

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE

AIHW

Entity Resources and Planned Performance

AUSTRALIAN INSTITUTE OF HEALTH AND WELFARE

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government, through the Australian Institute of Health and Welfare (AIHW), is committed to providing high quality national health and welfare-related data and analysis across all relevant sectors, presented in meaningful and relevant ways and delivered in a timely manner. Accurate statistical information, comprehensive data development and high quality analyses support an increased understanding of health and welfare issues. This evidence base is critical to good policy making and effective service delivery, leading to better health and welfare outcomes for Australians. The independence of the AIHW is central to maintaining the ready acceptance of the accuracy and relevance of the evidence-base developed by the AIHW.

The AIHW develops, collects, analyses and reports information drawn from the national data collections of which it has custody, and from other credible data sources. It produces many public reports and actively promotes its work to Governments, other organisations and the community as open and accessible data and information. As a trusted strategic partner, the AIHW maintains close engagement with data providers and users of the information that it produces. A key element of this central role is understanding the range of data that is available and also identifying where there may be gaps in that data. As one of the leading entities managing people-centred data, the AIHW has a key role in raising awareness of data gaps and opportunities.

Following an independent review of the role of the AIHW, the AIHW Board has approved a new Strategic Directions document for the AIHW. Central to this strategy are five new strategic goals. These five goals are for the AIHW to be:

- leaders in health and welfare data;
- drivers of data improvement;
- expert sources of value-added analysis;
- champions of open and accessible data and information; and
- trusted strategic partners.

Together with revised vision and purpose statements, these goals will be pursued by the AIHW during 2017-18 and beyond.

In the 2017-18 Budget, the Government will provide \$3.4 million over three years, to the AIHW from the transformation and innovation stream of the Public Service Modernisation Fund.

The role and functions of the AIHW are set out in the *Australian Institute of Health and Welfare Act 1987*. The AIHW is a Corporate Commonwealth Entity under the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*.

¹ For more information about the strategic direction of the AIHW, refer to the current corporate plan, available at: www.aihw.gov.au/publication-detail/?id=60129556354

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (Government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (i.e. appropriations/cash available) basis, whilst the 'Budgeted expenses by outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: AIHW Resource Statement – Budget Estimates for 2017-18 as at Budget May 2017

	2016-17 Estimated actual \$'000	2017-18 Estimate \$'000
Opening balance/cash reserves at 1 July	27,220	52,393
Funds from Government		
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	26,911	28,078
Other services ^(b)		
Equity injection	-	-
Total annual appropriations	26,911	28,078
Amounts received from related entities ^(c)		
Amounts from the Portfolio Department	21,000	21,000
Amounts from other entities	-	-
Total amounts received from related entities	21,000	21,000
Total funds from Government	47,911	49,078
Funds from other sources		
Interest	1,000	1,000
Sale of goods and services	11,000	11,000
Other	30	30
Total funds from other sources	12,030	12,030
Total net resourcing for AIHW	87,161	113,501
	2016-17	2017-18
Average staffing level (number)	311	308

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2017-18.

^(b) Appropriation Bill (No. 2) 2017-18.

^(c) Funding provided by a Government entity that is not specified within the annual appropriation bills as a payment to the corporate entity.

1.3 BUDGET MEASURES

Budget measures in Part 1 relating to the AIHW are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: AIHW 2017-18 Budget Measures

Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Whole of Government Measures					
Public Service Modernisation Fund - transformation and innovation stream					
Australian Institute of Health and Welfare					
Departmental expenses	1.1	-	-	-	-
Total expenses		-	-	-	-

Section 2: Outcomes and Planned Performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which Government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Enhanced Commonwealth Performance Framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide an entity's complete performance story.

The AIHW's most recent corporate plan is available at:
www.aihw.gov.au/publication-detail/?id=60129556354

The AIHW's most recent annual performance statement is available at:
www.aihw.gov.au/publications/aihw-annual-reports

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

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

Program Contributing to Outcome 1

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

Linked Programs

Other Commonwealth entities that contribute to Outcome 1

Department of Health

Program 1.1: Health Policy, Research and Analysis

The Department of Health invests in knowledge and information to support its responsibilities in developing health policy and legislation. This includes working with the AIHW in the development and publication of health statistics and information.

Budgeted Expenses for the AIHW

Table 2.1.1 shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.1.1: Budgeted Expenses for the AIHW

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
Program 1.1: Develop, Collect, Analyse and Report High Quality National Health and Welfare Information and Statistics for Governments and the Community					
Revenue from Government					
Ordinary annual services ^(a)	26,911	28,078	27,669	27,058	26,406
Amounts from related entities	21,000	21,000	21,000	21,000	21,000
Revenues from independent sources	12,030	12,030	12,030	12,030	12,030
Operating deficit (surplus)	445	366	-	-	-
Total for Program 1.1	60,386	61,474	60,699	60,088	59,436
Total expenses for Outcome 1	60,386	61,474	60,699	60,088	59,436
	2016-17	2017-18			
Average staffing level (number)	311	308			

^(a) Appropriation Bill (No. 1) 2017-18.

Planned Performance for the AIHW

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1.² It also summarises how the program is delivered and where 2017-18 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the AIHW

Purpose
To create authoritative and accessible information and statistics that, inform decisions and improve the health and welfare of all Australians.
Outcome 1
A robust evidence-base for the health, housing and community sectors, including through developing and disseminating comparable health and welfare information and statistics
Program 1.1: Develop, Collect, Analyse and Report High Quality National Health and Welfare Information and Statistics for Governments and the Community
<p>The AIHW publishes extensive policy-relevant health and welfare information to assist consumers, health care, housing and community service providers, researchers, and all levels of government. The AIHW develops, maintains and promotes statistical information standards for the health, community services and housing assistance sectors, and publishes comprehensive biennial reports on <i>Australia's health</i> and <i>Australia's welfare</i>.</p> <p>Accurate statistical information, comprehensive data development and high quality analyses support an increased understanding of health and welfare issues. This creates an evidence-base that can drive changes in policy and service delivery which have a direct impact on the lives of Australians.</p> <p>In the 2017-18 Budget, the Government will provide \$3.4 million over three years, to the AIHW from the transformation and innovation stream of the Public Service Modernisation Fund.</p>
Delivery
<p>A. Providing health and welfare information and analysis</p> <ul style="list-style-type: none"> • Release a range of data and information products relevant to key policy areas. • Provide access to data and information in an environment that supports stringent governance, capability, data management and privacy requirements. • Assist reporting of, or report on, nationally-agreed performance indicators. <p>B. Providing leadership and improvements in health and welfare data and information</p> <ul style="list-style-type: none"> • Work with AIHW trusted partners to identify and fill priority data gaps. • Modernise presentation of national health and welfare-related data and analysis. • Enhance data analysis capabilities.



² Progress against the performance criteria published in the 2016-17 Portfolio Budget Statements will be reported in the 2016-17 AIHW Annual Report.

Performance criteria				
A. Providing health and welfare information and analysis				
Release a range of data and information products relevant to key policy areas, measured by the number or proportion of: ^{3, 4, 5}				
a. products released;				
b. statistical products released that include data in a manipulatable format;				
c. completed requests for customised data analysis;				
d. sessions on the AIHW's websites; ⁶				
e. references to the AIHW and its products in the media; and				
f. statistical products relating to annual national collections ⁷ for which data are reported less than one year after the end of their data collection period.				
2016-17 Estimated result	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target
a. 165	176	181	183	183
b. 70%	≥56%	≥61%	≥66%	≥66%
c. 200	160	160	160	160
d. 2,900,000	3,300,000	3,600,000	3,900,000	4,200,000
e. 4,600	4,300	4,300	4,300	4,300
f. 60%	≥70%	≥75%	≥77%	≥77%
Provide access to data and information in an environment that supports stringent governance, capability, data management and privacy requirements, measured by the number of completed data linkage project requests as agreed under the <i>National Collaborative Research Infrastructure Strategy 2013</i>.				
2016-17 Estimated result	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target
50	40	40	40	40

³ Two measures of this performance criterion used previously (that is, downloads of PDF versions of *Australia's health* and *Australia's welfare*) have been removed. They are no longer comprehensive measures of information provision because HTML as well as PDF versions are now provided.

⁴ The 2016-17 results provided for these measures were estimated at the end of March 2017. When comparing these results to 2016-17 targets, results include contributions related to the NHPA functions transferred to the AIHW from 1 July 2016 that were not possible to estimate when 2016-17 targets were made available in the 2016-17 PBS. 2017-18 and later targets have since been revised.

⁵ Targets for measures a, b, d and e of this performance criteria have been revised to encompass NHPA functions transferred to the AIHW from 1 July 2016.

⁶ Figures for website sessions exclude the Metadata Online Registry (METeOR) and Specialist Homelessness Services websites managed by the AIHW.

⁷ Products that fully report or publicly release an annual national data collection collated by the AIHW.

Release a range of data and information products relevant to key policy areas.		
2016-17 Estimated result⁸	2017-18 Target	2018-19 (& beyond) Target
Five targeted products have been released. Three remaining products will be released by 30 June 2017.	<p><i>Australia's welfare 2017</i> to be presented to the Minister for Health by 31 December 2017.</p> <p><i>Australia's health 2018</i> to be presented to the Minister for Health by 30 June 2018.</p> <p>Release of products by 30 June 2018 relating to:</p> <ul style="list-style-type: none"> – health expenditure in 2015-16; – admitted hospital patient care in 2016-17; – detailed findings from the 2016 National Drug Strategy Household Survey; – residential and community mental health services in 2015-16; and – pathways in aged care and cause of death. 	<p>New editions of <i>Australia's health</i> and <i>Australia's welfare</i> to be presented to the Minister for Health biennially from 2019-20.</p> <p>Release of products by 30 June each year relating to products to be defined.</p>
Assist reporting of, or report on, nationally-agreed performance indicators.		
2016-17 Estimated result⁹	2017-18 Target	2018-19 (& beyond) Target
<p>Activities completed relating to the development, coordination and supply of data for governments, including a range of performance indicators in the Council of Australian Governments (COAG) national agreements on health, affordable housing, disability and Indigenous reform.</p> <p>Seven products were released relating to performance indicators in the Performance and Accountability Framework agreed by COAG.</p>	<p>Supply data required for performance indicators in COAG national agreements on healthcare and Indigenous reform by 30 June 2018.</p> <p>Supply data to timetables required for the Steering Committee for the Review of Government Service Provision's <i>Report on Government Services 2018</i> Volumes on health, housing and homelessness, and community services.</p> <p>Release products by 30 June 2018 relating to local level health performance indicators.¹⁰</p>	<p>Supply data required for nationally agreed performance indicators annually, as determined collectively by governments.</p>

⁸ Estimated as at 31 March 2017.

⁹ Ibid.

¹⁰ Includes MyHospitals and MyHealthyCommunities websites.

B. Providing leadership and improvements in health and welfare data and information		
Work with trusted partners to identify and fill priority data gaps.		
2016-17 Estimated result	2017-18 Target	2018-19 (& beyond) Target
N/A ¹¹	<p>Complete work toward the Coordination of Health Care Study, linking data from participants in the ABS Survey of Health Care with other data sets to find out about their use of primary care, hospital and emergency department services, and pharmaceuticals for periods before and after the survey.</p> <p>Release of products by 30 June 2018 relating to under-identification of Indigenous people in key data sets.</p> <p>Improve data in at least one subject area where there is a demonstrable data gap, for example, family and domestic violence, primary health care or disability.</p>	<p>Release of products by 30 June each year relating to information products relevant to key policy areas to be defined.</p> <p>Continue improving data in targeted subject areas.</p>
Modernise presentation of national health and welfare – related data and analysis.		
2016-17 Estimated result	2017-18 Target	2018-19 (& beyond) Target
N/A ¹²	Release a redeveloped AIHW website, including links to content from the former National Health Performance Authority.	Activities to be defined during implementation of a revised communications and engagement strategy.

¹¹ This performance criterion is new in 2017-18, therefore there is no estimated result for 2016-17.

¹² Ibid.

Enhance data analysis capabilities.		
2016-17 Estimated result	2017-18 Target	2018-19 (& beyond) Target
N/A ¹³	<p>Complete analysis of linked data from three national cancer screening programs by 30 June 2018.</p> <p>Complete the second of three work phases to improve storage, accessibility and analysis of locational data in AIHW data holdings, enabling better information on, for example, patterns and trends of service use.</p> <p>Demonstrate, as case studies, AIHW contributions shown externally in 2017-18 of improved reporting of population- or service-related health and welfare outcomes.</p>	<p>Release products presenting the results of linked data from three national cancer screening programs by 30 June 2019.</p> <p>Release a replacement to Metadata Online Registry by 30 June 2019.</p> <p>Other activities to be defined.</p>
<p>Material changes to Program 1.1 resulting from the following measures:</p> <ul style="list-style-type: none"> • There are no material changes to Program 1.1 resulting from measures. 		



¹³ This performance criterion is new in 2017-18, therefore there is no estimated result for 2016-17.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2017-18 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences Between Entity Resourcing and Financial Statements

This section is not applicable to the AIHW.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

Appropriation revenue from Government will be \$1.2 million higher in 2017-18 than in 2016-17 consistent with the 2017-18 Budget measure *Public Service Modernisation Fund - transformation and innovation stream*.

The AIHW has budgeted to break even in 2017-18 prior to an accrual of \$0.4 million 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

The AIHW's cash balance and equity will remain stable over the forward estimates.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive Income Statement (showing net cost of services for the period ended 30 June)

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
EXPENSES					
Employee benefits	37,678	38,432	38,816	39,592	40,384
Supplier expenses	21,708	22,042	20,883	19,496	18,052
Depreciation and amortisation	1,000	1,000	1,000	1,000	1,000
Total expenses	60,386	61,474	60,699	60,088	59,436
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	32,000	32,000	32,000	32,000	32,000
Interest	1,000	1,000	1,000	1,000	1,000
Other revenue	30	30	30	30	30
Total revenue	33,030	33,030	33,030	33,030	33,030
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	33,030	33,030	33,030	33,030	33,030
Net cost of (contribution by) services	27,356	28,444	27,669	27,058	26,406
Revenue from Government	26,911	28,078	27,669	27,058	26,406
Surplus (deficit)	(445)	(366)	-	-	-
Surplus (deficit) attributable to the Australian Government	(445)	(366)	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(445)	(366)	-	-	-

Table 3.2: Budgeted Departmental Balance Sheet (as at 30 June)

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	27,920	28,402	28,830	28,830	28,830
Trade and other receivables	30,908	30,582	30,310	30,038	30,038
Total financial assets	58,828	58,984	59,140	58,868	58,868
Non-financial assets					
Land and buildings	4,445	4,362	4,279	4,004	4,004
Property, plant and equipment	3,008	2,935	2,862	2,709	2,709
Other	1,076	1,076	1,076	1,076	1,076
Total non-financial assets	8,529	8,373	8,217	7,789	7,789
Total assets	67,357	67,357	67,357	66,657	66,657
LIABILITIES					
Payables					
Suppliers	2,733	2,983	3,233	2,783	2,783
Other payables	18,970	18,970	18,970	18,970	18,970
Total payables	21,703	21,953	22,203	21,753	21,753
Provisions					
Employees	11,817	11,817	11,817	11,817	11,817
Other provisions	3,872	3,988	3,738	3,488	3,488
Total provisions	15,689	15,805	15,555	15,305	15,305
Total liabilities	37,392	37,758	37,758	37,058	37,058
Net assets	29,965	29,599	29,599	29,599	29,599
EQUITY					
Contributed equity	27,501	27,501	27,501	27,501	27,501
Reserves	2,410	2,410	2,410	2,410	2,410
Retained surpluses (accumulated deficits)	54	(312)	(312)	(312)	(312)
Total equity	29,965	29,599	29,599	29,599	29,599

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2017-18)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2017				
Balance carried forward from previous period	54	2,410	27,501	29,965
Surplus (deficit) for the period	(366)	-	-	(366)
Appropriation (equity injection)	-	-	-	-
Estimated closing balance as at 30 June 2018	(312)	2,410	27,501	29,599

Table 3.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	32,000	32,000	32,000	32,000	32,000
Appropriations	26,911	28,078	27,669	27,058	26,406
Interest	1,000	1,000	1,000	1,000	1,000
Net GST received	1,000	1,000	1,000	1,000	1,000
Other cash received	30	30	30	30	30
Total cash received	60,941	62,108	61,699	61,088	60,436
Cash used					
Employees	37,678	37,527	38,076	39,592	40,384
Suppliers	20,991	22,527	21,623	19,924	18,752
Net GST paid	1,000	1,000	1,000	1,000	1,000
Total cash used	59,669	61,054	60,699	60,516	60,136
Net cash from (or used by) operating activities	1,272	1,054	1,000	572	300
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	572	572	572	572	300
Total cash used	572	572	572	572	300
Net cash from (or used by) investing activities	(572)	(572)	(572)	(572)	(300)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	-	-	-
Total cash received	-	-	-	-	-
Net cash from (or used by) financing activities	-	-	-	-	-
Net increase (or decrease) in cash held	700	482	428	-	-
Cash and cash equivalents at the beginning of the reporting period	27,220	27,920	28,402	28,830	28,830
Cash and cash equivalents at the end of the reporting period	27,920	28,402	28,830	28,830	28,830

Table 3.5: Departmental Capital Budget Statement (for the period ended 30 June)

	2016-17 Estimated actual \$'000	2017-18 Budget \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	-	-	-	-	-
Total capital appropriations	-	-	-	-	-
Total new capital appropriations represented by:					
Purchase of non-financial assets	-	-	-	-	-
Total items	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	-	-	-	-	-
Funded internally from departmental resources	572	572	572	572	300
Total acquisitions of non-financial assets	572	572	572	572	300
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	572	572	572	572	300
Total cash used to acquire asset	572	572	572	572	300

^(a) Includes both current Bill 2, prior Act 2/4/6 appropriations and special capital appropriations.

Table 3.6: Statement of Asset Movements (Budget year 2017-18)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2017				
Gross book value	6,466	4,539	1,086	12,091
Accumulated depreciation/ amortisation and impairment	(1,829)	(1,451)	(1,086)	(4,366)
Opening net book balance	4,637	3,088	-	7,725
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	-	-
By purchase - internal resources	180	392	-	572
Total additions	180	392	-	572
Other movements				
Depreciation/amortisation expense	(455)	(545)	-	(1,000)
Total other movements	(455)	(545)	-	(1,000)
As at 30 June 2018				
Gross book value	6,646	4,931	1,086	12,663
Accumulated depreciation/ amortisation and impairment	(2,284)	(1,996)	(1,086)	(5,366)
Closing net book balance	4,362	2,935	-	7,297