

HEALTH WORKFORCE AUSTRALIA

**Agency resources and
planned performance**

HWA

Health Workforce Australia

Health and Ageing Portfolio Agency

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The logo for Health Workforce Australia (HWA) is a vertical black rectangle with the letters 'HWA' in white, oriented vertically.

Section 1: Agency Overview and Resources

1.1 Strategic Direction Statement

Health Workforce Australia (HWA) was established in January 2010 to provide more effective and integrated clinical training for health professionals, support workforce reform and more efficient workforce use, and provide effective, accurate planning of health workforce needs. HWA is responsible for providing financial support for the delivery of clinical training for eligible students by appropriate training providers. HWA provides non-financial support for the delivery of clinical training, including facilitating the development of new clinical training sites. HWA also carries out research, and collects, analyses and publishes data to inform the development of health workforce policies by the Australian Health Ministers' Conference (AHMC).

HWA is a national agency operating across the health and education sectors. It is governed by a Board of Directors comprising a nomination from each state and territory, a chairperson and up to three independent members. It reports directly to AHMC.

The roles and functions of HWA are set out in the *Health Workforce Australia Act 2009*. HWA is prescribed as a Commonwealth authority under the *Commonwealth Authorities and Companies Act 1997*.

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 HWA Resource Statement – Budget Estimates for 2010-11 as at Budget May 2010

	Estimate of prior year amounts available in 2010-11 \$'000	Proposed at Budget 2010-11 \$'000	Total estimate 2010-11 \$'000	Estimated available appropriation 2009-10 \$'000
Opening balance/reserves at bank	1,520	-	1,520	-
FUNDS FROM GOVERNMENT				
Ordinary annual services¹				
Outcome 1	-	-	-	-
Total ordinary annual services	-	-	-	-
Other services²				
Non-operating	-	-	-	-
Total other services	-	-	-	-
Total annual appropriations	-	-	-	-
Payments from related entities³				
Amounts from the portfolio department	-	243,520	243,520	44,645
Amounts from other agencies	-	-	-	-
Total payments	-	243,520	243,520	44,645
Total funds from Government	-	243,520	243,520	44,645
FUNDS FROM OTHER SOURCES				
Interest	-	600	600	60
Sale of goods and services	-	350	350	-
Total other sources	-	950	950	60
Total net resourcing for HWA	1,520	244,470	245,990	44,705

Notes:

All figures are GST exclusive.

HWA is not directly appropriated as it is a CAC Act body. Appropriations are made to the Department of Health and Ageing which are then paid to HWA and are considered 'departmental' for all purposes.

¹ Appropriation Bill (No.1) 2010-11.

² Appropriation Bill (No.2) 2010-11.

³ Funding provided by a Government body that is not specified within the annual appropriation bills as a payment to the CAC Act body.

1.3 Budget Measures

Section 1.3 is not applicable to HWA in 2010-11.

Section 2: Outcomes and Planned Performance

2.1 Outcomes and Performance Information

Outcome 1 – Improved health workforce capacity, including through a national approach to workforce policy and planning across all health disciplines, which effectively integrates research, education and training

Outcome Strategy

The Australian Government recognises that an adequate health workforce is fundamental to ensuring high quality, effective, efficient and financially viable health services. It is further recognised that there are significant health workforce shortages across the health care continuum, and that limited clinical training capacity for many health disciplines has restricted the ability to respond to these shortages.

HWA is a new Australian Government authority responsible for establishing more effective, streamlined and integrated clinical training arrangements. It also has responsibility for supporting national workforce policy and planning. HWA operates nationally and, in collaboration with the health and education sectors, aims to deliver consistent clinical training opportunities for eligible professions.

HWA will administer funding for clinical placements undertaken as part of health professional entry level education programs. HWA will ensure that this training occurs in the most streamlined, integrated and educationally effective manner, with appropriate support for coordination and supervision at regional, local and health service delivery levels. This will include administrative support for clinical supervision.

HWA will play an important role in leading and supporting health workforce research. This research will assist planning and policy development, and inform policy decisions on workforce supply, demand and distribution. This role includes continuous improvement of national health workforce information and the establishment of a national workforce statistical resource.

HWA will provide a coordinated approach to both the use and financing of simulation training, and the establishment and operation of simulated learning environments.

HWA Budgeted Expenses and Resources

Table 2.1.1 provides an overview of the total expenses for HWA by Program.

Table 2.1.1: Budgeted Expenses and Resources for HWA

	2009-10 Estimated actual \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Program 1.1: Expanding Workforce Capacity					
Departmental expenses					
Ordinary annual services (Appropriation Bill No. 1)	-	-	-	-	-
Revenues from independent sources	44,705	244,470	262,453	232,712	235,442
Expenses not requiring appropriation in the Budget year	1,060	502	502	502	502
Operating deficit (surplus)	(4,843)	(1,385)	(1,060)	(1,060)	(1,060)
Total for Program 1.1	40,922	243,587	261,895	232,154	234,884
Total expenses for Outcome 1	40,922	243,587	261,895	232,154	234,884
	2009-10	2010-11			
Average staffing level (number)	5	96			



Contributions to HWA

Program 1.1: Expanding workforce capacity

Program Objective

Through this Program, the Australian Government aims to:

- improve access to clinical training, by supporting clinical training providers to expand the number of opportunities for training, and the range of settings in which the training occurs;
- expand the capacity and quality of clinical supervision, through programs to support supervisors, and a national network of simulated learning environments; and
- provide national leadership on workforce policy, planning and reform issues to governments and the health and education industries.

Major Activities

Clinical training funding for eligible disciplines

As announced by the Council of Australian Governments in November 2008, the Australian Government will expand clinical training capacity by providing funding to HWA for distribution to training providers.

In 2010-11, HWA will work with state and territory governments, universities and training providers, to develop an appropriate governance structure for the distribution of clinical training funding commencing in January 2011. In conjunction with relevant stakeholders, HWA will also develop a list of eligible professions and finalise appropriate funding levels. This list will define the categories of health professions to be supported by HWA.

Through the principle of 'clinical training funding following the student', it is intended that this program will both open up non-traditional training settings for students and substantially increase overall clinical training opportunities. This will increase future health workforce capacity.

Clinical training support

The Australian Government, through HWA, will optimise clinical training through funding to increase clinical supervision capacity. It will also fund the use of appropriate technologies to expand the ability for clinical training to occur in simulated learning environments.

In 2010-11, HWA will investigate current and potential supervision practices and models across the health sector, including the expansion of clinical supervisory capacity (e.g. number of students per supervisor), and develop a strategic position on the preferred approach to support supervisors. The chosen strategy will identify clinical supervision training competencies at each stage of the learning lifecycle, and HWA will fund programs which develop and improve the skills, effectiveness and capacity of clinical supervision.

A similar process is underway to identify the most appropriate manner to allocate funding for building and/or improvement of existing simulated learning environments. The actual distribution and configuration of these environments will likely comprise both permanent structures and mobile facilities for rural and remote locations.

Leadership on workforce policy, planning and reform

HWA’s work program on workforce policy, planning and reform has yet to be finalised. However, it will include developing a National Workforce Innovation and Reform Strategy, and a discussion document to form the basis of an International Recruitment Strategy.

In 2010-11, HWA will develop and implement a forward program of workforce reform and innovation. This program will identify barriers and constraints which limit the availability and efficiency of a skilled health workforce. It will also trial and promote innovation opportunities for health workforce reform to better respond to current and future community needs.

In addition, HWA will develop an effective national health workforce planning resource. This will make use of statistical workforce data from a nationally consistent data collection across all health disciplines. HWA will establish a national profile of health professionals, leveraging new workforce data and information opportunities arising from the implementation of national health professional regulation in July 2010.

Program 1.1: Deliverables

HWA will produce the following ‘Deliverables’ to achieve the Program Objective.

Table 2.1.2: Qualitative Deliverables for Program 1.1

Qualitative Deliverables	2010-11 Reference Point or Target
Clinical training funding for eligible disciplines	
Provide funding to clinical training providers to train students from eligible health disciplines	Timely distribution and use of clinical training funding
Clinical training support	
Develop strategies for the expansion of clinical supervisory capacity	Successful development and deployment of programs to enhance clinical supervision capacity
Expand the use of simulated learning environments for training purposes	Successful development and deployment of programs to expand the availability and use of simulated learning environments
Leadership on workforce policy, planning and reform	
Design and develop detailed specifications for the national health workforce planning resource	Agreement on data items for collection and development of first stage of the database resource



Qualitative Deliverables	2010-11 Reference Point or Target
Develop a national program of reform and innovation to improve the effectiveness and capacity of the health workforce to respond to current and emerging community needs	Successful development and deployment of programs of health workforce innovation and reform

Table 2.1.3: Quantitative Deliverables for Program 1.1

Quantitative Deliverables	2009-10 Revised Budget	2010-11 Budget	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Clinical training funding for eligible disciplines					
Percentage of new training places created which are eligible for clinical training funding	N/A	50%	75%	75%	75%
Clinical training support					
Percentage of approved new training support initiatives that receive funding	N/A	100%	100%	100%	100%
Leadership on workforce policy, planning and reform					
Percentage of approved workforce redesign programs completed	N/A	25%	75%	100%	100%

Program 1.1: Key Performance Indicators

The following ‘Key Performance Indicators’ measure the impact of the Program.

Table 2.1.4: Qualitative Key Performance Indicators for Program 1.1

Qualitative Indicators	2010-11 Reference Point or Target
Clinical training funding for eligible disciplines	
Provide new clinical training funding through Health Workforce Australia	Stakeholder acceptance of the national governance model

Qualitative Indicators	2010-11 Reference Point or Target
Clinical training support	
Increase provision of clinical supervision support and use of simulated learning environments in clinical training	Stakeholder agreement to adoption of new clinical support procedures
Leadership on workforce policy, planning and reform	
Implement workforce redesign programs within agreed timeframes	Industry and government stakeholders participate in the national workforce redesign and innovation program

Table 2.1.5: Quantitative Key Performance Indicators for Program 1.1

Quantitative Indicators	2009-10 Revised Budget	2010-11 Budget Target	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Clinical training funding for eligible disciplines					
Percentage of new places for eligible disciplines which are supported nationally	N/A	50%	75%	75%	75%
Clinical training support					
Percentage of eligible professions reporting increased training support capacity	N/A	50%	75%	100%	100%
Leadership on workforce policy, planning and reform					
Percentage of universities and service providers providing data to the national health workforce statistical resource	N/A	60%	100%	100%	100%
Percentage of nationally registered health professions with a national workforce profile	N/A	30%	75%	100%	100%



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 2010-11 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program 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 HWA.

3.1.2 Special Accounts

Section 3.1.2 is not applicable to HWA.

3.1.3 Australian Government Indigenous Expenditure

The 2010-11 Australian Government Indigenous Expenditure (AGIE) Statement is not applicable because HWA has no specific Indigenous expenses.

3.2 Budgeted Financial Statements

3.2.1 Differences in agency resourcing and financial statements

There are no significant differences between HWA’s resourcing and the budgeted financial statements.

3.2.2 Analysis of budgeted financial statements

An analysis of HWA’s budgeted financial statements for 2010-11 is provided below.

Income Statement

HWA came into operation during 2009-10 and, as such, the income and expenditure budgeted for 2009-10 reflect HWA’s partial year of operations.

HWA’s total operating revenue for 2009-10 is estimated at \$44.6 million, including appropriation funding of \$39.8 million and other revenue of \$1.12 million. In 2010-11, HWA’s appropriations (\$242.1 million) reflects the full year of grant funding for the delivery of HWA’s programs, as well as the associated agency management costs. This is consistent into the forward year estimates.

Balance Sheet

Following the initial set-up of HWA in 2009-10, HWA’s total asset and liabilities are expected to remain stable over the forward years. The assets are budgeted to comprise predominantly of cash and non-financial assets. The liabilities are budgeted to comprise of suppliers payable and employee entitlements.



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 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	694	9,488	9,772	10,064	10,367
Supplier expenses	8,331	19,617	24,208	24,165	23,863
Depreciation and amortisation	133	1,060	1,060	1,060	1,060
Grants	31,645	211,970	225,403	195,412	198,142
Other	119	1,452	1,452	1,453	1,452
Total expenses	40,922	243,587	261,895	232,154	234,884
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	-	350	350	350	350
Interest	60	600	600	600	600
Total revenue	60	950	950	950	950
Gains					
Other	1,060	502	502	502	502
Total gains	1,060	502	502	502	502
Total own-source income	1,120	1,452	1,452	1,452	1,452
Net cost of (contribution by) services	39,802	242,135	260,443	230,702	233,432
Revenue from Government	44,645	243,520	261,503	231,762	234,492
Surplus (Deficit)	4,843	1,385	1,060	1,060	1,060
Surplus (Deficit) attributable to the Australian Government	4,843	1,385	1,060	1,060	1,060
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income	4,843	1,385	1,060	1,060	1,060

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,520	2,750	3,980	5,215	6,455
Total financial assets	1,520	2,750	3,980	5,215	6,455
Non-financial assets					
Infrastructure, plant and equipment	3,843	3,843	3,843	3,843	3,843
Intangibles	1,000	1,325	1,325	1,325	1,325
Total non-financial assets	4,843	5,168	5,168	5,168	5,168
Total assets	6,363	7,918	9,148	10,383	11,623
LIABILITIES					
Payables					
Suppliers	1,500	1,500	1,500	1,500	1,500
Total payables	1,500	1,500	1,500	1,500	1,500
Provisions					
Employees	20	190	360	535	715
Total provisions	20	190	360	535	715
Total liabilities	1,520	1,690	1,860	2,035	2,215
Net assets	4,843	6,228	7,288	8,348	9,408
EQUITY					
Retained surpluses or accumulated deficits	4,843	6,228	7,288	8,348	9,408
Total equity	4,843	6,228	7,288	8,348	9,408

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2010-11)

	Retained surplus	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance carried forward from previous period	4,843	-	-	-	4,843
Surplus (deficit) for the period	1,385	-	-	-	1,385
Appropriation (equity injection)	-	-	-	-	-
Estimated closing balance as at 30 June 2011	6,228	-	-	-	6,228

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	-	350	350	350	350
Funds from Government	44,645	243,520	261,503	231,762	234,492
Interest	60	600	600	600	600
Total cash received	44,705	244,470	262,453	232,712	235,442
Cash used					
Employees	674	9,318	9,602	9,889	10,187
Suppliers	5,771	19,115	23,706	23,663	23,361
Grants	31,645	211,970	225,403	195,412	198,142
Other cash used	119	1,452	1,452	1,453	1,452
Total cash used	38,209	241,855	260,163	230,417	233,142
Net cash from (or used by) operating activities	6,496	2,615	2,290	2,295	2,300
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	4,976	1,385	1,060	1,060	1,060
Total cash used	4,976	1,385	1,060	1,060	1,060
Net cash from (or used by) investing activities	(4,976)	(1,385)	(1,060)	(1,060)	(1,060)
Net increase (or decrease) in cash held	1,520	1,230	1,230	1,235	1,240
Cash at the beginning of the reporting period	-	1,520	2,750	3,980	5,215
Cash at the end of the reporting period	1,520	2,750	3,980	5,215	6,455

Table 3.2.5: Capital budget statement

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
PURCHASE OF NON-FINANCIAL ASSETS					
Funded internally from departmental resources ¹	4,976	1,385	1,060	1,060	1,060
Total acquisitions of non-financial assets	4,976	1,385	1,060	1,060	1,060
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	4,976	1,385	1,060	1,060	1,060
Total cash used to acquire assets	4,976	1,385	1,060	1,060	1,060

¹ Includes the following sources of funding:
 - annual and prior year appropriations;
 - donations and contributions;
 - gifts;
 - finance leases;
 - internally developed assets;
 - section 31 relevant agency receipts (for FMA agencies only); and
 - proceeds from the sale of assets.

Table 3.2.6: Statement of asset movements (2010-11)

	Land	Buildings	Other infrastructure, plant & equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010					
Gross book value	-	-	3,976	1,000	4,976
Accumulated depreciation/amortisation	-	-	133	-	133
Opening net book balance	-	-	3,843	1,000	4,843
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - appropriation ordinary annual services	-	-	1,060	325	1,385
Sub-total	-	-	1,060	325	1,385
Other movements					
Depreciation/amortisation expense	-	-	1,060	-	1,060
as at 30 June 2010					
Gross book value	-	-	5,036	1,325	6,361
Accumulated depreciation/amortisation	-	-	1,193	-	1,193
Closing net book balance	-	-	3,843	1,325	5,168

3.2.4 Notes to the Financial Statements

The Budgeted Financial Statements for HWA are prepared for the Budget year, previous year and three forward years.

Departmental Financial Statements

Comprehensive income statement (showing net cost of services) (for the period ended 30 June)

This statement provides a picture of the expected financial results for the HWA by identifying accrual expenses and revenues showing the net cost of services.

This statement also provides for the first time, revenues and expenses taken through equity to provide for a comprehensive income and expense.

Budgeted departmental balance sheet (as at 30 June)

The statement shows the financial position of HWA. It enables decision-makers to track the management of HWA's assets and liabilities.

Departmental statement of changes in equity – summary of movement (Budget year 2010-2011)

This table shows the movements in equity during the Budget year.

Budgeted departmental statement of cash flows (for the period ended 30 June)

Budgeted cash flows as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by characterising them into expected cash flows from operating activities, investing activities and financing activities.

Capital budget statement

This table shows the appropriations from Government for the purchase of capital items and purchases of non-financial assets from capital and internal sources.

This table has been amended for the 2010-11 Budget to provide a reconciliation between the asset purchases and cash flow statement.

Statement of asset movements (2010-11)

This table shows the movements in asset classes through addition (eg purchases) and other movements (eg depreciation and amortisation).

Purchases are reconciled in the Capital Budget Statement to the Statement of Cash Flows as described above and include sources of funding for asset purchases.