

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE

Agency Resources and Planned Performance

Australian Institute of Health and Welfare

Health Portfolio Agency

AIHW

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Section 1: Agency Overview and Resources

1.1 Strategic Direction Statement

The Australian Government, through the Australian Institute of Health and Welfare (AIHW), collects health and welfare-related data and information, develops specialised statistical standards and classifications relevant to health, health services and welfare services in consultation with the Australian Bureau of Statistics, and analyses and reports on the nation's health and welfare.

At a national level, and in collaboration with its stakeholders and partners in the health, housing and community services sectors, AIHW focuses on publishing high-quality and policy-relevant reports on Australia's health and welfare, providing data for performance indicators, specifying metadata¹ standards, improving the quality of data collections and, where possible, filling identified data and information gaps. Fulfilling the data requirements of the Council of Australian Governments (COAG) is one of AIHW's major tasks.

During 2014-15, the Government will work with States and Territories with the intention to create a new health productivity and performance commission. Subject to consultation, the new health productivity and performance commission would be formed by merging the functions of the Australian Commission on Safety and Quality in Health Care, the Australian Institute of Health and Welfare, the Independent Hospital Pricing Authority, the National Hospital Performance Authority, the National Health Funding Body and the Administrator of the National Health Funding Pool.

The role and functions of AIHW are set out in the *Australian Institute of Health and Welfare Act 1987*. AIHW is prescribed as a Commonwealth authority under the *Commonwealth Authorities and Companies Act 1997*. From 1 July 2014, AIHW will be governed under the *Public Governance, Performance and Accountability Act 2013*.

¹ Metadata is information that describes data in relation to its structure, organisation and content.

1.2 Agency Resources

Table 1.2.1 shows the total resources from all origins. The table summarises how resources will be applied by outcome and by Departmental classifications.

Table 1.2.1: AIHW Resource Statement – Budget Estimates for 2014-15 as at Budget May 2014

	Estimate of prior year amounts available in 2014-15 \$'000	Proposed at Budget 2014-15 \$'000	Total estimate 2014-15 \$'000	Estimated available appropriation 2013-14 \$'000
Opening balance/reserves at bank	18,356	-	18,356	22,558
FUNDS FROM GOVERNMENT				
Ordinary annual services¹				
Outcome 1	-	15,800	15,800	15,898
Total ordinary annual services	-	15,800	15,800	15,898
Other services²				
Non-operating	-	-	-	-
Total other services	-	-	-	-
Total annual appropriations	-	15,800	15,800	15,898
Payments from related entities³				
Amounts from the Portfolio Department	-	-	-	-
Amounts from other agencies	-	-	-	-
Total payments	-	-	-	-
Total funds from Government	-	15,800	15,800	15,898
FUNDS FROM OTHER SOURCES				
Interest	-	758	758	958
Sale of goods and services	-	33,000	33,000	35,780
Other	-	30	30	30
Total other sources	-	33,788	33,788	36,768
Total net resourcing for AIHW	18,356	49,588	67,944	75,224

Notes:

All figures are GST exclusive.

The AIHW is not directly appropriated as it is currently a CAC Act body. The CAC Act is due to be repealed and replaced by the *Public Governance, Performance and Accountability Act 2013* on 1 July 2014. Currently appropriations are made to the Department of Health which are then paid to AIHW and are considered 'departmental' for all purposes.

1 Appropriation Bill (No.1) 2014-15.

2 Appropriation Bill (No.2) 2014-15.

1.3 Budget Measures

Budget measures relating to AIHW are detailed in Budget Paper No. 2 and are summarised below.

Table 1.3.1: AIHW Budget Measures

Programme	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Whole of Government Measures					
Efficiency Dividend - a further temporary increase of 0.25 per cent					
Australian Institute of Health and Welfare					
Departmental expenses	1.1	-	(41)	(80)	(120)
Total		-	(41)	(80)	(121)

Section 2: Outcomes and Planned Performance

2.1 Outcomes and Performance Information

A robust evidence-base for the health, housing and community sectors, including through developing and disseminating comparable health and welfare information and statistics

Outcome Strategy

Policies and programmes based on accurate, up-to-date information are more likely to lead to improved health and wellbeing for the community. AIHW publishes extensive policy related health and welfare information to assist consumers; health care, housing and community service providers; researchers; and all levels of Government. AIHW develops, maintains and promotes statistical information standards for the health, community services and housing assistance sectors, and publishes comprehensive biennial reports on Australia's health and welfare.

AIHW produces data and information in areas such as population health, health services (including hospital, screening, palliative and mental health services), disability services, community services (including those for children, youth and older people), drug and alcohol use and services, and housing and homelessness. AIHW also produces data and information on Aboriginal and Torres Strait Islander health and welfare.

Strong relationships with stakeholders are essential to the production of accurate and comparable information, including national performance indicators. AIHW, on behalf of the Australian Government, leads and collaborates on a range of information related activities with stakeholders and partners, including State and Territory Governments and the Australian Bureau of Statistics.

AIHW has agreements to provide data and statistical services to other Australian Government agencies, including the Department of Health, the Department of Social Services, the Department of Education, the Department of Infrastructure and Regional Development, the Department of Veterans' Affairs, the COAG Reform Council Secretariat and other health portfolio agencies.

AIHW Budgeted Expenses and Resources

Table 2.1.1 provides an overview of the total expenses for AIHW by Programme.

Table 2.1.1: Budgeted Expenses and Resources for AIHW

	2013-14 Estimated actual \$'000	2014-15 Budget \$'000	2015-16 Forward year 1 \$'000	2016-17 Forward year 2 \$'000	2017-18 Forward year 3 \$'000
Programme 1.1: Develop, collect, analyse and report high quality national health and welfare information and statistics for governments and the community					
Revenue from Government					
Amounts from the Portfolio Department	15,898	15,800	15,667	15,547	15,681
Revenues from independent sources	36,768	33,788	33,788	33,788	33,788
Operating deficit (surplus)	-	596	522	445	366
Total for Programme 1.1	52,666	50,184	49,977	49,780	49,835
Total expenses for Outcome 1	52,666	50,184	49,977	49,780	49,835
	2013-14	2014-15			
Average staffing level (number)	306	294			

Programme 1.1: Develop, Collect, Analyse and Report High Quality National Health and Welfare Information and Statistics for Governments and the Community

Programme Objectives

Improve the availability of health and welfare information

AIHW works to improve the utilisation of its data, while maintaining a strong focus on protecting the privacy of individuals. For example, in 2014-15, AIHW will: continue to operate a Data Integrating Statistical Centre to undertake high risk, complex data integration (linkage) projects; operate the National Aged Care Clearinghouse; release the first data from a new collection on maternal and perinatal illness and death; monitor cancer screening programmes; report on mental health and the use of tobacco, alcohol and illicit drugs; support the Indigenous observatory; provide more detailed analysis of health expenditure by sector and over time; and continue work to update Australia's National Burden of Disease Study.

Improve the quality and timeliness of health and welfare information

AIHW works to improve the quality and timeliness of its data releases. It does this by: supporting the production of national data standards, datasets and metadata, making them available online through the Metadata Online Registry (METeOR)² and as updates to national data dictionaries; and by implementing improved validation processes. These processes will support a richer array of data edits, reduce multiple handling of data and provide a better data audit trail. For example, in 2014-15, AIHW will: implement improved data validation processes for cancer and cancer screening collections; and report earlier in their annual production cycle than in previous years on some collections such as the alcohol and other drug treatment services collection.

Strengthen policy relevance

AIHW supplies national data to assist reporting on performance indicators and targets for national agreements, and by working to improve delivery of objective measurements of performance from a reliable evidence base. This aims to improve COAG performance indicators by: working with national information committees to develop and implement specifications; developing new data items for collection; redeveloping data standards for some collections; ensuring that nationally consistent definitions are applied; and publishing metadata that assist the interpretation of the indicators. For example, in 2014-15, AIHW will complete analyses for the Aboriginal and Torres Strait Islander Health Performance Framework.

² Further information available at: [Metadata Online Registry website](#)

Programme 1.1: Deliverables

Qualitative Deliverables for Programme 1.1

Improve the availability of health and welfare information

Qualitative Deliverables	2014-15 Reference Point or Target
Release a report on the 2013 National Drug Strategy Household Survey	Report to be released by 31 October 2014
Release the first online interactive perinatal data portal	Portal to be available by 30 June 2015
Release reports on the fatal component of burden of disease for the general Australian population and for Indigenous Australians	Reports to be released by 30 June 2015

Strengthen policy relevance, including assisting the COAG reform agenda

Qualitative Deliverable	2014-15 Reference Point or Target
Release an overview report on Indigenous health and welfare	Report to be released by 30 June 2015

Quantitative Deliverables for Programme 1.1

Improve the availability of health and welfare information

Quantitative Deliverables	2013-14 Revised Budget	2014-15 Budget Target	2015-16 Forward Year 1	2016-17 Forward Year 2	2017-18 Forward Year 3
Improved availability of information measured by the number of:					
• publications ³ released	141	141	141	141	141
• products released in HTML formats ⁴	12	17	20	23	26
• new external research projects considered by the AIHW Ethics Committee	45	48	50	52	54

³ A publication is a public release of data or information on a discrete topic occurring on a single day, which was not previously publicly available. It may be in the form of a written report, data tables or other communication products, including interactive web products.

⁴ Targets in Budget and Forward Years have been revised to reflect increasing use of HTML publication.

Programme 1.1: Key Performance Indicators

Qualitative Key Performance Indicators for Programme 1.1

Improve the availability of health and welfare information

Qualitative Indicator	2014-15 Reference Point or Target
Data releases are widely accessible within privacy and confidentiality constraints	Data releases are accessible in a number of formats, meet the requirements of funding bodies and fully comply with all privacy and confidentiality requirements

Strengthen policy relevance

Qualitative Indicator	2014-15 Reference Point or Target
Leadership that contributes to national information-related undertakings or requests by State and Territory Governments and the Australian Government ⁵	Continuing involvement in the development, coordination and supply of data for Governments, including a range of performance indicators in the COAG national agreements on health, housing and homelessness, disability and Indigenous reform

Quantitative Key Performance Indicators for Programme 1.1

Improve the availability of health and welfare information

Quantitative Indicators	2013-14 Revised Budget	2014-15 Budget Target	2015-16 Forward Year 1	2016-17 Forward Year 2	2017-18 Forward Year 3
Provision of free, high quality information measured by the minimum number of:					
• website downloads of <i>Australia's health</i> ⁶	42,000	46,500	49,500	54,000	57,000
• website downloads of <i>Australia's welfare</i> ⁷	6,000	3,000	7,000	3,500	8,000
• visits to the AIHW's website ^{8,9}	2,400,000	2,600,000	2,800,000	3,000,000	3,200,000
• references to the agency and its products in the media	4,327	4,500	4,600	4,600	4,700

⁵ This indicator has been revised to broaden the range of activity being measured.

⁶ Targets in Budget and Forward Years have been revised based on more recent estimates.

⁷ This indicator has been revised to broaden the range of activity being measured.

⁸ This indicator has been revised to broaden the range of activity being measured.

⁹ Figures for website visits exclude the *MyHospitals*, METeOR, Specialist Homelessness Services and Clearinghouse websites.

Improve the quality and timeliness of health and welfare information

Quantitative Indicators	2013-14 Revised Budget	2014-15 Budget Target	2015-16 Forward Year 1	2016-17 Forward Year 2	2017-18 Forward Year 3
Improved timeliness of statistical information products measured by the number of days between the end of their data collection period and the release of annual national publications being: ^{10, 11}					
<ul style="list-style-type: none"> • the average number of days¹² • less than 6 months • more than 1 year 	365	300	280	270	250
	20%	20%	25%	25%	30%
	60%	50%	40%	35%	30%

¹⁰ This relates to products that fully report or publicly release an annual national data collection that is collated by the AIHW.

¹¹ This indicator has been revised to add two further measures designed to reflect progress in relation to products where timeliness of data release is significantly more or less than average.

¹² Targets in forward years have been revised to reflect more recent, higher estimates.

Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2014-15 Budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and Government Indigenous expenditure.

3.1 Explanatory Tables

3.1.1 Movement of administered funds between years

Section 3.1.1 is not applicable to AIHW.

3.1.2 Special Accounts

Section 3.1.2 is not applicable to AIHW.

3.1.3 Australian Government Indigenous Expenditure (AGIE)

Outcome	Appropriations				Other \$'000	Total \$'000
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special appropriations \$'000	Total appropriations \$'000		
Australian Institute of Health and Welfare						
<i>Administered 2014-15</i>					-	-
<i>Administered 2013-14</i>					-	-
Departmental 2014-15	1,316			1,316		1,316
<i>Departmental 2013-14</i>	<i>1,318</i>			<i>1,318</i>		<i>1,318</i>
Total outcome 2014-15	1,316	-	-	1,316	-	1,316
<i>Total outcome 2013-14</i>	<i>1,318</i>	-	-	<i>1,318</i>	-	<i>1,318</i>
Total departmental 2014-15	1,316	-	-	1,316	-	1,316
<i>Total departmental 2013-14</i>	<i>1,318</i>	-	-	<i>1,318</i>	-	<i>1,318</i>
Total AGIE 2014-15	1,316	-	-	1,316	-	1,316
<i>Total AGIE 2013-14</i>	<i>1,318</i>	-	-	<i>1,318</i>	-	<i>1,318</i>

3.2 Budgeted Financial Statements

3.2.1 Differences in Agency Resourcing and Financial Statements

Section 3.2.1 is not applicable to AIHW.

3.2.2 Analysis of Budgeted Financial Statements

An analysis of AIHW's financial statements follows in order to provide clarification and additional detail for readers.

Departmental Resources

Comprehensive Income Statement

Appropriation revenue received through the Department of Health will be \$98,000 lower in 2014-15 than 2013-14. This is due to the increased efficiency dividend. Revenue from sale of goods and services in 2014-15 is expected to decrease by \$2.78 million compared to 2013-14 due to the completion of some large projects. The AIHW has budgeted to breakeven in 2014-15 prior to an accrual of \$596,000 required by accounting standards in relation to the AIHW's new office lease. This accrual will have no effect on cash balances and will reverse over the lifetime of the lease.

Balance Sheet

AIHW's cash balance and equity will remain at satisfactory levels.

3.2.3 Budgeted Financial Statements Tables

**Table 3.2.1: Comprehensive Income Statement (showing net cost of services)
(for the period ended 30 June)**

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
EXPENSES					
Employee benefits	35,737	34,671	34,577	34,520	34,520
Supplier expenses	16,031	14,615	14,501	14,361	14,417
Depreciation and amortisation	898	898	899	899	898
Total expenses	52,666	50,184	49,977	49,780	49,835
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	35,780	33,000	33,000	33,000	33,000
Interest	958	758	758	758	758
Other revenue	30	30	30	30	30
Total revenue	36,768	33,788	33,788	33,788	33,788
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	36,768	33,788	33,788	33,788	33,788
Net cost of (contribution by) services	15,898	16,396	16,189	15,992	16,047
Revenue from Government	15,898	15,800	15,667	15,547	15,681
Surplus (Deficit)	-	(596)	(522)	(445)	(366)
Surplus (Deficit) attributable to the Australian Government	-	(596)	(522)	(445)	(366)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income attributable to the Australian Government	-	(596)	(522)	(445)	(366)

Table 3.2.2: Budgeted Departmental balance sheet (as at 30 June)

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	18,356	17,604	17,604	17,931	18,583
Receivables	9,557	9,557	9,557	9,557	9,231
Other	75	75	75	75	75
Total financial assets	27,988	27,236	27,236	27,563	27,889
Non-financial assets					
Land and buildings	3,860	4,283	3,956	3,629	3,303
Property, plant and equipment	940	1,172	1,403	1,403	1,403
Intangibles	197	294	390	390	390
Other	767	767	767	767	767
Total non-financial assets	5,764	6,516	6,516	6,189	5,863
Total assets	33,752	33,752	33,752	33,752	33,752
LIABILITIES					
Payables					
Suppliers	1,163	1,163	1,163	1,163	1,163
Other payables	15,782	15,782	15,782	15,782	15,782
Total payables	16,945	16,945	16,945	16,945	16,945
Provisions					
Employees	11,460	11,460	11,460	11,460	11,460
Other provisions	674	1,270	1,792	2,237	2,603
Total provisions	12,134	12,730	13,252	13,697	14,063
Total liabilities	29,079	29,675	30,197	30,642	31,008
Net assets	4,673	4,077	3,555	3,110	2,744
EQUITY					
Contributed equity	2,756	2,756	2,756	2,756	2,756
Reserves	2,288	2,288	2,288	2,288	2,288
Retained surpluses or accumulated deficits	(371)	(967)	(1,489)	(1,934)	(2,300)
Total equity	4,673	4,077	3,555	3,110	2,744

**Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement
(Budget year 2014-15)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2014					
Balance carried forward from previous period	(371)	2,288	-	2,756	4,673
Surplus (deficit) for the period	(596)	-	-	-	(596)
Appropriation (equity injection)	-	-	-	-	-
Estimated closing balance as at 30 June 2015					
	(967)	2,288	-	2,756	4,077

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows
(for the period ended 30 June)**

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	35,010	32,929	33,000	33,000	33,000
Appropriations	15,898	15,800	15,667	15,547	15,681
Interest	958	758	758	758	758
Net GST received	1,465	1,198	1,011	1,000	1,000
Other cash received	30	30	30	30	30
Total cash received	53,361	50,715	50,466	50,335	50,469
Cash used					
Employees	39,802	34,074	34,577	34,520	34,520
Suppliers	11,796	14,545	13,979	13,916	13,725
Net GST paid	1,465	1,198	1,011	1,000	1,000
Total cash used	53,063	49,817	49,567	49,436	49,245
Net cash from (or used by) operating activities	298	898	899	899	1,224
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	4,500	1,650	899	572	572
Total cash used	4,500	1,650	899	572	572
Net cash from (or used by) investing activities	(4,500)	(1,650)	(899)	(572)	(572)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	-	-	-	-	-
Total cash received	-	-	-	-	-
Net cash from (or used by) financing activities	-	-	-	-	-
Net increase (or decrease) in cash held	(4,202)	(752)	-	327	652
Cash and cash equivalents at the beginning of the reporting period	22,558	18,356	17,604	17,604	17,931
Cash and cash equivalents at the end of the reporting period	18,356	17,604	17,604	17,931	18,583

Table 3.2.5: Capital Budget Statement

	Estimated actual 2013-14 \$'000	Budget estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	-	-	-	-	-
Total capital appropriations	-	-	-	-	-
Total new capital appropriations represented by:					
Purchase of non-financial assets	-	-	-	-	-
Other	-	-	-	-	-
Total items	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	-	-	-	-
Funded internally from departmental resources	4,500	1,650	899	572	572
Total acquisitions of non-financial assets	4,500	1,650	899	572	572
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,500	1,650	899	572	572
Total cash used to acquire assets	4,500	1,650	899	572	572



Table 3.2.6: Statement of Asset Movements (2014-15)

	Buildings \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2014				
Gross book value	6,542	2,184	1,586	10,312
Accumulated depreciation/amortisation and impairment	2,682	1,244	1,389	5,315
Opening net book balance	3,860	940	197	4,997
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - internal resources	750	400	500	1,650
Sub-total	750	400	500	1,650
Other movements				
Depreciation/amortisation expense	327	168	403	898
As at 30 June 2015				
Gross book value	7,292	2,584	2,086	11,962
Accumulated depreciation/amortisation and impairment	3,009	1,412	1,792	6,213
Closing net book balance	4,283	1,172	294	5,749