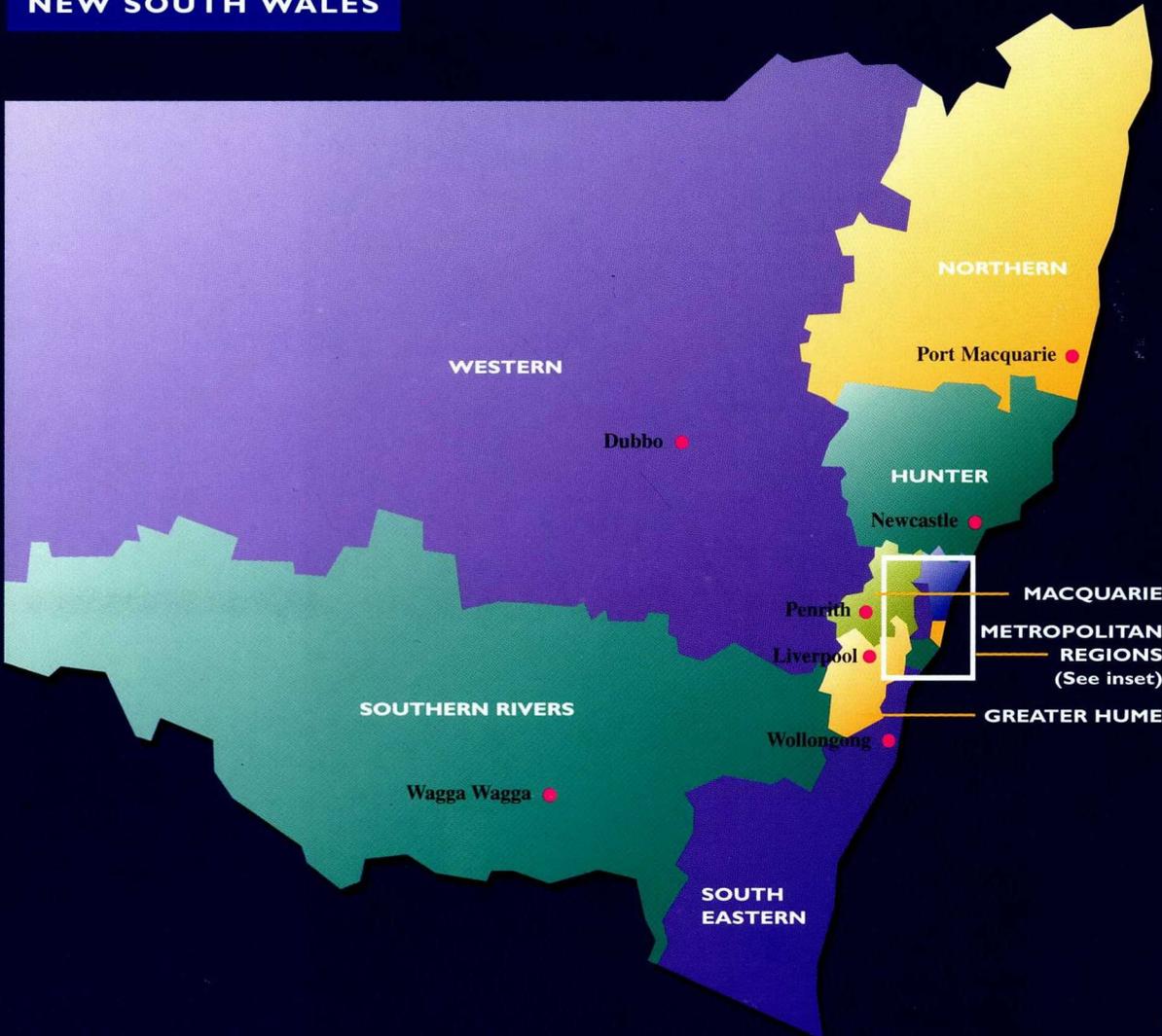
REGION COMMANDS

These maps reflect regional boundaries of the restructured Police Service at 1 July 1997.

- ★ Police Headquarters
- Regional Command Headquarters



NEW SOUTH WALES



Contacts

NSW Police Service

Police Headquarters, Avery
Building, 14-24 College Street,
Darlinghurst NSW 2010
GPO Box 45, Sydney NSW 2001
Telephone (02) 9339 0277
7.30 am - 5 pm, Monday to Friday
24-hour service (02) 9281 0000
Web site: www.police.nsw.gov.au

Customer Assistance Unit

Sydney Metropolitan Area
(02) 9265 4566
Toll free 1800 622 571

Police Advice Line

Recorded message 0055 29000

Crime Stoppers

A community based policing
service which gathers details of
criminal activity volunteered by
members of the public. Cash
rewards of up to \$1,000 are
available if this information leads
to an arrest. Information can be
given anonymously.

Telephone (02) 9384 6111
Toll free 1800 333 000

REGION COMMANDS

City East Region

Level 7, Sydney Police Centre,
151-241 Goulburn Street,
Sydney 2010
Telephone (02) 9265 4920

Endeavour Region

3rd Floor, 2-4 Holden Street,
Ashfield 2131
Telephone (02) 9797 4350

Georges River Region

Level 2, Butler Road,
Hurstville 2220
Telephone (02) 9375 8099

Greater Hume Region

6th Floor, 33 Moore Street,
Liverpool 2170
Telephone (02) 9821 8550

Hunter Region

3rd Floor, Church & Watts Streets,
Newcastle 2300
Telephone (049) 290 606

Macquarie Region

2nd Floor, 317 High Street,
Penrith 2750
Telephone (047) 219 533/4

Northern Region

17 Short Street,
Port Macquarie 2444
Telephone (065) 830 107

North Metropolitan Region

3rd Floor, 9-11 Mann Street,
Gosford 2250
Telephone (043) 235 611

South Eastern Region

Level 3, 84 Crown Street,
Wollongong 2500
Telephone (042) 267 705

Southern Rivers Region

26 The Esplanade,
Wagga Wagga 2650
Telephone (069) 210 508

Western Region

148 Brisbane Street, Dubbo 2830
Telephone (068) 813 104

All police stations in the Sydney
Metropolitan area are listed under
'Police Service NSW' on page
2331 of the L-Z volume of the
1997 Sydney White Pages
telephone directory. In other areas
of the State, police stations are
listed in local telephone directories,
either in the NSW Government
section of the directory or under
Police Service in the alphabetical
listings.

*Provided in accordance with Schedule 1,
ARDR 1995.*