



Budget 2018-19

Portfolio Budget Statements 2018-19 Budget Related Paper No. 1.9

Health Portfolio

Budget Initiatives and Explanations of
Appropriations Specified by Outcomes
and Programs by Entity

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The Hon Greg Hunt MP
Minister for Health

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear Mr President
Dear Mr Speaker

I hereby submit Portfolio Budget Statements in support of the 2018-19 Budget for the Health Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the portfolio.

I present these statements by virtue of mine and Senator the Hon Bridget McKenzie's ministerial responsibilities for accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in blue ink, reading 'Greg Hunt'.

Greg Hunt

Abbreviations and conventions

The following notation may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
N/A	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication please contact Director, Performance Reporting Section, Financial Management Division, Department of Health on (02) 6289 7181.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Estimates Statements) can be located on the Australian Government Budget website at: www.budget.gov.au

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**USER GUIDE
TO THE
PORTFOLIO BUDGET
STATEMENTS**

USER GUIDE

The purpose of the *2018-19 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to Government Outcomes by entities within the Portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2018-19 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2018-19 for the parliamentary departments). In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

The Enhanced Commonwealth Performance Framework

The following diagram outlines the key components of the enhanced Commonwealth performance framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and Planned Performance.

Enhanced Commonwealth Performance Framework
- key components of relevant publications

Portfolio Budget Statements (May)
Portfolio based

Supports Annual Appropriations. Informs Senators and Members of Parliament of the proposed allocation of other resources to **government outcomes and programs**.

Provides links to **relevant programs** undertaken by other Commonwealth entities.

Provides high level performance information for current, ongoing programs, particularly a **forecast of performance for the current year**.

Provides **detailed** prospective performance information for proposed new budget measures that require a **new program** or **significantly change an existing program**.

Corporate Plan (August)
Entity based

Primary planning document of a Commonwealth entity.

Sets out the **purposes** of the entity, the **activities** it will undertake to achieve its purposes and the **results** it expects to achieve over a minimum four year period.

Describes the **environment** in which the entity **operates**, the **capability** it requires to undertake **activities** and a discussion of **risk**.

Explains how the entity's **performance** will be **measured** and **assessed**.



Annual Performance Statement (October following year)
Entity based

Included in the Commonwealth entity's Annual Report. Focuses on **recent performance**.

Reports on the **actual performance results** for the year against the **forecasts** made in the **corporate plan** and **Portfolio Budget Statements**, and provides other performance information relevant to the entity.

Provides an **analysis** of the factors that **contributed** to the **entity's performance results**.

PORTFOLIO OVERVIEW

HEALTH PORTFOLIO OVERVIEW

Ministers and Portfolio Responsibilities

The Health Portfolio works towards achieving better health and wellbeing for all Australians, now and for future generations.

The Portfolio's services are delivered through the 23 Outcomes outlined in Figure 1: *Portfolio Structure and Outcomes*. Each Portfolio entity has developed performance information to determine its effectiveness in achieving entity-specific Outcomes. Outcome and Program reporting, and resource allocations for each entity are presented in the respective Entity Resources and Planned Performance sections.

For information on resourcing across the portfolio, refer to Part 1: Agency Financial Resourcing in *Budget Paper No. 4 – Agency Resourcing*.

Ministerial Changes

On 19 December 2017, Senator the Hon Bridget McKenzie was sworn in as the Minister for Sport, Minister for Rural Health and Minister for Regional Communications (within the Communications and the Arts Portfolio).

The Hon Greg Hunt MP will continue as Minister for Health and the Hon Ken Wyatt AM, MP will continue as Minister for Aged Care and Minister for Indigenous Health.

Portfolio Structure

Minister and Portfolio responsibilities, and a list of the 17 entities currently within the Health Portfolio, can be found in Figure 1.

Department of Health - Changes to Program Structure

2017-18	2018-19
Outcome 6. Ageing and Aged Care Program 6.1: Access and Information Program 6.2: Home Support and Care Program 6.3: Residential and Flexible Care Program 6.4: Aged Care Quality	Outcome 6. Ageing and Aged Care Program 6.1: Access and Information Program 6.2: Aged Care Services Program 6.3: Aged Care Quality

Changes to Portfolio Entities

From 1 January 2019, the Government will establish an independent Aged Care Quality and Safety Commission. The Commission will combine the functions of the Australian Aged Care Quality Agency, the Aged Care Complaints Commissioner, and, from 1 January 2020, the aged care regulatory functions of the Department of Health. Refer Budget Paper No. 2 for further information.

Portfolio Entities – Changes to Outcome Statements

2017-18	2018-19
Cancer Australia Minimised impacts of cancer, including through national leadership in cancer control with targeted research, cancer services development, education and consumer support.	Cancer Australia Minimised impacts of cancer, including through national leadership in cancer control with targeted research and clinical trials; evidence informed clinical practice; strengthened national data capacity; community and consumer information and support.
Professional Services Review A reduction of the risks to patients and costs to the Australian Government of inappropriate clinical practice, including through investigating health services claimed under the Medicare and Pharmaceutical benefits schemes.	Professional Services Review A reduction of the risks to patients and costs to the Australian Government of inappropriate practice, including through investigating health services claimed under the Medicare and Pharmaceutical benefits schemes.

Figure 1: Health Portfolio Structure and Outcomes

<p>The Hon Greg Hunt MP Minister for Health</p> <p><u>Portfolio Responsibilities</u> <i>Department of Health:</i> Outcomes: 1, 2, 4, 5 and 6</p> <p><i>Entities:</i> ACSQHC, AIHW, Cancer Australia, Australian Digital Health Agency, IHPA, NHFB, NHMRC, NMHC and PSR</p>	<p>Senator the Hon Bridget McKenzie Minister for Sport Minister for Rural Health</p> <p><u>Portfolio Responsibilities</u> <i>Department of Health:</i> Outcomes: 2 and 3</p> <p><i>Entities:</i> ARPANSA, ASADA, ASC, ASF, FSANZ and NBA</p>	<p>The Hon Ken Wyatt AM, MP Minister for Aged Care Minister for Indigenous Health</p> <p><u>Portfolio Responsibilities</u> <i>Department of Health:</i> Outcomes: 1, 2, 4 and 6</p> <p><i>Entities:</i> OTA and Quality Agency</p>
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Department of Health**Glenys Beauchamp PSM** Secretary**Outcome 1. Health System Policy, Design and Innovation**

Australia's health system is better equipped to meet current and future health needs by applying research, evaluation, innovation, and use of data to develop and implement integrated, evidence-based health policies, and through support for sustainable funding for health infrastructure.

Outcome 2. Health Access and Support Services

Support for sustainable funding for public hospital services and improved access to high quality, comprehensive and coordinated preventive, primary and mental health care for all Australians, with a focus on those with complex health care needs and those living in regional, rural and remote areas, including through access to a skilled health workforce.

Outcome 3. Sport and Recreation

Improved opportunities for community participation in sport and recreation, excellence in high-performance athletes, and protecting the integrity of sport through investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues.

Outcome 4. Individual Health Benefits

Access to cost-effective medicines, medical, dental and hearing services, and improved choice in health services, including through the Pharmaceutical Benefits Scheme, Medicare, targeted assistance strategies and private health insurance.

Outcome 5. Regulation, Safety and Protection

Protection of the health and safety of the Australian community and preparedness to respond to national health emergencies and risks, including through immunisation, initiatives, and regulation of therapeutic goods, chemicals, gene technology, and blood and organ products.

Outcome 6. Ageing and Aged Care

Improved wellbeing for older Australians through targeted support, access to quality care and related information services.

Figure 1: Portfolio Structure and Outcomes (continued) – Portfolio Entities

Australian Aged Care Quality Agency (Quality Agency)

Nick Ryan Chief Executive Officer

Outcome 1. High-quality care for persons receiving Australian Government subsidised aged care through the accreditation of aged care services in residential settings, the quality review of aged care services provided in the community and the provision of quality information to consumers, as well as the provision of information, education and training to aged care providers.

Australian Commission on Safety and Quality in Health Care (ACSQHC)

Adjunct Professor Debora Picone AM
Chief Executive Officer

Outcome 1. Improved safety and quality in health care across the health system, including through the development, support for implementation, and monitoring of national clinical safety and quality guidelines and standards.

Australian Digital Health Agency

Tim Kelsey Chief Executive Officer

Outcome 1. To deliver national digital healthcare systems to enable and support improvement in health outcomes for Australians.

Australian Institute of Health and Welfare (AIHW)

Barry Sandison Director

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.

Australian Radiation Protection and Nuclear Safety Agency (ARPANSA)

Dr Carl-Magnus Larsson Chief Executive Officer

Outcome 1. Protection of people and the environment through radiation protection and nuclear safety research, policy, advice, codes, standards, services and regulation.

Australian Sports Anti-Doping Authority (ASADA)

David Sharpe APM OAM Chief Executive Officer

Outcome 1. Protection of the health of athletes and the integrity of Australian sport including through engagement, deterrence, detection and enforcement to minimise the risk of doping.

Australian Sports Commission (ASC)

Kate Palmer Chief Executive Officer

Outcome 1. Increased participation in organised sport and continued international sporting success including through leadership and development of a cohesive and effective sports sector, provision of targeted financial support, and the operation of the Australian Institute of Sport.

Australian Sports Foundation Limited (ASF)

Patrick Walker Chief Executive Officer

Outcome 1. Improved Australian sporting infrastructure through assisting eligible organisations to raise funds for registered sporting projects.

Cancer Australia

Professor Helen Zorbas AO Chief Executive Officer

Outcome 1. Minimised impacts of cancer, including through national leadership in cancer control with targeted research and clinical trials; evidence informed clinical practice; strengthened national data capacity; community and consumer information and support.

Food Standards Australia New Zealand (FSANZ)

Mark Booth Chief Executive Officer

Outcome 1. A safe food supply and well-informed consumers in Australia and New Zealand, including through the development of food regulatory measures and the promotion of their consistent implementation, coordination of food recall activities and the monitoring of consumer and industry food practices.

Independent Hospital Pricing Authority (IHPA)

James Downie Chief Executive Officer

Outcome 1. Promote improved efficiency in, and access to, public hospital services primarily through setting efficient national prices and levels of block funding for hospital activities.

National Blood Authority (NBA)

John Cahill Chief Executive

Outcome 1. Access to a secure supply of safe and affordable blood products, including through national supply arrangements and coordination of best practice standards within agreed funding policies under the national blood arrangements.

Figure 1: Portfolio Structure and Outcomes (continued) – Portfolio Entities**National Health Funding Body (NHFB)****Shannon White** Chief Executive Officer

Outcome 1. Provide transparent and efficient administration of Commonwealth, State and Territory funding of the Australian public hospital system, and support the obligations and responsibilities of the Administrator of the National Health Funding Pool.

National Health and Medical Research Council (NHMRC)**Professor Anne Kelso AO**

Chief Executive Officer

Outcome 1. Improved health and medical knowledge, including through funding research, translating research findings into evidence-based clinical practice, administering legislation governing research, issuing guidelines and advice for ethics in health and the promotion of public health.

National Mental Health Commission (NMHC)**Dr Peggy Brown AO**

Chief Executive Officer and Commissioner

Outcome 1. Provide expert advice to the Australian Government and cross-sectoral leadership on the policy, programs, services and systems that support mental health in Australia, including through administering the Annual National Report Card on Mental Health and Suicide Prevention, undertaking performance monitoring and reporting, and engaging consumers and carers.

Organ and Tissue Authority (OTA)**Lucinda Barry** Chief Executive Officer

Outcome 1. Improved access to organ and tissue transplants, including through a nationally coordinated and consistent approach and system.

Professional Services Review (PSR)**Professor Julie Quinlivan** Director

Outcome 1. A reduction of the risks to patients and costs to the Australian Government of inappropriate practice, including through investigating health services claimed under the Medicare and Pharmaceutical benefits schemes.

Statutory Office Holders**Aged Care Complaints Commissioner**

Rae Lamb

Aged Care Pricing Commissioner

Kim Cull

Director, National Industrial Chemicals Notification and Assessment Scheme

Dr Brian Richards

Gene Technology Regulator

Dr Raj Bhula

National Health Funding Pool Administrator

Vacant

National Rural Health Commissioner

Emeritus Professor Paul Worley

Portfolio Resources

Table 1 shows the total resources provided to the Portfolio in the 2018-19 Budget year by entity.

Table 1: Portfolio Resources 2018-19

	Appropriations			Receipts	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special \$'000	\$'000	\$'000
DEPARTMENTAL					
Department of Health	679,882	19,017	-	193,799	892,698
Australian Aged Care Quality Agency	31,109	-	-	14,286	45,395
Australian Commission on Safety & Quality in Health Care	-	-	-	21,614	21,614
Australian Digital Health Agency ^(a)	219,270	37,542	-	32,889	289,701
Australian Institute of Health and Welfare ^(a)	33,322	625	-	35,330	69,277
Australian Organ and Tissue Donation and Transplantation Authority	5,710	-	-	-	5,710
Australian Radiation Protection and Nuclear Safety Agency	14,703	-	-	10,871	25,574
Australian Sports Anti-Doping Authority	15,670	-	-	2,147	17,817
Australian Sports Commission ^(a)	313,479	856	-	22,715	337,050
Australian Sports Foundation Limited	-	-	-	42,220	42,220
Cancer Australia	11,169	-	-	2,232	13,401
Food Standards Australia New Zealand ^(a)	16,899	-	-	2,350	19,249
Independent Hospital Pricing Authority	-	-	-	16,037	16,037
National Blood Authority	6,299	-	-	3,949	10,248
National Health Funding Body	5,378	-	-	-	5,378
National Health and Medical Research Council	37,762	250	-	6,846	44,858
National Mental Health Commission	5,717	150	-	2,050	7,917
Professional Services Review	6,068	-	-	-	6,068
Total departmental	1,402,437	58,440	-	409,335	1,870,212

Table 1: Portfolio Resources 2018-19 (continued)

	Appropriations			Receipts	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special \$'000	\$'000	\$'000
ADMINISTERED					
Department of Health	9,754,028	25,000	22,960,945	35,486,364	68,226,337
Australian Organ and Tissue Donation and Transplantation Authority	43,148	-	-	-	43,148
Cancer Australia	19,802	-	-	-	19,802
National Blood Authority	3,404	-	-	1,255,776	1,259,180
National Health and Medical Research Council	882,753	-	-	11,000	893,753
National Mental Health Commission	3,785	-	-	-	3,785
Total administered	10,706,920	25,000	22,960,945	36,753,140	70,446,005
<i>less non-appropriation funding transfers to Corporate entities</i>	-	-	-	(842,305)	(842,305)
Total Portfolio	12,109,357	83,440	22,960,945	36,320,170	71,473,912

All figures are GST exclusive.

^(a) These entities are not directly appropriated as they are corporate entities under the *Public Governance, Performance and Accountability Act 2013*.

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DEPARTMENT OF HEALTH

Entity Resources and Planned Performance

DEPARTMENT OF HEALTH

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DEPARTMENT OF HEALTH

Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT

Through the 2018-19 Budget, the Government will increase investment by \$12.4 billion in health, Indigenous health, aged care and sport over four years and continue to advance the four pillars of the long term national health plan: guaranteeing Medicare and the Pharmaceutical Benefits Scheme (PBS); supporting hospitals; prioritising mental health, preventive health and sport; and investing in medical research.

The Government is committed to supporting Australians to live healthy, independent and active lives, from ensuring children have the best start in life through to our older Australians. With a focus on improving the lives of every Australian, the Government will increase Medicare funding by \$4.8 billion, public hospital funding by \$30.2 billion, investment in new medicines by \$2.4 billion and funding for aged care by \$5 billion.

The 2018-19 Budget will deliver the third wave of reform by strengthening medical research, regional health, Indigenous health and aged care, and makes a major contribution to the Australian Government's jobs and growth agenda.

The Budget secures Medicare through a \$4.8 billion increase in funding over the forward estimates. The Government will provide \$2.4 billion for the listing of new medicines, including Ribociclib (Kisqali®) for breast cancer and Nusinersen (Spinraza®) for Spinal Muscular Atrophy. This includes a new provision of \$1 billion set aside specifically for listing of future medicines on the PBS.

The Government will deliver stronger health services for regional Australia to put more highly qualified doctors into rural areas. This will be achieved through a focus on teaching, training, recruitment and retention, including the establishment of the More Doctors for Rural Australia Program.

A greater focus on outcomes and transparency of funding will support our ongoing commitment to Closing the Gap in Indigenous health with a total of \$10 billion for Indigenous health over the next decade.

The Government will provide an additional \$30.2 billion public hospital funding under a five-year National Health Reform Agreement. From 2020-21 to 2024-25, this will deliver a record \$130.2 billion in public hospital funding, with six of Australia's eight States and Territories having now signed the agreement. It will provide record funding for every State and Territory every year.

Suicide prevention, supporting older Australians and a Million Minds Mental Health Research Mission are the focus of an additional \$338.1 million in funding for mental health.

To give Australian children the best possible start in life, the Government will invest \$77.9 million in infant and maternal health for the first 2,000 days of a child's life. The Government will also provide \$230 million to build a more active Australia, through the implementation of a range of sport and physical activity initiatives.

The Government will invest \$6 billion in record funding for Australia's health and medical research sector, including \$3.5 billion for the National Health and Medical Research Council, \$2 billion in disbursements from the Medical Research Future Fund (MRFF) and \$500 million from the Biomedical Translation Fund. A \$1.3 billion National Health and Medical Research Industry Growth Plan will drive a new era of better health care as well as new jobs and industries, and will include a \$500 million Genomics Health Futures Mission.

The Government will address the challenges of an ageing population by providing a \$5 billion increase for aged care support over the forward estimates. This Budget will deliver improved quality and safety in aged care and invest \$1.6 billion in 14,000 additional high level home care places for those who choose to live in their home but need extra support. This brings to 20,000 the extra high level packages announced since last year's Budget. This is complemented by an additional 13,500 residential care places and 775 restorative places.

The first wave of the long term health plan began during the 2017-18 Budget and saw the Government enter into a series of landmark compacts with the health sector. The Government established the Medicare Guarantee Fund, restored indexation for Medicare, invested in new medicines and prioritised mental health.

The second wave of reform, in the 2017-18 Mid-Year Economic and Fiscal Outlook, saw the Government implement reforms to make private health insurance simpler and more affordable, establish the *Fifth National Mental Health and Suicide Prevention Plan* and establish the framework for the MRFF.

Guaranteeing Medicare and the Pharmaceutical Benefits Scheme

Guaranteeing Medicare

Government investment in Medicare will increase by \$4.8 billion across the forward estimates. Medicare funding will have increased from \$19.5 billion in 2012-13 to \$28.8 billion in 2021-22, an increase of 48 per cent in annual funding. Medicare indexation, which the Government reintroduced in last year's Budget, will deliver an additional \$1.5 billion to Medicare services to 2021-22.

Over the next five years, \$75 million is being provided to fund new and amended Medicare Benefits Schedule (MBS) listings. From 1 July 2018, new clinically appropriate services will be listed to include testing for Cystic Fibrosis hereditary mutations, enhanced prostate cancer diagnostic scans and the removal of urogynaecological mesh. From 1 November 2018, Medicare will be extended to 3D breast screening for women at risk of breast cancer, better access to dialysis in very remote areas and improved diagnosis of asthma.

The independent, clinician-led MBS Taskforce is continuing to review all 5,700 MBS items to ensure they are clinically aligned to delivering the best outcomes for patients.

Improving access to medicines

The Government will continue its commitment to list all medicines on the PBS with a positive Pharmaceutical Benefits Advisory Committee (PBAC) recommendation and will invest \$2.4 billion in new medicines in this Budget, including an additional new \$1 billion provision for listing further medicines.

Over 3,000 patients fighting breast cancer will benefit from the listing of Ribociclib (Kisqali®) with funding of \$703.6 million. Without subsidy, this drug would cost patients more than \$71,800 per year.

From 1 June 2018, \$241.3 million will be provided to list Nusinersen (Spinraza®) to treat Spinal Muscular Atrophy, an incurable degenerative disease that disproportionately affects young children.

A number of other medicines have recently been, or will be, made available to treat a range of cancers, including: Keytruda®, an immunotherapy medicine for classical Hodgkin's lymphoma patients; Opdivo®, to treat non-small cell lung cancer; and, Yervoy® to treat malignant melanoma.

Nimenrix®, to protect against meningococcal serogroups A, C, W and Y has also been listed under the PBS.

The recent listing of Pre-Exposure Prophylaxis (PrEP) will play a vital role in helping end the transmission of HIV infection in Australia.

Since October 2013, there has been an average of 31 new and amended PBS items listed per month or one per day, at an overall cost of approximately \$9 billion.

Stronger Rural Health Strategy delivering high quality care

The Government will implement a landmark package to strengthen and fund health services and outcomes across Australia.

The Government will introduce a range of initiatives as part of the Stronger Rural Health Strategy through the 2018-19 Budget to improve health access and services for people living in regional, rural and remote Australia. Key initiatives are aimed at addressing health workforce shortages in the regions through a renewed focus on teaching, training, recruitment and retention.

Teaching

In order to support teaching of students in rural areas, the Government will:

- Establish the new Murray-Darling Medical Schools Network, comprising Charles Sturt University in partnership with Western Sydney University (Orange), Monash University (Bendigo), University of NSW (Wagga Wagga), University of Melbourne/La Trobe University (Shepparton) and University of Sydney (Dubbo). No new Commonwealth supported places will be created, with the focus on distribution and creating end-to-end training for students.

- Expand the Rural Health Multidisciplinary Training program to include Curtin University and La Trobe University, providing further opportunities for medical students in rural areas.

Training

In order to improve training opportunities in rural areas, the Government will:

- Improve the quality of care by encouraging non-vocationally recognised or non-specialist practitioners to qualify.
- Support junior doctor training through the development of a National Rural Generalist Pathway. Junior doctors will also be supported to gain clinical experience in the private sector.

Recruitment and Retention

In order to improve recruitment and retention of medical professionals in rural areas the Government will:

- Establish the More Doctors for Rural Australia Program, which will enable Australian trained doctors to undertake practice in rural and remote areas.
- Fund the Workforce Incentive Program to encourage a range of health professionals, including nurses and allied health professionals to deliver services in rural and remote areas that have experienced difficulty in attracting and retaining them in the past.
- Increase the capacity and flexibility of existing bonded programs to encourage eligible doctors committing to return to work in regional, rural and remote areas following attainment of their Fellowship.
- The role of nurses in delivering health care will also be strengthened through training and support for nurses moving into general practice.

To help inform tomorrow's health workforce needs, the Government will invest in a number of programs to provide an informed, evidence-based foundation for future planning. This includes the development of a new Health Demand and Supply Utilisation Patterns Planning Tool to capture a single source of geographically-based health workforce and services data to better examine – and ultimately meet – local needs. An independent review will also be funded into the nursing workforce to examine how nurses can best support the future needs of the Australian community. The review will consider education and training, national and international trends, as well as the views of a wide range of stakeholders.

The Government will also improve the delivery and availability of dental, mental health and emergency aeromedical services in rural and remote areas by providing additional funding to the Royal Flying Doctor Service.

Improving health outcomes for Indigenous Australians

Funding for the Indigenous Australians' Health Programme (IHAP) will increase by \$200 million to total \$3.9 billion over four years from 2018-19. As part of the Closing the Gap agenda, the Government will implement a new primary care funding model for IHAP to improve outcomes for Aboriginal and Torres Strait Islander peoples. Greater transparency of funding based on patient numbers, episodes of care and remoteness will assist in ensuring resources are directed to areas of need. The program will be introduced in consultation with the community and overall funding is retained, while increased opportunities will exist for additional funding under Medicare.

The Government will target specific health conditions that disproportionately affect Aboriginal and Torres Strait Islander peoples, including a focus on avoiding hearing loss and vision impairment. The Government will allocate approximately \$30 million to expand hearing assessments. Aboriginal and Torres Strait Islander children have high rates of otitis media and subsequent hearing loss.

Poor vision is a barrier to education and employment, and impacts mobility, independence and social interaction. The Government will boost existing eye health initiatives, investing \$34.3 million to provide eye health checks and target the major causes of vision loss in Aboriginal and Torres Strait Islander communities.

The detection, treatment and management of crusted scabies in remote Aboriginal and Torres Strait Islander communities in Northern Australia will also be improved through an investment of \$4.8 million. The measure will help eliminate the highly infectious condition, which can lead to acute rheumatic fever, rheumatic heart disease and renal disease. This initiative builds on a successful pilot in East Arnhem, which achieved a 44 per cent reduction in recurring crusted scabies over four years.

Funding for Aboriginal and Torres Strait Islander Health Professional Organisations will also be boosted, with funding of \$33.4 million over four years to enable further increases to the Aboriginal and Torres Strait Islander health workforce. This will assist with meeting increased demand for services and will also help non-Indigenous Australians develop cultural understanding and capability.

The Government will also expand the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) program to improve access to culturally safe aged care services in remote Indigenous communities. From 2018-19 to 2021-22, the Government will provide \$105 million to better support older Aboriginal and Torres Strait Islander people.

Supporting our hospitals

The Government will increase funding to public hospitals by \$30.2 billion to \$130.2 billion between 2020-21 and 2024-25. The Prime Minister has offered States and Territories a five-year Heads of Agreement for public hospital funding and health reform from 1 July 2020. As at May 2018, the Australian Capital Territory, New South Wales, South Australia, Western Australia, Northern Territory and Tasmania have signed the agreement.

Hospital funding from 2010–15 was \$67.2 billion, for 2015–20 \$100 billion and for 2020–25 it will be \$130.2 billion, an increase of \$30.2 billion over the previous five year period and \$63 billion over the earlier period.

This agreement will more than double Commonwealth funding to public hospital services from \$13.3 billion in 2012-13 to \$28.7 billion in 2024-25. States and Territories will also share in a new \$100 million health innovation fund to drive best practice in the provision of hospital services and better patient outcomes.

The Commonwealth and States and Territories have also agreed to work together on six key reforms:

- paying for value;
- joint planning and funding at a local level;
- nationally cohesive health technology assessment;
- empowering people through health literacy;
- prevention and wellbeing; and,
- enhanced health data.

Prioritising mental health, preventive health and sport

Supporting better mental health for all Australians

Mental health reform is a key component of the Government's long term health plan. The Government will invest a further \$338.1 million in mental health. This wave of mental health reform focuses in particular on suicide prevention, mental health support for older Australians and mental health medical research.

To address suicide prevention, the Government will provide \$37.6 million to the *beyondblue* Way Back Support Service across Australia. This service provides outreach, follow-up care and practical support to people discharged from hospital after a suicide attempt. *beyondblue* will contribute \$5 million, in addition to co-contributions from State and Territory governments.

As part of the suicide prevention initiative, the Government will also provide \$33.8 million of additional and ongoing funding to support Lifeline Australia to deliver a modernised, higher quality, and more responsive telephone crisis support service and \$1.2 million to SANE Australia for the *Better Off With You* campaign. Funding of \$4.7 million will support the continued operation of 'Head to Health', the new digital gateway for mental health services.

The Government will commit \$102.5 million to improve access to psychological services for older Australians. Mental health issues are under diagnosed and under treated in people over 65 with men over the age of 85 having the highest risk of suicide of all age groups. This funding will enable commissioning of mental health services for older Australians living in residential aged care and the development of a program led by mental health nurses to support those at risk in the community due to isolation.

The Million Minds Mental Health Research Mission will provide \$125 million over ten years, to assist an additional one million people to receive diagnosis and treatment, and support the translation of research into clinical trials, including addressing eating disorders.

The Government will provide the National Mental Health Commission an additional \$12.4 million over four years to oversee mental health reform and implement the *Fifth National Mental Health and Suicide Prevention Plan*.

Giving kids the best start in life

The Government is committed to giving Australian children the best possible start in life and will invest an additional \$77.9 million in maternal, infant and preventive health. This will lead to children becoming healthier adults with lower obesity levels and a reduced reliance on the health system in the long term.

Through a \$3 million healthy pregnancies program, the Government will support the development of easy to understand resources and education materials for pregnant women and their partners. Health professionals will also be able to use these resources to provide simple and effective guidance to potential parents and pregnant women on healthy eating, exercise and appropriate weight prior to, and during, pregnancy.

The Government will also raise awareness of Spinal Muscular Atrophy (SMA) and the potential for genetic testing, ensuring general practitioners are able to refer patients who test positive to the best care. This complements the funding announcement for the breakthrough SMA medicine, Nusinersen (Spinraza®), and for what will be called *Mackenzie's Mission* through the genomics research mission to undertake pre-natal testing for SMA and a range of genetic diseases.

The Government will provide \$5 million to develop a national digital platform to replace hard copy records, giving parent's the ability to access their child's health information anytime, anywhere, including vaccination details.

The Government will also provide \$2 million in 2018-19 to extend the reach of the Child Immunisation Education Campaign. The campaign will address vaccine misinformation, increase activity in areas of low immunisation rates, and promote vaccination for Aboriginal and Torres Strait Islander children. The Government will invest \$39.5 million to extend the pertussis (whooping cough) vaccine to pregnant women, which will provide newborns with protection against whooping cough ahead of their first vaccination.

Injury represents the highest cause of death and hospitalisations in Australian children aged one to six. The Government will develop a new National Injury Prevention Strategy to reduce the risk of injury for Australian children. The strategy will identify priorities across a range of groups and settings, with a focus on Aboriginal and Torres Strait Islander communities. The Government will also provide \$17.5 million for research on maternal health and the first 2,000 days.

At least one in ten women suffer from endometriosis, which can have a significant impact on their health and fertility. The Government will invest \$1 million over three years to increase awareness and understanding of endometriosis among general practitioners and other frontline health professionals. This will mean women who suffer from undiagnosed endometriosis will benefit from earlier diagnosis and treatment.

The Government is encouraging Australians to reduce high risk behaviours, and will invest \$10 million over two years to continue to fund the Good Sports Program through the Alcohol and Drug Foundation. The program provides support to sporting clubs to change drinking culture and reduce high risk drinking, which will contribute to the sustainability of Australia's health system by reducing preventable harm.

Building a more active Australia

Participation in physical activity is vital for the health and wellbeing of all Australians, and is foundational to the Government's national sports plan, to be released this year. The Government will invest \$230 million to implement a range of sport and physical activity initiatives that will get more Australians more active, more often.

The Government will provide \$29.7 million to establish a competitive community sport infrastructure grants program to fund small to medium scale projects, with a particular focus on improvements to existing sport facilities. The program aims to ensure more Australians have access to quality sporting facilities, encouraging greater community participation in sport and physical activity, while ensuring the surge in women's sport is supported by appropriate infrastructure.

The majority of Australian children and young people aged 5–17 years are not meeting the daily Australian physical activity guidelines. The Government will invest \$41.7 million over the next two years to extend the Sporting Schools Program. The Sporting Schools Program provides opportunities for children to participate in sport, reducing the demand and cost on parents, and helps build a more active culture in Australia. This measure will expand delivery to 500 secondary schools (up from 300), while continuing to provide funding for 5,200 primary schools each year. Funding for secondary schools will continue to focus on girls aged 12–14, and prioritise schools where there is evidence of disadvantaged or large groups of inactive students.

A new participation grants program will support sporting and physical activity organisations to design and deliver initiatives that will get less active Australians moving. This complements the equivalent program for older Australians. Meanwhile, an extension of the Local Sporting Champions grants program will see more than 3,000 additional young athletes receiving grants to help pay for travel, accommodation, equipment and uniforms, with additional support for young athletes in the regions to address the greater costs to develop their sporting skills and talents. Other measures include Safe Sport Australia to build child safe cultures and practices in sport, and continue the AusPlay survey – the Government's population level physical activity survey.

The Government is committed to reducing drowning at Australia's beaches, rivers and waterways, as well as improving safety on our snow fields. The Government will invest \$48.5 million to the Water and Snow Safety Program. This will help the Royal Life Saving Society Australia, AUSTSWIM, Surf Life Saving Australia, Laurie Lawrence Swimming Enterprises and the Australian Ski Patrol Association continue their vital work. This includes buying rescue and safety equipment and teaching children to swim and survive.

In addition, the Government will invest \$10.1 million to protect the integrity of Australian sport while the Government fully considers the suite of recommendations from the independent Review of Australia's Sports Integrity Arrangements. This interim boost to our national anti-doping and criminal intelligence capabilities will help protect the reputation of Australian sport, and preserve the role sport plays in delivering social, economic and health benefits to all Australians.

Investing in life-saving and job-creating medical research

The Government will provide \$6 billion in record funding for Australia's health and medical research sector, including \$3.5 billion for the National Health and Medical Research Council, \$500 million from the Biomedical Translation Fund and \$2 billion from the MRFF.

The centrepiece of the investment is the ten year \$1.3 billion National Health and Medical Industry Growth Plan for the medical technology, biotechnology and pharmaceutical sectors. It is estimated that the Plan will inject \$18 billion into the Australian economy, provide some 28,000 new jobs and position Australia as a world leader in health and medical research and technology development. The Plan will give Australians earlier and better access to improved medicines, devices and treatments.

Central to the Plan, the Government will invest \$500 million in the Genomics Health Futures Mission over ten years to drive a new era in health care for Australians. Funded through the MRFF, the Genomics Health Futures Mission will help Australians to live longer and better through genomics technology, which will enable practitioners to tailor treatment for each patient, monitor and manage risk, and potentially cure a wide range of diseases. This investment will also make it easier to conduct research and translate discoveries into new business, fund more clinical trials in Australia, encourage the next generation of researchers into genomics, create new jobs, and stimulate export growth.

The first initiative under the Mission will be *Mackenzie's Mission*, a \$20 million investment in pre-conception screening for rare and debilitating birth disorders. It will provide funding and support for patients who face difficult choices in starting a family.

In addition, \$240 million will be for Frontier Health and Medical Research, \$248 million for international and expanded Rare Cancers, Rare Diseases and Unmet Need clinical trials, \$125 million for the Millions Minds Mission and \$125 million for a new chronic disease fund, including a focus on cardiovascular disease and diabetes, two of the key chronic diseases facing Australians.

Improving the quality and access to aged care services

Through this Budget the Government will deliver \$5 billion over five years in aged care funding. This investment supports the Government's commitment to supporting people to live healthier, active, independent lives and increases the quality, safety and access to aged care services.

To assist people to live at home longer, an additional 14,000 new high level home care packages will be made available, bringing the total number of packages provided to 20,000 since last year's Budget. The home care packages will be complemented by the release of a further 13,500 residential care places and 775 restorative places through the Aged Care Approvals Round, including a \$60 million capital investment. In response to the Legislated Review of Aged Care 2017 – the Tune Review, the Government provides in-principle support for the transition of residential places to the consumer, pending a detailed analysis of the impacts of such a model.

The Government will invest \$145 million to improve aged care in regional and remote areas, including \$40 million for regional providers for minor capital and maintenance requirements, and \$105 million to expand services to the Indigenous community.

The Government is undertaking significant reform to improve the quality of care in response to the Carnell-Paterson Review. On 1 January 2019, the Government will establish an independent Aged Care Quality and Safety Commission. The Commission will combine the functions of the Australian Aged Care Quality Agency, the Aged Care Complaints Commissioner, and, from 1 January 2020, the aged care regulatory functions of the Department of Health. This Commission will strengthen quality assessors' access to clinical advice and enable flexible and responsive regulatory powers. The Commission will also be supported by a robust risk profiling approach to better identify risks to consumers and appropriate responses.

A number of additional initiatives will be introduced to ensure safety and quality care standards are maintained for all aged care homes.

- A \$50 million Quality Care Fund to assist residential aged care services transition to the new Aged Care Quality Standards.
- From July 2018, a single Charter of Rights will be developed to encourage care providers to discuss adverse care-related incidents with residents and their families.
- From July 2020, differentiated performance ratings of residential service providers will be published on the My Aged Care website and simplified accreditation reports will also be made available.
- From 2020, a new national assessment workforce will deliver more streamlined and faster consumer assessments for all aged care services.

These measures build on recent changes designed to strengthen regulatory practice relating to residential aged care facility monitoring, including the introduction of unannounced audits.

Australians will be encouraged to think and act earlier, to keep a check on their health so they age well. A new interactive online check at 45 and 65 years of age will assist people to assess their health, finances and connectedness and provide information to help in making choices, including to limit the risk or impact of chronic disease. There will be \$102.5 million for new mental health services in residential care and in the community, keeping people connected. Older Australians will also be assisted to stay active through a new sports program targeting those over the age of 65. The Government will also provide support for innovative technologies that help people living with dementia, their families and carers to understand dementia, and to develop skills and strategies for caring.

The Government will invest \$32.8 million over four years to improve palliative care for older Australians living in residential aged care. This measure will support new approaches to how care is delivered that improve palliative and end-of-life care coordination.

MyAged Care will be improved with an investment of \$61.7 million to make it easier to use, along with simplifying the forms required to apply for aged care services. In addition, \$7.4 million will also be provided to trial navigators to assist people to choose the aged care services that suit their needs.

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, 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 X' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: Department of Health Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	38,089	18,408
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	659,018	670,975
s74 retained revenue receipts ^(b)	20,662	20,883
Departmental capital budget ^(c)	11,095	8,907
Other services ^(d)		
Equity injection	7,422	19,017
Total departmental annual appropriations	698,197	719,782
Special Accounts ^{(e) (f)}		
Opening balance	88,919	89,929
Appropriation receipts ^(g)	10,305	10,094
Non-appropriation receipts	166,191	172,916
Total special account	265,415	272,939
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts and/or payments to corporate entities through annual appropriations ^(h)	(10,305)	(10,094)
Total departmental resourcing for Health	991,396	1,001,035

Table 1.1: Department of Health Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018 (continued)

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
ADMINISTERED		
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1: Health System Policy, Design and Innovation	127,619	88,001
Outcome 2: Health Access and Support Services	4,145,448	4,352,205
Outcome 3: Sport and Recreation	23,377	23,906
Outcome 4: Individual Health Benefits	1,488,545	1,489,935
Outcome 5: Regulation, Safety and Protection	125,816	124,629
Outcome 6: Ageing and Aged Care	3,044,678	3,675,352
Payments to corporate entities ⁽ⁱ⁾	510,429	582,970
Other services ^(d)		
Administered assets and liabilities	25,000	25,000
Payments to corporate entities ⁽ⁱ⁾	54,533	38,398
Total administered annual appropriations	9,545,445	10,400,396
Special appropriations limited by criteria/entitlement		
<i>National Health Act 1953</i> - blood fractionation, products and blood related products to National Blood Authority	718,621	782,766
<i>Public Governance, Performance and Accountability Act 2013</i> s77 - repayments	2,000	2,000
<i>Health Insurance Act 1973</i> - payments relating to the former Health and Hospitals Fund	26,039	11,844
<i>Private Health Insurance Act 2007</i> - incentive payments and rebate	6,024,091	6,150,597
<i>Medical Indemnity Act 2002</i>	91,800	78,800
<i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	1,934	2,406
<i>Dental Benefits Act 2008</i>	326,223	321,236
<i>National Health Act 1953</i> - aids and appliances	353,784	356,371
<i>National Health Act 1953</i> - essential vaccines	374,572	380,960
<i>Aged Care Act 1997</i> - residential and home care	13,468,264	14,295,623
<i>National Health Act 1953</i> - continence aids payments	92,009	85,116
<i>Aged Care Act 1997</i> - flexible care	470,072	493,226
<i>Aged Care (Accommodation Payment Security) Act 2006</i>	85	-
Total administered special appropriations	21,949,494	22,960,945

Table 1.1: Department of Health Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018 (continued)

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
Special Accounts ^{(e) (f)}		
Opening balance	55,499	35,095
Appropriation receipts ^(g)	7,055	7,133
Non-appropriation receipts	34,539,809	35,486,364
Total Special Accounts	34,602,363	35,528,592
Total administered resourcing	66,097,302	68,889,933
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts and/or payments to corporate entities through annual appropriations ^(h)	(572,017)	(628,501)
Total administered resourcing for Health	65,525,285	68,261,432
Total resourcing for Health	66,516,681	69,262,467
	2017-18	2018-19
Average staffing level (number)	4,346	4,358

All figures are GST exclusive.

Prepared on resourcing (i.e. appropriation available) basis.

^(a) Appropriation Bill (No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental Capital Budgets (DCB) are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19 and Appropriation Bill/Act (No. 2, 4, 6) 2017-18.

^(e) For further information on special appropriations and special accounts, please refer to *Budget Paper No. 4 - Agency Resourcing*. Refer to Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

^(f) Excludes Services for Other Entities and Trust Moneys Special Account as this account is not considered resourcing for the Department of Health.

^(g) Amounts credited to the special account(s) from Department of Health's annual and special appropriations.

^(h) Appropriation receipts from Health annual and special appropriations included above.

⁽ⁱ⁾ 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act 2013.

1.3 BUDGET MEASURES

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

Table 1.2: Department of Health 2018-19 Budget Measures

Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Outcome 1: Health System Policy, Design and Innovation					
Improving Access to Medicines - strengthening the quality use of healthcare services					
Department of Health					
Administered expenses	1.1	-	1,200	600	300
	4.3	50	1,338	(5,948)	(30,553)
Departmental expenses		-	81	-	-
Department of Veterans' Affairs					
Administered expenses		-	(12)	(106)	(215)
National Blood Authority					
Administered expenses		-	(2,222)	(5,484)	(17,340)
Administered revenue ^(a)		-	822	2,029	6,416
Total		50	1,207	(8,909)	(41,778)
Investing in Health and Medical Research - Medical Research Future Fund					
Department of Health					
Administered expenses	1.1	-	-	-	-
Total		-	-	-	-
National Health and Medical Industry Growth Plan					
Department of Health					
Administered expenses	1.1	-	7,787	5,000	5,000
Australian Institute of Health and Welfare					
Departmental expenses		-	5,426	7,826	6,310
Departmental capital		-	625	1,875	1,275
Total		-	13,838	14,701	12,585
Operational Costs for Cardiac and Breast Device Registries - extension					
Department of Health					
Administered expenses	1.1	-	2,183	-	-
Total expenses		-	2,183	-	-

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

Outcome/ Program		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Outcome 2: Health Access and Support Services						
A Stronger Rural Health Strategy						
Department of Health						
Administered expenses	2.2	-	-	-	-	-
	2.3	(15,000)	96,706	135,279	143,861	144,679
	4.1	-	(15,792)	(102,942)	(150,584)	(197,008)
Departmental expenses	2.3	55	5,058	3,440	3,165	2,547
	4.1	-	323	323	-	-
Departmental capital	2.3	-	6,502	2,800	1,916	1,139
Department of Human Services						
Departmental expenses	-	-	14,767	1,892	1,295	1,448
Departmental capital	-	-	4,037	685	-	-
Department of Veterans' Affairs						
Administered expenses	-	-	(235)	(1,964)	(2,366)	(2,693)
Total		(14,945)	111,366	39,513	(2,713)	(49,888)
Epilepsy Action Response Service						
Department of Health						
Administered expenses	2.4	-	730	313	281	-
Total expenses		-	730	313	281	-
Good Sports Program - extension						
Department of Health						
Administered expenses	2.4	-	4,950	5,000	-	-
Departmental expenses	2.4	-	4	3	-	-
Total expenses		-	4,954	5,003	-	-
Healthy Active Beginnings						
Department of Health						
Administered expenses	2.4	200	3,587	2,468	1,308	139
	4.8	-	1,134	1,416	1,676	1,936
	5.3	-	2,000	-	-	-
Departmental expenses	2.4	-	5	4	-	-
Australian Digital Health Agency						
Departmental expenses	-	-	3,700	1,300	-	-
Total expenses		200	10,426	5,188	2,984	2,075
Indigenous Health Services						
Department of Health						
Administered expenses	2.2	-	-	-	-	-
Total expenses		-	-	-	-	-

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

	Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
More Choices for a Longer Life - healthy ageing and high quality care						
Department of Health						
Administered expenses	2.1	-	8,565	17,523	35,260	40,806
	2.2	-	-	-	-	-
	2.4	-	2,432	589	734	749
	6.1	-	59,203	17,223	30	-
	6.2	-	(116,129)	(46,422)	(37,283)	(39,303)
	6.3	8,200	21,680	31,829	18,471	15,000
Administered revenue ^(a)	6.2	-	-	(1,145)	(1,291)	(1,294)
Departmental expenses	2	-	335	85	84	86
	6	-	3,928	3,124	6,003	4,531
Departmental capital	6	-	2,848	1,388	-	-
Department of the Treasury						
Administered expenses	2.4	-	-	9,929	10,450	10,987
Australian Aged Care Quality Agency						
Departmental expenses		-	641	1,881	3,553	3,476
Departmental revenue ^(a)		-	10,960	11,131	-	-
Australian Securities and Investments Commission						
Departmental expenses		-	-	-	-	-
Australian Sports Commission						
Departmental expenses		-	11,440	11,440	-	-
Department of Finance						
Administered expenses		-	100	100	-	-
Department of Human Services						
Departmental expenses		16	2,328	944	683	687
Department of Veterans' Affairs						
Administered expenses		-	(32,209)	(38,025)	(40,156)	(35,082)
Total		8,216	(23,878)	21,594	(3,462)	643
Prioritising Mental Health - aftercare following a suicide attempt						
Department of Health						
Administered expenses	2.1	-	6,477	8,492	10,594	12,057
Departmental expenses		-	8	3	3	4
Total expenses		-	6,485	8,495	10,597	12,061
Prioritising Mental Health - funding for The Junction Clubhouse						
Department of Health						
Administered expenses	2.1	-	270	270	-	-
Total expenses		-	270	270	-	-

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

	Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Prioritising Mental Health - Head to Health						
Department of Health						
Administered expenses	2.1	-	2,060	2,655	-	-
Total expenses		-	2,060	2,655	-	-
Prioritising Mental Health - Lifeline Australia - enhanced telephone crisis services						
Department of Health						
Administered expenses	2.1	-	6,100	6,100	6,100	15,500
Total expenses		-	6,100	6,100	6,100	15,500
Prioritising Mental Health - suicide prevention campaign						
Department of Health						
Administered expenses	2.1	-	1,150	-	-	-
Total expenses		-	1,150	-	-	-
Support for Alcohol and Drug Abuse Treatment						
Department of Health						
Administered expenses	2.3	-	-	-	-	-
	2.4	-	-	-	-	-
Total expenses		-	-	-	-	-
Supporting our Hospitals - National Health Agreement - public hospital funding						
Department of the Treasury						
Administered expenses	2.7	-	50,000	-	330,500	596,600
Total expenses		-	50,000	-	330,500	596,600
Outcome 3: Sport and Recreation						
FIFA 2023 Women's World Cup Bid - additional support to Football Federation Australia						
Department of Health						
Administered expenses	3.1	-	-	-	-	-
Total expenses		-	-	-	-	-

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

	Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Sport - building a more active Australia						
Department of Health						
Administered expenses	3.1	2,500	2,069	-	-	-
	6.1	(776)	-	-	-	-
	6.2	(750)	-	-	-	-
	6.3	(974)	-	-	-	-
Departmental expenses	3.1	-	922	-	-	-
Australian Sports Anti-Doping Authority						
Departmental expenses		-	3,797	-	-	-
Australian Sports Commission						
Departmental expenses		2,539	68,571	39,999	17,743	19,103
Departmental capital		-	(379)	(1,237)	(895)	(1,257)
Department of Industry and Innovation						
Departmental revenue ^(a)		-	(1,136)	-	-	-
Departmental expenses		-	3,996	-	-	-
Departmental capital		-	484	-	-	-
Total		2,539	78,324	38,762	16,848	17,846
Water and Snow Safety Program						
Department of Health						
Administered expenses	3.1	-	781	4,063	4,265	3,000
Departmental expenses		-	87	10	10	10
Total expenses		-	868	4,073	4,275	3,010
Outcome 4: Individual Health Benefits						
A Stronger Rural Health Strategy						
Department of Health						
Administered expenses	2.2	-	-	-	-	-
	2.3	(15,000)	96,706	135,279	143,861	144,679
	4.1	-	(15,792)	(102,942)	(150,584)	(197,008)
Departmental expenses	2.3	55	5,058	3,440	3,165	2,547
	4.1	-	323	323	-	-
Departmental capital	2.3	-	6,502	2,800	1,916	1,139
Department of Human Services						
Departmental expenses		-	14,767	1,892	1,295	1,448
Departmental capital		-	4,037	685	-	-
Department of Veterans' Affairs						
Administered expenses		-	(235)	(1,964)	(2,366)	(2,693)
Total		(14,945)	111,366	39,513	(2,713)	(49,888)

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

	Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Guaranteeing Medicare - improving safety and quality through stronger compliance						
Department of Health						
Administered expenses	4.1	-	-	-	-	-
	4.3	-	-	-	-	-
Administered revenue ^(a)	4.1	-	-	-	-	-
Departmental expenses	4	-	-	-	-	-
Departmental capital		-	-	-	-	-
Professional Services Review						
Departmental expenses		-	-	-	-	-
Total		-	-	-	-	-
Guaranteeing Medicare - Medicare Benefits Schedule - new and amended listings						
Department of Health						
Administered expenses	4.1	-	4,495	6,530	6,991	7,345
Department of Human Services						
Departmental expenses		-	(45)	(56)	(59)	(61)
Department of Veterans' Affairs						
Administered expenses		-	28	69	70	73
Total expenses		-	4,478	6,543	7,002	7,357
Guaranteeing Medicare - Medicare Benefits Schedule Review - response to Taskforce recommendations						
Department of Health						
Administered expenses	4.1	-	6,561	10,890	13,297	17,146
Department of Human Services						
Departmental expenses		5	1,037	121	139	160
Department of Veterans' Affairs						
Administered expenses		-	35	35	18	12
Total expenses		5	7,633	11,046	13,454	17,318
Healthy Active Beginnings						
Department of Health						
Administered expenses	2.4	200	3,587	2,468	1,308	139
	4.8	-	1,134	1,416	1,676	1,936
	5.3	-	2,000	-	-	-
Departmental expenses	2.4	-	5	4	-	-
Australian Digital Health Agency						
Departmental expenses		-	3,700	1,300	-	-
Total expenses		200	10,426	5,188	2,984	2,075

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

	Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Improving Access to Medicines - additional funding for new medicines and improved payment administration ^(b)						
Department of Health						
Administered expenses	4.3	-	(433,098)	(809,942)	(2,004,087)	(2,153,804)
Administered revenue ^(a)		-	433,098	809,942	2,004,087	2,153,804
Total		-	-	-	-	-
Improving Access to Medicines - encouraging greater use of generic and biosimilar medicines						
Department of Health						
Administered expenses	4.3	489	1,782	(45,038)	(118,064)	(163,245)
Department of Veterans' Affairs						
Administered expenses		-	-	(1,187)	(2,610)	(2,897)
Total expenses		489	1,782	(46,225)	(120,674)	(166,142)
Improving Access to Medicines - e-prescribing for safer medicines						
Department of Health						
Administered expenses	4.3	4,018	13,720	2,844	400	-
Department of Human Services						
Departmental expenses		-	1,669	2,555	591	594
Departmental capital		-	-	1,793	-	-
Total		4,018	15,389	7,192	991	594
Improving Access to Medicines - funding certainty for essential medicines for safety						
Department of Health						
Administered expenses	4.3	-	(6,500)	(9,000)	(12,250)	(12,250)
Total expenses		-	(6,500)	(9,000)	(12,250)	(12,250)
Improving Access to Medicines - strengthening the Life Saving Drugs Program						
Department of Health						
Administered expenses	4.3	nfp	nfp	nfp	nfp	nfp
Departmental expenses		-	-	-	-	-
Total		-	-	-	-	-
Improving Access to Medicines - strengthening the quality use of healthcare services						
Department of Health						
Administered expenses	1.1	-	1,200	600	300	300
	4.3	50	1,338	(5,948)	(17,322)	(30,553)
Departmental expenses		-	81	-	-	-
Department of Veterans' Affairs						
Administered expenses		-	(12)	(106)	(215)	(324)
National Blood Authority						
Administered expenses		-	(2,222)	(5,484)	(17,340)	(17,778)
Administered revenue ^(a)		-	822	2,029	6,416	6,577
Total		50	1,207	(8,909)	(28,161)	(41,778)

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

	Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Improving Access to Medicines - sustainability of the pharmacy approvals process						
Department of Health						
Administered expenses	4	-	90	-	-	-
Administered revenue ^(a)		-	-	(2,724)	(2,768)	(2,815)
Departmental expenses		-	104	593	697	701
Departmental capital		-	1,409	671	-	-
Department of Human Services						
Departmental expenses		-	186	(517)	(520)	(523)
Total		-	1,789	(1,977)	(2,591)	(2,637)
Pharmaceutical Benefits Scheme - new and amended listings						
Department of Health						
Administered expenses	4.1	(127)	743	1,124	1,446	1,752
Administered revenue ^(a)	4.3	16,741	172,777	216,996	250,452	96,740
		nfp	nfp	nfp	nfp	nfp
Department of Human Services						
Departmental expenses		138	202	155	46	(28)
Department of Veterans' Affairs						
Administered expenses		(208)	1,621	2,536	3,287	3,346
Total		16,544	175,343	220,811	255,231	101,810
Outcome 5: Regulation, Safety and Protection						
Healthy Active Beginnings						
Department of Health						
Administered expenses	2.4	200	3,587	2,468	1,308	139
	4.8	-	1,134	1,416	1,676	1,936
	5.3	-	2,000	-	-	-
Departmental expenses	2.4	-	5	4	-	-
Australian Digital Health Agency						
Departmental expenses		-	3,700	1,300	-	-
Total expenses		200	10,426	5,188	2,984	2,075
National Immunisation Program - new and amended listings						
Department of Health						
Administered expenses	5.3	4,970	9,088	8,986	9,087	9,091
Department of the Treasury						
Administered expenses		18	151	366	369	372
Total expenses		4,988	9,239	9,352	9,456	9,463

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

	Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Outcome 6: Ageing and Aged Care						
Guaranteeing Medicare - modernising the health and aged care payments systems						
Department of Health						
Administered expenses	6.1	-	4,085	4,790	-	-
Department of Finance						
Departmental expenses		-	77	-	-	-
Department of Human Services						
Departmental expenses		-	79,118	33,502	(7,574)	(7,618)
Departmental capital		-	214	214	-	-
Total		-	83,494	38,506	(7,574)	(7,618)
More Choices for a Longer Life - healthy ageing and high quality care						
Department of Health						
Administered expenses	2.1	-	8,565	17,523	35,260	40,806
	2.2	-	-	-	-	-
	2.4	-	2,432	589	734	749
	6.1	-	59,203	17,223	30	-
	6.2	-	(116,129)	(46,422)	(37,283)	(39,303)
	6.3	8,200	21,680	31,829	18,471	15,000
Administered revenue ^(a)	6.2	-	-	(1,145)	(1,291)	(1,294)
Departmental expenses	2	-	335	85	84	86
	6	-	3,928	3,124	6,003	4,531
Departmental capital	6	-	2,848	1,388	-	-
Department of the Treasury						
Administered expenses	2.4	-	-	9,929	10,450	10,987
Australian Aged Care Quality Agency						
Departmental expenses		-	641	1,881	3,553	3,476
Departmental revenue ^(a)		-	10,960	11,131	-	-
Australian Securities and Investments Commission						
Departmental expenses		-	-	-	-	-
Australian Sports Commission						
Departmental expenses		-	11,440	11,440	-	-
Department of Finance						
Administered expenses		-	100	100	-	-
Department of Human Services						
Departmental expenses		16	2,328	944	683	687
Department of Veterans' Affairs						
Administered expenses		-	(32,209)	(38,025)	(40,156)	(35,082)
Total		8,216	(23,878)	21,594	(3,462)	643

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

	Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Sport - building a more active Australia						
Department of Health						
Administered expenses	3.1	2,500	2,069	-	-	-
	6.1	(776)	-	-	-	-
	6.2	(750)	-	-	-	-
	6.3	(974)	-	-	-	-
Departmental expenses	3.1	-	922	-	-	-
Australian Sports Anti-Doping Authority						
Departmental expenses		-	3,797	-	-	-
Australian Sports Commission						
Departmental expenses		2,539	68,571	39,999	17,743	19,103
Departmental capital		-	(379)	(1,237)	(895)	(1,257)
Department of Industry and Innovation						
Departmental revenue ^(a)		-	(1,136)	-	-	-
Departmental expenses		-	3,996	-	-	-
Departmental capital		-	484	-	-	-
Total		2,539	78,324	38,762	16,848	17,846

Whole of Government Measures ^(c)**Property Services Coordinated Procurement ^(d)**

Department of Health						
Departmental expenses	all	-	-	-	-	-
Australian Aged Care Quality Agency						
Departmental expenses		-	-	-	-	-
Australian Organ and Tissue Donation and Transplant Authority						
Departmental expenses		-	-	-	-	-
National Health and Medical Research Council						
Administered expenses		-	-	-	-	-
Total expenses		-	-	-	-	-

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Other Portfolio Measures ^(c)					
Delivering Australia's Digital Future - data sharing and release arrangements					
<i>Department of Prime Minister and Cabinet</i>					
Department of Health					
Departmental expenses 1.1	-	(761)	(651)	(628)	(633)
Total expenses	-	(761)	(651)	(628)	(633)
Encouraging Self-Sufficiency for Newly Arrived Migrants - extension					
<i>Department of Social Services</i>					
Department of Health					
Administered expenses 4.1	-	103	315	536	591
Administered expenses 4.3	-	194	574	919	585
Total expenses	-	297	889	1,455	1,176
Integrated Carer Support Services					
<i>Department of Social Services</i>					
Department of Health					
Administered expenses 4.1	-	-	-	-	-
Administered expenses 4.3	-	-	-	-	-
Total expenses	-	-	-	-	-
Mental Health Treatment for Australian Defence Force Reservists with Disaster Relief and Certain Other Service					
<i>Department of Veterans' Affairs</i>					
Department of Health					
Administered expenses 4.1	-	(16)	(17)	(17)	(17)
Administered expenses 4.3	-	(4)	(7)	(6)	(6)
Total expenses	-	(20)	(24)	(23)	(23)
National Disability Insurance Scheme - continuity of support					
<i>Department of Social Services</i>					
Department of Health					
Administered expenses 2.1	-	-	29,663	30,882	30,462
Departmental expenses	-	137	181	153	153
Total expenses	-	137	29,844	31,035	30,615
National Partnership on Western Australia Hospitals Infrastructure Package					
<i>Department of Infrastructure and Regional Development</i>					
Department of Treasury					
Administered expenses 1.3	188,900	-	-	-	-
Total expenses	188,900	-	-	-	-

Table 1.2: Department of Health 2018-19 Budget Measures (continued)

	Outcome/ Program	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Visas for General Practitioners - targeting areas of doctor shortages						
<i>Department of Home Affairs</i>						
Department of Health						
Administered expenses	2.3	-	5,034	4,435	4,633	4,634
	4.1	-	(5,067)	(50,154)	(108,393)	(181,011)
	4.3	-	(1,743)	(16,683)	(36,603)	(61,504)
Departmental expenses	2.3	-	439	169	235	214
Total expenses		-	(1,337)	(62,233)	(140,128)	(237,667)

(a) Revenue is reverse fiscal and shows the net fiscal position

(b) The Government has included a provision of \$1 Billion in the forward estimates for future listings on the Pharmaceutical Benefits Scheme. This provision is not yet included in Program 4.3 Pharmaceutical Benefits and will be progressively recognised when new listings are announced.

(c) The Department of Health is not the lead entity for these measures. Only the Health Portfolio impacts are shown in this table.

(d) This measure was announced in the 2016-17 Budget.

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 that 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 Department's most recent Corporate Plan is available at:
www.health.gov.au/internet/publications/publishing.nsf/Content/corporate-plan-2017-18-toc

The Department's most recent Annual Performance Statement is available at:
www.health.gov.au/internet/main/publishing.nsf/Content/annual-report2016-17

2.1 BUDGET EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Health System Policy, Design and Innovation

Australia's health system is better equipped to meet current and future health needs by applying research, evaluation, innovation, and use of data to develop and implement integrated, evidence-based health policies, and through support for sustainable funding for health infrastructure

Programs Contributing to Outcome 1

Program 1.1:	Health Policy Research and Analysis
Program 1.2:	Health Innovation and Technology
Program 1.3:	Health Infrastructure
Program 1.4:	Health Peak and Advisory Bodies
Program 1.5:	International Policy

Linked Programs

Other Commonwealth entities that contribute to Outcome 1

Australian Commission on Safety and Quality in Health Care¹

Program 1.1: Safety and Quality in Health Care

The Australian Commission on Safety and Quality in Health Care works to strengthen safety and quality across Australia's healthcare system in order to reduce patient risks and generate efficiencies (1.1).

Australian Digital Health Agency²

Program 1.1: Digital Health

The Australian Digital Health Agency manages and governs the national digital health strategy, and the design, delivery and operations of the My Health Record system (1.2).

Australian Institute of Health and Welfare³

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

The Australian Institute of Health and Welfare provides high quality national health related data and analysis (1.1).

Department of Foreign Affairs and Trade

Program 1.4: Payments to International Organisations

The Department of Foreign Affairs and Trade works with the Department of Health in promoting regional and global strategic interests as they relate to health (1.5).

Department of Human Services

Program 1.2: Services to the Community – Health

The Department of Human Services contributes to ensuring that Australia's health system is better equipped to meet current and future health needs by administering the Australian Organ Donor Register (1.1).

¹ Refer to the Australian Commission on Safety and Quality in Health Care chapter in these Portfolio Budget Statements for further information on the work of this entity.

² Refer to the Australian Digital Health Agency chapter in these Portfolio Budget Statements for further information on the work of this entity.

³ Refer to the Australian Institute of Health and Welfare chapter in these Portfolio Budget Statements for further information on the work of this entity.

Other Commonwealth entities that contribute to Outcome 1
<p>Department of Industry, Innovation and Science</p> <p>Program 1: Supporting Science and Commercialisation</p> <p>Program 2: Growing Business Investment and Improving Business Capability</p> <p>The Department of Industry, Innovation and Science works with the Department of Health to implement the Biomedical Translation Fund, the Medical Research Future Fund and strategies to make Australia a preferred destination for clinical trials (1.1).</p>
<p>National Blood Authority⁴</p> <p>Program 1.1: National Blood Agreement Management</p> <p>The National Blood Authority works to save and improve Australian lives through a world-class blood supply that is safe, secure, affordable and well-managed (1.1).</p>
<p>National Health and Medical Research Council⁵</p> <p>Program 1.1: Health and Medical Research</p> <p>The National Health and Medical Research Council develops evidence-based health advice for the Australian community, health professionals and Governments, and provides advice on ethical practice in health care and in the conduct of health and medical research (including clinical trials), and administers research grant programs on behalf of the Department of Health (1.1).</p>
<p>Organ and Tissue Authority⁶</p> <p>Program 1.1: A Nationally Coordinated System for Organ and Tissue Donation for Transplantation</p> <p>The Organ and Tissue Authority works to maximise organ and tissue donation for transplantation by increasing the capacity within the health system, and raising community awareness and stakeholder engagement in support of donation (1.1).</p>
<p>The Treasury</p> <p>Program 1.9: National Partnership Payments to the States</p> <p>The Treasury makes National Partnership Payments to the State and Territory Governments as part of the Federal Financial Relations Framework.⁷ Activities funded through the following National Partnership Agreements contribute to the Government's objectives within this Outcome:</p> <ul style="list-style-type: none"> - Hepatitis C settlement fund (1.1) - Encouraging more clinical trials in Australia (1.1) - Improving Local Access to health care on Phillip Island (1.3) - Hospital Infrastructure – National cancer system (1.3) - Hospital Infrastructure – Regional priority round (1.3) - Proton Beam Therapy Facility (1.3) - Albury-Wodonga Cardiac Catheterisation Laboratory (1.3) - Western Australia Hospitals Infrastructure package (1.3).

⁴ Refer to the National Blood Authority chapter in these Portfolio Budget Statements for further information on the work of this entity.

⁵ Refer to the National Health and Medical Research Council chapter in these Portfolio Budget Statements for further information on the work of this entity.

⁶ Refer to the Organ and Tissue Authority chapter in these Portfolio Budget Statements for further information on the work of this entity.

⁷ For Budget estimates relating to the National Partnership component of the program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

Table 2.1.1: Budgeted Expenses for Outcome 1

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.

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Health Policy Research and Analysis ^(a)					
Administered expenses					
Ordinary annual services ^(b)	44,941	54,817	49,571	50,893	53,429
Special Accounts					
Medical Research Future Fund	143,315	222,383	392,703	650,236	645,951
Special appropriations					
<i>National Health Act 1953 - blood fractionation, products and blood related products to National Blood Authority</i>	718,621	782,766	834,415	904,945	988,577
<i>Public Governance, Performance and Accountability Act 2013 s77 - repayments</i>	2,000	2,000	2,000	2,000	2,000
Departmental expenses					
Departmental appropriation ^(c)	53,975	55,995	53,811	53,676	53,690
Expenses not requiring appropriation in the budget year ^(d)	2,756	2,856	2,685	2,756	2,814
Total for Program 1.1	965,608	1,120,817	1,335,185	1,664,506	1,746,461
Program 1.2: Health Innovation and Technology					
Administered expenses					
Ordinary annual services ^(b)	50,396	3,107	370	442	449
Departmental expenses					
Departmental appropriation ^(c)	6,498	2,652	2,583	2,563	2,664
Expenses not requiring appropriation in the budget year ^(d)	164	175	164	168	172
Total for Program 1.2	57,058	5,934	3,117	3,173	3,285

Table 2.1.1: Budgeted Expenses for Outcome 1 (continued)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.3: Health Infrastructure ^(a)					
Administered expenses					
Ordinary annual services ^(b)	8,712	6,871	8,535	9,094	5,961
Special appropriations					
<i>Health Insurance Act 1973</i> – payments relating to the former Health and Hospitals Fund	26,039	11,844	8,358	10	-
Departmental expenses					
Departmental appropriation ^(c)	3,909	3,916	3,874	3,862	3,923
Expenses not requiring appropriation in the budget year ^(d)	98	105	99	102	104
Total for Program 1.3	38,758	22,736	20,866	13,068	9,988
Program 1.4: Health Peak and Advisory Bodies					
Administered expenses					
Ordinary annual services ^(b)	7,696	7,458	7,312	7,657	7,772
Departmental expenses					
Departmental appropriation ^(c)	3,510	3,513	3,475	3,465	3,519
Expenses not requiring appropriation in the budget year ^(d)	88	94	88	90	92
Total for Program 1.4	11,294	11,065	10,875	11,212	11,383
Program 1.5: International Policy					
Administered expenses					
Ordinary annual services ^(b)	15,874	15,748	15,748	16,175	16,615
Departmental expenses					
Departmental appropriation ^(c)	9,298	9,319	9,219	9,190	9,334
Expenses not requiring appropriation in the budget year ^(d)	234	250	235	241	246
Total for Program 1.5	25,406	25,317	25,202	25,606	26,195

Table 2.1.1: Budgeted Expenses for Outcome 1 (continued)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Outcome 1 totals by appropriation type					
Administered expenses					
Ordinary annual services ^(b)	127,619	88,001	81,536	84,261	84,226
Special appropriations	746,660	796,610	844,773	906,955	990,577
Special Account	143,315	222,383	392,703	650,236	645,951
Departmental expenses					
Departmental appropriation ^(c) to Special Accounts	77,190	75,395	72,962	72,756	73,130
Expenses not requiring appropriation in the budget year ^(d)	3,340	3,480	3,271	3,357	3,428
Total expenses for Outcome 1	1,098,124	1,185,869	1,395,245	1,717,565	1,797,312
	2017-18	2018-19			
Average staffing level (number)	427	396			

- ^(a) Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. National Partnerships are listed in this chapter under each program. For Budget estimates relating to the National Partnership component of this program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.
- ^(b) Appropriation (Bill No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.
- ^(c) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.
- ^(d) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Movement of Funds

There were no movements of Administered funds between years for Outcome 1.

Planned Performance for Outcome 1

Tables 2.1.2 – 2.1.6 below detail the performance criteria for each program associated with Outcome 1. These tables also summarise how each program is delivered and where 2018-19 Budget measures have materially changed existing programs.

Table 2.1.2: Performance Criteria for Program 1.1

Purpose
Lead and shape Australia's health and aged care system and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
Outcome 1: Health System Policy, Design and Innovation
Australia's health system is better equipped to meet current and future health needs by applying research, evaluation, innovation, and use of data to develop and implement integrated, evidence-based health policies, and through support for sustainable funding for health infrastructure.
Program 1.1: Health Policy Research and Analysis
<p>The Australian Government will increase investment in health and medical research, and work to strengthen safety and quality across the health system to reduce patient risks and generate efficiencies. This includes working with States and Territories to ensure a nationally consistent approach to achieving better health outcomes for all Australians. The Government aims to provide Australians with access to an adequate, safe, secure, and affordable blood supply and access to organ, tissue and Haemopoietic Progenitor Cell⁸ transplants.</p> <p>The Government will invest over \$2 billion in disbursements from the Medical Research Future Fund (MRFF) and continue to invest the \$500 million combined Government and private sector Biomedical Translation Fund. Included in the MRFF investment is a \$1.3 billion National Health and Medical Research Industry Growth Plan that will deliver better health care as well as new jobs and industries, and include a \$500.0 million Genomics Health Futures Mission. The Genomics Health Futures Mission will begin a new era of precision medicine with individually tailored diagnostics and treatment capable of curing rare and complex conditions.</p>

⁸ Haemopoietic Progenitor Cells are blood stem cells capable of self-renewal as well as differentiation and maturation into all blood cell types. They can be found in bone marrow, mobilised peripheral blood and umbilical cord blood. Further information, including information about the agreed therapeutic purposes, is available at: www.health.gov.au/internet/main/publishing.nsf/Content/health-organ-bmtransplant.htm

Delivery
<p>A. Collaborating with States and Territories to facilitate a nationally consistent focus on achieving better health outcomes for all Australians</p> <ul style="list-style-type: none"> • Support Australian Government Ministers and officials on the Council of Australian Governments' Health Council and the Australian Health Ministers' Advisory Council to progress health issues with States and Territories. <p>B. Improving health policy research and data capacity</p> <ul style="list-style-type: none"> • Support health and medical research and innovation through the Medical Research Future Fund and the Biomedical Translation Fund with the objective of improving the health and wellbeing of Australians. • Work with States and Territories to redesign clinical trial operating systems to make it easier to conduct and participate in safe, high quality clinical trials, in accordance with the Government's <i>More Clinical Trials in Australia</i> measure. <p>C. Improving access to organ, tissue and Haemopoietic Progenitor Cell transplants and blood and blood products for life saving treatments</p> <ul style="list-style-type: none"> • Fund and administer the Haemopoietic Progenitor Cell program, providing financial assistance and affordable access for patients requiring life saving Haemopoietic Progenitor Cell transplants. • Ensure sufficient, evidence-based access to blood and blood products for all Australians through the National Supply Plan and Budget. • Work with the National Blood Authority and States and Territories to progress key policy priority areas under the <i>2016–18 Jurisdictional Blood Committee Strategic Plan</i>. • Continue to provide policy advice to support the National Blood Authority in managing and maintaining the blood sector systems to ensure clinical effectiveness, improved data, accountability and supply chain resilience.

Performance criteria		
A. Collaborating with States and Territories to facilitate a nationally consistent focus on achieving better health outcomes for all Australians		
Australian Government Ministers and officials are effectively supported to collaborate with States and Territories on health issues.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Progress has been made through the Council of Australian Governments' Health Council and the Australian Health Ministers' Advisory Council in a number of areas, including:⁹</p> <ul style="list-style-type: none"> – endorsement of the <i>Fifth National Mental Health and Suicide Prevention Plan 2017–2022</i> and its Implementation Plan; – approval of the <i>National Digital Health Strategy</i>; and – approval of the <i>National Health Genomics Policy Framework 2018–2021</i>. 	<p>Health reform priorities and health initiatives requiring a Commonwealth/State interface will be progressed through the Council of Australian Governments' Health Council and the Australian Health Ministers' Advisory Council.</p> <p>In 2018-19, Council of Australian Governments priorities include improving efficiency and ensuring financial sustainability; delivering safe, high quality care in the right place at the right time; prioritising prevention and helping people manage their health across their lifetime; and driving best practice and performance using data and research.</p>	As per 2018-19.

⁹ Council of Australian Governments' Health Council meeting communiques are available at: www.coaghealthcouncil.gov.au/Announcements/Meeting-Communiques1

B. Improving health policy research and data capacity		
A sustainable source of funding is provided for transformative health and medical research that improves lives, contributes to health system sustainability and drives innovation.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Further Medical Research Future Fund disbursements have been announced consistent with the Australian Medical Research Advisory Board's Strategy and Priorities, with an increased focus on long-term transformative research and systemic sector improvements. This included a \$100 million fund for an Australian Brain Cancer Mission over the next 10 years.	The second set of Medical Research Future Fund Priorities to be released by end 2018 following public consultation. Further disbursements to be made consistent with the <i>Medical Research Future Fund Act 2015</i> .	Further disbursements to be made consistent with the <i>Medical Research Future Fund Act 2015</i> .
C. Improving access to organ, tissue and Haemopoietic Progenitor Cell transplants and blood and blood products for life saving treatments		
Access to Haemopoietic Progenitor Cells for Australian patients requiring a Haemopoietic Progenitor Cell transplant for agreed therapeutic purposes is improved.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Commenced the development of a strategic framework for the Haemopoietic Progenitor Cell sector, in consultation with States and Territories, taking into account the findings of the 2016-17 independent review of the Haemopoietic Progenitor Cell sector. The strategic framework will guide future policy decisions for improvements in the Haemopoietic Progenitor Cell sector in Australia.	Work with States and Territories to develop action plans to implement agreed strategic directions in the Haemopoietic Progenitor Cell sector, including funding arrangements and governance structures.	As per 2018-19.

Access to a safe and secure supply of essential blood and blood products is ensured to meet Australia's clinical need through strategic policy and funding contributions.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>The annual blood supply was effectively planned and managed through supporting the implementation, development and approval of the annual National Supply Plan and Budget, including management of the Commonwealth's funding contribution under the National Blood Agreement.</p> <p>Worked with States and Territories and the National Blood Authority to meet the objectives of the National Blood Agreement through ongoing involvement and contribution to strategic policy development and advice to the Council of Australian Governments' Health Council.</p>	<p>Continue working with States and Territories and the National Blood Authority to meet the objectives of the National Blood Agreement¹⁰ through ongoing involvement and contribution to strategic policy development; contribution to and supporting the approval of the National Supply Plan and Budget; and advice to the Council of Australian Governments' Health Council.</p>	<p>As per 2018-19.</p>
<p>Material changes to Program 1.1 resulting from the following measures:</p> <p>There are no material changes to Program 1.1 resulting from measures.</p>		

¹⁰ Further information available at: www.blood.gov.au/national-blood-agreement

Table 2.1.3: Performance Criteria for Program 1.2

Program 1.2: Health Innovation and Technology		
<p>The Australian Government is implementing a digital health system that facilitates accurate, safe and secure information sharing between healthcare providers. The system, which includes My Health Record, is designed to meet Australia's current and future needs by providing efficiencies to the healthcare system and the delivery of safer better quality health care.</p> <p>In 2018-19, the Government will implement national opt-out arrangements to provide every Australian with a My Health Record, unless they choose not to have one.</p>		
Delivery		
<p>A. Supporting the Government's Digital Health agenda</p> <ul style="list-style-type: none"> • Provide timely and well-informed policy advice to the Australian Government. • Work with and support the Australian Digital Health Agency to realise the benefits of My Health Record by providing policy and legislative advice. 		
Performance criteria		
<p>A. Supporting the Government's Digital Health agenda</p>		
<p>The Minister and the Australian Digital Health Agency are supported to improve health outcomes for Australians through digital health systems.</p>		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The Department provided policy advice and support for legislative change to transition the My Health Record system to national opt-out arrangements.	Provide high quality, relevant and well-informed research, policy and legal advice to support the delivery of the My Health Record national opt-out arrangements.	Provide high quality, relevant and well-informed research, policy and legal advice to support digital health systems, including the My Health Record system.
<p>Material changes to Program 1.2 resulting from the following measures:</p> <p>There are no material changes to Program 1.2 resulting from measures.</p>		

Table 2.1.4: Performance Criteria for Program 1.3

Program 1.3: Health Infrastructure		
The Australian Government supports improvements to the health system through strategic investments in health infrastructure. This enables health facilities to deliver increased health services and increased opportunities to provide further teaching and training for health practitioners.		
Delivery		
A. Improving and investing in health infrastructure <ul style="list-style-type: none"> • Work in partnership with general practices to improve and update health infrastructure in rural and regional Australia. • Provide improved health facilities in a number of regional and remote communities. 		
Performance criteria		
A. Improving and investing in health infrastructure		
Investment in health infrastructure supports improved health services.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
66 Rural General Practice Grants Program grants have assisted to deliver 66 infrastructure projects to improve health services across rural Australia. Organisations are on track to meet the performance conditions and milestones in grant agreements.	Monitor infrastructure projects for compliance to demonstrate effective delivery of infrastructure projects that support local services.	As per 2018-19.
Material changes to Program 1.3 resulting from the following measures: There are no material changes to Program 1.3 resulting from measures.		

Table 2.1.5: Performance Criteria for Program 1.4

Program 1.4: Health Peak and Advisory Bodies		
The Australian Government will enable national health peak and advisory bodies to contribute to the national health agenda by supporting consultation activities and the provision of expert, evidence-based advice to inform the development of health policies and programs.		
Delivery		
A. Engaging the health sector to communicate and facilitate the development of informed health policy <ul style="list-style-type: none"> Support national peak organisations through grant programs to share information and consult with their members, the wider health sector and the community on health policy and program matters. Support national peak organisations through grant programs to develop expert, evidence-based and impartial policy advice. 		
Performance criteria		
A. Engaging the health sector to communicate and facilitate the development of informed health policy		
Successfully harness the health sector to share information relating to the Australian Government's health agenda.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The Department, through grant programs, maintained agreements with health-related national peak and advisory bodies to deliver program objectives. Organisations are on track to meet the performance conditions and milestones in grant agreements.	Maintain agreements with health-related national peak and advisory bodies in order to harness input into the Australian Government's health agenda, through information sharing and relevant, well-informed advice. Organisations meet the performance conditions and milestones in grant agreements.	As per 2018-19.
Material changes to Program 1.4 resulting from the following measures: There are no material changes to Program 1.4 resulting from measures.		

Table 2.1.6: Performance Criteria for Program 1.5

Program 1.5: International Policy		
The Australian Government will pursue Australia's health interests to achieve better health outcomes by relationship-building and negotiation through multilateral engagements and country-to-country partnerships; technical cooperation; and analysis and sharing of international best practice and innovation. Through these engagements, the Australian Government will promote evidence-based international norms and standards; and contribute to Australia's foreign development, trade and economic policy goals.		
Delivery		
A. Engaging internationally on health issues <ul style="list-style-type: none"> • Capitalise on Australia's membership in multilateral institutions and in regional collaborative settings to advance Australia's international health priorities. • Seek out opportunities, through international engagement, to lead and shape Australia's health and aged care systems and sporting outcomes. • Develop and forge new bilateral relationships with target countries. • Actively participate in World Health Organization (WHO) governance fora as a member of the WHO Executive Board for a three-year period, commencing in May 2018. • Support Australia's membership of the United Nations (UN) Human Rights Council. • Contribute to the monitoring and implementation of health-related targets of the UN Sustainable Development Goals through the Voluntary National Review. 		
Performance criteria		
A. Engaging internationally on health issues		
Australia's active engagement in international fora and relationships with key countries enables Australia's health system to integrate evidence-based international standards and remain at the forefront of international best practice.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The Department engaged in several international fora, including the: <ul style="list-style-type: none"> – 68th session of the World Health Organization Regional Committee for the Western Pacific; – 70th World Health Assembly; – Organisation for Economic Co-operation and Development Health Committee; and – Asia-Pacific Economic Cooperation Senior Officials Meetings. The Department shared Australian best practice at these international engagement activities.	Australia will engage at the World Health Organization; the Organisation for Economic Co-operation and Development Health Committee; the G20 Health Working Group meetings; and the Asia-Pacific Economic Cooperation Health Working Group; and contribute to the development and adoption of international best practice and improved governance, and focus on identifying and responding to global health security threats.	As per 2018-19.
Material changes to Program 1.5 resulting from the following measures: There are no material changes to Program 1.5 resulting from measures.		

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 2

Outcome 2: Health Access and Support Services

Support for sustainable funding for public hospital services and improved access to high quality, comprehensive and coordinated preventive, primary and mental health care for all Australians, with a focus on those with complex health care needs and those living in regional, rural and remote areas, including through access to a skilled health workforce

Outcome 2

Programs Contributing to Outcome 2

- Program 2.1: Mental Health**
- Program 2.2: Aboriginal and Torres Strait Islander Health**
- Program 2.3: Health Workforce**
- Program 2.4: Preventive Health and Chronic Disease Support**
- Program 2.5: Primary Health Care Quality and Coordination**
- Program 2.6: Primary Care Practice Incentives**
- Program 2.7: Hospital Services**

Linked Programs

Other Commonwealth entities that contribute to Outcome 2

Cancer Australia¹

Program 1.1: Improved Cancer Control

Cancer Australia provides national leadership in cancer control and works with the Department of Health to improve the detection, treatment and survival outcomes for people with cancer (2.4).

Department of Home Affairs

Program 2.4: Refugee and Humanitarian Assistance

The Department of Home Affairs facilitates access to health and support services by determining annual client numbers for the Program of Assistance for Survivors of Torture and Trauma (2.1).

¹ Refer to the Cancer Australia chapter in these Portfolio Budget Statements for further information on the work of this entity.

Other Commonwealth entities that contribute to Outcome 2
<p>Department of Human Services</p> <p>Program 1.2: Services to the Community – Health</p> <p>The Department of Human Services administers payments and services to eligible recipients under the following programs/initiatives administered by the Department of Health, to contribute to the Government's objectives within this Outcome:</p> <ul style="list-style-type: none"> - Indigenous access to the Pharmaceutical Benefits Scheme (2.2) - General Practice Rural Incentives Program (2.3) - Practice Nurse Incentive Program (2.3) - Rural Procedural Grants Program (2.3) - Scaling of Rural Workforce Program (2.3) - Support cervical cancer screening (2.4) - Health Care Homes Program (2.5 and 2.6) - Incentive payments to general practices, GPs and Indigenous health services (2.6) <p>In addition, the Department of Human Services administers the National Bowel Cancer Screening Register (2.4).</p>
<p>Department of Industry, Innovation and Science</p> <p>Program 3: Program Support</p> <p>Through the National Measurement Institute, the Department of Industry, Innovation and Science contributes to reducing smoking prevalence in Australia by conducting tobacco plain packaging compliance and enforcement activities (2.4).</p>
<p>Department of the Prime Minister and Cabinet</p> <p>Program 2.3: Safety and Wellbeing</p> <p>The Department of the Prime Minister and Cabinet works closely with the Department of Health to ensure the effectiveness of Indigenous health funding, and that mainstream policy, programs and services deliver benefits to Indigenous Australians (2.2).</p>
<p>Department of Social Services</p> <p>Program 3.1: Disability, Mental Health and Carers</p> <p>Program 3.2: National Disability Insurance Scheme</p> <p>The Department of Social Services contributes to improving access to services and supports for people with psychosocial disability through implementation of the National Disability Insurance Scheme and the provision of mental health services (2.1).</p>

Other Commonwealth entities that contribute to Outcome 2
<p>Department of Veterans' Affairs</p> <p>Program 2.1: General Medical Consultations and Services</p> <p>The Department of Veterans' Affairs (DVA) contributes to the Government's objectives for the Practice Nurse Incentive Program. Practices eligible for this program that provide GP services to the DVA gold card holders are eligible for an annual payment for each veteran. These practices are identified by Department of Human Services (2.3).</p>
<p>Food Standards Australia New Zealand²</p> <p>Program 1.1: Food regulatory activity and services to the Minister and Parliament</p> <p>Food Standards Australia New Zealand (FSANZ) contributes to the protection of public health and safety by developing food standards for implementation by the States and Territories. FSANZ also coordinates national food surveillance and recall activities to minimise the risk of adverse health events from food (2.4).</p>
<p>Independent Hospital Pricing Authority³</p> <p>Program 1.1: Public hospital price determinations</p> <p>The Independent Hospital Pricing Authority determines the National Efficient Price for public hospital services, as the basis for Activity Based Funding and the National Efficient Cost for those public hospital services under block funding arrangements (2.7).</p>
<p>National Health Funding Body⁴</p> <p>Program 1.1: National Health Funding Pool Administration</p> <p>The National Health Funding Body is responsible for the transparent and efficient administration of Commonwealth, State and Territory funding of public hospital services. This includes the administration of payments to and from the National Health Funding Pool to Local Hospital Networks and other parties in accordance with the National Health Reform Agreement. Commonwealth funding is provided by the Treasury (2.7).</p>
<p>National Mental Health Commission⁵</p> <p>Program 1.1: National Mental Health Commission</p> <p>The National Mental Health Commission provides insight, advice and evidence on ways to improve Australia's mental health and suicide prevention systems (2.1).</p>

² Refer to the Food Standards Australia New Zealand chapter in these Portfolio Budget Statements for further information on the work of this entity.

³ Refer to the Independent Hospital Pricing Authority chapter in these Portfolio Budget Statements for further information on the work of this entity.

⁴ Refer to the National Health Funding Body chapter in these Portfolio Budget Statements for further information on the work of this entity.

⁵ Refer to the National Mental Health Commission chapter in these Portfolio Budget Statements for further information on the work of this entity.

Other Commonwealth entities that contribute to Outcome 2

The Treasury

Program 1.9: National Partnership Payments to the States

The Treasury makes National Partnership Payments to the State and Territory Governments as part of the Federal Financial Relations Framework.⁶ Activities funded through the following National Partnership Agreements contribute to the Government's objectives within this Outcome:

- Suicide prevention (2.1)
- Improving trachoma control services for Indigenous Australians (2.2)
- Rheumatic fever strategy (2.2)
- Northern Territory remote Aboriginal investment – Health component (2.2)
- Expansion of the BreastScreen Australia Program (2.4)
- National Bowel Cancer Screening Program – participant follow-up function (2.4)
- Victorian cytology service (2.4)
- Hummingbird House (2.4)
- National Coronial Information System (2.4)
- Comprehensive palliative care across the life course (2.4)
- Additional assistance for public hospitals (2.7)
- Improving Health Services in Tasmania – Reducing Elective Surgery Waiting Lists in Tasmania (2.7)
- Improving Health Services in Tasmania – Improving patient pathways through clinical and system redesign (2.7)
- Improving Health Services in Tasmania – Subacute and acute projects (2.7)
- National innovation (2.7)

⁶ For Budget estimates relating to the National Partnership component of the program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

Table 2.2.1: Budgeted Expenses for Outcome 2

Table 2.2.1 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.

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 2.1: Mental Health ^(a)					
Administered expenses					
Ordinary annual services ^(b)	778,042	856,413	654,311	666,068	691,289
Departmental expenses					
Departmental appropriation ^(c)	20,701	20,336	20,163	20,067	20,401
Expenses not requiring appropriation in the budget year ^(d)	537	574	539	553	565
Total for Program 2.1	799,280	877,323	675,013	686,688	712,255
Program 2.2: Aboriginal and Torres Strait Islander Health ^(a)					
Administered expenses					
Ordinary annual services ^(b)	865,806	898,519	936,038	976,060	1,016,169
Departmental expenses					
Departmental appropriation ^(c)	35,229	35,409	35,018	34,903	35,469
Expenses not requiring appropriation in the budget year ^(d)	918	982	923	947	967
Total for Program 2.2	901,953	934,910	971,979	1,011,910	1,052,605
Program 2.3: Health Workforce					
Administered expenses					
Ordinary annual services ^(b)	1,287,695	1,381,500	1,405,925	1,466,291	1,481,434
Departmental expenses					
Departmental appropriation ^(c)	34,181	39,780	37,527	35,920	35,826
Expenses not requiring appropriation in the budget year ^(d)	884	945	888	911	930
Total for Program 2.3	1,322,760	1,422,225	1,444,340	1,503,122	1,518,190
Program 2.4: Preventative Health and Chronic Disease ^(a)					
Administered expenses					
Ordinary annual services ^(b)	442,472	399,893	394,021	392,087	383,076
Departmental expenses					
Departmental appropriation ^(c)	43,934	44,314	43,567	43,420	44,111
Expenses not requiring appropriation in the budget year ^(d)	1,121	1,200	1,128	1,157	1,182
Total for Program 2.4	487,527	445,407	438,716	436,664	428,369

Table 2.2.1: Budgeted Expenses for Outcome 2 (continued)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 2.5: Primary Health Care Quality and Coordination					
Administered expenses					
Ordinary annual services ^(b)	404,896	435,378	331,972	309,495	314,135
Departmental expenses					
Departmental appropriation ^(c)	27,282	27,366	26,945	26,858	27,291
Expenses not requiring appropriation in the budget year ^(d)	703	752	707	725	741
Total for Program 2.5	432,881	463,496	359,624	337,078	342,167
Program 2.6: Primary Care Practice Incentives					
Administered expenses					
Ordinary annual services ^(b)	352,063	365,670	365,736	371,953	377,904
Departmental expenses					
Departmental appropriation ^(c)	2,216	2,223	2,199	2,191	2,226
Expenses not requiring appropriation in the budget year ^(d)	57	61	57	58	59
Total for Program 2.6	354,336	367,954	367,992	374,202	380,189
Program 2.7: Hospital Services ^(a)					
Administered expenses					
Ordinary annual services ^(b)	14,474	14,832	14,954	16,057	16,298
Departmental expenses					
Departmental appropriation ^(c)	25,821	24,704	22,608	22,606	22,617
Expenses not requiring appropriation in the budget year ^(d)	3,739	3,740	3,515	3,607	3,684
Total for Program 2.7	44,034	43,276	41,077	42,270	42,599

Table 2.2.1: Budgeted Expenses for Outcome 2 (continued)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Outcome 2 totals by appropriation type					
Administered expenses					
Ordinary annual services ^(b)	4,145,448	4,352,205	4,102,957	4,198,011	4,280,305
Departmental expenses					
Departmental appropriation ^(c)	189,364	194,132	188,027	185,965	187,941
Expenses not requiring appropriation in the budget year ^(d)	7,959	8,254	7,757	7,958	8,128
Total expenses for Outcome 2	4,342,771	4,554,591	4,298,741	4,391,934	4,476,374

	2017-18	2018-19
Average staffing level (number)	997	995

^(a) Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. National Partnerships are listed in this chapter under each program. For Budget estimates relating to the National Partnership component of this program, refer to Budget Paper No.3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

^(b) Appropriation (Bill No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.

^(c) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(d) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Movement of Funds

There were no movements of Administered funds between years for Outcome 2.

Planned Performance for Outcome 2

Tables 2.2.2 – 2.2.8 below detail the performance criteria for each program associated with Outcome 2. These tables also summarise how each program is delivered and where 2018-19 Budget measures have materially changed existing programs.

Table 2.2.2: Performance Criteria for Program 2.1

Purpose
Lead and shape Australia's health and aged care system and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
Outcome 2: Health Access and Support Services
Support for sustainable funding for public hospital services and improved access to high quality, comprehensive and coordinated preventive, primary and mental health care for all Australians, with a focus on those with complex health care needs and those living in regional, rural and remote areas, including through access to a skilled health workforce.
Program 2.1: Mental Health
<p>The Australian Government continues its commitment to support Australians with, or at risk of, mental illness by improving service integration for a more effective and efficient mental health system. During 2018-19, the Government will continue to progress key initiatives underway, including mental health workforce capacity building, digital mental health initiatives, child and youth mental health initiatives, suicide prevention and national leadership.</p> <p>Through the 2018-19 Budget, the Government will:</p> <ul style="list-style-type: none"> • Provide \$37.6 million to the <i>beyondblue</i> Way Back Support Service across Australia. This service provides outreach, follow-up care and practical support to people discharged from hospital after a suicide attempt. <i>beyondblue</i> will contribute \$5 million; plus contributions from State and Territory Governments. • Provide additional resourcing of \$12.4 million to strengthen the National Mental Health Commission, support its expanded role in monitoring and reporting on the performance of the mental health system in Australia and the implementation of the <i>Fifth National Mental Health and Suicide Prevention Plan</i>, and to ensure a cross sectoral perspective is taken to mental health policy development and reform. • Invest \$82.5 million to provide mental health services for residents of aged care facilities with a diagnosed mental disorder who are currently ineligible to receive some funded physiological services. • Provide \$20.0 million to improve social connectedness of Australians aged over 75 years, commencing with a pilot service for people assessed as having, or at high risk of, mental health and health conditions associated with social isolation and/or loneliness. The Australian College of Mental Health Nurses will be funded to co-design and implement a pilot in three regions to be selected on the basis of available workforce and that represent a cross-section of the population with various geographic and demographic profiles. • Provide \$4.7 million of essential funding for 'Head to Health',⁷ Australia's digital mental health gateway, to ensure its continued operation. Funding will also be provided to the 'Head to Health' Telephone Support Service in 2019-20. • Provide \$33.8 million of additional funding to support Lifeline Australia in delivering a modernised, higher quality, and more responsive telephone crisis service. <p>In addition, the Government will provide \$125.0 million from the Medical Research Future Fund (MRFF) for a Million Minds Mental Health Mission.⁸</p>

⁷ Available at: www.headtohealth.gov.au

Delivery

A. Supporting people with mental illness through more and better coordinated services

- Provide frontline mental health services to meet the needs of consumers, including access to clinical mental health services for people with severe mental illness, through a stepped care model, delivered by Primary Health Networks.
- Provide easy access through multiple channels to high quality mental health information and advice, and free or low cost digital mental health services to Australians when and where they need them through 'Head to Health'.
- Work with State and Territory Governments to ensure effective transition of eligible clients to the National Disability Insurance Scheme for people with severe and complex mental illness until the Scheme is fully implemented.
- Work with State and Territory Governments to implement the provision of community mental health services to assist people with severe mental illness resulting in psychosocial disability who are not eligible for assistance through the National Disability Insurance Scheme.
- Finalise agreements with State and Territory Governments and support the national rollout of suicide prevention hotspot infrastructure.

Outcome 2

⁸ Refer Program 1.1: Health Policy Research and Analysis for further information on the MRFF.

Performance criteria		
A. Supporting people with mental illness through more and better coordinated services		
Mental health services are more coordinated and supported through the implementation of the <i>Strengthening mental health care in Australia</i> measure.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Supported Primary Health Networks, service providers, and mental health stakeholders to deliver on mental health reforms by:</p> <ul style="list-style-type: none"> – developing Stage 1 of the digital gateway 'Head to Health'; – delivery of the Fifth Mental Health Plan (endorsed by the Council of Australian Governments on 4 August 2017); – creation of Primary Health Network regional mental health and suicide prevention plans (completed 31 March 2018); and – strengthening the National Mental Health Commission. 	<p>Support Primary Health Networks, service providers, and mental health stakeholders to continue to deliver on mental health reforms through:</p> <ul style="list-style-type: none"> – monitoring progress of Primary Health Network commissioning and delivery of mental health services, for example the Way Back Support Service; – delivery of enhancements to 'Head to Health', including ensuring greater usability by health professionals; – transition of Partners in Recovery and Day to Day Living Programs into the National Disability Insurance Scheme; – supporting development of regional mental health and suicide prevention plans by Primary Health Networks and Local Hospital Networks, under the auspices of the <i>Fifth National Mental Health and Suicide Prevention Plan</i>; – continued establishment of new headspace services in rural and regional areas; and – commencement of Mental Health in Education initiative in schools and early learning services. 	<p>Support Primary Health Networks, service providers, and mental health stakeholders to continue to deliver on mental health reforms through:</p> <ul style="list-style-type: none"> – ongoing monitoring of progress of Primary Health Network commissioning and delivery of mental health services.
<p>Material changes to Program 2.1 resulting from the following measures:</p> <p>There are no material changes to Program 2.1 resulting from measures.</p>		

Table 2.2.3: Performance Criteria for Program 2.2

Program 2.2: Aboriginal and Torres Strait Islander Health
<p>The Australian Government will continue delivery of high quality essential health services to Aboriginal and Torres Strait Islander peoples. The Australian Government is targeting specific health conditions that disproportionately impact Aboriginal and Torres Strait Islander peoples, such as vision impairment, hearing loss (particularly in children) and crusted scabies in remote communities. In 2018-19, the Government will continue to focus on activities that support the <i>National Aboriginal and Torres Strait Islander Health Plan 2013–2023</i>, including developing actions to address the Social Determinants and Cultural Determinants of Indigenous Health. This will form part of the revised Implementation Plan for the <i>National Aboriginal and Torres Strait Islander Health Plan 2018–2023</i> due to be released in 2019.</p> <p>In response to new and emerging health needs the Government is supporting an extension of the National Aboriginal and Torres Strait Islander Flexible Aged Care Program (NATSIFAC).</p> <p>Through the 2018-19 Budget, the Government will boost funding for Aboriginal and Torres Strait Islander Health Professional Organisations, with funding of \$33.4 million over four years to enable further increases to the Aboriginal and Torres Strait Islander health workforce under the NATSIFAC. The Government will also expand the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) program to improve access to culturally safe aged care services in remote Indigenous communities. From 2018-19 to 2021-22, the Government will provide \$105.7 million to better support older Aboriginal and Torres Strait Islander people. This will assist with meeting increased demand for services and support broader health systems to develop cultural understanding and capability.</p>
Delivery
<p>A. Supporting access to high quality essential health services for Aboriginal and Torres Strait Islander peoples</p> <ul style="list-style-type: none"> • Implement an Indigenous Australians' Health Programme funding model for Indigenous primary health care that will improve transparency, identify areas of need and achieve stronger health outcomes. • Prioritise investment in child and family health through innovative and multidisciplinary models of care. • Work across portfolios to improve integration of services across child and family health and early childhood services to support wellbeing and development from birth to school. • Maintain investment in activities that tackle Indigenous smoking rates and embed gains made to date. • Develop innovative and culturally appropriate approaches to prevent cancer and to improve obesity-related health behaviours among Indigenous Australians. • Work with the Aboriginal Community Controlled Health Sector, leadership bodies and other Aboriginal and Torres Strait Islander stakeholders to access community voices and expertise in policy and program design and evaluation. • Fund an extension of the delivery of culturally appropriate aged care for older Aboriginal and Torres Strait Islander peoples close to home through the NATSIFAC.

Performance criteria		
A. Supporting access to high quality essential health services for Aboriginal and Torres Strait Islander peoples		
Health outcomes of Aboriginal and Torres Strait Islander peoples are improved through implementing actions under the Implementation Plan for the <i>National Aboriginal and Torres Strait Islander Health Plan 2013–2023</i> . ⁹		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Assessed progress against the deliverables and goals for 2018 as specified in the Implementation Plan.</p> <p>Released the <i>My Life My Lead - Opportunities for strengthening approaches to the social determinants and cultural determinants of Indigenous health: Report on the national consultations</i>.¹⁰</p> <p>The report highlights the importance of strengthening culture and tackling the social determinants to improve health outcomes. It will inform the development of the next Implementation Plan and the <i>Closing the Gap</i> refresh consultations being led by the Department of the Prime Minister and Cabinet.</p>	<p>Release revised iteration of the Implementation Plan.</p> <p>Continue work towards achieving the identified deliverables and goals for 2023 as specified in the Implementation Plan.</p> <p>Engage with the Implementation Plan Advisory Group, other Commonwealth agencies, Council of Australian Governments' Health Council and its subcommittees, Health Partnership Forums and the Indigenous health sector to progress Implementation Plan activities, including those on the social determinants of health.</p>	<p>Progress against the Implementation Plan continues to be monitored and reviewed through the Implementation Plan Advisory Group and the Aboriginal and Torres Strait Islander Health Performance Framework.</p> <p>Monitor progress of goals in the Implementation Plan.</p>

⁹ Further information available at: www.health.gov.au/internet/main/publishing.nsf/Content/indigenous-implementation-plan

¹⁰ Further information is available at: www.health.gov.au/internet/main/publishing.nsf/Content/indigenous-ipag-consulation

Aboriginal and Torres Strait Islander child 0–4 mortality rate per 100,000. ¹¹				
2016 Target ¹²	2017 Target	2018 Target	2019 Target	2020 Target
101–151 ¹³	95–143	89–135	N/A ¹⁴	N/A
Estimated result				
145.6				
Aboriginal and Torres Strait Islander chronic disease-related mortality rate per 100,000.				
2016 Target ¹⁵	2017 Target	2018 Target	2019 Target	2020 Target
593–628	572–606	551–584	530–562	509–540
Estimated result				
779.1				
The percentage of Aboriginal and/or Torres Strait Islander clients with type 2 diabetes who have had a blood pressure measurement result recorded within the previous 6 months is increased.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
On track to meet target of 60–65%	60–65%	65–70%	65–70%	65–70%
Material changes to Program 2.2 resulting from the following measures:				
There are no material changes to Program 2.2 resulting from measures.				

¹¹ Further information available at: www.closingthegap.pmc.gov.au

¹² This measure is reported on a calendar-year basis. The targets are amended each year as new mortality data becomes available. The 2016 target and forward years are based on a trajectory required to halve the gap between Indigenous and non-Indigenous Australians by 2018. Source: AIHW National Mortality Database, calendar years 1998–2015 (which is the most up-to-date data available) and includes jurisdictions for which data are available and of sufficient quality to publish (NSW, Qld, WA, SA and NT combined).

¹³ Further information about the range presented here (or variability band) is available at AIHW Metadata Online Registry: meteor.aihw.gov.au/content/index.phtml/itemId/668676

¹⁴ This target is linked to the *Closing the Gap* child mortality target, which ends prior to 2019.

¹⁵ This measure is reported on a calendar-year basis.

Table 2.2.4: Performance Criteria for Program 2.3

Program 2.3: Health Workforce
<p>The Australian Government aims to ensure that Australia has the workforce necessary to improve the health and wellbeing of all Australians. The Government is implementing policies and delivering programs that improve the capacity, quality, distribution and mix of the health workforce to better meet the needs of the Australian community and deliver a sustainable and well distributed health workforce.</p> <p>Through the 2018-19 Budget the Government will improve access to health services for people living in regional, rural and remote Australia through the introduction of <i>A Stronger Rural Health Strategy</i> focusing on teaching, training, recruitment and retention.</p> <p>The Strategy will support a sustainable, high quality and capable Australian trained health workforce engaged in team-based and multidisciplinary models of primary health care. The strategy recognises the role of the Commonwealth, complementing State and Territory based activities, to support a well-distributed, high quality health workforce.</p>
Delivery
<p>A. Supporting a well-distributed health workforce across Australia</p> <ul style="list-style-type: none"> • Support distribution of the workforce in regional, rural and remote areas through teaching programs, including the establishment of the Murray-Darling Medical School Network. • Improve the distribution of the workforce through improved incentives for doctors, nurses and allied health professionals. • Ensure workforce resources are targeted to specific need with a new tool that will enable more sophisticated analyses of community health need and associated health workforce requirements. <p>B. Improving the quality of the health workforce</p> <ul style="list-style-type: none"> • Improve GP training arrangements, incentives and targeted support for GPs to achieve specialist recognition. • Provide training programs to develop a workforce that will provide high quality services and meet community need, through programs such as the Specialist Training Program.

Performance criteria									
A. Supporting a well-distributed health workforce across Australia									
Effective investment in workforce programs will improve the distribution of the health workforce.									
a. The number of general practitioners ¹⁶ in Australia.									
b. The number of non-general practice medical specialists ¹⁷ in Australia.									
c. The number of nurses ¹⁸ working in General Practices in Australia.									
d. The number of allied health practitioners ¹⁹ working in General Practices in Australia.									
2017-18 Estimated result		2018-19 Target		2019-20 Target		2020-21 Target		2021-22 Target	
Cities ²⁰	Rural ²¹	Cities	Rural	Cities	Rural	Cities	Rural	Cities	Rural
a. 19,917	8,614	20,315	8,786	20,721	8,962	21,136	9,141	21,558	9,324
b. 27,541	5,098	28,091	5,148	28,653	5,200	29,226	5,252	29,811	5,304
c. 24,650	15,784	25,389	16,100	26,199	16,422	27,085	16,750	28,055	17,085
d. 2,750	648	2,841	668	2,941	708	3,063	730	3,209	752
B. Improving the quality of the health workforce									
Ensuring Australians have access to high quality services provided by qualified health practitioners through training delivered in all areas of Australia.									
a. Percentage of medical practitioners working in general practice with fellowship of either the Royal Australian College of General Practitioners or the Australian College of Rural and Remote Medicine.									
b. The percentage of general practice training outside major cities. ²²									
c. Proportion of Specialist Training Program activity in rural areas. ²³									
2017-18 Estimated result		2018-19 Target		2019-20 Target		2020-21 Target		2021-22 Target	
a. 76.0%		76.6%		77.2%		77.8%		78.4%	
b. 50.0%		50.0%		50.0%		50.0%		50.0%	
c. 39.0%		40.0%		42.0%		45.0%		45.0%	
Material changes to Program 2.3 resulting from the following measures:									
<ul style="list-style-type: none"> A Stronger Rural Health Strategy 									

¹⁶ General practitioners are defined as medical practitioners with fellowship, or training towards fellowship under an accredited training program, of the Royal Australian College of General Practitioners or the Australian College of Rural and Remote Medicine.

¹⁷ Non-general practice medical specialists are defined as medical practitioners with fellowship, or training towards fellowship under an accredited training program, of a medical college recognised by the Medical Board of Australia, working in private practice, except those classified as General Practitioners above.

¹⁸ Nurses, as defined under the National Law.

¹⁹ Allied Health Practitioners are defined as workers registered under one of the 15 professions under the National Law.

²⁰ Defined as locations identified as major cities under the geographic classification Modified Monash Model (Modified Monash area 1).

²¹ Defined as Modified Monash areas 2-7.

²² Defined as locations identified as outside major cities under the Australian Standard Geographical Classification – Remoteness Area system (ASGC-RA 2-5). Target assumes an ongoing intake of 1,500 registrars per year, and that fellowship requirements, which are outside the scope of the Department, remain unchanged.

²³ Defined as participants in the Commonwealth-funded Specialist Training Program, reported for the calendar years ending during the relevant financial year, training in areas identified as rural under the Australian Standard Geographical Classification – Remoteness Area system (ASGC-RA 2-5).

Table 2.2.5: Performance Criteria for Program 2.4

Program 2.4: Preventive Health and Chronic Disease Support
<p>The Australian Government aims to improve the health and wellbeing of Australians and to reduce the rates of preventable mortality and morbidity caused by chronic disease, substance misuse and other risk factors (such as tobacco use and dietary risks). This will be achieved through evidence-based promotion of healthy lifestyles, early detection of cancer and other conditions, and through the implementation of relevant strategies.</p> <p>In the 2018-19 Budget, the Government has committed to ensuring Australians receive appropriate care through all stages of life through:</p> <ul style="list-style-type: none"> • the <i>Healthy Active Beginnings</i> package, which will focus on getting children under five years of age physically active and encouraging their parents to be active and eat well, including during pregnancy; • a \$3.0 million healthy pregnancies program, enabling health professionals give parents-to-be simple and effective guidance on healthy weight, nutrition and physical activity before and during pregnancy; • developing a new National Injury Prevention Strategy aimed at reducing childhood injuries and ongoing repercussions such as physical or mental impairment; • increasing GP knowledge of endometriosis, a progressive chronic condition that can lead to infertility in women, and Spinal Muscular Atrophy, an inherited genetic muscle wasting disease; • a new interactive online check at 45 and 65 years of age that will assist people to assess, reduce and limit the impact of chronic disease; and • investing \$32.8 million over four years to improve palliative care for older Australians living in residential aged care. <p>In addition, the Government will invest \$39.5 million to extend the pertussis (whooping cough) vaccine to pregnant women.²⁴ \$17.5 million will also be provided from the Medical Research Future Fund (MRFF) for women's health research focusing on maternal health and the first 2,000 Days.²⁵</p>
Delivery
<p>A. Improving public health and reducing the incidence of chronic disease and complications through promoting healthier lifestyles</p> <ul style="list-style-type: none"> • Provision of national guidance and initiatives to prevent and reduce chronic conditions and complications through the National Strategic Framework for Chronic Conditions (the Framework). The Framework moves away from a disease-specific approach and provides high level guidance for the development of future initiatives to deliver a more effective and coordinated response to chronic conditions and their risk factors. • Operationalise the goals of the <i>Australian National Diabetes Strategy 2016–2020</i> through its implementation plan (released December 2017) to consistently and efficiently prevent and manage diabetes. The plan identifies priority diabetes-related actions that include addressing gaps in current diabetes direction and investment, minimising duplication of effort across all sectors and ensuring the current focus of activity remains strong and relevant into the future.

²⁴ Refer Program 5.3: Immunisation for further information on vaccines.

²⁵ Refer Program 1.1: Health Policy Research and Analysis for further information on MRFF.

B. Supporting the development of preventive health initiatives

- Encourage and enable improved nutrition through the Healthy Food Partnership including the Reformulation Working Group, Health Star Rating system and the Australian Guide to Healthy Eating, which aim to help Australians make healthier food choices.
- Continue to encourage Australians to achieve a healthy lifestyle through increased physical activity, including through the Healthy Heart Initiative and *Girls Make Your Move* campaign.

C. Improving early detection, treatment and survival outcomes for people with cancer and supporting access to palliative care services

- Continue to actively invite Australians to participate in cancer screening programs such as the National Bowel Cancer Screening Program, the National Cervical Screening Program, and the BreastScreen Australia Program, which increases the chances of detecting cancer early and saving more lives.
- Continue implementation of the National Cancer Screening Register, which commenced operation on 1 December 2017. This includes both the National Cervical Screening Program and the National Bowel Cancer Screening Program.
- Continue to promote the renewed National Cervical Screening Program and implement national quality and safety monitoring of the updated program.
- Support the provision of high quality palliative care in Australia through workforce development, quality improvement and data development activities and supporting advance care planning.

D. Preventing and reducing harm to individuals and communities from alcohol, tobacco and other drugs

- Continue to implement the *National Drug Strategy 2017–2026* (the Strategy), a long-term framework to reduce and prevent the harms associated with alcohol and other drugs, including health, social and economic harms among individuals, families and communities. This includes a number of sub-strategies, including the National Ice Action Strategy, which continues to be implemented.
- Finalise the next iteration of the National Alcohol Strategy and the National Tobacco Strategy, and continue to focus on the priority areas identified.
- Support the implementation of the National Tobacco Campaign to focus on high prevalence groups, including Aboriginal and Torres Strait Islander peoples, people from disadvantaged backgrounds and people in rural, regional and remote areas.
- Continue to implement the 2016-17 Budget measure *Taking More Action to Prevent Fetal Alcohol Spectrum Disorders*, which provided \$10.5 million over four years, through delivery of projects to raise awareness, improve diagnosis, and support families and individuals impacted by Fetal Alcohol Spectrum Disorders.
- Coordinate Australia's engagement on international tobacco and illicit drug issues, including our obligations under various international drug treaties.

Performance criteria		
A. Improving public health and reducing the incidence of chronic disease and complications through promoting healthier lifestyles		
National guidance is provided to States and Territories, and health professionals, on strategies to reduce the prevalence of chronic conditions and associated complications.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>The National Diabetes Strategy Implementation Plan was released December 2017. A reporting framework for the National Strategic Framework for Chronic Conditions is in development.</p> <p>Work continues on the Australian National Breastfeeding Strategy, detailing the extensive evidence base and providing the opportunity for community consultation. The strategy is expected to be delivered later in 2018.</p>	<p>Release of reporting framework for the National Strategic Framework for Chronic Conditions.</p> <p>Implement Commonwealth responsibilities under the National Diabetes Strategy Implementation Plan.</p> <p>Develop action plans for a number of diseases identified as a priority, including:</p> <ul style="list-style-type: none"> – Endometriosis; – Arthritis; – Childhood Heart Disease; – Inflammatory Bowel Disease; – Lung Disease; and – Macular Disease. <p>Australian Health Ministers' Advisory Council and Council of Australian Governments' Health Council approval of the Submission on the Australian National Breastfeeding Strategy by the end of 2018.</p>	<p>Implement Commonwealth responsibilities under the Australian National Breastfeeding Strategy.</p> <p>Establish processes to implement a performance monitoring and review framework for the Australian National Breastfeeding Strategy.</p> <p>Implement priority actions identified under disease-specific action plans.</p>

B. Supporting the development of preventive health initiatives		
National leadership is provided to support people to make informed decisions and healthy lifestyle choices.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Ongoing collaboration has been undertaken between Government, food industry bodies and public health groups through the Healthy Food Partnership Working Groups, including the Portion Size and Reformulation Working Groups, to empower food manufacturers to make positive changes.</p> <p>Continued to oversee the ongoing development and implementation of the Healthy Heart Initiative to encourage healthy lifestyles by:</p> <ul style="list-style-type: none"> – monitoring the development of training and education material for general practitioners to better support their patients; – collaborating with the Heart Foundation to deliver a steps competition using technology to support increased physical activity; and – monitoring the development of a competition which encourages innovative physical activity ideas in schools, universities and community environments. 	<p>Increase in the number of businesses adopting the Health Star Rating System and an increase in products displaying Health Star Ratings.²⁶</p> <p>Encourage collaboration between Government, food industry bodies and public health groups through the Healthy Food Partnership Working Groups, including the Portion Size and Reformulation Working Groups, to empower food manufacturers to make positive changes.</p> <p>Encourage healthy lifestyles through increased physical activity and better nutrition through the Healthy Heart Initiative, including:</p> <ul style="list-style-type: none"> – develop training and education material/resources for general practitioners to support their patients; – a steps competition, promoting innovative uses of technology to support increased physical activity; and – encourage innovative physical activity ideas in schools, universities and community environments. <p>Improve the long-term health of Australians, including through the development of:</p> <ul style="list-style-type: none"> – resources to support families to manage their weight, improve their diet and increase exercise levels; – resources to encourage women to better manage gestational diabetes; and – a new National Injury Prevention Strategy. <p>Implement a grants program to increase levels of physical activity in over 65 year olds.</p>	<p>A five year review of the Health Star Rating System and adoption of recommendations to be completed in 2019-20.</p> <p>Further develop resources, tools and innovative technology uses through the Healthy Heart Initiative.</p>

²⁶ Data not available for 2017-18. Full year results will be published in the 2017-18 Department of Health Annual Report.

C. Improving early detection, treatment and survival outcomes for people with cancer and supporting access to palliative care services				
The percentage of people participating in the National Bowel Cancer Screening Program is increasing.²⁷				
Jan 2017 – Dec 2018 Estimated result²⁸	Jan 2018 – Dec 2019 Target	Jan 2019 – Dec 2020 Target	Jan 2020 – Dec 2021 Target	Jan 2021 – Dec 2022 Target
Data not available ²⁹	53.1%	56.6%	56.6%	56.6%
The percentage of women 50–74 years of age participating in BreastScreen Australia is maintained.³⁰				
Jan 2017 – Dec 2018 Estimated result³¹	Jan 2018 – Dec 2019 Target	Jan 2019 – Dec 2020 Target	Jan 2020 – Dec 2021 Target	Jan 2021 – Dec 2022 Target
54%	54%	54%	54%	54%
The percentage of women in the target age group (20–69 years) participating in the National Cervical Screening Program is maintained.^{32,33}				
Jan 2017 – Dec 2018 Estimated result³⁴	Jan 2018 – Dec 2019 Target	Jan 2019 – Dec 2020 Target	Jan 2020 – Dec 2021 Target	Jan 2021 – Dec 2022 Target
57%	57%	57%	57%	57%

²⁷ Participation is defined as the percentage of people invited to screen through the National Bowel Cancer Screening Program over a two year period (1 January to 31 December) who return a completed screening test within that period or by 30 June of the following year.

²⁸ This measure is reported on a rolling two-calendar-year basis.

²⁹ As there is a time lag between an invitation being sent, allowing time for the invitee to participate, testing of results and collection of data from the National Bowel Cancer Screening Program Register, final participation rates for 2017-2018 will be published by the Australian Institute of Health and Welfare in late 2019.

³⁰ Participation in the BreastScreen Australia Program has remained stable over the past five years. The ongoing participation trend is expected to remain stable over the forward years.

³¹ This measure is reported on a rolling two-calendar-year basis.

³² From 1 December 2017, the two yearly Pap test for women 18 to 69 years of age changed to a five yearly Human Papillomavirus test for women 25 to 74 years of age.

³³ Data is not available to forecast forward year targets. Targets will be updated following implementation of the renewal of the National Cervical Screening Program and the National Cancer Screening Register.

³⁴ This measure is reported on a rolling two-calendar-year basis. This period includes the implementation of the new Cervical Screening Test. The aim of the renewed National Cervical Screening Program is to maintain participation rates.

Capability is built through national leadership to ensure that Australians are provided with high quality palliative care.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Implementation of national palliative care projects focusing on workforce education, carer support, community awareness, quality improvement, and advance care planning were delivered. An updated National Palliative Care Strategy was released for public consultation in August 2017.	Implement national projects that improve access to high quality palliative care and service delivery, and provide support for people who are dying, their families and carers. Finalise and release the revised National Palliative Care Strategy by December 2018. Implement the <i>More Choices for a Longer Life - healthy ageing and high quality care</i> measure, commencing with bilateral negotiations with each jurisdiction.	Implement national projects that improve access to high quality palliative care and service delivery, and provide support for people who are dying, their families and carers. Continue to implement and commence a national evaluation of the <i>More Choices for a Longer Life - healthy ageing and high quality care</i> measure.

D. Preventing and reducing harm to individuals and communities from alcohol, tobacco and other drugs				
National direction supports a collaborative approach to preventing and reducing the harms from alcohol, tobacco and other drugs.				
2017-18 Estimated result		2018-19 Target	2019-20 (& beyond) Target	
<p>Implementation of Commonwealth funded activities under the National Ice Action Strategy is almost complete.</p> <p>Funding provided to support the delivery of alcohol and other drug treatment services.</p> <p>Fetal alcohol spectrum disorders resources developed and promoted.</p> <p>National Drug Campaign delivered.</p> <p>Annual Report on the National Ice Action Strategy provided to the Council of Australian Governments from the Ministerial Drug and Alcohol Forum in December 2017.</p> <p>Working group established under the National Drug Strategy Committee to oversee the development of the implementation plan for the National Drug Strategy.</p> <p>National Drug Strategy Committee and the Ministerial Drug and Alcohol Forum met twice to oversee and monitor the progress of the National Drug Strategy, and associated sub-strategies.</p>		<p>Continue investment in quality alcohol and drug treatment services.</p> <p>Continue to build the evidence base in relation to alcohol and drugs through high quality research.</p> <p>Work with States and Territories, and other relevant agencies to:</p> <ul style="list-style-type: none">- finalise the next iteration of the National Alcohol Strategy and the National Tobacco Strategy and continue to focus on the priority areas identified; and- continue reporting on the National Drug Strategy and associated sub-strategies.	As per 2018-19.	
The percentage of the population 18 years of age and over who are daily smokers is reduced. ^{35,36}				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
Data not available	10%	To be determined	To be determined	To be determined
Material changes to Program 2.4 resulting from the following measures:				
There are no material changes to Program 2.4 resulting from measures.				

³⁵ This measure is being monitored using the Australian Bureau of Statistics (ABS) National Health Survey and refers to age-standardised rates of daily smokers. Results from the next ABS National Health Survey are expected to be released in early 2019.

³⁶ Targets set for 2017-18 and 2018-19 are based on a 2018 performance benchmark previously agreed to by COAG in the 2008 National Healthcare Agreement and its 2012 update. Targets for 2019-20, 2020-21 and 2021-22 will be confirmed in 2018-19, and informed by the next iteration of the National Tobacco Strategy.

Table 2.2.6: Performance Criteria for Program 2.5

Program 2.5: Primary Health Care Quality and Coordination		
<p>The Australian Government aims to strengthen primary care by focusing funding to frontline health services and improving the access, delivery, quality and coordination of primary healthcare services. This will help improve health outcomes for patients, focusing on those who are most in need, including those with chronic conditions or mental illness. It will also assist in reducing unnecessary visits or admissions to hospitals.</p> <p>In 2018-19, the Government's Primary Health Networks Program will continue to support healthcare providers across Australia to deliver quality, coordinated care and improve access to primary health care. Primary Health Networks will also deliver mental health services, including the <i>beyondblue</i> Way Back Support Service that will provide practical support to people discharged from hospital after a suicide attempt.</p>		
Delivery		
<p>A. Strengthening primary health care through improved quality and coordination</p> <ul style="list-style-type: none"> Support Primary Health Networks to increase the efficiency and effectiveness of medical services for patients, particularly those at risk of poor health outcomes, and improve care coordination and integration.³⁷ Support measures that improve the coordination and integration of services for people living with chronic and complex conditions to help maintain good health, such as Health Care Homes.³⁸ Support the delivery of health information, advice and services through interactive communication technology to better assist people in caring for themselves and their families. 		
Performance criteria		
<p>A. Strengthening primary health care through improved quality and coordination</p>		
<p>Efficiency and effectiveness of health services and coordination of care at the local level is improved.</p>		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
All Primary Health Networks engaged with their local healthcare providers, including Local Hospital Networks (or their equivalent) and other stakeholders to work towards improving the efficiency and effectiveness of health services and care coordination for their communities.	All Primary Health Networks monitor and evaluate their commissioned services to inform future commissioning and continuous improvement.	All Primary Health Networks are supporting general practices and other healthcare providers to deliver quality, coordinated care to people in their Primary Health Network region.

³⁷ Further information available at: www.health.gov.au/internet/main/publishing.nsf/Content/PHN-Home

³⁸ Further information available at: www.health.gov.au/internet/main/publishing.nsf/Content/health-care-homes

Continuity of care and coordinated services for patients with chronic and complex illnesses is improved.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Commenced patient enrolment and service delivery through Health Care Homes. Delivered training modules successfully to selected practices. Implemented ongoing support mechanisms to support Health Care Homes. Implemented evaluation framework across enrolled practices and patients.	Increase eligible patient enrolment in Health Care Homes. Ongoing support mechanisms effectively supporting Health Care Homes practices. Delivery of interim evaluation report to Government by 30 June 2019. ³⁹	Delivery of final evaluation report to Government by 30 June 2020. ⁴⁰
Access to health advice, information and support services for the Australian community is improved.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Continued to provide access to trusted healthcare information, advice and counselling services and improve information on local health and community services through the National Health Service Directory.	Continue to provide access to trusted healthcare information, advice and counselling services and improve information on local health and community services through the National Health Service Directory.	As per 2018-19.
Material changes to Program 2.5 resulting from the following measures: There are no material changes to Program 2.5 resulting from measures.		

³⁹ The evaluation of the stage one trial Health Care Homes will inform Government consideration of the national rollout of the program.

⁴⁰ Ibid.

Table 2.2.7: Performance Criteria for Program 2.6

Program 2.6: Primary Care Practice Incentives				
The Australian Government provides incentive payments to general practices and general practitioners through the Practice Incentives Program (PIP) to support activities that encourage continuing improvements, increase quality of care, enhance capacity and improve access and health outcomes for patients.				
Delivery				
A. Supporting quality care, enhanced capacity and improved access through general practice incentives <ul style="list-style-type: none"> Provide general practice incentive payments through the PIP, including the PIP After Hours Incentive, the PIP eHealth Incentive, the Rural Loading Incentive, and the Teaching Payment. 				
Performance criteria				
A. Supporting quality care, enhanced capacity and improved access through general practice incentives				
Access to accredited general practitioner care maintained through percentage of general practitioner patient care services provided by Practice Incentives Program practices.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
84.2%	≥84.2%	≥84.2%	≥84.2%	≥84.2%
Material changes to Program 2.6 resulting from the following measures: There are no material changes to Program 2.6 resulting from measures.				

Table 2.2.8: Performance Criteria for Program 2.7

Program 2.7: Hospital Services		
<p>The Australian Government aims to improve access to, and the efficiency of, public hospitals through the provision of funding to States and Territories.</p> <p>A new National Health Agreement is due to be agreed by the Council of Australian Governments by the end of 2018, for implementation from 1 July 2020. The Government will increase funding to public hospitals by \$30.2 billion to \$130.2 billion between 2020-21 and 2024-25. As at May 2018, the Australian Capital Territory, New South Wales, South Australia, Western Australia, the Northern Territory and Tasmania had signed the agreement. In addition the Government will invest \$100 million in the Health Innovation Fund. The Commonwealth and States and Territories have also agreed to work together on six key reforms: paying for value; joint planning and funding at a local level; nationally cohesive health technology assessment; empowering people through health literacy; prevention and wellbeing; and, enhanced health data.</p>		
Delivery		
<p>A. Supporting the States and Territories to deliver efficient public hospital services</p> <ul style="list-style-type: none"> Support the Government through the provision of timely and effective policy advice on public hospital funding matters. 		
Performance criteria		
<p>A. Supporting the States and Territories to deliver efficient public hospital services</p>		
<p>Advice is provided to the Minister and external stakeholders in relation to public hospital funding policy.</p>		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Advice and analysis provided to the Minister and external stakeholders in relation to public hospital funding, including:</p> <ul style="list-style-type: none"> – implementation of the National Health Reform Agreement Addendum; and – development of longer-term public hospital funding arrangements. 	<p>Provide advice and support the development of a new Agreement on public hospital funding arrangements.</p>	<p>Provide advice and analysis in relation to public hospital funding.</p>
<p>Material changes to Program 2.7 resulting from the following measures:</p> <p>There are no material changes to Program 2.7 resulting from measures.</p>		

2.3 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 3

Outcome 3: Sport and Recreation

Improved opportunities for community participation in sport and recreation, excellence in high-performance athletes, and protecting the integrity of sport through investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues

Program Contributing to Outcome 3

Program 3.1: Sport and Recreation

Linked Programs

Other Commonwealth entities that contribute to Outcome 3

Australian Sports Anti-Doping Authority¹

Program 1.1: Engagement, Deterrence, Detection and Enforcement

The Australian Sports Anti-Doping Authority (ASADA) contributes to the protection of the health of athletes and the integrity of sport, by conducting World Anti-Doping Code compliant activities domestically. ASADA also contributes to international efforts to combat doping in sport (3.1).

Australian Sports Commission²

Program 1.1: Australian Sports Commission

The Australian Sports Commission (ASC) is jointly responsible, with the Department of Health, for the implementation of the Australian Government's sport policy and initiatives. In particular, the ASC is responsible for growing participation in sport and active recreation and, through the Australian Institute of Sport, for the leadership of Australia's high performance sport system (3.1).

The Treasury

Program 1.9: National Partnership Payments to the States

The Treasury makes National Partnership Payments to the State and Territory Governments as part of the Federal Financial Relations Framework.³ Activities funded for the South Sydney Rabbitohs' centre of excellence contribute to the Government objectives within this Outcome (3.1).

Outcome 3

¹ Refer to the Australian Sports Anti-Doping Authority chapter in these Portfolio Budget Statements for further information on the work of this entity.

² Refer to the Australian Sports Commission chapter in these Portfolio Budget Statements for further information on the work of this entity.

³ For Budget estimates relating to the National Partnership component of the program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

Table 2.3.1: Budgeted Expenses for Outcome 3

Table 2.3.1 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.

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 3.1: Sport and Recreation ^(a)					
Administered expenses					
Ordinary annual services ^(b)	23,377	23,906	19,260	17,198	16,055
Special Accounts					
Sport and Recreation	407	407	407	407	407
Departmental expenses					
Departmental appropriation ^(c)	7,439	8,468	7,389	7,365	7,482
Expenses not requiring appropriation in the budget year ^(d)	214	227	213	219	224
Total for Program 3.1	31,437	33,008	27,269	25,189	24,168
Outcome 3 totals by appropriation type					
Administered expenses					
Ordinary annual services ^(b)	23,377	23,906	19,260	17,198	16,055
Special accounts	407	407	407	407	407
Departmental expenses					
Departmental appropriation ^(c)	7,439	8,468	7,389	7,365	7,482
Expenses not requiring appropriation in the budget year ^(d)	214	227	213	219	224
Total expenses for Outcome 3	31,437	33,008	27,269	25,189	24,168
	2017-18	2018-19			
Average staffing level (number)	40	39			

^(a) Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. National Partnerships are listed in this chapter under each program. For Budget estimates relating to the National Partnership component of this program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

^(b) Appropriation (Bill No. 1) 2018-19 and Appropriation Bill/Act (No. 1,3, 5) 2017-18.

^(c) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(d) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Movement of Funds

There were no movements of Administered funds between years for Outcome 3.

Planned Performance for Outcome 3

Table 2.3.2 below details the performance criteria for the program associated with Outcome 3. This table also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the existing program.

Table 2.3.2: Performance Criteria for Program 3.1

Purpose
Lead and shape Australia's health and aged care system and sport outcomes through evidence-based policy, well targeted programs, and best practice regulation.
Outcome 3: Sport and Recreation
Improved opportunities for community participation in sport and recreation, excellence in high-performance athletes, and protecting the integrity of sport through investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues.
Program 3.1: Sport and Recreation
<p>The Australian Government aims to increase participation in sport and recreation activities by all Australians, foster excellence in Australia's high-performance athletes, protect the integrity of Australian sport, showcase Australia as a premier host of major international sporting events and improve water and snow safety.⁴</p> <p>Participation in physical activity is vital for the health and wellbeing of all Australians, and is foundational to the Government's national sports plan. The Government will invest \$230.0 million to implement a range of sport and physical activity initiatives that will get more Australians more active, more often.</p>

Outcome 3

⁴ For further information on sport initiatives refer to the Australian Sports Commission and the Australian Sports Anti-Doping Authority chapters in these Portfolio Budget Statements.

Delivery

A. Supporting an increase in participation in sport and recreation activities, fostering excellence in Australia's high-performance athletes and protecting the integrity of Australian sport

- Implement the Australian Government's sport policies and initiatives and promote the benefits of an active lifestyle.
- Support the Australian Sports Commission's sporting excellence program through policy development and engagement with States and Territories.
- Coordinate whole-of-government support for major sporting events.
- Develop national policy on sports integrity and implement the Government Response to the recommendations of the Review of Australia's Sports Integrity Arrangements.
- Support the Australian Sports Anti-Doping Authority through the management of anti-doping legislation, policy and engagement with stakeholders.
- Support the Australian Sports Diplomacy Strategy to enhance and leverage Australia's strong international sporting reputation.
- Support the staging of the 2018 Invictus Games in Sydney.
- Continue preparation to support Cricket Australia in hosting the International Cricket Council World Twenty20 in 2020.
- Support a potential Australian bid by the Football Federation Australia to host the 2023 FIFA Women's World Cup tournament.
- Support water and snow safety organisations to reduce incidences of fatal and non-fatal drownings, and promote the importance of water and snow safety.

Performance criteria		
A. Supporting an increase in participation in sport and recreation activities, fostering excellence in Australia's high-performance athletes and protecting the integrity of Australian sport		
<i>Participation in sport is supported through the development, implementation and promotion of national policies and strategies.</i>		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
On track to support government to deliver the Australian Government's sport policies and initiatives. Provided strategic, high quality policy advice to Government. Australian Sport for Diplomacy Strategy renewed beyond 2018. Worked with the Australian Sports Commission to encourage Australians to increase physical activity.	Support the ongoing delivery of the Australian Government's sport policies and initiatives, including implementation, monitoring and evaluation of relevant programs and initiatives. Provide strategic, high quality policy advice to Government.	Continued delivery, monitoring and evaluation of relevant sport programs and initiatives.
Whole-of-government leadership and coordination of major international sporting events in Australia is provided, including the development and implementation of related policies and strategies, to support each event.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Strategies and policies were implemented to meet Australian Government obligations to support the: – Rugby League World Cup 2017; and – Gold Coast 2018 Commonwealth Games.	Policies and operational arrangements are implemented to meet agreed Australian Government commitments to support the: – 2018 Invictus Games; – 2020 International Cricket Council World Twenty20; and – 2023 FIFA Women's World Cup – potential Australian bid.	Policies and operational arrangements are implemented to meet agreed Australian Government commitments to support major international sporting events (e.g. 2020 Twenty20).

The integrity of Australian sport is protected from threats of match-fixing, doping, criminal infiltration and other forms of corruption.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Australian anti-doping arrangements are compliant with the World Anti-Doping Code. Sports integrity efforts of national sporting organisations, States and Territories and other stakeholders continued to be supported through ongoing policy development, collection, assessment and dissemination of sports integrity threat information and related briefings, education platforms and initiatives.</p> <p>The Department supported the conduct of the Review of Australia's Sport Integrity Arrangements, and initiated implementation of agreed responses.</p>	<p>Australian anti-doping arrangements are compliant with the World Anti-Doping Code. Sports integrity efforts of national sporting organisations, States and Territories, and other stakeholders are supported through ongoing policy development, collection, assessment and dissemination of sports integrity threat information and related briefings, education platforms and initiatives.</p> <p>Implement agreed responses to the Review of Australia's Sport Integrity Arrangements.</p>	<p>Australian anti-doping arrangements are compliant with the World Anti-Doping Code. Sports integrity efforts of national sporting organisations, States and Territories, and other stakeholders are supported through ongoing policy development, collection, assessment and dissemination of sports integrity threat information and related briefings, education platforms and initiatives.</p> <p>In partnership with the Australian Sports Anti-Doping Authority contribute to the finalisation of the review of the World Anti-Doping Code and implement changes to Australia's anti-doping arrangements to align with the revised Code.</p>
<p>Material changes to Program 3.1 resulting from the following measures:</p> <ul style="list-style-type: none"> <i>Sport - building a more active Australia</i> 		

2.4 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 4

Outcome 4: Individual Health Benefits

Access to cost-effective medicines, medical, dental and hearing services, and improved choice in health services, including through the Pharmaceutical Benefits Scheme, Medicare, targeted assistance strategies and private health insurance

Programs Contributing to Outcome 4

Program 4.1:	Medical Benefits
Program 4.2:	Hearing Services
Program 4.3:	Pharmaceutical Benefits
Program 4.4:	Private Health Insurance
Program 4.5:	Medical Indemnity
Program 4.6:	Dental Services
Program 4.7:	Health Benefit Compliance
Program 4.8:	Targeted Assistance – Aids and Appliances

Linked Programs

Other Commonwealth entities that contribute to Outcome 4

Australian Taxation Office

Program 1.1: Australian Taxation Office

The Australian Taxation Office contributes through:

- Collaborating with the Department of Health to construct an enduring linked data set as part of the Multi-Agency Data Integration Project (4.1 and 4.4)
- The administrative arrangements for the Government's rebate on the private health insurance rebate (4.4).

Department of Human Services

Program 1.2: Services to the Community – Health

The Department of Human Services administers payments to eligible recipients, under the following programs administered by the Department of Health, to contribute to the Government's objectives within this Outcome:

- Medicare services and benefit payments, and related Medicare Benefits Schedule (MBS) items (4.1)
- External breast prostheses reimbursements (4.1)
- Ex-gratia payments for the Disaster Health Care Assistance Scheme (4.1)
- Radiation Oncology Health Program Grants Scheme (4.1)
- Health Care Homes Program (4.1)
- Hearing Services Program payments for voucher services and devices (4.2)
- The Pharmaceutical Benefits Scheme (PBS), including payment of script benefits, authority approvals, and new and other PBS items (4.3)
- Lifetime Health Cover mail out and the private health insurance rebate (4.4)
- Medical indemnity activities including indemnity for eligible midwives (4.5)
- The Child Dental Benefits Schedule (4.6)
- Payment of claims from Stoma Associations for stoma-related appliances (4.8).

Other Commonwealth entities that contribute to Outcome 4
<p>Department of Veterans' Affairs</p> <p>Program 2.3: Veterans' Pharmaceuticals Benefits</p> <p>The Department of Veterans' Affairs provides clients a comprehensive array of pharmaceuticals and wound dressings for the treatment of their healthcare needs (4.3).</p>
<p>Professional Services Review¹</p> <p>Program 1.1: Safeguarding the Integrity of the Medicare Program and Pharmaceutical Benefits Scheme</p> <p>The Professional Services Review contributes to the integrity of the Medicare Program and the PBS by investigating health practitioners suspected of inappropriate practice on request from the Chief Executive Medicare and determining any sanctions to be applied (4.1 and 4.7).</p>
<p>The Treasury</p> <p>Program 1.9: National Partnership payments to the States</p> <p>The Treasury makes National Partnership payments to the State and Territory Governments as part of the Federal Financial Relations Framework.² Activities funded through the following National Partnership Agreements contribute to the Government objectives within this Outcome:</p> <ul style="list-style-type: none">– Electronic recording and reporting of controlled drugs (4.3)– Public dental services for adults (4.6).

¹ Refer to the Professional Services Review chapter in these Portfolio Budget Statements for further information on the work of this entity.

² For Budget estimates relating to the National Partnership component of the program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

Table 2.4.1: Budgeted Expenses for Outcome 4

Table 2.4.1 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.

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 4.1: Medical Benefits					
Administered expenses					
Ordinary annual services ^(a)	105,544	107,712	105,923	103,220	100,210
Special account					
<i>Medicare Guarantee Fund</i>					
- medical benefits	23,169,289	23,970,854	25,364,686	26,666,297	28,083,659
accrual adjustment	9,496	(5,054)	(6,917)	8,135	467
Departmental expenses					
Departmental appropriation ^(b)	31,666	31,860	30,564	24,252	23,570
Expenses not requiring appropriation in the budget year ^(c)	808	864	812	833	851
Total for Program 4.1	23,316,803	24,106,236	25,495,068	26,802,737	28,208,757
Program 4.2: Hearing Services					
Administered expenses					
Ordinary annual services ^(a)	528,894	538,662	569,634	595,391	603,035
Departmental expenses					
Departmental appropriation ^(b)	7,417	7,437	7,359	7,336	7,449
Expenses not requiring appropriation in the budget year ^(c)	1,987	2,000	1,880	1,929	1,970
Total for Program 4.2	538,298	548,099	578,873	604,656	612,454
Program 4.3: Pharmaceutical Benefits ^(d)					
Administered expenses					
Ordinary annual services ^(a)	821,200	814,229	811,533	590,502	591,256
Special account					
<i>Medicare Guarantee Fund</i>					
- pharmaceutical benefits ^(e)	11,605,605	11,296,337	10,888,818	9,276,610	9,190,270
accrual adjustment	28,042	(22,937)	59,209	(2,902)	5,294
Departmental expenses					
Departmental appropriation ^(b)	58,983	52,462	45,498	43,595	43,826
Expenses not requiring appropriation in the budget year ^(c)	2,067	2,133	2,005	2,057	2,101
Total for Program 4.3	12,515,897	12,142,224	11,807,063	9,909,862	9,832,747

Table 2.4.1: Budgeted Expenses for Outcome 4 (continued)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 4.4: Private Health Insurance					
Administered expenses					
Ordinary annual services ^(a)	4,492	3,594	2,642	2,644	2,638
Special appropriations					
<i>Private Health Insurance Act 2007 - incentive payments and rebate</i>	6,024,091	6,150,597	6,285,910	6,443,057	6,604,134
Departmental expenses					
Departmental appropriation ^(b)	13,536	13,556	13,448	13,416	13,573
Expenses not requiring appropriation in the budget year ^(c)	255	272	256	263	269
Total for Program 4.4	6,042,374	6,168,019	6,302,256	6,459,380	6,620,614
Program 4.5: Medical Indemnity					
Administered expenses					
Ordinary annual services ^(a)	221	142	142	142	142
Special appropriations					
<i>Medical Indemnity Act 2002</i>	91,800	78,800	82,400	86,500	90,700
<i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	1,934	2,406	2,942	3,557	4,251
Departmental expenses					
Departmental appropriation ^(b)	1,881	1,883	1,866	1,861	1,886
Expenses not requiring appropriation in the budget year ^(c)	40	43	40	41	42
Total for Program 4.5	95,876	83,274	87,390	92,101	97,021
Program 4.6: Dental Services ^(d)					
Administered expenses					
Ordinary annual services ^(a)	-	-	-	-	-
Special appropriations					
<i>Dental Benefits Act 2008</i>	326,223	321,236	315,596	311,356	320,850
Departmental expenses					
Departmental appropriation ^(b)	1,942	2,684	2,667	2,660	2,691
Expenses not requiring appropriation in the budget year ^(c)	51	54	51	52	53
Total for Program 4.6	328,216	323,974	318,314	314,068	323,594

Table 2.4.1: Budgeted Expenses for Outcome 4 (continued)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 4.7: Health Benefit Compliance					
Administered expenses					
Ordinary annual services ^(a)	15,900	12,090	12,000	12,000	12,000
Departmental expenses					
Departmental appropriation ^(b)	65,004	71,060	71,001	70,108	67,157
Expenses not requiring appropriation in the budget year ^(c)	1,626	1,736	1,631	1,674	1,710
Total for Program 4.7	82,530	84,886	84,632	83,782	80,867
Program 4.8: Targeted Assistance - Aids and Appliances					
Administered expenses					
Ordinary annual services ^(a)	12,294	13,506	14,672	15,888	15,888
Special appropriations					
<i>National Health Act 1953</i> - aids and appliances	353,784	356,371	371,957	377,795	378,055
Departmental expenses					
Departmental appropriation ^(b)	4,640	4,651	4,605	4,591	4,658
Expenses not requiring appropriation in the budget year ^(c)	109	116	109	112	114
Total for Program 4.8	370,827	374,644	391,343	398,386	398,715
Outcome 4 totals by appropriation type					
Administered expenses					
Ordinary annual services ^(a)	1,488,545	1,489,935	1,516,546	1,319,787	1,325,169
Special appropriations	6,797,832	6,909,410	7,058,805	7,222,265	7,397,990
Special account	34,774,894	35,267,191	36,253,504	35,942,907	37,273,929
accrual adjustment	37,538	(27,991)	52,292	5,233	5,761
Departmental expenses					
Departmental appropriation ^(b)	185,069	185,593	177,008	167,819	164,810
Expenses not requiring appropriation in the budget year ^(c)	6,943	7,218	6,784	6,961	7,110
Total expenses for Outcome 4	43,290,821	43,831,356	45,064,939	44,664,972	46,174,769
	2017-18	2018-19			
Average staffing level (number)	926	990			

^(a) Appropriation Bill (No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.

^(b) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(c) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

^(d) Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. National Partnerships are listed in this chapter under each program. For Budget estimates relating to the National Partnership component of this program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

^(e) The Government has included a provision of \$1 Billion in the forward estimates for future listings on the Pharmaceutical Benefits Scheme. This provision is not yet included in Program 4.3 Pharmaceutical Benefits and will be progressively recognised when new listings are announced.

Movement of Funds

There were no movements of Administered funds between years for Outcome 4.

Planned Performance for Outcome 4

Tables 2.4.2 – 2.4.9 below detail the performance criteria for each program associated with Outcome 4. These tables also summarise how each program is delivered and where 2018-19 Budget measures have materially changed existing programs.

Table 2.4.2: Performance Criteria for Program 4.1

Purpose
Lead and shape Australia's health and aged care system and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
Outcome 4: Individual Health Benefits
Access to cost-effective medicines, medical, dental and hearing services, and improved choice in health services, including through the Pharmaceutical Benefits Scheme, Medicare, targeted assistance strategies and private health insurance.
Program 4.1: Medical Benefits
<p>To deliver a modern Medicare program that is sustainable and supports all Australians to access high quality and cost-effective professional services, the Australian Government will increase investment in Medicare by over \$4.8 billion over the forward estimates. The Government will continue to work with clinicians, other health professionals and consumers to progress the long-term health plan. This will include the work of the Medical Services Advisory Committee and the Medicare Benefits Schedule (MBS) Review (the Review) to strengthen Medicare, and work with States and Territories, and private health insurers.</p> <p>The Government will continue to invest in improving health outcomes for patients through the clinician-led Review of over 5,700 items on the MBS to ensure they are aligned with contemporary clinical evidence and practice. From 1 July 2018, new clinically appropriate services will be listed to include testing for Cystic Fibrosis hereditary mutations, enhanced prostate cancer diagnostic scans and the removal of urogynaecological mesh. From 1 November 2018, Medicare will be extended to 3D breast screening for women at risk of breast cancer, better access to dialysis in very remote areas and improved diagnosis of asthma.</p> <p>Targeted assistance strategies will also continue access to health services for Australians who require life-saving treatment not available in Australia and the provision of medical assistance to eligible Australians following specific overseas disasters.</p> <p>The Government is also providing incentives to doctors to practice outside major cities through differential MBS billing, to increase access to primary care services in areas of need.</p>

Outcome 4

Delivery		
<p>A. Ensuring continued access to a Medicare system that provides modern, high quality and cost-effective professional health services that are in line with current clinical evidence</p> <ul style="list-style-type: none"> Support a Medicare system that is modern, sustainable and aligned to current clinical evidence and practice. <p>B. Providing targeted financial assistance, including to Australians who require life-saving medical treatment not available in Australia, and access to breast prostheses for women who have had breast cancer</p> <ul style="list-style-type: none"> Assess applications for financial assistance for life-saving medical treatment required to be performed overseas. Continue the provision of a simple and accessible reimbursement scheme for external breast prostheses. <p>C. Supporting safe and effective diagnostic imaging and pathology services</p> <ul style="list-style-type: none"> Provide consumers with a contemporary and best practice pathology accreditation program. Work with the Diagnostic Imaging Accreditation Scheme Advisory Committee to review standards in diagnostic imaging. <p>D. Supporting the delivery of high quality radiation oncology services</p> <ul style="list-style-type: none"> Provide targeted financial contributions to the capital cost of radiation oncology linear accelerators. 		
Performance criteria		
<p>A. Ensuring continued access to a Medicare system that provides modern, high quality and cost-effective professional health services that are in line with current clinical evidence</p>		
<p>Continued review of Medicare Benefits Schedule (MBS) items to maintain a Medicare system that provides high value care to the Australian public based on contemporary evidence and practice.</p>		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Clinical Committees³ will have considered 70% of the MBS items.</p> <p>Implementation of all Government responses to Review recommendations agreed in 2017-18 will be either underway or complete.</p>	<p>Clinical Committees will have considered 95% or more of the MBS items.</p> <p>Implementation of all Government responses to Review recommendations agreed in 2018-19 will be either underway or complete.</p>	<p>Clinical Committees will have considered 100% of the MBS items.</p> <p>Implementation of all Government responses to Review recommendations agreed in 2019-20 will be either underway or complete.</p>

³ Further information available at: www.health.gov.au/internet/main/publishing.nsf/content/MBSR-committees

B. Providing targeted financial assistance, including to Australians who require life-saving medical treatment not available in Australia, and access to external breast prostheses for women who have had breast cancer				
Provide financial assistance to Australians for appropriate medical treatment not available in Australia or for out-of-pocket health care costs as a result of specific overseas disasters.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
It is estimated that nine patients will receive financial assistance under the Medical Treatment Overseas Program. Under the Disaster Health Care Assistance Scheme, financial assistance will be provided for approximately 1,900 claims.	Applications for financial assistance for medical treatment overseas are assessed in accordance with program guidelines. Ensure that payments to affected individuals for out-of-pocket healthcare costs arising from specified international adverse events are provided in an effective manner.		As per 2018-19.	
Improving the quality of life of women who have undergone a mastectomy as a result of breast cancer, through efficient processing of claims from eligible women under the National External Breast Prostheses Reimbursement Program.				
a. Claims processed within ten days of lodgement.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. ≥90%	≥90%	≥90%	≥90%	≥90%
C. Supporting safe and effective diagnostic imaging and pathology services				
Mitigate potential risks to patient safety and improve quality pathology services through maintaining a consistent and contemporary accreditation framework that underpins all Medicare eligible pathology services.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
There were continuous improvements of the Australian Pathology Accreditation Framework with the publication of four new and/or revised national accreditation standards produced for pathology laboratories.	Ensure consumers have continued access to up-to-date, quality pathology services through reviewing and updating the Australian Pathology Accreditation Framework, as required.		As per 2018-19.	

D. Supporting the delivery of high quality radiation oncology services		
Ensure Australians have access to high quality radiotherapy services through the Radiation Oncology Health Program Grants Scheme.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Ninety-five radiotherapy facilities were funded across Australia under the Radiation Oncology Health Program Grants Scheme, an increase of eight facilities from 2016-17.	Provide targeted financial contributions to the capital cost of radiation oncology linear accelerators ⁴ located in priority areas as agreed between the Commonwealth and relevant States and Territories.	As per 2018-19.
Material changes to Program 4.1 resulting from the following measures: <ul style="list-style-type: none"> • <i>A Stronger Rural Health Strategy</i> 		

⁴ The device most commonly used for external beam radiation treatments for patients with cancer.

Table 2.4.3: Performance Criteria for Program 4.2

Program 4.2: Hearing Services				
The Australian Government will continue to provide a range of fully and partially subsidised hearing devices and services to eligible Australians to manage their hearing loss and improve their engagement with the community. This includes continued support to hearing research that focuses on ways to reduce the impact of hearing loss and the incidence and consequence of avoidable hearing loss in the Australian community. In addition, the Government will also expand hearing assessments for Aboriginal and Torres Strait Islander peoples. ⁵				
Delivery				
A. Supporting access to high quality hearing services and research into hearing loss prevention and management <ul style="list-style-type: none"> • Deliver the voucher component of the Hearing Services Program that enables eligible Australians to obtain hearing services and devices from a national network of service providers. • Deliver the Community Service Obligations component of the Hearing Services Program, which provides specialist services to children and other eligible groups. These services are delivered through Australian Hearing. • Provide research funding through the National Acoustics Laboratories and Hearing Loss Prevention Program. 				
Performance criteria				
A. Supporting access to high quality hearing services and research into hearing loss prevention and management				
Support access to high quality hearing services through the voucher and Community Service Obligations components of the Hearing Services Program.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
804,000 clients	811,000 clients	847,000 clients	871,000 clients	888,000 clients
Material changes to Program 4.2 resulting from the following measures: There are no material changes to Program 4.2 resulting from measures.				

⁵ For further information refer to Program 2.2: Aboriginal and Torres Strait Islander Health.

Table 2.4.4: Performance Criteria for Program 4.3

Program 4.3: Pharmaceutical Benefits
<p>The Australian Government aims to provide reliable, timely and affordable access to cost-effective, high quality medicines and sustainable pharmaceutical services to all eligible Australians, through the subsidisation of the cost of medicines through the Pharmaceutical Benefits Scheme (PBS), Life Saving Drugs Program (LSDP) and community pharmacy programs through the Sixth Community Pharmacy Agreement.</p> <p>The Government will continue to support price disclosure arrangements with price reductions occurring on 1 April and 1 October, consistent with provisions in the <i>National Health Act 1953</i> and <i>National Health (Pharmaceutical Benefits) Regulations 2017</i>.</p> <p>In 2018-19, the Government will continue to list new and innovative medicines recommended by the Pharmaceutical Benefits Advisory Committee (PBAC), including the listing of Nusinersen (Spinraza[®]) from 1 June 2018 for the treatment of Spinal Muscular Atrophy and Ribociclib (Kisqali[®]) from 1 July 2018 for the treatment of some types of inoperable breast cancer. The Government will also provide a new \$1.0 billion provision for listing further medicines.</p> <p>The Government will continue to work with the pharmaceutical supply chain to identify administrative approaches to: encourage increased supply of medicines to Australians who need them; reduce the cost burden on pharmacies and the broader supply chain stocking high cost medicines; and reduce revenue being paid to Government by manufacturers.</p> <p>The Government will continue to work with Medicines Australia and other key stakeholders to implement new arrangements to the LSDP. Changes to the LSDP will deliver transparency and greater certainty of process and assessment timelines for the medicines industry and patients, ensuring the future integrity and ongoing sustainability of the program.</p> <p>Pharmacists and communities will continue to trial new pharmacy programs that aim to improve health outcomes for consumers including trials that extend the roles of pharmacists in the delivery of primary healthcare services. This includes trials to assist patients who are taking medication to manage ongoing chronic pain and to improve medication management for Aboriginal and Torres Strait Islander people.</p> <p>The Government will also continue to implement the redesigned community pharmacy programs announced in the Compact with the Pharmacy Guild of Australia. These programs provide support to patients to better manage their medications and will collect information to support the future assessment of the effectiveness of these interventions.</p>

Delivery
<p>A. Providing access to new and existing medicines for patients with life threatening conditions</p> <ul style="list-style-type: none"> • Assess patient applications against published eligibility criteria for LSDP medicines in a timely way. • Administer medicine orders to meet the needs of patients approved to the LSDP, within agreed timeframes. <p>B. Ensuring access to cost-effective, innovative, clinically effective medicines through the Pharmaceutical Benefits Scheme</p> <ul style="list-style-type: none"> • The PBAC contributes to a sustainable PBS by assessing each medicine's clinical effectiveness, safety and cost-effectiveness compared with other treatments for each proposed condition. <p>C. Supporting timely access to medicines and pharmacy services</p> <ul style="list-style-type: none"> • Support and monitor pharmaceutical wholesalers participating in the Community Service Obligation funding pool to ensure all eligible Australians have timely access to PBS medicines. • Support professional pharmacy programs and services for consumers through the Sixth Community Pharmacy Agreement. • Support and monitor programs to improve access to PBS medicines by Aboriginal and Torres Strait Islander people. <p>D. Maintaining the effectiveness of the Pharmaceutical Benefits Scheme through monitoring and post-market surveillance</p> <ul style="list-style-type: none"> • Undertake post-market reviews of PBS listed medicines to ensure their ongoing clinically appropriate and cost-effective use for consumers.

Performance criteria				
A. Providing access to new and existing medicines for patients with life threatening conditions				
Ensure new eligible patients have access to the Life Saving Drugs Program.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
All new patient applications were processed within 30 calendar days of receipt and assessed against set eligibility criteria.	New patient applications are processed within 30 calendar days of receipt.	As per 2018-19.		
Ensure continued access to eligible patients to medicines under the Life Saving Drugs Program.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
Eligible patients continued to have access to life saving medicines through the Life Saving Drugs Program.	Facilitate continued eligible patient access to life saving medicines.	As per 2018-19.		
B. Ensuring access to cost-effective, innovative, clinically effective medicines through the Pharmaceutical Benefits Scheme				
Percentage of submissions for new medicines that are recommended for listing by the Pharmaceutical Benefits Advisory Committee, that are listed on the Pharmaceutical Benefits Scheme within six months of agreement of budget impact and price.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
80%	80%	80%	80%	80%

C. Supporting timely access to medicines and pharmacy services				
Deliver an increased suite of reporting and data related to pharmacy and Pharmaceutical Benefits Scheme (PBS) funded medicine access and cost that is made available to Parliament, consumers and business.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
The volume of PBS prescription and expenditure data published on the Department of Health website has expanded during 2017-18. Pharmacy reporting and data has also continued to be published.	Periodically increase the volume and nature of data on the Department of Health website.	As per 2018-19.		
Percentage of Urban Centres ⁶ in Australia with a population of 1,000 persons or more with an approved supplier ⁷ of Pharmaceutical Benefits Scheme medicines.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
>90%	>90%	>90%	>90%	>90%
Percentage of Urban Centres in Australia with a population of 1,000 persons or more with a resident service provider of, or recipient of, Medscheck, Home Medicines Review, Residential Medication Management Review or Clinical Intervention.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
N/A ⁸	>80%	>80%	>80%	>80%
Percentage of subsidised Pharmaceutical Benefits Scheme units delivered to community pharmacy within agreed requirements of the Community Service Obligation.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
>95%	>95%	>95%	>95%	>95%

⁶ Further information available in the Urban Centres and Localities and Significant Urban Areas Fact Sheet, available at: www.abs.gov.au/websitedbs/D3310114.nsf/home/ASGS+Fact+Sheets

⁷ For this criterion, an approved supplier includes a pharmacy, a medical practitioner (in rural/remote locations where there is no access to a pharmacy) or an Aboriginal Health Service, approved to supply Pharmaceutical Benefits Schedule (PBS) medicines to the community. It does not include an approved hospital authority approved to supply PBS medicines to its patients.

⁸ Data not yet available for 2017-18. Full year results will be published in the 2017-18 *Department of Health Annual Report*.

D. Maintaining the effectiveness of the Pharmaceutical Benefits Scheme through monitoring and post-market surveillance				
Post-market reviews deliver relevant and high quality advice to the Pharmaceutical Benefits Advisory Committee (PBAC) and Government.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Established working groups continued to engage with professional and community stakeholders in conducting the following reviews on: – ezetimibe for hypercholesterolemia; – chronic obstructive pulmonary disease; – chronic plaque psoriasis; and – pulmonary arterial hypertension medicines.		Established working groups will engage with professional and community stakeholders to conduct reviews on: – chronic plaque psoriasis; and – pulmonary arterial hypertension medicines. Commence new post-market reviews and research projects recommended by PBAC.		As per 2018-19.
Percentage of post-market reviews completed within scheduled timeframes.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
90%	90%	90%	90%	90%
Percentage of Government-accepted recommendations from post-market reviews that have been implemented within agreed timeframes.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
85%	≥80%	≥80%	≥80%	≥80%

Information regarding quality use of medicines is provided to health professionals and consumers to support use of therapeutics wisely, judiciously and safely to achieve better health and economic outcomes.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
The Government funded NPS MedicineWise (NPS) to: – provide consumer information on the NPS website; – conduct healthcare provider educational visits and activities; and – produce scheduled NPS publications that provide evidence-based information on new, existing and revised listings of medicines on the Pharmaceutical Benefits Scheme, for health professionals and consumers.		The Government will continue to provide funding for the provision of quality use of medicines information to be available in a variety of formats throughout the year, designed to support health professionals and consumers. The scope of activities provided through NPS will be reviewed.		As per 2018-19.
Percentage of eligible medicines assessed in accordance with PBS price disclosure requirements.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
100%	100%	100%	100%	100%
Material changes to Program 4.3 resulting from the following measures: <ul style="list-style-type: none">• <i>Improving access to medicines – additional funding for new medicines and improved payment administration</i>• <i>Improving access to medicines – encouraging greater use of generic and biosimilar medicines</i>• <i>Improving access to medicines – sustainability of the pharmacy approvals process</i>				

Table 2.4.5: Performance Criteria for Program 4.4

Program 4.4: Private Health Insurance		
<p>The Australian Government promotes affordable, quality private health insurance, to provide greater choice for consumers. In 2018-19, the Government will deliver the private health insurance reform package to improve the sustainability of the health system as a whole. The package will make private health insurance simpler and more affordable for the 13.5 million Australians covered by private health insurance policies. The package will also improve the value of private health insurance, and make policies easier to understand.</p>		
Delivery		
<p>A. Supporting a viable, sustainable and cost-effective private health insurance sector, including through the private health insurance rebate</p> <ul style="list-style-type: none"> • Work with private health insurers to provide cost-effective private health insurance products to encourage increased membership and sustainability of the private health insurance industry. • Further encourage Australians to take up private health insurance by ensuring access to quality up-to-date information in relation to private health insurance. • Continue to work with the Private Health Ministerial Advisory Committee to implement private health insurance reforms. 		
Performance criteria		
<p>A. Supporting a viable, sustainable and cost-effective private health insurance sector, including through the private health insurance rebate</p>		
Support the provision of more affordable and simpler private health insurance for all Australians.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Effective reform measures were developed to: make private health insurance easier to understand; reduce the costs of private health insurance for consumers; and improve access to private health insurance for all Australians.</p> <p>Private health insurers were supported to comply with and implement the private health insurance reforms from 1 April 2018.</p>	<p>Support private health insurers to implement the remaining private health insurance reforms from 1 April 2019.</p> <p>Lower annual premium changes across the sector as a direct result of the reforms.</p> <p>Undertake regular stakeholder communications with insurers and other regulatory agencies to provide two-way dissemination of information.</p>	<p>As per 2018-19.</p>

Ensure privately insured patients have access to clinically, cost-effective prostheses under the <i>Private Health Insurance Act 2007</i>.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The Prostheses List Advisory Committee was supported to reform the Prostheses List arrangements. The updated Prostheses List enabled access to devices for privately insured patients.	Support the Prostheses List Advisory Committee to reform the Prostheses List arrangements. Publish the Prostheses List enabling access to devices for privately insured patients.	As per 2018-19.
Material changes to Program 4.4 resulting from the following measures: There are no material changes to Program 4.4 resulting from measures.		

Table 2.4.6: Performance Criteria for Program 4.5

Program 4.5: Medical Indemnity				
<p>The Australian Government seeks to ensure the stability of the medical insurance industry, and that medical indemnity insurance products are available and affordable.</p> <p>Medical indemnity insurance provides financial protection to both privately practising medical practitioners, private midwives and patients in circumstances where a patient sustains an injury (or adverse outcome) caused by medical misadventure, malpractice, negligence or an otherwise unlawful act. All medical practitioners and midwives are required to hold medical indemnity insurance in order to practise privately as a condition of their professional registration.</p> <p>In 2018-19, the Government will work with industry on recommendations arising from the First Principles Review of the Indemnity Insurance Fund.</p>				
Delivery				
<p>A. Ensuring the ongoing stability of the medical insurance industry and that insurance products are available and affordable</p> <ul style="list-style-type: none">• Administer schemes under the Indemnity Insurance Fund that promote stability, affordability and availability of insurance. Through these schemes, subsidise claims costs and the cost of insurance premiums of eligible medical practitioners and privately practising midwives.• Work with stakeholders under enhanced governance arrangements to implement Government decisions following the First Principles Review of the medical indemnity schemes.				
Performance criteria				
<p>A. Ensuring the ongoing stability of the medical insurance industry and that insurance products are available and affordable</p>				
Enable continued availability of professional indemnity insurance for eligible midwives.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
A contract was maintained with an indemnity provider for the provision of professional indemnity insurance to privately practising eligible midwives.	Maintain a contract with an indemnity provider for the provision of professional indemnity insurance to eligible midwives.		As per 2018-19.	
Maintain or reduce the number of doctors who require support through the Premium Support Scheme.⁹				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
Data not available ¹⁰	≤1,400	≤1,400	≤1,400	≤1,400
<p>Material changes to Program 4.5 resulting from the following measures:</p> <p>There are no material changes to Program 4.5 resulting from measures.</p>				

⁹ A decline in doctors accessing the Premium Support Scheme is an indication of medical indemnity insurance being affordable.

¹⁰ Data not yet available for 2017-18. Full year results will be published in the 2017-18 *Department of Health Annual Report*.

Table 2.4.7: Performance Criteria for Program 4.6

Program 4.6: Dental Services				
The Australian Government will improve access to adult public dental services through a National Partnership Agreement with the States and Territories, and support eligible children to access essential dental health services through the Child Dental Benefits Schedule.				
Delivery				
A. Improving access to dental services <ul style="list-style-type: none"> Support the States and Territories to provide additional services to adult public dental patients, through the National Partnership Agreement on Public Dental Services for Adults. Work with the Department of Human Services to support eligible children to access dental health services through the Child Dental Benefits Schedule. Undertake a statutory review of the <i>Dental Benefits Act 2008</i>. 				
Performance criteria				
A. Improving access to dental services				
Support eligible children to access essential dental health services through the Child Dental Benefits Schedule (CDBS).				
a. Percentage of eligible children accessing the CDBS.				
2018 Estimated result	2019 Target	2020 Target	2021 Target	2022 Target
a. 37.1%	37.8%	38.6%	39.5%	40.3%
Material changes to Program 4.6 resulting from the following measures: There are no material changes to Program 4.6 resulting from measures.				

Table 2.4.8: Performance Criteria for Program 4.7

Program 4.7: Health Benefit Compliance				
<p>The Australian Government supports the integrity of health benefit claims through early intervention and identification, as well as detecting and investigating instances of fraud. This will be achieved through: assisting health providers meet their compliance obligations when claiming benefits; intervening and correcting claims when honest mistakes occur; and detecting and investigating fraud and inappropriate practice.</p> <p>In 2018-19, the Government will improve its targeted compliance activities. This will include better targeted fraud, inappropriate practice and incorrect claiming investigations.</p>				
Delivery				
<p>A. Ensuring the integrity of health provider claiming</p> <ul style="list-style-type: none"> • Consult closely with professional bodies and stakeholder groups on compliance strategies. • Utilise data analytics to identify irregular claiming patterns and non-compliance. • Employ behavioural economics-driven approaches to treat non-compliance. • Improve debt recovery arrangements. • Conduct appropriate interventions through: education; targeted campaigns; general audits; practitioner reviews; and criminal investigations. • Conduct reviews of medical and other health practitioners through the Practitioner Review Program. • Conduct a trial to ensure clinically appropriate prescribing of opioids. 				
Performance criteria				
<p>A. Ensuring the integrity of health provider claiming</p> <p>Deliver a quality health provider compliance program that prevents non-compliance where possible and ensures audits and reviews are targeted effectively to those providers whose claiming is non-compliant, so that the following proportions of audits and reviews that are undertaken by the Department find non-compliance:</p>				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
>90%	>90%	>90%	>90%	>90%
<p>Material changes to Program 4.7 resulting from the following measures:</p> <p>There are no material changes to Program 4.7 resulting from measures.</p>				

Table 2.4.9: Performance Criteria for Program 4.8

Program 4.8: Targeted Assistance – Aids and Appliances		
<p>The Australian Government is committed to improving health outcomes for the Australian community through the provision of targeted assistance for aids and appliances.</p> <p>In 2018-19, the Government will continue to provide fully subsidised continuous glucose monitoring products to children and young adults under 21 years of age with insulin-dependent type 1 diabetes, and who face additional challenges in managing their diabetes and blood glucose levels.</p> <p>In addition, the Government will provide additional funding to the Insulin Pump Program. This will address unmet demand for fully subsidised insulin pumps to children with type 1 diabetes who do not have access to alternative means of reimbursement, such as private health insurance.</p>		
Delivery		
<p>A. Improving health outcomes through the provision of targeted assistance for aids and appliances</p> <ul style="list-style-type: none"> Through the National Diabetes Services Scheme, continue to ensure the provision of timely, reliable and affordable access to products and services to help people effectively manage their condition. Continue to support access to insulin pumps for very low income families who have children with type 1 diabetes, through the Insulin Pump Program. Continue to support access to clinically appropriate dressings to improve the quality of life for people with Epidermolysis Bullosa. Continue to assist people with stomas by ensuring access to stoma-related products with a greater choice of new products. 		
Performance criteria		
<p>A. Improving health outcomes through the provision of targeted assistance for aids and appliances</p>		
The National Diabetes Services Scheme meets the needs of registrants.¹¹		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
70% of registrants surveyed through the annual National Diabetes Services Scheme registrant survey felt that their needs were being met.	Annual National Diabetes Services Scheme registrant survey demonstrates that the needs of 70% of registrants surveyed are being met.	As per 2018-19.

¹¹ Registrants are people with type 1 diabetes, type 2 diabetes, gestational diabetes or 'other diabetes' who are registered on the National Diabetes Services Scheme.

Support children and young people under 21 years of age, with type 1 diabetes, through the National Diabetes Services Scheme.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Subsidised continuous glucose monitoring products have continued to be provided to eligible children and young people under 21 years of age through the National Diabetes Services Scheme.	Provide eligible children and young people under 21 years of age with subsidised continuous glucose monitoring products through the National Diabetes Services Scheme to assist in the management of their type 1 diabetes.	As per 2018-19.
Support Australians to assist in the management of specific chronic health conditions (diabetes, stoma and Epidermolysis Bullosa).		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Subsidised aids and appliances have been provided to eligible Australians.	Ensure provision of subsidised aids and appliances to assist eligible Australians in the management of their chronic health conditions.	As per 2018-19.
Material changes to Program 4.8 resulting from the following measures: There are no material changes to Program 4.8 resulting from measures.		

2.5 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 5

Outcome 5: Regulation, Safety and Protection

Protection of the health and safety of the Australian community and preparedness to respond to national health emergencies and risks, including through immunisation, initiatives, and regulation of therapeutic goods, chemicals, gene technology, and blood and organ products

Programs Contributing to Outcome 5

Program 5.1:	Protect the Health and Safety of the Community Through Regulation
Program 5.2:	Health Protection and Emergency Response
Program 5.3:	Immunisation

Linked Programs

Other Commonwealth entities that contribute to Outcome 5
Australian Competition and Consumer Commission Program 1.1: Australian Competition and Consumer Commission The Australian Competition and Consumer Commission contributes to the health and safety of the Australian community through the consideration and management of unacceptable safety risks posed by consumer goods (5.1).
Australian Radiation Protection and Nuclear Safety Agency¹ Program 1.1: Radiation Protection and Nuclear Safety The Australian Radiation Protection and Nuclear Safety Agency contributes to the health and safety of the community by protecting the Australian people and environment from the harmful effects of radiation (5.1).
Department of Agriculture and Water Resources Program 2.1: Biosecurity and Export Services The Department of Agriculture and Water Resources contributes to the protection of the health and safety of the Australian community through implementation of activities under the <i>Biosecurity Act 2015</i> , such as the ongoing monitoring of mosquito vectors at international seaports and airports (5.2).
Department of Education and Training Program 1.2: Child Care Benefit The Department of Education and Training contributes to increasing immunisation coverage rates by including childhood immunisation requirements as part of the eligibility criteria for the Child Care Benefit. Eligibility for benefits is linked to satisfying the requirements for immunisation (5.3).
Department of the Environment and Energy Program 1.6: Management of Hazardous Wastes, Substances and Pollutants The Department of the Environment and Energy undertakes environmental risk assessments for the National Industrial Chemicals Notification and Assessment Scheme (5.1).

Outcome 5

¹ Refer to the Australian Radiation Protection and Nuclear Safety Agency chapter in these Portfolio Budget Statements for further information on the work of this entity.

Other Commonwealth entities that contribute to Outcome 5
<p>Department of Home Affairs Program 1.2: Border Management The Department of Home Affairs facilitates access to health and support services of the Australian community through effective:</p> <ul style="list-style-type: none"> – Management of the risks associated with industrial chemicals by maintaining records on the importation of these products (5.1) – Management of the regulations for the import and export of controlled substances at the border (5.1).
<p>Department of Human Services Program 1.2: Services to the Community The Department of Human Services contributes to increasing immunisation coverage rates, which protect the health and safety of the Australian community, by administering the Australian Immunisation Register on behalf of the Department of Health (5.3).</p>
<p>Department of Social Services Program 1.1: Family Tax Benefit The Department of Social Services contributes to increasing immunisation coverage rates, which protect the health and safety of the Australian community, by administering the Family Tax Benefit A supplements to eligible parents. Eligibility for the supplements is linked to satisfying the requirements of age-related immunisation (5.3).</p>
<p>Safe Work Australia Program 1: Reform of and improvements to Australian work health and safety and workers' compensation arrangements The Department of Jobs and Small Business contributes to the protection of the health and safety of the Australian community through effective management of risks arising from industrial chemicals through Australian work health and safety and workers' compensation arrangements (5.1).</p>
<p>The Treasury Program 1.9: National Partnership Payments to the States The Treasury makes National Partnership Payments to the State and Territory Governments as part of the Federal Financial Relations Framework.² Activities funded through the following National Partnership Agreements contribute to the Government's objectives within this Outcome:</p> <ul style="list-style-type: none"> – Royal Darwin Hospital – equipped, prepared and ready (5.2) – OzFoodNet (5.2) – Addressing blood borne viruses and sexually transmissible infections in the Torres Strait (5.2) – Mosquito control and cross border liaison in the Torres Strait (5.2) – Torres Strait/Papua New Guinea (PNG) cross border health issues (5.2) – Vaccine-preventable diseases surveillance (5.2) – Essential vaccines (5.3).

² For Budget estimates relating to the National Partnership component of the program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

Table 2.5.1: Budgeted Expenses for Outcome 5

Table 2.5.1 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.

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 5.1: Protect the Health and Safety of the Community through Regulation					
Administered expenses					
Ordinary annual services ^(a)	659	-	-	-	-
Departmental expenses					
Departmental appropriation ^(b)	15,600	15,332	13,473	13,890	13,195
to Special Accounts	(10,305)	(10,094)	(8,320)	(8,382)	(8,431)
Expenses not requiring appropriation in the budget year ^(c)	3,720	124	117	120	123
Special Accounts					
OGTR ^(d)	7,673	7,638	7,646	7,694	7,747
NICNAS ^(e)	19,489	18,051	15,180	15,180	15,180
TGA ^(f)	148,324	154,601	156,929	159,120	162,515
Expense adjustment ^(g)	(2,730)	2,720	6,159	7,179	6,799
Total for Program 5.1	182,430	188,372	191,184	194,801	197,128

Table 2.5.1: Budgeted Expenses for Outcome 5 (continued)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 5.2: Health Protection and Emergency Response ^(h)					
Administered expenses					
Ordinary annual services ^(a)	88,727	94,803	92,473	88,513	90,163
Non cash expenses ⁽ⁱ⁾	24,408	23,616	13,007	4,320	1,130
Special Accounts					
Human Pituitary Hormones Special Account - s78 PGPA Act	170	170	170	170	170
Departmental expenses					
Departmental appropriation ^(b)	25,443	25,488	25,207	25,125	25,531
Expenses not requiring appropriation in the budget year ^(c)	752	798	750	770	786
Total for Program 5.2	139,500	144,875	131,607	118,898	117,780
Program 5.3: Immunisation ^(h)					
Administered expenses					
Ordinary annual services ^(a) to Australian Childhood Immunisation Special Account	36,430 (7,055)	29,826 (7,133)	27,562 (7,133)	25,959 (7,133)	26,283 (7,133)
Special Accounts					
Australian Childhood Immunisation Register Special Account s78 PGPA Act	9,820	9,820	9,820	9,820	9,820
Special appropriations					
<i>National Health Act 1953</i> - essential vaccines	374,572	380,960	383,394	377,436	377,311
Departmental expenses					
Departmental appropriation ^(b)	8,918	8,883	8,785	8,756	8,897
Expenses not requiring appropriation in the budget year ^(c)	229	244	229	235	240
Total for Program 5.3	422,914	422,600	422,657	415,073	415,418

Table 2.5.1: Budgeted Expenses for Outcome 5 (continued)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Outcome 5 totals by appropriation type					
Administered expenses					
Ordinary annual services ^(a)	125,816	124,629	120,035	114,472	116,446
to Special accounts	(7,055)	(7,133)	(7,133)	(7,133)	(7,133)
Non cash expenses ⁽ⁱ⁾	24,408	23,616	13,007	4,320	1,130
Special Accounts	9,990	9,990	9,990	9,990	9,990
Special appropriations	374,572	380,960	383,394	377,436	377,311
Departmental expenses					
Departmental appropriation ^(b)	49,961	49,703	47,465	47,771	47,623
to Special accounts	(10,305)	(10,094)	(8,320)	(8,382)	(8,431)
Expenses not requiring appropriation in the budget year ^(c)	4,701	1,166	1,096	1,125	1,149
Special Accounts	172,756	183,010	185,914	189,173	192,241
Total expenses for Outcome 5	744,844	755,847	745,448	728,772	730,326

	2017-18	2018-19
Average staffing level (number)	944	937

^(a) Appropriation (Bill No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.

^(b) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(c) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

^(d) Office of the Gene Technology Regulator Special Account.

^(e) National Industrial Chemicals Notification and Assessment Scheme Special Account.

^(f) Therapeutic Goods Administration Special Account.

^(g) Special accounts are reported on a cash basis. This adjustment reflects the differences between expense and cash.

^(h) Budget estimates for this program exclude National Partnership funding paid to State and Territory Governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. National Partnerships are listed in this chapter under each program. For Budget estimates relating to the National Partnership component of this program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

⁽ⁱ⁾ 'Non cash expenses' relate to the write down of drug stockpile inventory due to expiration, consumption and distribution.

Movement of Funds

There were no movements of administered funds between years for Outcome 5.

Planned Performance for Outcome 5

Tables 2.5.2 – 2.5.4 below detail the performance criteria for each program associated with Outcome 5. These tables also summarise how each program is delivered and where 2018-19 Budget measures have materially changed existing programs.

Table 2.5.2: Performance Criteria for Program 5.1

Purpose
Lead and shape Australia's health and aged care system and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
Outcome 5: Regulation, Safety and Protection
Protection of the health and safety of the Australian community and preparedness to respond to national health emergencies and risks, including through immunisation initiatives, and regulation of therapeutic goods, chemicals, gene technology, and blood and organ products.
Program 5.1: Protect the Health and Safety of the Community Through Regulation
<p>The Government, through the Therapeutic Goods Administration (TGA), protects the health and safety of the community by regulating therapeutic goods for safety, efficacy, performance and quality. The TGA aims to deliver efficient, best practice regulatory outcomes through international collaboration and reform. The TGA undertakes monitoring, compliance and enforcement activities in relation to therapeutic goods that are manufactured, used, imported into or exported from Australia.³</p> <p>Through the Office of Drug Control (ODC), the Department regulates and provides advice on the import, export, and manufacture of controlled drugs to support Australia's obligations under the International Narcotic Drugs Conventions. It also regulates the cultivation and manufacture of medicinal cannabis products in Australia.⁴</p> <p>The Government aims to protect the health and safety of people and the environment by identifying and managing risks through regulating activities with genetically modified organisms (GMOs). The third review of the National Gene Technology Scheme is identifying any reforms required to ensure a modern, flexible and innovative scheme within this context. In 2018-19, the Office of the Gene Technology Regulator (OGTR) will continue to ensure that all risk assessments of GMOs are based on current scientific evidence and represent international best practice by keeping pace with advances in scientific knowledge and regulatory practice.</p> <p>The Government also aims to protect human health and the environment by assessing the risks posed by the introduction and use of industrial chemicals. Consistent with the Government's regulatory reform agenda, regulatory effort by the Department will be proportionate to risk.</p>

³ Further information about the TGA's activities is provided in the TGA Business Plan, Half Yearly Performance Snapshot, Annual Performance Statistics Report and Self-Assessment (KPI) Report, and is available on the TGA website: www.tga.gov.au/tga-plans-reports

⁴ Further information about ODC's activities is available on the ODC website: www.odc.gov.au

Delivery
<p>A. Regulating therapeutic goods for safety, efficacy, performance and quality while promoting best practice</p> <ul style="list-style-type: none"> • Monitor regulatory compliance and take appropriate action. • Improve access to therapeutic goods for consumers and streamline regulatory processes for industry. • Participate in international engagement and work sharing activities with comparable international regulators. <p>B. Regulating the import, export, and manufacture of controlled drugs, and cultivation of medicinal cannabis</p> <ul style="list-style-type: none"> • Regulate the medicinal cannabis industry through issuing licences and permits to support domestic patient and international export requirements, and liaising with law enforcement and State and Territory regulatory authorities. • Provide advice to ensure Australia's reporting obligations under the International Drug Conventions are met. <p>C. Protecting people and the environment by assessing the risks of industrial chemicals and providing information to promote their safe use</p> <ul style="list-style-type: none"> • Make recommendations to Commonwealth, State and Territory risk management agencies on the safe use of industrial chemicals. • Make information on the safe use of industrial chemicals publicly available. • Implement reforms to the National Industrial Chemicals Notification and Assessment Scheme to achieve an appropriate balance between regulatory effort and risks posed by industrial chemicals. <p>D. Protecting the health and safety of people and the environment by regulating activities with genetically modified organisms (GMOs)</p> <ul style="list-style-type: none"> • Administer the national scheme for the regulation of gene technology to protect the health and safety of people and the environment. • Conduct routine inspections of certified facilities and licensed activities with GMOs in contained facilities and field trials. • Implement reforms to the National Gene Technology Scheme (the Scheme) arising from the third Review of the Scheme, to support a modern, flexible and innovative scheme while ensuring protection of humans and the environment. <p>E. Protecting the health of people and the environment through effective regulation</p> <ul style="list-style-type: none"> • Amend the National Health and Medical Research Council <i>Australian code for the care and use of animals for scientific purposes 8th edition (2013)</i> to exclude the use of animals for testing cosmetic products and ingredients. • Undertake procurement to develop an Industry Code of Practice and a product information and communication package to ensure industry and the general public are aware of the details of the ban of testing of cosmetics on animals.

Performance criteria		
A. Regulating therapeutic goods for safety, efficacy, performance and quality while promoting best practice		
Intelligence, monitoring and compliance functions are improved to ensure compliance with the <i>Therapeutic Goods Act 1989</i>.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The Compliance and Enforcement Plan for 2017-18 was implemented, strengthening inter-agency partnerships, greatly enhancing relationships with State and Territory counterparts and continuing to strengthen the Department's working relationship with the Australian Border Force. A significant number of illegal and/or non-compliant therapeutic goods were removed from the Australian market.	Review the Compliance and Enforcement Plan, ensuring it is updated to reflect any legislative amendments in relation to sanctions and penalties. Through effective inter-agency partnerships and enhanced relationships with State and Territory counterparts, monitor and use intelligence to target non-compliance. Remove illegal and/or non-compliant therapeutic goods that pose an unacceptable risk from the Australian market.	As per 2018-19.
Access to therapeutic goods for consumers is improved whilst the safety of therapeutic goods in Australia is maintained.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Implementation of the Australian Government's reforms arising from the Review of Medicines and Medical Devices Regulation was progressed through: – improving access to therapeutic goods – including priority assessment, provisional approval pathway and patient-specific access to unapproved products; – strengthening monitoring and compliance provisions; and – more effective regulation of therapeutic goods advertising.	Continue implementation of the Australian Government's reforms arising from the Review of Medicines and Medical Devices Regulation, which will improve access to safe therapeutic goods for Australian consumers.	Full implementation of the Australian Government's reforms arising from the Review of Medicines and Medical Devices Regulation.

The quality and safety of medicines and medical devices in Australia is supported by contributing to the evolving international environment. ⁵				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Increased engagement with comparable overseas regulators and with regional and international health organisations, including the World Health Organization, to improve public health and safety with respect to the regulation of therapeutic goods. Facilitated increased use of assessments by comparable overseas regulators, particularly with respect to prescription medicines, while maintaining sovereignty of regulatory decisions.		Increase engagement with overseas regulators in comparable health systems, and with regional and international organisations, to improve public health and safety. Increase use of overseas assessments by comparable regulators, while maintaining sovereignty of regulatory decisions.		As per 2018-19.
B. Regulating the import, export, and manufacture of controlled drugs, and cultivation of medicinal cannabis				
Access to medicinal cannabis products for use by eligible Australian patients is ensured by assessing and processing applications for the import, export and manufacture of controlled substances within agreed timeframes.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
More than 90% of applications were processed within agreed timeframes.	≥95%	≥95%	≥95%	≥95%
C. Protecting people and the environment by assessing the risks of industrial chemicals and providing information to promote their safe use				
Proportion of National Industrial Chemicals Notification and Assessment Scheme recommendations intended to protect people and the environment from the harmful effects of chemicals, which have been accepted following consideration by Commonwealth and State and Territory risk management agencies.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
80%	≥80%	≥85%	≥85%	≥90%
Proportion of known importers and manufacturers of industrial chemicals registered with the National Industrial Chemicals Notification and Assessment Scheme is increased, to promote awareness among the regulated community of their legal obligations.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
90%	≥90%	≥95%	≥95%	≥95%

⁵ Further information is available at: www.tga.gov.au/publication/tga-international-engagement-strategy-2016-2020

Proportion of National Industrial Chemicals Notification and Assessment Scheme risk assessments completed within statutory timeframes to provide the Australian community with timely access to information about the safe use of new chemicals and support innovation by Australian businesses.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
95%	≥95%	≥95%	≥95%	≥95%
D. Protecting the health and safety of people and the environment by regulating activities with genetically modified organisms (GMOs)				
People and the environment are protected through open, effective and transparent regulation of genetically modified organisms (GMOs).				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
<p>Risk assessments and risk management plans were prepared for all licence applications. The Regulator made all licence decisions within the statutory timeframes.</p> <p>Stakeholders, including the public, were consulted on all assessments for proposed release of GMOs into the environment.</p> <p>The regulated organisations maintained a high level of compliance with gene technology legislation and GMO licence conditions. There were no adverse effects on human health or environment from authorised GMOs.</p>	<p>Risk assessments and risk management plans prepared for licence applications and all decisions made within the statutory timeframes.</p> <p>Stakeholders, including the public, consulted on all assessments for proposed release of GMOs into the environment.</p> <p>High level of compliance with gene technology legislation and no adverse effect on human health or environment from authorised GMOs.</p>		As per 2018-19.	

E. Protecting the health of people and the environment through effective regulation		
Existing frameworks are strengthened to ban cosmetic testing on animals.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Commenced work on amending the National Health and Medical Research Council <i>Australian Code for the care and use of animals for scientific purposes 8th edition</i> (2013) to ban cosmetic testing on animals.</p> <p>Animal Cosmetic Testing Ban legislation developed as part of the new Industrial Chemicals Bill 2017.</p>	<p>Continue to work with the National Health and Medical Research Council and States and Territories to incorporate a cosmetic testing ban through State and Territory legislation in line with the National Health and Medical Research Council <i>Australian Code for the care and use of animals for scientific purposes 8th edition</i> (2013).</p> <p>Parliament to consider Animal Cosmetic Testing Ban legislation as part of the new Industrial Chemicals Bill 2017.</p> <p>Undertake procurement and commence work program to develop a voluntary Industry Code of Practice and a product information and communication package.</p>	<p>Continue to work with State and Territories to enforce the ban on cosmetic testing on animals.</p> <p>The Animal Cosmetic Testing Ban in the Industrial Chemicals Bill takes effect from 1 July 2019.</p> <p>Implement the Industry Code of Practice.</p>
<p>Material changes to Program 5.1 resulting from the following measures:</p> <p>There are no material changes to Program 5.1 resulting from measures.</p>		

Table 2.5.3: Performance Criteria for Program 5.2

Program 5.2: Health Protection and Emergency Response
<p>The Government aims to protect the health of the Australian community through effective national leadership and coordination, and through building appropriate capacity and capability to detect, prevent and respond to threats to public health and safety arising from communicable diseases, natural disasters, acts of terrorism, and other incidents that may lead to mass casualties.</p> <p>In 2018-19, the Government will finalise the implementation of the <i>National Antimicrobial Resistance Strategy 2015–2019</i> including leading national efforts and contributing to international initiatives to minimise antimicrobial resistance and ensure effective antibiotic medicines are available.</p>
Delivery
<p>A. Reducing the incidence of blood borne viruses and sexually transmissible infections</p> <ul style="list-style-type: none"> • Implement the new <i>National Strategies for Blood Borne Viruses (BBV) and Sexually Transmissible Infections (STI) 2018–2022</i>, which provides a national framework for responding to HIV, hepatitis B, hepatitis C and STIs. • Continue to work with State and Territory Governments, and community and professional organisations to encourage increased uptake of testing and treatment among priority populations, including Aboriginal and Torres Strait Islander peoples, and to implement the Australian Government priority actions to respond to HIV, hepatitis B, hepatitis C and STIs. • Continue to support the quality of the Australian blood supply through the Health Protection Program. <p>B. Providing an effective response to national health emergencies, improving biosecurity and minimising the risks posed by communicable diseases</p> <ul style="list-style-type: none"> • Continue to strengthen preparedness to respond to public health threats and health emergencies by reviewing key emergency response plans and arrangements, conducting ongoing monitoring of health threats through the National Focal Point⁶ and conducting national and international surveillance. • Continue to enhance Australia's ability to prevent, detect and rapidly respond to public health threats through compliance with the World Health Organization's International Health Regulations (2005) core capacities. • Maintain Australia's capacity to respond to health emergencies through ensuring that a strategic reserve of essential pharmaceuticals and personal protective equipment is available in the National Medical Stockpile. • Ensure Australia has a timely supply of antivenoms, Q fever and pandemic influenza vaccines.

⁶ National Focal Point is the area or areas within the Department of Health, designated under the *National Health Security Act 2007*, to liaise with and facilitate actions by national and international bodies to prevent, protect against, control and respond to a Public Health Event of National Significance or a Public Health Emergency of International Concern.

Performance criteria		
A. Reducing the incidence of blood borne viruses and sexually transmissible infections		
National direction supports a coordinated response to reducing the spread of blood borne viruses (BBV) and sexually transmissible infections (STI).		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
National BBV and STI Strategies 2018–2022 will be finalised by mid-2018, ensuring that community and professional organisations are supported to reduce the spread of BBV and STI in the community.	<p>All partners including States and Territories, clinicians, researchers and community and professional organisations are supported to reduce the incidence of BBV and STI in the community with a focus on Aboriginal and Torres Strait Islander BBV and STI through:</p> <ul style="list-style-type: none"> – Monitoring progress against the programs that support the new National BBV and STI Strategies 2018–2022, in accordance with respective implementation plans. – Surveillance and monitoring of progress against targets and goals including estimates of incidence and prevalence. 	As per 2018-19.

B. Providing an effective response to national health emergencies, improving biosecurity and minimising the risks posed by communicable diseases		
National health emergencies and emerging health protection issues are managed and responded to through effective preparation and mitigation measures.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>National Notifiable Diseases Surveillance System data is publicly available. Data quality continued to be monitored in accordance with the <i>National Health Security Act 2007</i>.</p> <p>The World Health Organization-led Joint External Evaluation of Australia's ability to detect, prevent and respond to public health threats occurred between 24 November and 1 December 2017. Australia's Joint External Evaluation Mission Report was published in April 2018.</p>	<p>Implement and maintain compliance with the World Health Organization International Health Regulations (2005).</p> <p>Implement recommendations from the Joint External Evaluation to strengthen Australia's health security.</p> <p>Successfully respond to and manage health emergencies through the timely engagement of national health coordination mechanisms and response plans.</p> <p>Collect and disseminate data in the National Notifiable Diseases Surveillance System, including publishing on the Department's website to keep the community informed.</p>	<p>As per 2018-19.</p>
National direction to minimise the spread of antimicrobial resistance (AMR) is provided.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>The first progress report against the National AMR Strategy 2015–2019 showing action taken to date was released.</p> <p>The Australian Government launched a new website to provide a single source of reliable information about AMR and better reach target audiences.⁷</p> <p>The second national surveillance report was published to provide an expanded view of AMR, antibiotic use and appropriateness of antibiotic prescribing in Australia.</p> <p>A pilot to better link surveillance of AMR with public health responses was established.</p>	<p>Action against the spread of AMR is supported through ongoing implementation of programs that support the National AMR Strategy 2015–2019.</p>	<p>Develop the National AMR Strategy 2019–2023 in partnership with the Department of Agriculture and Water Resources.</p>

⁷ Available at: www.amr.gov.au

Australia's defences against the potential spread of mosquito-borne diseases on mainland Australia and in the Torres Strait are supported.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Targeted vector surveillance and control programs in the Torres Strait were undertaken during 2017-18 and continued to restrict the spread of exotic <i>Aedes albopictus</i> mosquitoes. The Department worked closely with the Department of Agriculture and Water Resources and States and Territories with several exotic mosquito incursions detected and controlled at Australia's international airports and seaports.	Undertake targeted vector surveillance and control programs in the Torres Strait. Work closely with the Department of Agriculture and Water Resources and States and Territories, on exotic vector surveillance and control at Australia's international airports and seaports.	As per 2018-19.
Material changes to Program 5.2 resulting from the following measures: There are no material changes to Program 5.2 resulting from measures.		

Table 2.5.4: Performance Criteria for Program 5.3

Program 5.3: Immunisation				
<p>The Australian Government aims to reduce the incidence of vaccine preventable diseases to protect individuals and the Australian community through the National Immunisation Program and associated immunisation initiatives.</p> <p>In 2018-19, the Government will introduce new vaccines to protect young infants against meningococcal A, C, W and Y and pregnant women and their newborn infants against pertussis (whooping cough). These build on 2018 introductions of new seasonal influenza vaccines specifically for the elderly and Gardasil[®]9, which provides additional protection against human papillomavirus for young people. The Government will also provide \$2.0 million in 2018-19 to extend the reach of the Child Immunisation Education Campaign.</p> <p>The <i>National Immunisation Strategy 2013–18</i> will be renewed for the period 2019–24, in partnership with States and Territories, and other key stakeholders. The implementation of the whole-of-life Australian Immunisation Register (AIR) will continue with the transfer of school based vaccination information into the AIR commencing in 2019.</p>				
Delivery				
<p>A. Increasing national immunisation coverage rates and improving the effectiveness of the National Immunisation Program</p> <ul style="list-style-type: none"> Promote the safety and effectiveness of the National Immunisation Program, including the need to remain vigilant against vaccine preventable diseases. Address low vaccine uptake in at risk populations, for example geographic areas of low coverage, through the Australian Immunisation Register and incentive payments to vaccination providers. Partner with States and Territories, and other key stakeholders to deliver vaccine initiatives through the National Immunisation Program. 				
Performance criteria				
<p>A. Increasing national immunisation coverage rates and improving the effectiveness of the National Immunisation Program</p>				
Immunisation coverage rates in children at 5 years of age are increased.⁸				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
94.00%	≥94.25%	≥94.50%	≥94.75%	≥95.00%
Immunisation coverage rates among 12–15 months of age Aboriginal and Torres Strait Islander children are increased.⁹				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
92.20%	≥92.50%	≥93.00%	≥93.50%	≥94.00%
<p>Material changes to Program 5.3 resulting from the following measures:</p> <p>There are no material changes to Program 5.3 resulting from measures.</p>				

⁸ Further information is available at: www.immunise.health.gov.au/internet/immunise/publishing.nsf/Content/acir-curr-data.htm

⁹ Ibid.

2.6 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 6

Outcome 6: Ageing and Aged Care

Improved wellbeing for older Australians through targeted support, access to quality care and related information services

Programs Contributing to Outcome 6

Program 6.1: Access and Information

Program 6.2: Aged Care Services

Program 6.3: Aged Care Quality

Linked Programs

Other Commonwealth entities that contribute to Outcome 6

Australian Aged Care Quality Agency¹

Program 1.1: Quality Assessment, Compliance Monitoring and Promotion of High Quality Care in Australian Government Subsidised Aged Care Services

The Australian Aged Care Quality Agency contributes to this Outcome through quality assurance across the aged care sector, supporting and promoting quality in aged care service delivery, and delivering a comprehensive industry accreditation and education program (6.3).

Department of Human Services

Program 1.2: Services to the Community – Health

The Department of Human Services contributes to this Outcome by:

- Undertaking income testing for care recipients (6.2)
- Making payments under the Continence Aids Payment Scheme (6.2)
- Administering payments to aged care providers (6.2)
- Means testing residents (6.2).

Department of Social Services

Program 3.1: Disability Mental Health and Carers Program

Program 3.2: National Disability Insurance Scheme

The Department of Social Services contributes to this Outcome by providing assistance, support and services for people with a disability and their carers (all Outcome 6 programs).

Outcome 6

¹ Refer to the Australian Aged Care Quality Agency chapter in these Portfolio Budget Statements for further information on the work of this entity.

Other Commonwealth entities that contribute to Outcome 6
<p>Department of Veterans' Affairs</p> <p>Program 2.4: Veterans' Community Care and Support</p> <p>Alongside the ageing and aged care programs administered by the Department of Health for the broader community, the Department of Veterans' Affairs contributes to the delivery of aged and community care for Australian veterans (6.2).</p>
<p>The Treasury</p> <p>Program 1.9: National Partnership Payments to the States</p> <p>The Treasury makes National Partnership Payments to the State and Territory Governments for Home and Community Care as part of the Federal Financial Relations Framework. Activities funded for Home and Community Care contribute to the Government objectives within this Outcome (6.2).²</p>

² For Budget estimates relating to the National Partnership component of the program, refer to Budget Paper No.3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

Table 2.6.1: Budgeted Expenses for Outcome 6 ^(a)

Table 2.6.1 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.

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 6.1: Access and Information					
Administered expenses					
Ordinary annual services ^(b)	208,414	273,420	240,398	220,908	224,191
Departmental expenses					
Departmental appropriation ^(c)	43,583	44,856	43,960	43,651	44,340
Expenses not requiring appropriation in the budget year ^(d)	1,118	1,196	1,124	1,153	1,178
Total for Program 6.1	253,115	319,472	285,482	265,712	269,709
Program 6.2: Aged Care Services ^(e)					
Administered expenses					
Ordinary annual services ^{(b) (f)}	2,670,628	3,213,497	3,362,374	3,389,863	3,603,972
Zero Real Interest Loans					
- appropriation	44,200	27,960	7,837	-	-
- expense adjustment ^(g)	(28,448)	(18,656)	(5,249)	-	-
Special appropriations					
<i>Aged Care Act 1997</i>					
- flexible care	470,072	493,226	536,952	580,395	629,885
<i>Aged Care Act 1997</i>					
- residential and home care	13,468,264	14,295,623	15,539,549	16,584,106	17,807,297
<i>National Health Act 1953</i>					
- continence aids payments	92,009	85,116	77,486	77,552	81,224
<i>Aged Care (Accommodation Payment Security) Act 2006</i>	85	-	-	-	-
Departmental expenses					
Departmental appropriation ^(c)	76,983	85,069	81,738	80,657	78,880
Expenses not requiring appropriation in the budget year ^(d)	2,083	2,217	2,083	2,138	2,184
Total for Program 6.2	16,795,876	18,184,052	19,602,770	20,714,711	22,203,442

Table 2.6.1: Budgeted Expenses for Outcome 6 (continued)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 6.3: Aged Care Quality					
Administered expenses					
Ordinary annual services ^(b)	121,436	160,475	153,009	138,077	137,792
Departmental expenses					
Departmental appropriation ^(c)	51,584	50,877	50,116	49,859	50,659
Expenses not requiring appropriation in the budget year ^(d)	1,313	1,405	1,320	1,354	1,383
Total for Program 6.3	174,333	212,757	204,445	189,290	189,834
Outcome 6 totals by appropriation type					
Administered expenses					
Ordinary annual services ^(b)	3,044,678	3,675,352	3,763,618	3,748,848	3,965,955
- expense adjustment ^(g)	(28,448)	(18,656)	(5,249)	-	-
Special appropriations	14,030,430	14,873,965	16,153,987	17,242,053	18,518,406
Departmental expenses					
Departmental appropriation ^(c)	172,150	180,802	175,814	174,167	173,879
Expenses not requiring appropriation in the budget year ^(d)	4,514	4,818	4,527	4,645	4,745
Total expenses for Outcome 6	17,223,324	18,716,281	20,092,697	21,169,713	22,662,985
	2017-18	2018-19			
Average staffing level (number)	1,012	1,001			

- (a) Outcome 6, Ageing and Aged Care, is subject to a program restructure effective 1 July 2018 as outlined in the Health Portfolio Summary. The Budgeted Expense tables are presented on the new Program basis.
- (b) Appropriation (Bill No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.
- (c) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.
- (d) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.
- (e) Budget estimates for this program exclude Home and Community Care National Partnership funding paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) framework. National Partnerships are listed in this chapter under each program. For Budget estimates relating to the National Partnership component of this program, refer to Budget Paper No. 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.
- (f) Ordinary annual services (Bill 1) against program 6.2 excludes amounts appropriated in Bill 1 for Zero Real Interest Loans as this funding is not accounted for as an expense.
- (g) Payments under the zero real interest loans program are a loan to aged care providers and not accounted for as an expense. The concessional loan discount is the expense and represents the difference between an estimate of the market rate of interest, and that recovered under the loan agreement, over the life of the loan. This adjustment recognises the difference between the appropriation and the concessional loan discount expense.

Movement of Funds

There were no movements of administered funds between years in Outcome 6.

Planned Performance for Outcome 6

Tables 2.6.2 – 2.6.5 below detail the performance criteria for each program associated with Outcome 6. These tables also summarise how each program is delivered and where 2018-19 Budget measures have materially changed existing programs.

Table 2.6.2: Performance Criteria for Program 6.1

Purpose
Lead and shape Australia's health and aged care system and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
Outcome 6: Ageing and Aged Care
Improved wellbeing for older Australians through targeted support, access to quality care and related information services.
Program 6.1: Access and Information
<p>The Australian Government through the My Aged Care contact centre and website, allows older Australians, their families, representatives and carers easier access to reliable and trusted information about aged care services. My Aged Care aims to enable people to maximise their independence, choice and quality of life. In addition, it aims to provide improved and more consistent client outcomes, responsive assessments of clients' needs and goals, appropriate referrals and equitable access to aged care services.</p> <p>The 2018-19 Budget will provide funding to make it easier for senior Australians to use My Aged Care by enhancing self-service options and improving website and aged care service finder functionality. My Aged Care will be improved with an investment of \$61.7 million to make it easier to use, along with simplifying the forms required to apply for aged care services. A comprehensive navigator for the aged care system will be designed and trialled, including outreach services to help older Australians make informed choices about their aged care needs.</p>
Delivery
<p>A. Supporting equitable and timely access to aged care services and information for older Australians, their families, representatives and carers</p> <ul style="list-style-type: none"> • Provide a clear service and information resource with easily identifiable entry points, such as the My Aged Care website and contact centre. • Provide support for vulnerable clients to access suitable services. • Develop tailored information materials for people with diverse needs. • Deliver high quality and timely assessments and referrals to aged care services. • Deliver individual advocacy support through the National Aged Care Advocacy Program to assist older people to understand their aged care options in order to make informed choices. • Implement the redesigned Community Visitors Scheme to support recipients of Commonwealth funded aged care services who are socially isolated or at risk of social isolation.

Performance criteria				
A. Supporting equitable and timely access to aged care services and information for older Australians, their families, representatives and carers				
Efficiency of My Aged Care assessments is demonstrated through: a. The percentage of high priority comprehensive assessments with clinical intervention completed within two days of referral acceptance being maintained. b. The percentage of high priority home support assessments completed within ten calendar days of referral acceptance being maintained.				
2017-18 ³ Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 87.1%	>90.0%	>90.0%	>90.0%	>90.0%
b. 91.8%	>90.0%	>90.0%	>90.0%	>90.0%
The percentage of surveyed users⁴ who are satisfied⁵ with the service provided by the: a. My Aged Care Contact Centre is increased. b. My Aged Care website is increased.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 92.7%	≥95.0%	≥95.0%	≥95.0%	≥95.0%
b. 55.2%	≥65.0%	≥65.0%	≥65.0%	≥65.0%
Material changes to Program 6.1 resulting from the following measures: <ul style="list-style-type: none"> <i>More Choices for a Longer Life - healthy ageing and high quality care</i> 				

³ Data correct as at 3 May 2018.

⁴ 'Users' refers broadly to different types of callers to the My Aged Care Contact Centre and visitors to the My Aged Care website, including people seeking information and/or services for themselves, or others, as well as aged care service providers seeking information or system help.

⁵ 'Satisfied' callers to the My Aged Care Contact Centre and visitors to the My Aged Care website are those who respond 'satisfied' or 'very satisfied' to the My Aged Care Customer Satisfaction Survey question: 'How satisfied were you overall with your experience?'

Table 2.6.3 – Performance Criteria for Program 6.2

Program 6.2: Aged Care Services
<p>The Australian Government aims to provide choice through a range of flexible options to support older people who need assistance. This includes supporting people to remain living at home and connected to their communities for longer, through to residential care for those who are no longer able to continue living in their own home. The range of services include:</p> <ul style="list-style-type: none"> • the Commonwealth Home Support Programme (CHSP), which provides entry-level support services for older people who need assistance to keep living independently at home and in their community; • Home Care Packages that help older Australians with more complex needs to access a range of clinical care, personal care and support services to assist with day-to-day activities while living at home; • residential aged care, which delivers a range of care options and accommodation for older people who are unable to continue living independently in their own homes, either on a permanent or short-term basis; and • flexible care that caters to the needs of older people who may require a different care approach than that provided through mainstream residential or home care. <p>In the 2018-19 Budget, the Government will provide an additional 14,000 new high level home care packages. The home care packages will be complemented by the release of a further 13,500 residential care places and 775 restorative places through the Aged Care Approvals Round including a \$60.0 million capital investment. In response to the Legislated Review of Aged Care 2017 – the Tune Review, the Government provides in-principle support for the transition of residential places to the consumer, pending a detailed analysis of the impacts of such a model. This Budget will also focus on wellness and reablement approaches, by trialling an assessment model that supports aged care consumers to access short-term or episodic services. These services will focus on maintaining or regaining independence and social connectedness prior to receiving ongoing services through CHSP or other types of aged care.</p>
Delivery
<p>A. Providing older people home support and/or access to a range of services in their own homes</p> <ul style="list-style-type: none"> • Provide older people access to a range of short-term and ongoing support services to enable them to keep living in their own homes. • Continue implementation of the Continuity of Support Programme in accordance with the agreed schedule with State and Territory Governments. Implementation will be complete when all eligible older people are receiving Commonwealth administered services. • Continue to provide financial assistance to eligible people, through the Continence Aids Payments Scheme, to assist with some of the costs associated with incontinence. <p>B. Supporting people in residential aged care</p> <ul style="list-style-type: none"> • Continue to subsidise residential aged care places to ensure residential aged care can continue to be provided to older people and increase the number of residential aged care places available by undertaking a competitive Aged Care Approvals Round.

C. Supporting people with different care needs through flexible care arrangements				
<ul style="list-style-type: none">Continue to support access to restorative care interventions to improve wellbeing for older people through the Short-Term Restorative Care Programme and Transition Care Program.Provide flexible care options to meet the aged care needs of older people living in regional and remote communities through the Multi-Purpose Services Program.Fund, in conjunction with an expansion supported by the Indigenous Australians Health Programme, the delivery of culturally appropriate aged care for older Aboriginal and Torres Strait Islander peoples close to home through the National Aboriginal and Torres Strait Islander Flexible Aged Care Program.				
Performance criteria				
A. Providing older people home support and/or access to a range of services in their own homes				
Commonwealth Home Support Programme (CHSP) continues to provide older people with ongoing support to stay independent and live in their homes and communities for longer.⁶				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
Services continued without interruption for existing CHSP clients during the expansion to a national program effective from 1 July 2018. Revised funding conditions were implemented incorporating a focus on independence and wellness. Older people from Western Australia Home and Community Care Program are currently on track to successfully transition to the CHSP on 1 July 2018.	CHSP provides services to clients nationally from 1 July 2018. CHSP has a greater focus on activities that support independence and wellness.		CHSP has a greater focus on activities that support independence and wellness.	
Support is provided to older people with complex care needs to keep them living independently in their own homes through the Home Care Packages Program.				
a. Number of allocated Home Care Packages.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 87,590 ⁷	111,500	134,500	144,500	151,500

⁶ This is measured through the program evaluation and by accessing data from My Aged Care.

⁷ Data correct as at 2 May 2018.

The Commonwealth Continuity of Support (CoS) Programme ⁸ continues to be implemented in a phased approach to support eligible older people with a disability.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Continued regional implementation of the Commonwealth CoS Programme.		Full implementation of all services for New South Wales, South Australia and the Australian Capital Territory.		Full implementation of all services for Victoria, Tasmania, Queensland and the Northern Territory in 2019-20. Full implementation of all services for Western Australia in 2020-21.
B. Supporting people in residential aged care				
Residential care options and accommodation for older people who are unable to continue living independently in their own homes is increased.				
a. Residential aged care places available as at 30 June.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 204,700	210,100	217,000	225,000	234,000
C. Supporting people with different care needs through flexible care arrangements				
The number of older people who accessed restorative interventions through the Short-Term Restorative Care Programme or the Transition Care Program is increased.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
Data not yet available. ⁹	≥28,000	≥31,000	≥32,000	≥34,000
The number of places funded through Multi-Purpose Services is increased.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
3,619	3,869	3,980	4,060	4,149
The number of places funded through the National Aboriginal and Torres Strait Islander Flexible Aged Care Program is maintained.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
860	1,000	1,300	1,500	1,700
Material changes to Program 6.2 resulting from the following measures:				
• More Choices for a Longer Life - healthy ageing and high quality care				

⁸ The CoS Programme provides support to older people with a disability currently receiving State and Territory-managed specialist disability services, who are not eligible for the National Disability Insurance Scheme (NDIS) at the time the NDIS is implemented in a region. The CoS Programme is being implemented in line with the NDIS rollout.

⁹ Data not yet available. Full year results will be published in the 2017-18 Department of Health Annual Report.

Table 2.6.4 – Performance Criteria for Program 6.3

Program 6.3: Aged Care Quality
<p>The Australian Government supports the provision of quality care for older Australians. The Government is working with the aged care sector and consumers to develop a single aged care quality framework that is intended to reduce the regulatory burden for providers, and focus more on quality outcomes for consumers. The Government provides funding to strengthen the capacity of the aged care sector to ensure quality care and services are provided to support people with dementia, their carers and their families.</p> <p>From 1 January 2019, the Government will establish an independent Aged Care Quality and Safety Commission. The Commission will combine the functions of the Australian Aged Care Quality Agency, the Aged Care Complaints Commissioner, and, from 1 January 2020, the aged care regulatory functions of the Department of Health. This Commission will strengthen quality assessors' access to clinical advice and enable flexible and responsive regulatory powers. The Commission will also be supported by a robust risk profiling approach to better identify risks to consumers and appropriate responses.</p> <p>Through the 2018-19 Budget, the Government will introduce a number of initiatives to ensure safe and quality care is maintained in all aged care homes, including from July 2020, differentiated performance ratings of residential service providers against the quality standards and simplified accreditation reports will be available through My Aged Care and simplified accreditation reports will also be made available. Enhanced risk profiling of residential aged care providers will be introduced to better identify risks to people in residential aged care and determine the frequency and rigour of site visits to residential aged care providers.</p> <p>To better meet the needs of older people with diverse characteristics and life experiences, the Aged Care Diversity Framework (Diversity Framework) has been developed for the aged care sector. Action plans are also being developed for senior Australians who are culturally and linguistically diverse; lesbian, gay, bisexual, transgender and intersex; Aboriginal or Torres Strait Islander; and homeless or at risk of homelessness.</p> <p>The Government is also providing support for innovative technologies that help people living with dementia, their families and carers to understand dementia, and to develop skills and strategies for caring.</p>
Delivery
<p>A. Ensure the provision of quality aged care, including equitable care for people from diverse backgrounds, and support for people with dementia</p> <ul style="list-style-type: none"> • Support aged care providers to provide quality care to people living with dementia through the Dementia Training Program, the Dementia Behaviour Management Advisory Service and the Severe Behaviour Response Teams. • Design a program to assist people experiencing severe behavioural and psychological symptoms of dementia. • Design and pilot a program to improve care for people living with dementia, with an emphasis on the use of innovative technologies. • Support aged care providers to provide appropriate, sensitive care to older people with diverse needs through the Partners in Culturally Appropriate Care program. • Monitor the aged care system and support improvements in the system's ability to provide sustainable quality care for older people. • Continue to protect the health, welfare, and interests of consumers of aged care services by taking appropriate regulatory action. • Work with the sector on transitioning to the new single set of quality standards and implementation of unannounced re-accreditation audits. • Encourage aged care providers to incorporate the Diversity Framework and action plans in their policies and procedures to support them in developing their capability to assist with meeting the diverse characteristics and life experiences of their consumers.

Performance criteria		
A. Ensure the provision of quality aged care, including equitable care for people from diverse backgrounds, and support for people with dementia		
The safety, wellbeing, and interests of Commonwealth-subsidised care recipients is protected through regulatory activities.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Compliance or administrative action has been taken in relation to all providers found to be non-compliant with their obligations under the <i>Aged Care Act 1997</i> .	Identify, respond to, and take appropriate action to address approved provider non-compliance under the <i>Aged Care Act 1997</i> .	As per 2018-19.
Existing and emerging challenges are responded to in the provision of aged care for older Australians.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Funding was provided through the Dementia and Aged Care Services Fund to support activities including dementia care, services targeting lesbian, gay, bisexual, transgender and intersex people and people from culturally and linguistically diverse backgrounds; and special measures for Aboriginal and Torres Strait Islander peoples; as well as developed an Aged Care Workforce Strategy.	Provide funding through the Dementia and Aged Care Services Fund to strengthen the capacity of the aged care sector to better respond to the existing and emerging challenges of aged care reforms.	As per 2018-19.

The quality of care for people with dementia by the provision of vocational-level training to aged care workers or continuing professional development training to health professionals is improved.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Continued funding for delivery of the Dementia Training Program. The success of the program is measured through key performance indicator data collected as part of regular reporting. ¹⁰	At least 70% of people surveyed ¹¹ think that the quality of care they are receiving has improved since their associated aged care worker/health professional has undertaken training through the national Dementia Training Program. Negotiate funding agreements for service delivery for 2019-20.	N/A. ¹²
The confidence of aged care providers in managing behavioural and psychological symptoms of dementia is increased.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Continued funding for delivery of the Dementia Behaviour Management Advisory Service to support aged care providers. The success of the program is measured through key performance indicator data collected as part of regular reporting. ¹³	At least 75% of sampled care givers ¹⁴ report an improvement in confidence when managing behavioural and psychological symptoms of dementia, following an intervention from the Dementia Behaviour Management Advisory Services.	N/A. ¹⁵
Material changes to Program 6.3 resulting from the following measures: <ul style="list-style-type: none"> <i>More Choices for a Longer Life - healthy ageing and high quality care</i> 		

¹⁰ Full year results will be published in the 2017-18 Department of Health Annual Report.

¹¹ People surveyed include providers of care for, and the families of, people living with dementia.

¹² There are currently no funding agreements for service delivery from 1 July 2019, therefore targets have not been set.

¹³ Full year results will be published in the 2017-18 Department of Health Annual Report.

¹⁴ Sampled care givers include family carers, acute care staff and aged care staff/providers.

¹⁵ There are currently no funding agreements for service delivery from 1 July 2019, therefore targets have not been set.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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

Table 3.1.1: Estimates of Special Accounts Cash Flows and Balances

		Opening balance 2018-19 2017-18 \$'000	Other receipts 2018-19 2017-18 \$'000	Appropriation receipts 2018-19 2017-18 \$'000	Payments 2018-19 2017-18 \$'000	Closing balance 2018-19 2017-18 \$'000
	Outcome					
Departmental						
National Industrial Chemicals Notification and Assessment Scheme	5	14,888 18,055	16,200 16,000	331 322	18,051 19,489	13,368 14,888
Office of Gene Technology Regulator	5	8,259 8,259	132 129	7,506 7,544	7,638 7,673	8,259 8,259
Therapeutic Goods Administration	5	66,782 62,605	156,584 150,062	2,257 2,439	154,601 148,324	71,022 66,782
Total Departmental						
2018-19 estimate		89,929	172,916	10,094	180,290	92,649
2017-18 estimate		88,919	166,191	10,305	175,486	89,929
Administered						
Australian Childhood Immunisation Register	5	5,704 4,616	3,853 3,853	7,133 7,055	9,820 9,820	6,870 5,704
Human Pituitary Hormones	5	2,201 2,371	- -	- -	170 170	2,031 2,201
Medical Research Future Fund	1	26,165 47,916	214,913 121,565	- -	222,283 143,316	18,795 26,165
Medicare Guarantee Fund	4	429 -	35,267,191 34,413,984	- -	35,267,191 34,413,555	429 429
Sport and Recreation	3	596 596	407 407	- -	407 407	596 596
Total Administered						
2018-19 estimate		35,095	35,486,364	7,133	35,499,871	28,721
2017-18 estimate		55,499	34,539,809	7,055	34,567,268	35,095

Table 3.1.1: Estimates of Special Accounts Cash Flows and Balances (continued)

	Opening balance 2018-19 <i>2017-18</i> \$'000	Other receipts 2018-19 <i>2017-18</i> \$'000	Appropriation receipts 2018-19 <i>2017-18</i> \$'000	Payments 2018-19 <i>2017-18</i> \$'000	Closing balance 2018-19 <i>2017-18</i> \$'000
Outcome					
Special Public Money					
Services for Other Entities and Trust Moneys	various				
	19,022	3,634	1,110	7,054	16,712
	<i>19,135</i>	<i>3,634</i>	<i>1,098</i>	<i>4,845</i>	<i>19,022</i>
Total Special Accounts					
2018-19 estimate	144,046	35,662,914	18,337	35,687,215	138,082
<i>2017-18 estimate</i>	<i>163,553</i>	<i>34,709,634</i>	<i>18,458</i>	<i>34,747,599</i>	<i>144,046</i>

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental

The departmental budgeted financial statements include the Department of Health, the Therapeutic Goods Administration (TGA), the Office of the Gene Technology Regulator (OGTR), and the National Industrial Chemicals Notification and Assessment Scheme (NICNAS).

Comprehensive Income Statement

The Department has an approved operating loss of \$3.6m in 2017-18 net of unfunded depreciation, and is anticipating break-even positions net of unfunded depreciation from 2018-19 to 2021-22.

Revenues predominantly relate to the cost recovery operations of TGA and NICNAS.

Balance Sheet

Assets and liabilities are anticipated to remain relatively stable across the forward years.

Cash Flow

Cash flows are consistent with projected income and expenses, appropriations from Government, and expenditure on property, plant and equipment, and intangibles.

Administered

Schedule of Budgeted Income and Expenses

Revenue estimates include levies for the medical indemnity and recoveries for pharmaceutical, aged care and Medicare recoveries.

Personal benefits include pharmaceutical and medical benefits and the Private Health Insurance rebate.

Subsidies mainly include payments for the ageing and aged care functions.

Write down and impairment of assets provides for the obsolescence and expiry of the drug stockpile inventory and the concessional loan discount relates to the recognition of the expenses up-front when making concessional interest loans to aged care providers.

Schedule of Budgeted Assets and Liabilities

The administered Schedule of Budgeted Assets and Liabilities primarily reports movements in liabilities, including estimates for accrued liabilities for unpaid amounts relating to medical benefits, pharmaceutical benefits, and the private health insurance rebate.

The administered Schedule of Budgeted Assets and Liabilities also includes estimates for the value of the National Medical Stockpile inventories, provisions for medical indemnity and investments for the Biomedical Translation Fund.

Schedule of Administered Capital Budget

Capital funding of \$25.0 million has been provided in 2018-19 to provide for replenishment of the National Medical Stockpile.

Cash Flows

Cash flows are consistent with projected income and expenses, capital injections from Government and investments in inventory.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	511,400	544,486	544,628	545,391	556,078
Supplier expenses	327,428	308,861	286,957	276,149	269,318
Depreciation and amortisation	31,472	34,090	33,587	34,624	35,563
Write-down and impairment of assets	165	-	-	-	-
Other expenses	2,500	2,500	2,500	2,500	2,500
Total expenses	872,965	889,937	867,672	858,664	863,459
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	185,320	192,164	195,479	198,660	204,139
Interest	-	-	1,754	1,754	1,754
Other revenue	1,533	1,635	1,637	1,653	1,428
Total revenue	186,853	193,799	198,870	202,067	207,321
Gains					
Other	870	870	870	870	870
Total gains	870	870	870	870	870
Total own-source income	187,723	194,669	199,740	202,937	208,191
Net cost of (contribution by) services	685,242	695,268	667,932	655,727	655,268
Revenue from Government	658,441	670,975	645,154	632,332	631,354
Surplus (Deficit)	(26,801)	(24,293)	(22,778)	(23,395)	(23,914)
Surplus (Deficit) attributable to the Australian Government	(26,801)	(24,293)	(22,778)	(23,395)	(23,914)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(26,801)	(24,293)	(22,778)	(23,395)	(23,914)

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

Note: Reconciliation of comprehensive income attributable to the entity

	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(26,801)	(24,293)	(22,778)	(23,395)	(23,914)
plus non-appropriated expenses including depreciation and amortisation expenses	23,197	24,293	22,778	23,395	23,914
Total comprehensive income (loss) attributable to the agency	(3,604)	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	96,732	99,452	105,611	112,790	119,589
Receivables	30,090	20,139	20,235	21,239	20,399
Other	2,160	2,160	2,160	2,160	2,160
Total financial assets	128,982	121,751	128,006	136,189	142,148
Non-financial assets					
Land and buildings	51,212	47,186	42,790	38,668	34,370
Property, plant and equipment	5,957	5,859	5,697	4,958	5,032
Intangibles	125,769	131,104	127,925	116,986	107,840
Other	26,972	27,477	27,981	28,486	28,990
Total non-financial assets	209,910	211,626	204,393	189,098	176,232
Total assets	338,892	333,377	332,399	325,287	318,380
LIABILITIES					
Payables					
Suppliers	60,395	61,403	64,442	66,512	69,591
Other payables	53,793	49,055	46,457	46,616	44,981
Total payables	114,188	110,458	110,899	113,128	114,572
Provisions					
Employees	147,272	142,712	145,061	147,457	149,901
Other provisions	31,035	30,179	27,989	24,873	20,649
Total provisions	178,307	172,891	173,050	172,330	170,550
Total liabilities	292,495	283,349	283,949	285,458	285,122
Net Assets	46,397	50,028	48,450	39,829	33,258
EQUITY					
Contributed equity	271,086	299,010	320,210	334,984	352,327
Reserves	35,206	35,206	35,206	35,206	35,206
Accumulated deficits	(259,895)	(284,188)	(306,966)	(330,361)	(354,275)
Total equity	46,397	50,028	48,450	39,829	33,258

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(259,895)	35,206	271,086	46,397
Surplus (deficit) for the period	(24,293)	-	-	(24,293)
Equity injection - appropriations	-	-	19,017	19,017
Departmental capital budget	-	-	8,907	8,907
Restructuring	-	-	-	-
Estimated closing balance as at 30 June 2019	(284,188)	35,206	299,010	50,028

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	184,879	191,882	195,192	198,367	203,840
Appropriations	825,399	745,323	707,345	693,621	694,493
Interest	-	-	1,754	1,754	1,754
Net GST received	24,010	20,570	20,000	20,000	20,000
Other cash received	1,533	1,635	1,637	1,653	1,428
Total cash received	1,035,821	959,410	925,928	915,395	921,515
Cash used					
Employees	517,392	548,966	540,154	538,770	551,461
Suppliers	325,579	307,488	283,552	273,714	265,873
Net GST paid	24,010	20,570	20,000	20,000	20,000
Cash to the Official Public Account	64,980	64,192	62,000	62,000	62,000
Other	4,108	8,097	9,413	9,682	10,532
Total cash used	936,069	949,313	915,119	904,166	909,866
Net cash from (or used by) operating activities	99,752	10,097	10,809	11,229	11,649
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	34,962	35,301	25,850	18,824	22,193
Total cash used	34,962	35,301	25,850	18,824	22,193
Net cash from (or used by) investing activities	(34,962)	(35,301)	(25,850)	(18,824)	(22,193)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	18,517	27,924	21,200	14,774	17,343
Total cash received	18,517	27,924	21,200	14,774	17,343
Net cash from (or used by) financing activities	18,517	27,924	21,200	14,774	17,343
Net increase (or decrease) in cash held	83,307	2,720	6,159	7,179	6,799
Cash and cash equivalents at the beginning of the reporting period	13,425	96,732	99,452	105,611	112,790
Cash and cash equivalents at the end of the reporting period	96,732	99,452	105,611	112,790	119,589

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	7,422	19,017	7,691	3,932	3,155
Capital budget - Bill 1 (DCB)	11,095	8,907	13,509	10,842	14,188
Total capital appropriations	18,517	27,924	21,200	14,774	17,343
Total new capital appropriations represented by:					
Purchase of non-financial assets	18,517	27,924	21,200	14,774	17,343
Total items	18,517	27,924	21,200	14,774	17,343
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	12,671	19,317	7,691	3,932	3,155
Funded by capital appropriation - DCB ^(b)	11,095	8,907	13,509	10,842	14,188
Funded internally from departmental resources	11,196	7,077	4,650	4,050	4,850
Funded by finance leases	-	-	-	-	-
Total acquisitions of non-financial assets	34,962	35,301	25,850	18,824	22,193
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	34,962	35,301	25,850	18,824	22,193
less additions by finance lease	-	-	-	-	-
Total cash used to acquire assets	34,962	35,301	25,850	18,824	22,193

^(a) Includes both current Appropriation Bill No. 2 and prior Act 2/4/6 appropriations.

^(b) Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	59,597	15,492	265,991	341,080
Accumulated depreciation/ amortisation and impairment	(8,385)	(9,535)	(140,222)	(158,142)
Opening net book balance	51,212	5,957	125,769	182,938
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	19,317	19,317
By purchase - appropriation ordinary annual services	4,350	-	4,557	8,907
By purchase - other	-	1,800	5,277	7,077
Total additions	4,350	1,800	29,151	35,301
Other movements				
Depreciation/amortisation expense	(8,376)	(1,898)	(23,816)	(34,090)
Transfer due to restructuring	-	-	-	-
Total other movements	(8,376)	(1,898)	(23,816)	(34,090)
As at 30 June 2019				
Gross book value	63,947	17,292	295,142	376,381
Accumulated depreciation/ amortisation and impairment	(16,761)	(11,433)	(164,038)	(192,232)
Closing net book balance	47,186	5,859	131,104	184,149

Table 3.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Suppliers	751,884	698,858	704,668	682,304	681,853
Subsidies	12,122,141	12,644,690	13,594,224	14,390,945	15,438,049
Personal benefits	44,727,906	45,631,261	47,233,945	47,392,116	49,160,583
Grants	8,223,697	9,176,365	9,212,864	9,357,571	9,710,870
Write down and impairment of assets	24,408	23,616	13,007	4,320	1,130
Corporate Commonwealth entities	510,429	582,970	312,600	275,734	278,881
Other expenses	7,055	7,133	7,133	7,133	7,133
Total expenses administered on behalf of Government	66,367,520	68,764,893	71,078,441	72,110,123	75,278,499
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Taxation revenue					
Other taxes	17,000	17,600	18,300	19,000	19,600
Total taxation revenue	17,000	17,600	18,300	19,000	19,600
Non-taxation revenue					
Interest	10,656	13,238	14,759	14,120	12,914
Special Account transfers	34,896,459	35,482,104	36,639,877	36,585,793	37,919,880
Recoveries	3,406,842	2,816,034	2,122,236	758,558	607,381
Other revenue	62,847	67,721	70,078	73,320	73,326
Total non-taxation revenue	38,376,804	38,379,097	38,846,950	37,431,791	38,613,501
Total own-source revenue administered on behalf of Government	38,393,804	38,396,697	38,865,250	37,450,791	38,633,101
Gains					
Other gains	-	-	-	-	-
Total gains administered on behalf of Government	-	-	-	-	-
Total revenue administered on behalf of Government	38,393,804	38,396,697	38,865,250	37,450,791	38,633,101

Table 3.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	126,406	119,932	114,598	108,244	109,241
Receivables	1,570,811	1,363,662	1,321,270	712,827	715,862
Investments	504,160	542,558	542,558	542,911	542,911
Total financial assets	2,201,377	2,026,152	1,978,426	1,363,982	1,368,014
Non-financial assets					
Inventories	115,854	117,238	129,231	124,911	123,781
Total non-financial assets	115,854	117,238	129,231	124,911	123,781
Total assets administered on behalf of Government	2,317,231	2,143,390	2,107,657	1,488,893	1,491,795
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	22,765	22,765	22,765	22,765	22,765
Subsidies	33,006	37,590	41,786	50,247	63,623
Personal benefits	1,020,828	998,562	1,055,196	1,064,985	1,075,321
Grants	308,945	308,460	308,312	308,312	308,312
Total payables	1,385,544	1,367,377	1,428,059	1,446,309	1,470,021
Provisions					
Personal benefits	1,057,773	1,057,773	1,057,773	1,057,773	1,057,773
Subsidies	450,000	450,000	450,000	450,000	450,000
Total payables	1,507,773	1,507,773	1,507,773	1,507,773	1,507,773
Total liabilities administered on behalf of Government	2,893,317	2,875,150	2,935,832	2,954,082	2,977,794

Table 3.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	6,724	7,778	8,719	8,153	7,315
Taxes	17,000	17,600	18,300	19,000	19,600
GST received	547,561	587,230	572,338	564,279	562,850
Special account receipts	34,896,459	35,482,104	36,639,877	36,585,793	37,919,880
Other receipts	3,512,747	3,088,569	2,216,879	1,417,523	656,282
Total cash received	38,980,491	39,183,281	39,456,113	38,594,748	39,165,927
Cash used					
Grants	8,771,182	9,761,884	9,775,385	9,928,989	10,280,853
Subsidies	12,119,340	12,640,106	13,590,048	14,382,484	15,424,673
Personal benefits	44,683,339	45,653,523	47,177,305	47,382,321	49,150,247
Suppliers	776,961	723,858	729,648	682,304	681,853
Corporate entities	510,429	582,970	312,600	275,734	278,881
Total cash used	66,861,251	69,362,341	71,584,986	72,651,832	75,816,507
Net cash from (or used by) operating activities	(27,880,760)	(30,179,060)	(32,128,873)	(34,057,084)	(36,650,580)
INVESTING ACTIVITIES					
Cash received					
Repayment of advances	18,953	26,318	29,116	28,765	26,989
Total cash used	18,953	26,318	29,116	28,765	26,989
Cash used					
Advances made	44,200	27,960	7,837	-	-
Corporate entities	54,533	38,398	-	353	-
Total cash used	98,733	66,358	7,837	353	-
Net cash from (or used by) investing activities	(79,780)	(40,040)	21,279	28,412	26,989
Net increase (or decrease) in cash held	(27,960,540)	(30,219,100)	(32,107,594)	(34,028,672)	(36,623,591)
Cash at beginning of reporting period	146,809	126,406	119,932	114,598	108,244
Cash from the OPA for:					
- appropriations	31,963,182	33,876,316	34,922,205	36,059,278	37,897,217
- capital injections	25,000	25,000	25,000	-	-
- Corporate entity capital	54,533	38,398	-	353	-
- GST appropriations	547,561	587,230	572,338	564,279	562,850
Cash to the OPA for:					
- return of GST	(547,561)	(587,230)	(572,338)	(564,279)	(562,850)
- other	(4,102,578)	(3,727,088)	(2,844,945)	(2,037,313)	(1,272,629)
Cash at end of reporting period	126,406	119,932	114,598	108,244	109,241

OPA = Official Public Account.

Table 3.10: Administered Capital Budget Statement (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Administered assets	25,000	25,000	25,000	-	-
Total capital appropriations	25,000	25,000	25,000	-	-
Total new capital appropriations represented by:					
Purchase of non-financial assets	25,000	25,000	25,000	-	-
Total items	25,000	25,000	25,000	-	-
ACQUISITION OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	25,000	25,000	25,000	-	-
Total acquisition of non-financial assets	25,000	25,000	25,000	-	-

**Table 3.11: Statement of Administered Asset Movements
(Budget year 2018-19)**

	Land \$'000	Buildings \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2018				
Gross book value	-	-	-	-
Accumulated depreciation/ amortisation and impairment	-	-	-	-
Opening net book balance	-	-	-	-
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase or internally developed	-	-	-	-
Sub-total	-	-	-	-
Other Movements				
Depreciation/amortisation expense	-	-	-	-
Restructuring	-	-	-	-
As at 30 June 2019				
Gross book value	-	-	-	-
Accumulated depreciation/ amortisation and impairment	-	-	-	-
Closing net book balance	-	-	-	-

AUSTRALIAN AGED CARE QUALITY AGENCY

Entity Resources and Planned Performance

AUSTRALIAN AGED CARE QUALITY AGENCY

Quality
Agency

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Aged Care Quality Agency (Quality Agency) is a statutory agency established by the *Australian Aged Care Quality Agency Act 2013*.

Pursuant to the *More Choices for a Longer Life - healthy ageing and high quality care* the Australian Government will transfer all functions of the Quality Agency to a new Aged Care Quality and Safety Commission commencing from 1 January 2019. Prior to 1 January 2019, the Quality Agency will continue to be responsible for monitoring and assessing the quality of care and services against applicable standards to ensure high quality care for people accessing Australian Government subsidised aged care.

The Quality Agency is supporting the Government's aged care reform through the development of guidance and sector support for transition to, and full implementation of, the new Aged Care Quality Standards in July 2019. It is also implementing the Government's reform to introduce unannounced re-accreditation audits from 1 July 2018.

The Quality Agency considers consumer input during all visits to aged care services through consumer interviews that inform the issues pursued during the visit. During re-accreditation and review audits the outcomes of these consumer interviews are published on the Agency's website as Consumer Experience Reports.

The Quality Agency monitors compliance of service providers against the applicable standards and applies a case management model based on relevant information and compliance history. Compliance is monitored through a combination of announced and unannounced visits, in addition to accreditation and re-accreditation audits. The Quality Agency is strengthening its regulatory intelligence and risk-based approaches to monitoring compliance.

The Quality Agency provides feedback to providers on areas for improvement to ensure compliance with the standards, including through placing services on a timetable for making improvements. The Quality Agency also advises the Secretary of the Department of Health about aged care services that do not meet the standards.

The Quality Agency provides information, education and training to aged care providers, and publishes performance information to support older people in their choice of aged care service. In addition, the Quality Agency promotes public confidence in accreditation and the quality review systems for aged care through consistent and meaningful assessments and reporting of compliance with the standards.

The Quality Agency is a Non-corporate Commonwealth Entity under the *Public Governance, Performance and Accountability Act 2013*. The functions of the Quality Agency are set out in the *Australian Aged Care Quality Agency Act 2013* and the *Aged Care Act 1997*.

¹ For more information about the strategic direction of the Quality Agency, refer to the current Corporate Plan, available at: www.aacqa.gov.au/publications/publications#corporate

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, 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: Quality Agency Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	27,120	27,003
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	27,285	29,946
s74 retained revenue receipts ^(b)	14,902	14,286
Departmental capital budget ^(c)	1,173	1,163
Other services ^(d)		
Equity injection	-	-
Total departmental annual appropriations	43,360	45,395
Total departmental resourcing	70,480	72,398
Total resourcing for AACQA	70,480	72,398
	2017-18	2018-19
Average staffing level (number)	249	250

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19.

1.3 BUDGET MEASURES

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

Table 1.2: Quality Agency 2018-19 Budget Measures

Program		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
More Choices for a Longer Life - healthy ageing and high quality care^a						
Australian Aged Care Quality Agency						
Departmental expenses	1.1	-	641	1,881	3,553	3,476
Departmental revenue ^(b)	1.1	-	10,960	11,131	-	-
Total		-	11,601	13,012	3,553	3,476

^(a) Full details of this measure are published under Department of Health Health (Table 1.2)

^(b) Revenue is reverse fiscal and shows the net fiscal position

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 that 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 Quality Agency's most recent Corporate Plan is available at:
www.aacqa.gov.au/about-us/corporate-publications

The Quality Agency's most recent Annual Performance Statement is available at:
www.aacqa.gov.au/about-us/annual-reports

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

High-quality care for persons receiving Australian Government subsidised aged care through the accreditation of aged care services in residential settings, the quality review of aged care services provided in the community and the provision of quality information to consumers, as well as the provision of information, education and training to aged care providers

Program Contributing to Outcome 1

Program 1.1: Quality Assessment, Compliance Monitoring and Promotion of High Quality Care in Australian Government Subsidised Aged Care Services

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 6.4: Aged Care Quality The Department of Health has policy responsibility for ageing and aged care, including the regulatory framework and regulatory action taken to address non-compliance.

Budgeted Expenses for the Quality Agency

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 Quality Agency

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Quality Assessment, Compliance Monitoring and Promotion of High Quality Care in Australian Government Subsidised Aged Care Services					
Departmental expenses					
Departmental appropriation ^(a)	42,187	44,232	39,145	52,302	52,331
Expenses not requiring appropriation in the budget year ^(b)	1,408	1,663	1,813	1,563	1,563
Operating deficit (surplus)	-	-	-	-	-
Total for Program 1.1	43,595	45,895	40,958	53,865	53,894
Total expenses for Outcome 1	43,595	45,895	40,958	53,865	53,894
Average staffing level (number)					
	249	250			

^(a) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Planned Performance for the Quality Agency

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the Quality Agency

Purpose
The Quality Agency is responsible for holding aged care service providers accountable for their performance against the Accreditation Standards for residential aged care; Home Care Standards for Home Care services, including Commonwealth home support; National Aboriginal and Torres Strait Islander Flexible Aged Care Services; and also promoting high quality care and service provider performance through education, training and compliance assistance.
Outcome 1
High-quality care for persons receiving Australian Government subsidised aged care through the accreditation of aged care services in residential settings, the quality review of aged care services provided in the community and the provision of quality information to consumers, as well as the provision of information, education and training to aged care providers.
Program 1.1: Quality Assessment, Compliance Monitoring and Promotion of High Quality Care in Australian Government Subsidised Aged Care Services
The Quality Agency contributes to high quality aged care through the residential aged care accreditation and quality review of Australian Government subsidised aged care services. The Quality Agency monitors compliance with the relevant standards to ensure care recipients receive a high standard of care. The Quality Agency promotes high quality care and service provider performance through education, training and compliance assistance.
Delivery
<p>A. Ensuring high quality care for persons receiving Australian Government subsidised aged care through the efficient and effective delivery of services under the <i>Australian Aged Care Quality Agency Act 2013</i> and in accordance with the <i>Quality Agency Principles 2013</i></p> <ul style="list-style-type: none"> • Accredite residential aged care services. • Quality review aged care services provided in the home and community. • Monitor compliance with the applicable standards. • Promote high quality care and innovation through sector engagement, information and training. • Publish performance information on the quality of care and services. • Maintain a register of Quality Assessors.

Performance criteria ²				
A. Ensuring high quality care for persons receiving Australian Government subsidised aged care through the efficient and effective delivery of services under the <i>Australian Aged Care Quality Agency Act 2013</i> and in accordance with the Quality Agency Principles 2013				
Percentage of service providers who maintain compliance with the standards for the twelve months following a timetable for improvement decision.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
92%	90%	N/A	N/A	N/A
Percentage of applications for re-accreditation completed within the statutory timeframes.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
100%	≥95%	N/A	N/A	N/A
Percentage of services providing care in the home and community receiving a quality review within the legislated timeframes.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
98%	100%	N/A	N/A	N/A
Material changes to Program 1.1 resulting from the following measures:				
<ul style="list-style-type: none"> • <i>More Choices for a Longer Life - healthy ageing and high quality care</i> 				

² From 1 January 2019, the functions of the AACQA will be transferred to the Aged Care Quality and Safety Commission.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 Quality Agency.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

The Quality Agency is budgeting for a break-even position in 2018-19 after adjusting for depreciation and amortisation expenses.

Total own-source revenue for 2018-19 is expected to be \$14.3 million. Revenue from government is expected to be \$29.9 million.

Total expenses for 2018-19 are expected to be \$45.9 million including \$1.6 million of depreciation and amortisation, compared to \$43.6 million for 2017-18.

Balance Sheet

The Quality Agency has a budgeted net asset position of \$17.0 million in 2018-19.

Total assets for 2018-18 are estimated to be \$29.9 million, comprising \$21.5 million of financial assets and \$8.4 million of non-financial assets.

Total liabilities for 2018-19 are estimated to be \$12.9 million made up of accrued employee entitlements \$7.5 million, suppliers payables \$2.3 million, other payables \$2.7 million and other provisions of \$0.4 million.

Forward Estimate

From 1 January 2019, the functions of the Quality Agency will be transferred to the Aged Care Quality and Safety Commission.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	31,230	29,529	26,257	36,395	36,377
Supplier expenses	10,964	14,725	12,910	15,929	15,976
Depreciation and amortisation	1,370	1,625	1,775	1,525	1,525
Other expenses	31	16	16	16	16
Total expenses	43,595	45,895	40,958	53,865	53,894
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	14,902	14,286	7,754	30,242	30,242
Other revenue	-	-	-	-	-
Total revenue	14,902	14,286	7,754	30,242	30,242
Gains					
Other	38	38	38	38	38
Total gains	38	38	38	38	38
Total own-source income	14,940	14,324	7,792	30,280	30,280
Net cost of (contribution by) services	28,655	31,571	33,166	23,585	23,614
Revenue from Government	27,285	29,946	31,391	22,060	22,089
Surplus (Deficit)	(1,370)	(1,625)	(1,775)	(1,525)	(1,525)
Surplus (Deficit) attributable to the Australian Government	(1,370)	(1,625)	(1,775)	(1,525)	(1,525)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(1,370)	(1,625)	(1,775)	(1,525)	(1,525)
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(1,370)	(1,625)	(1,775)	(1,525)	(1,525)
plus non-appropriated expenses depreciation and amortisation expenses	1,370	1,625	1,775	1,525	1,525
Total comprehensive income (loss) attributable to the agency	-	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,314	1,400	1,234	1,256	1,272
Receivables	25,932	20,081	20,047	24,496	24,496
Other financial assets	-	-	-	-	-
Total financial assets	27,246	21,481	21,281	25,752	25,768
Non-financial assets					
Land and buildings	-	-	-	-	-
Property, plant and equipment	2,979	3,787	4,249	4,868	4,554
Intangibles	2,672	3,794	4,427	4,515	4,526
Inventories	-	-	-	-	-
Other	829	829	779	854	854
Total non-financial assets	6,480	8,410	9,455	10,237	9,934
Total assets	33,726	29,891	30,736	35,989	35,702
LIABILITIES					
Payables					
Suppliers	1,878	2,297	2,310	3,080	3,080
Other payables	7,279	2,746	3,528	7,483	7,483
Total payables	9,157	5,043	5,838	10,563	10,563
Provisions					
Employees	6,744	7,469	8,114	8,934	8,934
Other provisions	329	345	361	377	393
Total provisions	7,073	7,814	8,475	9,311	9,327
Total liabilities	16,230	12,857	14,313	19,874	19,890
Net assets	17,496	17,034	16,423	16,115	15,812
EQUITY					
Contributed equity	19,279	20,442	21,606	22,823	24,045
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	(1,783)	(3,408)	(5,183)	(6,708)	(8,233)
Total equity	17,496	17,034	16,423	16,115	15,812

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(1,783)	-	19,279	17,496
Surplus (deficit) for the period	(1,625)	-	-	(1,625)
Capital budget - Bill 1 (DCB)	-	-	1,163	1,163
Estimated closing balance as at 30 June 2019	(3,408)	-	20,442	17,034

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual	2018-19 Budget	2019-20 Forward estimate	2020-21 Forward estimate	2021-22 Forward estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	25,730	35,792	31,432	17,629	22,089
Goods and services	18,368	9,750	8,399	34,048	30,242
Net GST received	1,341	1,378	1,373	1,364	1,380
Other cash received	3	-	-	-	-
Total cash received	45,442	46,920	41,204	53,041	53,711
Cash used					
Employees	30,963	28,804	25,475	35,428	36,377
Suppliers	14,113	17,493	15,351	17,091	17,318
Other cash used	47	-	-	-	-
Total cash used	45,123	46,297	40,826	52,519	53,695
Net cash from (or used by) operating activities	319	623	378	522	16
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	3,164	1,700	1,708	1,717	1,222
Total cash used	3,164	1,700	1,708	1,717	1,222
Net cash from (or used by) investing activities	(3,164)	(1,700)	(1,708)	(1,717)	(1,222)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	1,173	1,163	1,164	1,217	1,222
Total cash received	1,173	1,163	1,164	1,217	1,222
Cash used					
Other financing activity	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (or used by) financing activities	1,173	1,163	1,164	1,217	1,222
Net increase (or decrease) in cash held	(1,672)	86	(166)	22	16
Cash and cash equivalents at the beginning of the reporting period	2,986	1,314	1,400	1,234	1,256
Cash and cash equivalents at the end of the reporting period	1,314	1,400	1,234	1,256	1,272

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,173	1,163	1,164	1,216	1,222
Equity injections - Bill 2	-	-	-	-	-
Total capital appropriations	1,173	1,163	1,164	1,216	1,222
Total new capital appropriations represented by:					
Purchase of non-financial assets	1,173	1,163	1,164	1,216	1,222
Other items	-	-	-	-	-
Total items	1,173	1,163	1,164	1,216	1,222
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	-	-	-	-	-
Funded by capital appropriation - DCB ^(b)	1,173	1,163	1,164	1,217	1,222
Funded internally from departmental resources	1,991	537	544	500	-
Total acquisitions of non-financial assets	3,164	1,700	1,708	1,717	1,222
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	3,164	1,700	1,708	1,717	1,222
Total cash used to acquire assets	3,164	1,700	1,708	1,717	1,222

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

^(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	-	7,542	7,700	15,242
Accumulated depreciation/ amortisation and impairment	-	(3,906)	(3,830)	(7,736)
Opening net book balance	-	3,636	3,870	7,506
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - internally funded	-	537	-	537
By purchase - appropriation ordinary annual services	-	664	499	1,163
Total additions	-	1,201	499	1,700
Other movements				
Depreciation/amortisation expense	-	(1,050)	(575)	(1,625)
Other movements	-	-	-	-
Total other movements	-	(1,050)	(575)	(1,625)
As at 30 June 2019				
Gross book value	-	8,743	8,199	16,942
Accumulated depreciation/ amortisation and impairment	-	(4,956)	(4,405)	(9,361)
Closing net book balance	-	3,787	3,794	7,581

AUSTRALIAN COMMISSION ON SAFETY AND QUALITY IN HEALTH CARE

Entity Resources and Planned Performance

AUSTRALIAN COMMISSION ON SAFETY AND QUALITY IN HEALTH CARE

ACSQHC

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government aims to improve the long-term sustainability, quality and safety of Australia's health care system. This will be achieved in part through the work of the Australian Commission on Safety and Quality in Health Care (ACSQHC).

The ACSQHC was established by the Council of Australian Governments to lead and coordinate national improvements in safety and quality in health care based on best available evidence. This includes providing strategic advice to Health Ministers on best practice to drive safety and quality improvements. The ACSQHC works in partnership with patients, consumers, health professionals, managers, policy makers and health care organisations to achieve a sustainable, safe and high quality health system.

The ACSQHC has four priority areas of work:

- Patient safety: to have a safe health system that is designed to ensure patients and consumers are kept safe from preventable harm.
- Partnering with patients, consumers and committees: to have a health system where patients, consumers and members of the community partner with health professionals in all aspects of health care.
- Quality, cost and value: to have a health system that provides the right care, minimises waste and optimises value and productivity.
- Supporting health professionals to provide safe and high quality care: to have a health system that supports safe clinical practice by having robust and sustainable improvement systems.

During 2018-19, the ACSQHC will continue to focus its efforts on improvements in safety and quality that can be advanced through national action. This will include a strong focus on the implementation of the second edition of the National Safety and Quality Health Service Standards. It will also include continued examination of variation in health care and opportunities to advance patient outcomes by improving the quality, value and appropriateness of care.

The *National Health Reform Act 2011* specifies the roles and responsibilities of the ACSQHC. The ACSQHC is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of the ACSQHC, refer to the current Corporate Plan, available at: www.safetyandquality.gov.au/about-us/corporate-plan/

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, 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: ACSQHC Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
Opening balance/cash reserves at 1 July	6,333	4,086
Funds from Government		
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	-	-
Other services ^(b)	-	-
Equity injection	-	-
Total annual appropriations	-	-
Amounts received from related entities ^(c)		
Amounts from the Portfolio Department	13,846	13,918
Amounts from other entities	3,981	-
Total amounts received from related entities	17,827	13,918
Total funds from Government	17,827	13,918
Funds from other sources		
Goods and services	1,119	-
State Government contributions	7,628	7,576
Interest	120	120
Total funds from other sources	8,867	7,696
Total net resourcing for ACSQHC	33,027	25,700
	2017-18	2018-19
Average staffing level (number)	78	86

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Appropriation Bill (No. 2) 2018-19.

^(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

This section is not applicable to the ACSQHC.

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 that 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.

The ACSQHC has undertaken a review of its performance information. The purpose of the review was to ensure that the performance measures included in the Portfolio Budget Statements and Corporate Plan align with the strategic priorities and activities in the ACSQHC's work plan. The *National Health Reform Act 2011* requires the ACSQHC to prepare a work plan each year that sets out priorities for work to be undertaken over the following three years.

Results against the ACSQHC's performance criteria published in the *2017-18 Health Portfolio Budget Statements* will be reported in the ACSQHC's *2017-18 Annual Performance Statements*.

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 ACSQHC's most recent Corporate Plan is available at:
www.safetyandquality.gov.au/about-us/corporate-plan

The ACSQHC's most recent Annual Performance Statement is available at:
www.safetyandquality.gov.au/publications-resources/annual-reports

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Improved safety and quality in health care across the health system, including through the development, support for implementation, and monitoring of national clinical safety and quality guidelines and standards

Program Contributing to Outcome 1

Program 1.1: Safety and Quality in Health Care

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 has policy responsibility for the improvement of the long-term capacity, quality and safety of Australia's health care system.

Independent Hospital Pricing Authority

Program 1.1: Public Health Pricing Determinations

The Independent Hospital Pricing Authority works with the ACSQHC to ensure that pricing and performance measures for public hospitals are complementary and facilitate a strong national framework for the delivery of public hospital services.

National Blood Authority

Program 1.1: National Blood Agreement Management

The National Blood Authority works closely with the ACSQHC in relation to the *National Safety and Quality Health Service Standard 7: Blood Management*.

Australian Institute of Health and Welfare

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

The Australian Institute of Health and Welfare works closely with the ACSQHC regarding the measurement and analysis of information related to safety and quality in health care.

Budgeted Expenses for the ACSQHC

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 ACSQHC

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Safety and Quality in Health Care					
Revenue from Government					
Amounts from the Portfolio Department	13,846	13,918	11,665	11,908	12,158
Amounts from other Government entities	3,981	-	-	-	-
Revenues from independent sources	8,867	7,696	8,855	8,563	8,706
Operating deficit (surplus)	-	-	-	-	-
Total for Program 1.1	26,694	21,614	20,520	20,471	20,864
Total expenses for Outcome 1	26,694	21,614	20,520	20,471	20,864
	2017-18	2018-19			
Average staffing level (number)	78	86			

Planned Performance for the ACSQHC

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the ACSQHC

Purpose
To contribute to better health outcomes and experiences for patients and improved productivity and sustainability of the health system by leading and coordinating national improvements in safety and quality in health care.
Outcome 1
Improved safety and quality in health care across the health system, including through the development, support for implementation, and monitoring of national clinical safety and quality guidelines and standards.
Program 1.1: Safety and Quality in Health Care
The ACSQHC leads and coordinates national improvements in safety and quality in health care. The ACSQHC contributes to better health outcomes and experiences for patients, consumers and communities across Australia through the development of standards, guidelines and indicators relating to health care safety and quality. The ACSQHC provides guidance, data and reports to inform decision making to improve the safety and quality of health care. In partnership with patients, consumers, clinicians, managers, policy makers and health care organisations, the ACSQHC works to achieve a sustainable, safe and high quality health system.
Delivery
A. Improving patient safety <ul style="list-style-type: none">• Implement the second edition of the National Safety and Quality Health Service (NSQHS) Standards.• Coordinate the Australia Health Service Safety and Quality Accreditation Scheme.• Coordinate, and produce data and reports from the Antimicrobial Use and Resistance in Australian Surveillance Scheme. B. Partnering with patients, consumers and the community <ul style="list-style-type: none">• Support health services to meet the requirements of the NSQHS Standards that relate to partnerships with patients and consumers.• Provide tools and resources for patients, consumers and the community that support them to be effective partners in health care. C. Encouraging safety, quality, and value <ul style="list-style-type: none">• Continue to examine variation in health care nationally, including release of the Third Australian Atlas of Healthcare Variation.• Examine and work to reduce health care variation where it is unwarranted through the development of tools such as clinical care standards. D. Supporting health professionals to provide safe and high quality care <ul style="list-style-type: none">• Identify, specify and refine clinical and patient-reported measures and safety and quality indicators to support the improvement of the safety and quality of health care at a local level.• Work with all jurisdictions and the private sector to support integration of safety and quality measurement and reporting into national processes and agreements.

Performance criteria				
A. Improving patient safety				
Implement the National Safety and Quality Health Service (NSQHS) Standards and coordinate the Australian Health Service Safety and Quality Accreditation Scheme.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Second edition of the NSQHS standards launched November 2017. Guidance and resources provided to health professionals and managers in areas covered by the NSQHS Standards, including clinical governance, medication safety, healthcare-associated infection, communication and recognising and responding to clinical deterioration.		Implementation of the second edition of the NSQHS Standards. Provision of guidance and resources to support health services to meet the second edition of the NSQHS Standards. Accrediting agencies approved to assess health services to the NSQHS Standards.		Provision of guidance and resources to support health services to meet the second edition of the NSQHS Standards. Accrediting agencies approved to assess health services to the NSQHS Standards.
Percentage of hospitals and day procedure services assessed to the National Safety and Quality Health Service Standards.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
100%	100%	100%	100%	100%
Percentage of public hospitals meeting the benchmark for hand hygiene compliance.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
84%	≥80%	≥80%	≥80%	≥80%
B. Partnering with patients, consumers and the community				
Support health services, health professionals, patients and consumers to form effective partnerships.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Guidance and resources provided to health services about attributes of high performing person-centred health services. Guidance provided about preparing high quality health information for patients and consumers.		Provision of guidance to health services and health professionals about forming effective partnerships with patients and consumers. Australian Charter of Healthcare Rights reviewed.		Provision of guidance to health services, health professionals, patients and consumers about forming effective partnerships.

C. Encouraging safety, quality and value				
Examine healthcare variation and work to reduce unwarranted variation to improve quality and appropriateness of care.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
Second Australian Atlas of Healthcare Variation released. Clinical care standards on heavy menstrual bleeding released and venous thromboembolism reviewed.	Release of the Third Australian Atlas of Healthcare Variation. Release of interactive maps of healthcare variation. Production of clinical care standards and other resources focusing on high impact, high burden and high variation areas of clinical care.		Production of a rolling program of reports on healthcare variation in Australia. Production of clinical care standards and other resources focusing on high impact, high burden and high variation areas of clinical care.	
Clinical care standards developed or reviewed.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
2	3	3	3	3
D. Supporting health professionals to provide safe and high quality care				
Identify, specify and refine clinical and patient-reported measures and safety and quality indicators.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
Resources to support use of the hospital acquired complications released. Australian Hospital Patient Experience Question Set released. Guidance and tools provided to health services to support local use of data for improvement.	Provision of nationally agreed health information standards, measures and indicators for safety and quality. Provision of guidance and tools for health services to support local use of data for safety and quality improvement.		As per 2018-19.	
Condition specific clinical indicator sets developed.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
2	3	3	3	3
Material changes to Program 1.1 resulting from the following measures:				
There are no material changes to Program 1.1 resulting from measures.				

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 ACSQHC.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

The ACSQHC Workplan operational costs are funded jointly by the Australian Government and State and Territory Governments on a 50:50 basis through annual contributions.

The ACSQHC's total resourcing available for 2018-19 is estimated at \$25.7 million, including Commonwealth and State Workplan funding of \$15.7 million and other carry forward and funding receipts of \$10.0 million. The 2018-19 estimated resourcing includes the full year of funding for the delivery of the ACSQHC's programs and projects, as well as the associated agency management costs. This is consistent into the forward year estimates.

Balance Sheet

The ACSQHC'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, employee entitlements and deferred revenue.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-19 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	11,647	11,880	12,118	12,360	12,607
Supplier expenses	14,798	9,232	7,906	7,615	7,761
Depreciation and amortisation	249	502	496	496	496
Total expenses	26,694	21,614	20,520	20,471	20,864
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	7,770	2,209	642	107	-
Interest	120	120	120	120	120
Grants received	11,176	11,428	11,665	11,908	12,158
Other revenue	7,628	7,857	8,093	8,336	8,586
Total revenue	26,694	21,614	20,520	20,471	20,864
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	26,694	21,614	20,520	20,471	20,864
Net cost of (contribution by) services	-	-	-	-	-
Revenue from Government	-	-	-	-	-
Surplus (deficit)	-	-	-	-	-
Surplus (deficit) attributable to the Australian Government	-	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	-	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,086	4,363	4,716	4,765	4,922
Receivables	613	110	110	110	3
Total financial assets	4,699	4,473	4,826	4,875	4,925
Non-financial assets					
Property, plant and equipment	1,859	1,706	1,210	714	218
Prepayments	300	300	300	300	300
Total non-financial assets	2,159	2,006	1,510	1,014	518
Total assets	6,858	6,479	6,336	5,889	5,443
LIABILITIES					
Payables					
Suppliers	1,113	939	954	458	69
Other payables	653	400	193	193	86
Total payables	1,766	1,339	1,147	651	155
Provisions					
Employees	2,378	2,426	2,475	2,524	2,574
Total provisions	2,378	2,426	2,475	2,524	2,574
Total liabilities	4,144	3,765	3,622	3,175	2,729
Net Assets	2,714	2,714	2,714	2,714	2,714
EQUITY					
Contributed equity	1,836	1,836	1,836	1,836	1,836
Reserves	5	5	5	5	5
Retained surpluses or accumulated deficits	873	873	873	873	873
Total equity	2,714	2,714	2,714	2,714	2,714

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	873	5	1,836	2,714
Surplus (deficit) for the period	-	-	-	-
Contribution by Government	-	-	-	-
Estimated closing balance as at 30 June 2019	873	5	1,836	2,714

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	7,481	2,459	435	107	-
Grants from the Portfolio Department	11,176	11,428	11,665	11,908	12,158
State Government contributions	7,628	7,857	8,093	8,336	8,586
Interest	124	120	120	120	120
Net GST received	1,457	900	767	738	752
Total cash received	27,866	22,764	21,080	21,209	21,616
Cash used					
Employees	11,845	11,832	12,069	12,311	12,557
Suppliers	16,298	10,306	8,658	8,849	8,902
Total cash used	28,143	22,138	20,727	21,160	21,459
Net cash from (or used by) operating activities	(277)	626	353	49	157
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	1,970	349	-	-	-
Total cash used	1,970	349	-	-	-
Net cash from (or used by) investing activities	(1,970)	(349)	-	-	-
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	-	-	-
Total cash received	-	-	-	-	-
Net cash from (or used by) financing activities	-	-	-	-	-
Net increase (or decrease) in cash held	(2,247)	277	353	49	157
Cash and cash equivalents at the beginning of the reporting period	6,333	4,086	4,363	4,716	4,765
Cash and cash equivalents at the end of the reporting period	4,086	4,363	4,716	4,765	4,922

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 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	1,970	349	-	-	-
Total acquisitions of non-financial assets	1,970	349	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,970	349	-	-	-
Total cash used to acquire assets	1,970	349	-	-	-

^(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 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	479	2,073	-	2,552
Accumulated depreciation/ amortisation and impairment	(479)	(214)	-	(693)
Opening net book balance	-	1,859	-	1,859
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - funded internally	-	349	-	349
Total additions	-	349	-	349
Other movements				
Depreciation/amortisation expense	-	(502)	-	(502)
Total other movements	-	(502)	-	(502)
As at 30 June 2019				
Gross book value	479	2,422	-	2,901
Accumulated depreciation/ amortisation and impairment	(479)	(716)	-	(1,195)
Closing net book balance	-	1,706	-	1,706

AUSTRALIAN DIGITAL HEALTH AGENCY

Entity Resources and Planned Performance

AUSTRALIAN DIGITAL HEALTH AGENCY

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government is committed to the delivery of a world-leading national digital health capability that will advance the efficiency, quality and delivery of health care to improve the health outcomes of all Australians.

The Australian Digital Health Agency (the Agency) has responsibility for the strategic management and governance of the National Digital Health Strategy and the design, delivery and operations of the national digital healthcare system including the My Health Record system.

The Agency provides the leadership, coordination and delivery of a collaborative and innovative approach to utilising technology to support and enhance a clinically safe and connected national health system. This will give individuals more control of their health and their health information, and support healthcare professionals to provide informed health care through access to current clinical and treatment information.

In 2018-19, the Agency will prioritise the implementation of the first year of the National Digital Health Strategy – *Safe, seamless and secure: evolving health and care to meet the needs of modern Australia*² – approved by Australia’s Health Ministers on 4 August 2017. The Strategy articulates the need for a coordinated approach to the delivery of digital health within Australia, and identifies seven strategic priority outcomes.

1. Health information that is available whenever and wherever it is needed

Every Australian will have a My Health Record, unless they choose not to. They will control what goes into their My Health Record, and who is allowed access to it. They can choose to share their health information with authorised healthcare providers involved with their care.

Healthcare providers will be able to contribute to and use health information in the My Health Record system when providing health care to their patients; with potentially lifesaving access to reports of a person’s medications, allergies, laboratory tests and chronic conditions. This will support significant improvements in the safety, quality and efficiency of health care for all Australians.

2. Health information that can be exchanged securely

Every healthcare provider will have the ability to communicate with other professionals and their patients via secure digital channels. By 2022, patients will also be able to communicate with their healthcare providers using these digital channels, which will end dependence on paper-based correspondence that is today sent by fax machine, post or hand-delivered by the consumer.

¹ For more information about the strategic direction of the Australian Digital Health Agency, refer to the current Corporate Plan, available at: www.digitalhealth.gov.au/about-the-agency/corporate-plan

² Available at: www.digitalhealth.gov.au/about-the-agency/publications/australias-national-digital-health-strategy

3. High-quality data with a commonly understood meaning that can be used with confidence

The Agency will co-produce with the community the priority areas for standards, and agreed plans and timeframes to better connect health care across the health sector. By 2022, the safety and quality of care will be improved by ensuring Australia has a connected health system that seamlessly shares high quality data with the right people at the right time.

4. Better availability and access to prescriptions and medicines information

All patients and their healthcare providers will have access to consolidated views of their medications through the My Health Record system, with more data on dispensed medicines available. By 2022, people will be able to request their medications online, and all prescribers and pharmacists will have access to electronic prescribing and dispensing, improving the safety of our systems.

5. Digitally-enabled models of care that improve accessibility, quality, safety and efficiency

Innovative models of care will support at least two health reform priorities such as the management of chronic illness, the health of babies and young children, end of life care and improving information sharing in urgent and emergency care.

6. A workforce confidently using digital health technologies to deliver health and care

Change and adoption activities will continue to focus on the use of the My Health Record by general practitioners, pharmacists and public hospital emergency department staff to support the My Health Record expansion. High level engagement with specialty groups, allied health, aged care and private hospitals will continue. By 2022, all healthcare practitioners will be able to confidently and efficiently use digital technologies and services to interact with patients, use and contribute to their health record and exchange with the rest of the health system.

7. A thriving digital health industry delivering world-class innovation

The Agency will continue working with software developers and mobile app developers to connect to the My Health Record, and will continue international advocacy of Australia's achievements in digital health. By 2022, Australians will have a variety of digital apps and services to support their health and care needs, including through the use of data from their medical records. Healthcare professionals will be able to take advantage of innovative tools that are not only safe and secure, but integrate with their workflow and improve efficiency.

To deliver on this important work, the Australian Government will enter into an Intergovernmental Agreement with the States and Territories for the continued support of the Australian Digital Health Agency and to work together to build a world-class national digital health capability.

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, 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: Australian Digital Health Agency Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
Opening balance/cash reserves at 1 July	46,549	50,810
Funds from Government		
Annual appropriations ^(a)		
Ordinary annual services ^(a)		
Outcome 1	197,062	219,270
Other services ^(b)		
Equity injection	53,464	37,542
Total annual appropriations	250,526	256,812
Amounts received from related entities ^(c)		
Amounts from the Portfolio Department	2,764	-
Amounts from other entities	-	-
Total amounts received from related entities	2,764	-
Total funds from Government	253,290	256,812
Funds from other sources		
Interest	2,476	639
Sale of goods and services	-	-
Other	32,287	32,250
Total funds from other sources	34,763	32,889
Total net resourcing for Australian Digital Health Agency	334,602	340,511
	2017-18	2018-19
Average staffing level (number)	233	250

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Appropriation Bill (No. 2) 2018-19.

^(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 Australian Digital Health Agency are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Australian Digital Health Agency 2018-19 Budget Measures

Program		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Healthy Active Beginnings ^(a)						
Australian Digital Health Agency						
Departmental expenses	1.1	-	3,700	1,300	-	-
Total		-	3,700	1,300	-	-

^(a) Full details of this measure are published under Department of Health Health (Table 1.2)

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 that 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 Australian Digital Health Agency's most recent Corporate Plan is available at: www.digitalhealth.gov.au/about-the-agency/corporate-plan

The Australian Digital Health Agency's most recent Annual Performance Statement is available at: www.digitalhealth.gov.au/about-the-agency/publications/reports/annual-report

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

To deliver national digital healthcare systems to enable and support improvement in health outcomes for Australians

Program Contributing to Outcome 1

Program 1.1: Digital Health

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 1.2: Health Innovation and Technology The Department of Health has policy responsibility for improving health outcomes for Australians through digital healthcare systems.
Department of Human Services Program 1.2: Services to the Community – Health The Department of Human Services contributes to the achievement of this Outcome by supporting the operation of the My Health Record system.

Budgeted Expenses for the Australian Digital Health Agency

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 Australian Digital Health Agency

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Digital Health					
Revenue from Government					
Ordinary annual services	197,062	219,270	1,300	-	-
Amounts from related entities	2,764	-	-	-	-
Revenues from independent sources	34,763	32,889	-	-	-
Expenses not requiring appropriation in the Budget year ^(a)	-	-	-	-	-
Operating deficit (surplus) ^(b)	20,693	41,150	-	-	-
Total for Program 1.1	255,282	293,309	1,300	-	-
Total expenses for Outcome 1	255,282	293,309	1,300	-	-
	2017-18	2018-19			
Average staffing level (number)	233	250			

^(a) Expenses not requiring appropriation in the Budget year are made up of net assets received free of charge.

^(b) Deficits in 2017-18 and 2018-19 relates to the carry forward of 2016-17 COAG funding under the Intergovernmental Agreement (IGA) for the delivery of the agreed Work Plan and also an allowance for depreciation/amortisation. There is no impact on the financial sustainability of the Agency resulting from the operating loss in 2017-18 and 2018-19 with carry forward expenditure covered through funding received in 2016-17, which was recorded as revenue for accounting purposes in that year. Depreciation/amortisation has no impact on underlying cash.

Planned Performance for the Australian Digital Health Agency

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the Australian Digital Health Agency

Purpose
Better health for all Australians enabled by seamless, safe, secure digital health services and technologies that provide a range of innovative, easy to use tools for both patients and providers.
Outcome 1
To deliver national digital healthcare systems to enable and support improvement in health outcomes for Australians.
Program 1.1: Digital Health
In collaboration with consumers, healthcare providers and the health industry, ³ the Australian Digital Health Agency will deliver an effective national digital health capability that will achieve significant improvements in the quality and delivery of health care, and increased efficiency of the Australian health system. Used effectively, digital information can help save lives, improve health and wellbeing and support a sustainable health system that delivers safe, high quality health services for all Australians.
Delivery
<p>A. Health information that is available whenever and wherever it is needed</p> <ul style="list-style-type: none"> • Create a My Health Record for every Australian, unless they choose not to have one. • Enhance clinical management and care by making more medicines, pathology and diagnostic imaging results available through the My Health Record and accessible by authorised healthcare providers. • Enable all Australians to access their information at any time online and through mobile devices. <p>B. Health information that can be exchanged securely</p> <ul style="list-style-type: none"> • Promote national adoption of standards to enable seamless, secure, and confidential information sharing across all healthcare providers and consumers. • Enable healthcare providers to search for other healthcare providers within their chosen system, and easily and securely share clinical correspondence. • Ensure systems safeguard patients' health data in line with standards, and enable it to be shared securely at their discretion. Patients will spend less time having to retell their story, and their healthcare providers will be able to work together more effectively to provide coordinated care.

³ Health industry includes entities such as peak health organisations, health software vendors, and consumer health organisations (including insurers).

C. High-quality data with a commonly understood meaning that can be used with confidence

- Consult publicly on a vision and roadmap for implementation of interoperability between all public and private health and care services in Australia.
- Promote the collection of patient data in standard ways so it can be shared in real time with patients and their providers.
- Enable healthcare providers to access more complete information about a person under their care, irrespective of whether that person received health services in the public, private or community setting.

D. Better availability and access to prescriptions and medicines information

- Provide all consumers and their healthcare providers with the means to access prescribed and dispensed medications through the My Health Record, reducing the incidence of medication errors and adverse drug events.
- Promote use of medicines information to improve the decisions made by healthcare providers and consumers about medicines management and use.
- Commence policy work with the Department of Health to enable digital paper-free options for all medication management in Australia, which would allow individuals to request their medications online, and all prescribers and pharmacists to have access to electronic prescribing and dispensing.

E. Digitally-enabled models of care that improve accessibility, quality, safety and efficiency

- Introduce at least two pioneering initiatives – co-produced between consumers, governments, providers and entrepreneurs – to test evidence-based digital empowerment of key health priorities.
- Focus on priority health reform areas such as Health Care Homes, chronic disease management, babies' and children's health, end-of-life care or emergency care.

F. A workforce confidently using digital health technologies to deliver health and care

- Develop resources and offer assistance to peak associations to support their professions on how, when and where technology and data could be used in everyday clinical practice.
- Provide all healthcare professionals with access to resources that will support them in the confident and efficient use of digital services.

G. A thriving digital health industry delivering world-class innovation

- Promote the achievements of Australian innovation in digital health within our region and globally.
- Consult with industry and trade agencies on ways the Agency can create opportunities for industry and the Australian economy by capitalising on the significant public and private sector investment in digital health.
- Provide a platform for industry and innovators to foster an agile and self-improving health system that is sustainable.

Performance criteria				
A. Health information that is available whenever and wherever it is needed				
Deliver a national opt-out model for the My Health Record and enhance the system to improve participation, usage, content and engagement with the service.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Release a minimum of two upgrades to the My Health Record System to support the opt-out participation model and to improve the end user experience and mobile access.		Deliver a national opt-out model for the My Health Record by 31 December 2018, and release a minimum of two upgrades to the system to increase content, improve the end user experience, mobile access, management of family records, allergies, medicines view, and access controls.		Continue to deliver a reliable and secure My Health Record system and to continuously improve the end user experience.
Increase My Health Record system adoption by public and private hospitals.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
41 additional public hospitals and health services (out of a total of 1,107 ⁴) and 15 private hospitals (out of a total of 209 ⁵) have been connected to the My Health Record.		Connect an additional 30 public hospitals and 15 private hospitals to the My Health Record.		Connect an additional 30 public and 15 private hospitals to the My Health Record each year.
Establish foundation sources of pathology and diagnostic imaging reports in the My Health Record with key implementation partners from public hospital networks and the private sector.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
Five States and Territories, three private diagnostic imaging providers and four private pathology providers have connected and are sharing diagnostics reports with the My Health Record.	Six States and Territories, and more than 60% of private pathology labs and 10% of private diagnostic imaging practices connected and sharing reports with the My Health Record.	All States and Territories, and more than 80% of private pathology labs and 20% of private diagnostic imaging practices connected and sharing reports with the My Health Record.	All States and Territories, and more than 83% of private pathology labs and 30% of private diagnostic imaging practices connected and sharing reports with the My Health Record.	All States and Territories, and more than 85% of private pathology labs and 35% of private diagnostic imaging practices connected and sharing reports with the My Health Record.

⁴ Total number of public hospital and health services reported by State and Territory jurisdictions on 1 May 2018, with 802 public hospitals and health services connected to the My Health Record system prior to May 2018.

⁵ Total number of private hospitals and clinics contracted with the Australian Digital Health Agency for connection to My Health Record on 1 May 2018, with 178 private hospitals and clinics connected prior to May 2018.

Maintain availability of the My Health Record system. ⁶				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
99.5% of the time	99% of the time	99% of the time	99% of the time	99% of the time
B. Health information that can be exchanged securely				
Establish a trustworthy, seamless process for a message to flow securely from one provider to another and over time to consumers.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
Finalised industry specification and guidelines for secure messaging and implemented a messaging proof of concept in Victoria and New South Wales.	Establish a federated provider directory and information exchange trust framework to support information exchange and implement specifications and guidelines and extend use of interoperable messaging from initial sites.	Co-produce a conformance, compliance and accreditation framework and process, building on existing schemes.	Establish sustainable operational models for national infrastructure to support information exchange, including provider identification and addressing services.	As per 2020-21.
C. High-quality data with a commonly understood meaning that can be used with confidence				
Strengthen and improve the tools for digital interoperability in the Australia health sector.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
Public consultation on interoperability standards was undertaken, leading to an agreed vision and national Interoperability Roadmap encompassing both public and private sectors.	Broaden consultation on Interoperability Roadmap and agree timeframes and targets for implementation. Develop an Interoperability Roadmap for Australia.	Base-level requirements for using interoperable digital technology in the provision of care in Australia agreed with governments, peak clinical bodies and other key stakeholders.	Establish a digital health maturity support service to support jurisdictions and health services to increase their digital health maturity.	As per 2020-21.

⁶ Excluding planned outages.

D. Better availability and access to prescriptions and medicines information				
Improve the accuracy, timeliness, visibility and accessibility of medicines information in the My Health Record system.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
Commenced uploading public hospital pharmacy dispense records to the My Health Record from the Northern Territory and New South Wales. A minimum of 50% of dispensed pharmacy prescriptions supplied to consumers were registered with a My Health Record.	80% of community pharmacies connect and upload dispensed prescription records to the My Health Record. Support Department of Health on digital signatures policy development.	90% of community pharmacies connect and upload dispensed prescription records to the My Health Record.	More than 95% of community pharmacies connect and upload dispensed prescription records to the My Health Record.	More than 97% of community pharmacies connect and upload dispensed prescription records to the My Health Record.
E. Digitally-enabled models of care that improve accessibility, quality, safety and efficiency				
Trial new models of health care to test their effectiveness in real-world environments to accelerate national uptake of initiatives with greatest benefit.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
Two projects arising from the National Children's Digital Health Collaborative, an end-of-life care project, and use of My Health Record in emergency care environments commenced.	Proceed with at least two pioneering initiatives to test evidence-based digital empowerment of key health priorities.	Support projects as approved by Agency Board.		

F. A workforce confidently using digital health technologies to deliver health and care				
Support healthcare professionals to trust in, and capitalise on, the benefits of digital technologies.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
N/A ⁷	Support governments and educational institutions to develop curricular to build digital workforce capability.		As per 2018-19.	
G. A thriving digital health industry delivering world-class innovation				
Drive innovation by working with industry, healthcare consumers and the research sector to expand existing digital tools and create new ones that meet the changing needs of patients and providers.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
N/A ⁸	Support the Mobile Gateway Program and implement a secondary use framework for the My Health Record.	Improve the Developer Partner Program to reduce barriers to innovation and aid integration with the My Health Record system and other digital services.	Provide best practice design principles and guidelines to enrich the user experience to accelerate adoption.	As per 2020-21.
Material changes to Program 1.1 resulting from the following measures:				
• <i>Healthy Active Beginnings</i>				

⁷ This is a new performance criterion, therefore there is no estimated result for 2017-18.

⁸ Ibid.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2018-19 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 Australian Digital Health Agency (the Agency).

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

The Agency became operational on 1 July 2016. Relevant financial statement balances have transferred from the National e-Health Transition Authority and the Department of Health. The Australian Government has agreed to continue and improve the operation of digital health to 30 June 2022.

Departmental Resources

Comprehensive Income Statement

Resourcing includes funding for the delivery of the Agency's program, as well as the associated agency management costs. The Agency is jointly funded by the Australian, State and Territory Governments.

The Government has approved operating deficits in 2017-18 and 2018-19, which relate to the carry forward of 2016-17 Council of Australian Governments funding under the Intergovernmental Agreement (IGA) for the delivery of the agreed Work Plan and an allowance for depreciation/amortisation. There is no impact on the financial sustainability of the Agency resulting from the operating deficits.

Balance Sheet

My Health Record increases in value through Government contributions and from internal resources.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	36,179	42,120	-	-	-
Supplier expenses	201,663	225,239	1,300	-	-
Depreciation and amortisation	16,858	25,950	-	-	-
Write-down and impairment of assets	582	-	-	-	-
Total expenses	255,282	293,309	1,300	-	-
LESS:					
OWN-SOURCE INCOME					
Revenue					
Interest	2,476	639	-	-	-
Other revenue	35,051	32,250	-	-	-
Total revenue	37,527	32,889	-	-	-
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	37,527	32,889	-	-	-
Net cost of (contribution by) services	217,755	260,420	1,300	-	-
Revenue from Government	197,062	219,270	1,300	-	-
Surplus (deficit)	(20,693)	(41,150)	-	-	-
Surplus (deficit) attributable to the Australian Government	(20,693)	(41,150)	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government ^(a)	(20,693)	(41,150)	-	-	-

^(a) Deficits in 2017-18 and 2018-19 relates to the carry forward of 2016-17 COAG funding under the Intergovernmental Agreement (IGA) for the delivery of the agreed Work Plan and also an allowance for depreciation/amortisation. There is no impact on the financial sustainability of the Agency resulting from the operating loss in 2017-18 and 2018-19 with carry forward expenditure covered through funding received in 2016-17, which was recorded as revenue for accounting purposes in that year. Depreciation/amortisation has no impact on underlying cash.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	50,810	35,610	35,610	35,610	35,610
Trade and other receivables	2,475	2,475	2,475	2,475	2,475
Total financial assets	53,285	38,085	38,085	38,085	38,085
Non-financial assets					
Land and Buildings	1,831	1,140	1,140	1,140	1,140
Property, plant and equipment	599	41	41	41	41
Intangibles	78,459	91,300	91,300	91,300	91,300
Other	395	395	395	395	395
Total non-financial assets	81,284	92,876	92,876	92,876	92,876
Total assets	134,569	130,961	130,961	130,961	130,961
LIABILITIES					
Payables					
Suppliers	14,590	14,590	14,590	14,590	14,590
Other payables	588	588	588	588	588
Total payables	15,178	15,178	15,178	15,178	15,178
Provisions					
Employees	6,674	6,674	6,674	6,674	6,674
Other provisions	338	338	338	338	338
Total provisions	7,012	7,012	7,012	7,012	7,012
Total liabilities	22,190	22,190	22,190	22,190	22,190
Net assets	112,379	108,771	108,771	108,771	108,771
EQUITY					
Contributed equity	112,877	150,419	150,419	150,419	150,419
Reserves	776	776	776	776	776
Retained surpluses or accumulated deficits	(1,274)	(42,424)	(42,424)	(42,424)	(42,424)
Total equity	112,379	108,771	108,771	108,771	108,771

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings	Asset revaluation reserve	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(1,274)	776	112,877	112,379
Surplus (deficit) for the period	(41,150)	-	-	(41,150)
Appropriation (equity injection)	-	-	37,542	37,542
Estimated closing balance as at 30 June 2019	(42,424)	776	150,419	108,771

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	197,062	219,270	1,300	-	-
Interest	2,568	639	-	-	-
Net GST received	14,291	16,597	-	-	-
Other cash received	40,805	32,250	-	-	-
Total cash received	254,726	268,756	1,300	-	-
Cash used					
Employees	35,028	41,827	-	-	-
Suppliers	212,510	242,129	1,300	-	-
Net GST paid	-	-	-	-	-
Total cash used	247,538	283,956	1,300	-	-
Net cash from (or used by) operating activities	7,188	(15,200)	-	-	-
INVESTING ACTIVITIES					
Cash received					
Investments realised	6,001	-	-	-	-
Total cash used	6,001	-	-	-	-
Cash used					
Purchase of property, plant and equipment	56,391	37,542	-	-	-
Total cash used	56,391	37,542	-	-	-
Net cash from (or used by) investing activities	(50,390)	(37,542)	-	-	-
FINANCING ACTIVITIES					
Cash received					
Contributed equity	53,464	37,542	-	-	-
Total cash received	53,464	37,542	-	-	-
Net cash from (or used by) financing activities	53,464	37,542	-	-	-
Net increase (or decrease) in cash held	10,262	(15,200)	-	-	-
Cash and cash equivalents at the beginning of the reporting period	40,548	50,810	35,610	35,610	35,610
Cash and cash equivalents at the end of the reporting period	50,810	35,610	35,610	35,610	35,610

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	53,464	37,542	-	-	-
Total capital appropriations	53,464	37,542	-	-	-
Total new capital appropriations represented by:					
Purchase of non-financial assets	53,464	37,542	-	-	-
Total items	53,464	37,542	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	53,464	37,542	-	-	-
Funded internally from departmental resources	2,927	-	-	-	-
Total acquisitions of non-financial assets	56,391	37,542	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	56,391	37,542	-	-	-
Total cash used to acquire assets	56,391	37,542	-	-	-

^(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 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	3,290	2,919	121,628	127,837
Accumulated depreciation/ amortisation and impairment	(1,459)	(2,320)	(43,169)	(46,948)
Opening net book balance	1,831	599	78,459	80,889
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	37,542	37,542
By purchase - internal resources	-	-	-	-
Total additions	-	-	37,542	37,542
Other movements				
Depreciation/amortisation expense	(301)	(948)	(24,701)	(25,950)
Revaluations	(390)	390	-	-
Total other movements	(691)	(558)	(24,701)	(25,950)
As at 30 June 2019				
Gross book value	2,900	3,309	159,170	165,379
Accumulated depreciation/ amortisation and impairment	(1,760)	(3,268)	(67,870)	(72,898)
Closing net book balance	1,140	41	91,300	92,481

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, meaningful and timely national health and welfare-related data and analysis across all relevant sectors. Accurate statistical information, comprehensive data development and high quality analysis is critical to good policy making and effective service delivery, leading to better health and welfare outcomes for all 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.

In 2018-19 and beyond, the AIHW will focus on five strategic goals.

Leaders in health and welfare data

The AIHW will engage nationally and internationally with authorities in their domain to develop, promote and deliver quality standards, systems and processes for collecting, curating and linking health and welfare data.

Drivers of data improvement

The AIHW will build on its trusted status to identify and respond to gaps and opportunities in multisource health and welfare data holdings. The AIHW will support its partners to develop and capture the data required to inform national priorities.

Expert sources of value-added analysis

The AIHW will harness and enhance their capabilities in the health and welfare domains to turn data and information into knowledge and intelligence. The AIHW will translate this evidence to provide insight into patterns, trends and outcomes, including how these compare across organisations, regions and internationally.

Champions of open and accessible data and information

The AIHW will leverage emerging technology and enhance their products and services in order to provide data and information tailored to diverse access, timeliness and quality requirements. The AIHW will support their partners in making their data accessible while protecting privacy.

Trusted strategic partners

The AIHW will foster strategic partnerships and engage collaboratively with stakeholders to deliver program-specific expertise and enable others to achieve their strategic goals.

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*.

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, 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 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
Opening balance/cash reserves at 1 July	59,696	60,178
Funds from Government Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	28,078	33,322
Other services ^(b)		
Equity injection	-	625
Total annual appropriations	28,078	33,947
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	49,078	54,947
Funds from other sources		
Interest	1,500	1,300
Sale of goods and services	13,000	13,000
Other	30	30
Total funds from other sources	14,530	14,330
Total net resourcing for AIHW	123,304	129,455
	2017-18	2018-19
Average staffing level (number)	318	321

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Appropriation Bill (No. 2) 2018-19.

^(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 2018-19 Budget Measures

Program		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2019-20 \$'000	2021-22 \$'000
National Health and Medical Industry Growth Plan^a						
Australian Institute of Health and Welfare						
Departmental expenses	1.1	-	5,426	7,826	6,310	6,509
Departmental capital	1.1	-	625	1,875	1,275	125
Total		-	6,051	9,701	7,585	6,634
Other Portfolio Measures						
Improving Housing Related Data^b						
Australian Bureau of Statistics						
Australian Institute of Health and Welfare						
Departmental expenses	1.1	-	200	-	-	-
Total		-	200	-	-	-

^(a) Full details of this measure are published under Department of Health Health (Table 1.2)

^(b) AIHW is not the lead entity for these measures. Only the AIHW impacts are shown in this table

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 that 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.

The AIHW has revised its performance information for 2018-19 to align with the AIHW's five strategic goals (refer Strategic Direction Statement).

Results against the AIHW's performance criteria published in the *2017-18 Health Portfolio Budget Statements* will be reported in the *AIHW's 2017-18 Annual Performance Statements*.

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/reports-statistics/corporate-publications/overview

The AIHW's most recent Annual Performance Statement is available at:
www.aihw.gov.au/reports-statistics/corporate-publications/overview

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.

Australian Commission on Safety and Quality in Health Care

Program 1.1: Safety and Quality in Health Care

The Australian Commission on Safety and Quality in Health Care works closely with the AIHW regarding the measurement and analysis of information related to safety and quality in health care.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 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)	28,078	33,322	34,911	32,794	33,147
Amounts from related entities	21,000	21,000	21,000	21,000	21,000
Revenues from independent sources	14,530	14,330	14,230	14,130	14,030
Operating deficit (surplus)	366	282	199	113	25
Total for Program 1.1	63,974	68,934	70,340	68,037	68,202
Total expenses for Outcome 1	63,974	68,934	70,340	68,037	68,202
	2017-18	2018-19			
Average staffing level (number)	318	321			

^(a) Appropriation Bill (No. 1) 2018-19.

Planned Performance for the AIHW

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 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>
Delivery
<p>A. Leaders in health and welfare data</p> <ul style="list-style-type: none">• Release a range of data and information products relevant to key policy areas.• Assist reporting of, or report on, nationally-agreed performance indicators. <p>B. Drivers of data improvement</p> <ul style="list-style-type: none">• Enhance data resources with the addition of new data assets to the AIHW's data holdings. <p>C. Expert sources of value-added analysis</p> <ul style="list-style-type: none">• Enhance data analysis capabilities.• Disseminate AIHW analysis publicly through its website and the media. <p>D. Champions of open and accessible data and information</p> <ul style="list-style-type: none">• Modernise presentation of national health and welfare-related data and analysis.• Provide access to data and information in an environment that supports stringent governance, capability, data management and privacy requirements.• Release a range of data and information products that include data in a manipulable format. <p>E. Trusted strategic partners</p> <ul style="list-style-type: none">• Work with partners to drive data improvement.

Performance criteria		
A. Leaders in health and welfare data		
Release a range of data and information products relevant to key policy areas.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p><i>Australia's welfare 2017</i> was released on 19 October 2017. <i>Australia's health 2018</i> will be released by 30 June 2018. <i>Admitted hospital patient care 2016-17</i> will be released by 30 June 2018.</p> <p>The following products have been released:</p> <ul style="list-style-type: none"> – <i>Health expenditure 2015-16</i>; – <i>2016 National Drug Strategy Household Survey – detailed findings</i>; – <i>Residential and community mental health services in 2015-16</i>; and – <i>Pathways in aged care and cause of death</i>. 	<p>Release of the following products by 30 June 2019 relating to:</p> <ul style="list-style-type: none"> – health expenditure in 2016-17; – admitted hospital patient care in 2017-18; – residential and community mental health services in 2016-17; – disability support services in 2016-17; – youth justice in 2016-17; and – child protection in 2016-17. 	<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.</p>
Assist reporting of, or report on, nationally-agreed performance indicators.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>AIHW has provided data for the Council of Australian Governments (COAG) national agreements on health care and Indigenous reform.</p> <p>AIHW has provided data for the publication of 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>A range of products will be released by 30 June 2018 relating to local level health performance indicators.²</p>	<p>Supply data required for performance indicators in COAG national agreements on health care and Indigenous reform by 30 June 2019.</p> <p>Supply data for the Review of Government Service Provision's <i>Report on Government Services 2019</i> volumes on health, housing and homelessness and community services.</p> <p>Release a range of products relating to local level health performance indicators by 30 June 2019.</p>	<p>As per 2018-19.</p>

² Includes MyHospitals and MyHealthyCommunities websites.

Release a range of data and information relevant to key policy areas, measured by the number or proportion of:				
a. total products released; and				
b. statistical products relating to annual collections for which data are reported less than one year after the end of their data collection period.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 180	181	183	183	185
b. ≥71%	≥71%	≥71%	≥71%	≥71%
B. Drivers of data improvement				
Enhance data resources with the addition of new data assets to the AIHW's data holdings, measured by the number of such data assets approved by the AIHW Ethics Committee.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
Five new data assets have been added to the AIHW's data holdings with another four being assessed for inclusion by 30 June 2018.	Addition of new data assets by 30 June 2019.	Addition of new data assets by 30 June annually.		
C. Expert sources of value-added analysis				
Enhance data analysis capabilities.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
Analysis of linked data from three national cancer screening programs will be completed by 30 June 2018. The first of three phases of work to improve storage, accessibility and analysis of locational data in AIHW data holdings is complete. Phase two is currently underway. The AIHW contributed to the improved reporting of population or service-related health and welfare outcomes in 2017-18 as demonstrated by the release of the following products: – <i>Incidence of suicide in ex-serving ADF personnel;</i> and – <i>Overweight and obesity in Australia: a birth cohort analysis.</i>	Release products presenting the results of linked data from three national cancer screening programs by 30 June 2019. Complete the second of three phases of work to improve storage, accessibility and analysis of locational data in AIHW data holdings. Release a replacement to the Metadata Online Registry by 30 June 2019. Establishment of the National Integrated Health Services Information Analysis Asset. Demonstrate, as case studies, AIHW contributions shown externally in 2018-19 of improved reporting of population or service-related health and welfare outcomes.	Activities for 2019-20 and beyond are yet to be defined.		

Disseminate AIHW analysis publicly through its website and the media as measured by:				
a. sessions on the AIHW website; and				
b. references to the AIHW and its products in the media.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 3,300,000	3,600,000	3,900,000	4,200,000	4,500,000
b. 4,600	4,600	4,600	4,600	4,600
D. Champions of open and accessible data and information				
Modernise presentation of national health and welfare-related data and analysis.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Redeveloped AIHW website was launched in September 2017. New GEN aged-care data website was launched in August 2017. ³		Continued improvement of the AIHW website and the provision of data, including that currently presented on the MyHealthyCommunities website.		Website enhancements for 2019-20 and beyond are yet to be defined.
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> .				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
60	60	60	60	60
Release a range of data and information products that specifically include data in a manipulable format, measured by the number of such products released.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
90	95	100	105	110

³ Available at: www.gen-agedcaredata.gov.au

E. Trusted strategic partners		
Work with partners to drive data improvement.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>The Coordination of Health Care Study undertaken in collaboration with the Australian Bureau of Statistics is partially complete, including data linkages on primary care and pharmaceuticals. The first <i>Survey of Healthcare</i> report was released on the Australian Bureau of Statistics website. A second report <i>Coordination of Health Care study: patients experiences with GPs</i> will be released on the MyHealthyCommunities website by 30 June 2018.</p> <p>The following products relating to identified data gaps will be released by 30 June 2018:</p> <ul style="list-style-type: none"> – <i>Trends in Indigenous mortality and life expectancy 2001–2015</i>; and – <i>Family, domestic and sexual violence</i>. 	<p>Work with the Australian Bureau of Statistics toward the Coordination of Health Care Study to continue with the release of a range of products including Hospital and Emergency Department Services data by 30 June 2019.</p> <p>Release of products by 30 June 2019 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, primary health care or disability.</p> <p>Participate in and administer new health committees, as determined by the Australian Health Ministers' Advisory Council.</p>	<p>Work with Australian Bureau of Statistics to continue on the Coordination of Health Care Study with the release of a range of products that are yet to be defined.</p> <p>Improve data in at least one subject area where there is a demonstrable data gap, for example, primary health care or disability.</p> <p>Participate in and administer new health committees, as determined by the Australian Health Ministers' Advisory Council.</p>
Material changes to Program 1.1 resulting from the following measures:		
There are no material changes to Program 1.1 resulting from measures.		

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 \$5.2 million higher in 2018-19 than in 2017-18 consistent with the AIHW measures for the *Further Affordable Housing* and *National Health and Medical Industry Growth Plan – increase health care data sharing and data releases*.

The AIHW has budgeted to break even in 2018-19 prior to an accrual of \$0.3 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 will remain stable over the forward estimates. The AIHW's equity will increase due to the capital component of the measure relating to *National Health and Medical Industry Growth Plan – increase health care data sharing and data releases*.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	38,432	38,843	39,619	40,462	40,516
Supplier expenses	24,142	28,691	29,321	26,175	26,286
Depreciation and amortisation	1,400	1,400	1,400	1,400	1,400
Total expenses	63,974	68,934	70,340	68,037	68,202
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	34,000	34,000	34,000	34,000	34,000
Interest	1,500	1,300	1,200	1,100	1,000
Other revenue	30	30	30	30	30
Total revenue	35,530	35,330	35,230	35,130	35,030
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	35,530	35,330	35,230	35,130	35,030
Net cost of (contribution by) services	28,444	33,604	35,110	32,907	33,172
Revenue from Government	28,078	33,322	34,911	32,794	33,147
Surplus (deficit)	(366)	(282)	(199)	(113)	(25)
Surplus (deficit) attributable to the Australian Government	(366)	(282)	(199)	(113)	(25)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(366)	(282)	(199)	(113)	(25)

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	60,178	60,606	60,606	60,606	60,606
Trade and other receivables	4,449	4,449	4,449	4,449	5,449
Total financial assets	64,627	65,055	65,055	65,055	66,055
Non-financial assets					
Land and buildings	4,422	4,147	4,044	3,669	3,214
Property, plant and equipment	2,920	3,392	4,942	5,892	5,472
Computer Software	253	253	253	253	253
Other	1,042	1,042	1,042	1,042	1,042
Total non-financial assets	8,637	8,834	10,281	10,856	9,981
Total assets	73,264	73,889	75,336	75,911	76,036
LIABILITIES					
Payables					
Suppliers	2,998	3,530	3,551	3,214	3,489
Other payables	27,228	26,978	26,728	26,478	26,228
Total payables	30,226	30,508	30,279	29,692	29,717
Provisions					
Employees	11,969	11,969	11,969	11,969	11,969
Other provisions	505	505	505	505	505
Total provisions	12,474	12,474	12,474	12,474	12,474
Total liabilities	42,700	42,982	42,753	42,166	42,191
Net assets	30,564	30,907	32,583	33,745	33,845
EQUITY					
Contributed equity	27,924	28,549	30,424	31,699	31,824
Reserves	2,410	2,410	2,410	2,410	2,410
Retained surpluses (accumulated deficits)	230	(52)	(251)	(364)	(389)
Total equity	30,564	30,907	32,583	33,745	33,845

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	230	2,410	27,924	30,564
Surplus (deficit) for the period	(282)	-	-	(282)
Appropriation (equity injection)	-	-	625	625
Estimated closing balance as at 30 June 2019	(52)	2,410	28,549	30,907

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	34,326	34,000	34,000	34,000	33,000
Appropriations	28,078	33,322	34,911	32,794	33,147
Interest	1,500	1,300	1,200	1,100	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	64,934	69,652	71,141	68,924	68,177
Cash used					
Employees	38,432	38,843	39,619	40,462	40,516
Suppliers	24,048	28,409	29,550	26,762	26,261
Net GST paid	1,000	1,000	1,000	1,000	1,000
Total cash used	63,480	68,252	70,169	68,224	67,777
Net cash from (or used by) operating activities	1,454	1,400	972	700	400
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	972	1,597	2,847	1,975	525
Total cash used	972	1,597	2,847	1,975	525
Net cash from (or used by) investing activities	(972)	(1,597)	(2,847)	(1,975)	(525)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	625	1,875	1,275	125
Total cash received	-	625	1,875	1,275	125
Cash used					
Finance Lease Payments	-	-	-	-	-
Total cash received	-	-	-	-	-
Net cash from (or used by) financing activities	-	625	1,875	1,275	125
Net increase (or decrease) in cash held	482	428	-	-	-
Cash and cash equivalents at the beginning of the reporting period	59,696	60,178	60,606	60,606	60,606
Cash and cash equivalents at the end of the reporting period	60,178	60,606	60,606	60,606	60,606

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	-	625	1,875	1,275	125
Total capital appropriations	-	625	1,875	1,275	125
Total new capital appropriations represented by:					
Purchase of non-financial assets	-	625	1,875	1,275	125
Total items	-	625	1,875	1,275	125
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	-	625	1,875	1,275	125
Funded internally from departmental resources	972	972	972	700	400
Total acquisitions of non-financial assets	972	1,597	2,847	1,975	525
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	972	1,597	2,847	1,975	525
Total cash used to acquire asset	972	1,597	2,847	1,975	525

^(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 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	6,804	5,267	1,353	13,424
Accumulated depreciation/ amortisation and impairment	(2,382)	(2,347)	(1,100)	(5,829)
Opening net book balance	4,422	2,920	253	7,595
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	625	-	625
By purchase - internal resources	180	792	-	972
Total additions	180	1,417	-	1,597
Other movements				
Depreciation/amortisation expense	(455)	(945)	-	(1,400)
Total other movements	(455)	(945)	-	(1,400)
As at 30 June 2019				
Gross book value	6,984	6,684	1,353	15,021
Accumulated depreciation/ amortisation and impairment	(2,837)	(3,292)	(1,100)	(7,229)
Closing net book balance	4,147	3,392	253	7,792

AUSTRALIAN RADIATION PROTECTION AND NUCLEAR SAFETY AGENCY

Entity Resources and Planned Performance

ARPANSA

AUSTRALIAN RADIATION PROTECTION AND NUCLEAR SAFETY AGENCY

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Radiation Protection and Nuclear Safety Agency (ARPANSA), on behalf of the Australian Government, aims to protect the Australian people and the environment from the harmful effects of radiation.

ARPANSA provides advice and services to the Australian community on radiation protection, nuclear safety, security, and medical exposures to radiation, including related research. It promotes national uniformity of radiation protection and nuclear safety policy and practices across the Commonwealth and States and Territories. It also independently regulates the radiation sources, radiation facilities and nuclear installations of Commonwealth entities and contractors.

ARPANSA's regulatory and advisory frameworks are based on evidence regarding levels of ionising and non-ionising² radiation in the environment and the effect on human and environmental health and wellbeing.

In 2018-19, ARPANSA will further build its risk-informed approach to effective regulation of radiation and nuclear facilities and practices.

ARPANSA will host an Integrated Regulatory Review Service (IRRS) mission by the International Atomic Energy Agency (IAEA) to Australia in November 2018. An IRRS mission is a valuable regulatory benchmarking exercise involving peer review by overseas experts against IAEA Safety Standards. The review will focus on Australia's legal and regulatory framework for safety, and ARPANSA's licensing, inspection and enforcement processes.

ARPANSA will assess exposure to the public, workers and the environment to ionising and non-ionising radiation. Through a number of monitoring services, ARPANSA will continue to publish data for people who work with radiation and the general public.

ARPANSA will continue to provide quality assurance to the 50,000 Australians who are treated for cancer with radiotherapy every year, by calibrating and auditing the equipment that is used to ensure safe and accurate radiation therapy. ARPANSA will commission a new linear accelerator in 2018-19 to provide quality assurance for radiation oncology facilities and patients.

The role and functions of ARPANSA are set out in the *Australian Radiation Protection and Nuclear Safety Act 1998*. ARPANSA is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of ARPANSA, refer to the current Corporate Plan, available at: www.arpansa.gov.au/AboutUs/Corporate/corplan.cfm

² Ionising radiation from radioactive substances or X-ray equipment can produce ionisation in matter. It has sufficient energy to damage the heredity material in cells (DNA). Non-ionising radiation such as UV radiation from the sun or from emitters of radiofrequency radiation does not produce ionisation, but may still cause health effects.

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, 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: ARPANSA Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	1,894	1,894
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	12,839	12,758
s74 retained revenue receipts ^(b)	10,768	10,871
Departmental capital budget ^(c)	1,955	1,945
Other services ^(d)		
Equity injection	5,000	-
Total departmental annual appropriations	30,562	25,574
Special Accounts ^(e)		
Appropriation receipts	19,794	14,703
Non-appropriation receipts	10,768	10,871
Total special account	30,562	25,574
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts ^(f)	(30,562)	(25,574)
Total departmental resourcing	32,456	27,468
Total resourcing for ARPANSA	32,456	27,468
	2017-18	2018-19
Average staffing level (number)	129	134

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental capital budgets (DCB) are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19.

^(e) For further information on special appropriations and special accounts, refer to *Budget Paper No. 4 – Agency Resourcing*. Also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

^(f) Appropriation receipts included above.

1.3 BUDGET MEASURES

This section is not applicable to ARPANSA.

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 that 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.

ARPANSA's most recent Corporate Plan is available at:
www.arpansa.gov.au/about-us/corporate-publications/corporate-plan

ARPANSA's most recent Annual Performance Statement is available at:
www.arpansa.gov.au/about-us/corporate-publications/annual-reports

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Protection of people and the environment through radiation protection and nuclear safety research, policy, advice, codes, standards, services and regulation

Program Contributing to Outcome 1

Program 1.1: Radiation Protection and Nuclear Safety

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 5.1: Protect the Health and Safety of the Community Through Regulation The Department of Health has strategic regulatory policy and national leadership responsibility for radiation protection and nuclear safety with particular regard to the regulatory framework. This includes best practice for health technologies related to radiation and nuclear safety.

Budgeted Expenses for ARPANSA

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 ARPANSA

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Radiation Protection and Nuclear Safety					
Departmental expenses					
Ordinary annual services ^(a)	12,839	12,758	12,741	12,828	12,899
Special Accounts	10,768	10,871	11,003	11,139	11,278
Expenses not requiring appropriation in the Budget year ^(b)	2,570	2,570	2,570	2,570	2,570
Total for Program 1.1	26,177	26,199	26,314	26,537	26,747
Total expenses for Outcome 1	26,177	26,199	26,314	26,537	26,747
	2017-18	2018-19			
Average staffing level (number)	129	134			

^(a) Appropriation (Bill No. 1) 2018-19.

^(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Planned Performance for ARPANSA

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for ARPANSA

Purpose
The Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) is the Australian Government's primary authority on radiation protection and nuclear safety. Our purpose is to protect the Australian people and the environment from the harmful effects of radiation, through understanding risks, best practice regulation, research, policy, services, partnerships and engaging with the community.
Outcome 1
Protection of people and the environment through radiation protection and nuclear safety research, policy, advice, codes, standards, services and regulation.
Program 1.1: Radiation Protection and Nuclear Safety
<p>The Australian Government, through ARPANSA, aims to protect the Australian people and the environment from the harmful effects of radiation. Scientific knowledge and international best practice is applied to promote awareness of the effects of radiation, and a nationally uniform approach to radiation protection of people (the public, workers and patients undergoing medical procedures using radiation) and the environment.</p> <p>ARPANSA regulates the use of radiation sources, facilities and nuclear installations controlled by the Australian Government. It provides expert support to national, regional and international arrangements for safety, security and responses to nuclear and radiological emergencies.</p>
Delivery
<p>A. Protecting the public, workers and the environment from radiation exposure</p> <ul style="list-style-type: none"> Evaluate radiation dose trends to workers to inform protective actions. Provide advice to the Government and the public on radiation protection and nuclear safety. <p>B. Promoting radiological and nuclear safety and security, and emergency preparedness</p> <ul style="list-style-type: none"> Support national and regional arrangements for preventing accidents and security events that may lead to radiation exposure. Maintain effective emergency response systems that protect the Australian community in the case of a radiological or nuclear event. <p>C. Promoting the safe and effective use of ionising radiation in medicine</p> <ul style="list-style-type: none"> Provide auditing and calibration services to clinics to support radiation protection of patients in diagnosis and therapy. Survey clinics and disseminate information on diagnostic exposure levels, with the aim of optimising patient protection. <p>D. Ensuring risk-informed and effective regulation</p> <ul style="list-style-type: none"> Conduct self-assessment and external reviews to improve ARPANSA's regulatory processes for the benefit of licence holders, applicants and the Australian community. Interact with State and Territory jurisdictions to promote national uniformity in radiation protection policies and practices.

Performance criteria				
A. Protecting the public, workers and the environment from radiation exposure				
Monitor radiation doses to occupationally exposed workers. ³				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
Achieved. Australian National Radiation Dose Register demonstrated optimised radiation protection practices. Australian National Radiation Dose Register Newsletter was published in August 2017. ⁴	Annual reporting of trend in radiation doses received by workers, determined from quantitative dose measurement, provides evidence of optimisation of radiation protection.		As per 2018-19.	
UV monitoring network data available to the public. ⁵				
2017-18 Estimated result	2018-19 Target ⁶	2019-20 Target	2020-21 Target	2021-22 Target
>95%	>95%	>95%	>95%	>95%
B. Promoting radiological and nuclear safety and security, and emergency preparedness				
ARPANSA is prepared for a radiological or nuclear incident or emergency.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
Maintenance of emergency preparedness and response systems is on track.	Emergency preparedness and response systems for field, network and laboratory measurements, and information management and decision support systems are available, calibrated, tested and aligned with national planning.		As per 2018-19.	

³ This measure refers to dose records captured in the Australian National Radiation Dose Register.

⁴ Available at: www.arpansa.gov.au/sites/g/files/net3086/f/anrdr-in-review-2017.pdf

⁵ ARPANSA has a network of UV detectors in cities around Australia. The UV data is collected continuously by detectors that respond to UV in a manner similar to human skin. Data is used to provide real-time and historical UV levels to inform the public when protective measures should be taken outdoors. Data is available at: www.arpansa.gov.au/uvindex/index.cfm

⁶ Technical issues may directly or indirectly impact the monitoring of network data.

C. Promoting the safe and effective use of ionising radiation in medicine				
Number of Diagnostic Reference Level surveys per annual survey period.⁷				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
>1,200	>1,400	>1,600	>1,600	>1,600
Percentage of Australian radiotherapy providers subscribing to the national dosimetric auditing program provided by the Australian Clinical Dosimetry Service.⁸				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
>50%	>80%	>80%	>80%	>80%
Number of hospital radiotherapy local dosimetry standards calibrated by ARPANSA against the national primary standard.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
N/A ⁹	15	15	15	15

⁷ The Australian National Diagnostic Reference Level Service provides individual facilities with a tool for comparing their representative medical imaging patient dose metrics with the National Diagnostic Reference Levels (DRLs). The data from DRL surveys, collected over a calendar year from individual facilities, is collated and used to establish and update National DRLs for common diagnostic imaging procedures.

⁸ Subscription to Australian Clinical Dosimetry Service audits is not mandatory across Australia and is a decision for individual providers informed by their local jurisdiction and business requirements.

⁹ This is a new performance criterion, therefore there is no estimated result for 2017-18.

D. Ensuring risk-informed and effective regulation				
Monitor doses to radiation workers at licensed Commonwealth facilities and influence the doses in a downward manner.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
The radiation doses of the 100 most exposed workers at licensed Commonwealth facilities will be measured for the first time this reporting period to establish a base line for comparison in future years.		The radiation doses of the 100 most exposed workers at licensed Commonwealth facilities trend downwards over time.		As per 2018-19.
Benchmark Australia's radiation and nuclear safety framework against the International Atomic Energy Agency (IAEA) safety requirements, by means of an Integrated Regulatory Review Service (IRRS) mission to Australia.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
On track to complete self-assessment of ARPANSA's and participating States' and Territories' framework for radiation and nuclear safety, and draft action plan.		Receive IRSS mission coordinated by IAEA, finalise action plan and commence implementation.		Ongoing implementation of action plan.
Inspections are conducted in accordance with established inspection schedule. ¹⁰				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
>85%	>85%	>85%	>85%	>85%
Material changes to Program 1.1 resulting from the following measures:				
There are no material changes to Program 1.1 resulting from measures.				

¹⁰ Inspections may not be undertaken on time for a number of reasons including: the short-term unavailability of an Inspector (unplanned absence), conflicting priorities caused by the need to respond to other urgent matters and efficiencies through the linking of inspections in similar geographical areas.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 ARPANSA.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

ARPANSA's own sourced income is derived from the sale of scientific services such as the Personal Radiation Monitoring Service, the Comprehensive Nuclear-Test-Ban Treaty Organisation contracts to operate and maintain monitoring stations, the Australian Clinical Dosimetry Service and licence application fees and annual charges associated with ARPANSA's regulatory activities.

For the 2018-19 and forward years ARPANSA is budgeting for a break-even result after adjustment for unfunded depreciation and amortisation expenses.

Balance Sheet

ARPANSA's total asset and liabilities are expected to remain stable over the forward years.

Cash Flow

Cash flows are consistent with projected income and expense, capital injections from Government and investments in property, plant and equipment.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	16,498	16,494	16,490	16,490	16,547
Supplier expenses	7,109	7,135	7,254	7,477	7,630
Depreciation and amortisation	2,570	2,570	2,570	2,570	2,570
Total expenses	26,177	26,199	26,314	26,537	26,747
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	6,475	6,475	6,475	6,475	6,475
Other revenue	4,293	4,396	4,528	4,664	4,803
Total revenue	10,768	10,871	11,003	11,139	11,278
Total own-source income	10,768	10,871	11,003	11,139	11,278
Net cost of (contribution by) services	15,409	15,328	15,311	15,398	15,469
Revenue from Government	12,839	12,758	12,741	12,828	12,899
Surplus (deficit)	(2,570)	(2,570)	(2,570)	(2,570)	(2,570)
Surplus (deficit) attributable to the Australian Government	(2,570)	(2,570)	(2,570)	(2,570)	(2,570)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(2,570)	(2,570)	(2,570)	(2,570)	(2,570)
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(2,570)	(2,570)	(2,570)	(2,570)	(2,570)
plus non-appropriated expenses					
depreciation and amortisation expenses	2,570	2,570	2,570	2,570	2,570
Total comprehensive income (loss) attributable to the agency	-	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	1,143	1,143	1,143	1,143	1,143
Receivables	1,925	1,925	1,925	1,925	1,925
Accrued revenue	83	83	83	83	83
Total financial assets	3,151	3,151	3,151	3,151	3,151
Non-financial assets					
Land and buildings	26,776	26,558	26,340	25,995	25,650
Property, plant and equipment	10,857	10,215	9,579	9,407	9,243
Inventories	1,480	1,480	1,480	1,480	1,480
Intangibles	1,586	1,821	2,056	2,044	2,032
Other	578	578	578	578	578
Total non-financial assets	41,277	40,652	40,033	39,504	38,983
Total assets	44,428	43,803	43,184	42,655	42,134
LIABILITIES					
Payables					
Suppliers	1,307	1,307	1,307	1,307	1,307
Employees	575	575	575	575	575
Other payables	1,386	1,386	1,386	1,386	1,386
Total payables	3,268	3,268	3,268	3,268	3,268
Provisions					
Employees	4,750	4,750	4,750	4,750	4,750
Total provisions	4,750	4,750	4,750	4,750	4,750
Total liabilities	8,018	8,018	8,018	8,018	8,018
Net Assets	36,410	35,785	35,166	34,637	34,116
EQUITY					
Contributed equity	28,561	30,506	32,457	34,498	36,547
Reserves	17,186	17,186	17,186	17,186	17,186
Retained surpluses or accumulated deficits	(9,337)	(11,907)	(14,477)	(17,047)	(19,617)
Total equity	36,410	35,785	35,166	34,637	34,116

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(9,337)	17,186	28,561	36,410
Surplus (deficit) for the period	(2,570)	-	-	(2,570)
Capital budget - Bill 1 (DCB)	-	-	1,945	1,945
Equity injection - appropriation	-	-	-	-
Estimated closing balance as at 30 June 2019	(11,907)	17,186	30,506	35,785

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	6,898	6,898	6,898	6,898	6,898
Appropriations	12,839	12,758	12,741	12,828	12,899
Net GST received	456	456	462	474	482
Other cash received	4,293	4,396	4,528	4,664	4,803
Total cash received	24,486	24,508	24,629	24,864	25,082
Cash used					
Employees	16,498	16,494	16,490	16,490	16,547
Suppliers	7,565	7,591	7,716	7,951	8,112
Net GST paid	423	423	423	423	423
Total cash used	24,486	24,508	24,629	24,864	25,082
Net cash from (or used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	6,955	1,945	1,951	2,041	2,049
Total cash used	6,955	1,945	1,951	2,041	2,049
Net cash from (or used by) investing activities	(6,955)	(1,945)	(1,951)	(2,041)	(2,049)
FINANCING ACTIVITIES					
Cash received					
Capital budget - Bill 1 (DCB)	1,955	1,945	1,951	2,041	2,049
Capital injection	5,000				
Total cash received	6,955	1,945	1,951	2,041	2,049
Net cash from (or used by) financing activities	6,955	1,945	1,951	2,041	2,049
Net increase (or decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	1,143	1,143	1,143	1,143	1,143
Cash and cash equivalents at the end of the reporting period	1,143	1,143	1,143	1,143	1,143

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,955	1,945	1,951	2,041	2,049
Equity injections - Bill 2	5,000	-	-	-	-
Total capital appropriations	6,955	1,945	1,951	2,041	2,049
Total new capital appropriations represented by:					
Purchase of non-financial assets	6,955	1,945	1,951	2,041	2,049
Total items	6,955	1,945	1,951	2,041	2,049
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	5,000	-	-	-	-
Funded by capital appropriation - DCB ^(a)	1,955	1,945	1,951	2,041	2,049
Total acquisitions of non-financial assets	6,955	1,945	1,951	2,041	2,049
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	6,955	1,945	1,951	2,041	2,049
Total cash used to acquire assets	6,955	1,945	1,951	2,041	2,049

^(a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	9,000	20,808	19,805	4,273	53,886
Accumulated depreciation/amortisation and impairment	-	(3,032)	(8,948)	(2,687)	(14,667)
Opening net book balance	9,000	17,776	10,857	1,586	39,219
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - appropriation ordinary annual services	-	727	771	447	1,945
Total additions	-	727	771	447	1,945
Other movements					
Depreciation/amortisation expense	-	(945)	(1,413)	(212)	(2,570)
Total other movements	-	(945)	(1,413)	(212)	(2,570)
As at 30 June 2019					
Gross book value	9,000	21,535	20,576	4,720	55,831
Accumulated depreciation/ amortisation and impairment	-	(3,977)	(10,361)	(2,899)	(17,237)
Closing net book balance	9,000	17,558	10,215	1,821	38,594

AUSTRALIAN SPORTS ANTI-DOPING AUTHORITY

Entity Resources and Planned Performance

ASADA

AUSTRALIAN SPORTS ANTI-DOPING AUTHORITY

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government, as a signatory to the United Nations Educational, Scientific and Cultural Organization International Convention against Doping in Sport, implements anti-doping arrangements that are consistent with the principles of the World Anti-Doping Code.

The Australian Sports Anti-Doping Authority (ASADA) is Australia's national anti-doping agency. ASADA provides a comprehensive anti-doping program for the Australian sports community, encompassing engagement, deterrence, detection and enforcement activities. ASADA does this by working with sporting organisations, athletes, support personnel and Government entities.

In 2018-19, ASADA will focus its efforts on:

- enhancing engagement with sporting organisations and athletes to build a positive anti-doping culture that values compliance with responsibilities;
- using innovation and technology to maximise engagement with sports and athletes;
- offering enhanced anti-doping education and awareness-raising initiatives; and
- enhancing intelligence capabilities to better protect sport from the risk of doping.

The role and functions of ASADA are set out in the *Australian Sports Anti-Doping Authority Act 2006*, the Australian Sports Anti-Doping Authority Regulations 2006 and the National Anti-Doping Scheme. ASADA is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of ASADA, refer to the current Corporate Plan, available at: www.asada.gov.au/about-asada/corporate-information/corporate-plan

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, 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: ASADA Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available ^(a)	6,021	6,847
Annual appropriations		
Ordinary annual services		
Departmental appropriation ^(b)	12,855	15,540
s74 retained revenue receipts ^(c)	4,468	2,147
Departmental capital budget ^(d)	132	130
Other services ^(e)		
Equity injection	826	-
Total departmental annual appropriations	18,281	17,817
Total departmental resourcing	24,302	24,664
Total resourcing for ASADA	24,302	24,664
	2017-18	2018-19
Average staffing level (number) ^(f)	57	76

All figures are GST exclusive.

^(a) Estimated adjusted balance carried forward from previous year.

^(b) Appropriation Bill (No. 1) 2018-19. Funding in 2017-18 includes one off funding for the Commonwealth Games. Appropriation in 2018-19 includes one off funding for implementation of the *Sport – building a more active Australia* measure. The impact of the efficiency dividend on ASADA has been reflected in these figures.

^(c) Estimated retained revenue receipts under section 74 of the PGPA Act 2013. The 2017-18 figure includes, one off funding for the Commonwealth Games.

^(d) Departmental Capital Budgets (DCB) are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(e) Appropriation Bill (No. 2) 2018-19.

^(f) The increase in ASL in 2018-19 relates to one off funding provided for the implementation of the *Sport – building a more active Australia* measure.

1.3 BUDGET MEASURES

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

Table 1.2: ASADA 2018-19 Budget Measures

Program		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Sport – building a more active Australia ^(a)						
Australian Sports Anti-Doping Authority						
Departmental expenses	1.1	-	3,797	-	-	-
Total expenses		-	3,797	-	-	-

^(a) Full details of this measure are published under Department of Health (Table 1.2).

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 that 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.

ASADA's most recent Corporate Plan is available at:

www.asada.gov.au/about-asada/corporate-information/corporate-plan

ASADA's most recent Annual Performance Statement is available at:

www.asada.gov.au/about-asada/corporate-information/annual-reports

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Protection of the health of athletes and the integrity of Australian sport including through engagement, deterrence, detection and enforcement to minimise the risk of doping

Program Contributing to Outcome 1

Program 1.1: Engagement, Deterrence, Detection and Enforcement

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 3.1: Sport and Recreation The Department of Health contributes to the collaborative effort to protect the integrity of Australian and international sport. The Department provides strategic leadership, policy oversight and program support on national and international anti-doping matters, working closely with ASADA, World Anti-Doping Agency, United Nations Educational Scientific and Cultural Organization and other stakeholders.
Australian Sports Commission Program 1.1: Australian Sports Commission The Australian Sports Commission (ASC) contributes to the collaborative effort to protect the integrity of Australian sport. The ASC provides targeted support and advice to sporting organisations in a range of areas, including governance and sports integrity.

Budgeted Expenses for ASADA

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 ASADA

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Engagement, Deterrence, Detection and Enforcement					
Departmental expenses					
Departmental appropriation ^(a)	17,323	17,687	13,940	14,019	14,085
Expenses not requiring appropriation in the budget year ^(b)	277	374	374	374	374
Operating deficit (surplus)	-	-	-	-	-
Total for Program 1.1	17,600	18,061	14,314	14,393	14,459
Total expenses for Outcome 1	17,600	18,061	14,314	14,393	14,459
Average staffing level (number)					
	57	76			

^(a) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense and audit fees.

Planned Performance for ASADA

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for ASADA

Purpose
To protect the health of athletes and the integrity of Australian sport by minimising the risk of doping.
Outcome 1
Protection of the health of athletes and the integrity of Australian sport including through engagement, deterrence, detection and enforcement to minimise the risk of doping.
Program 1.1: Engagement, Deterrence, Detection and Enforcement
The Australian Government, through ASADA, aims to minimise the risk of doping in sport through a balanced mix of prevention, detection and enforcement activities.
Delivery
<p>A. Engagement – Strengthening relationships internally and externally to build anti-doping capabilities and hardening the environment against doping in sport</p> <ul style="list-style-type: none"> • Support athletes and athlete support personnel to meet their anti-doping obligations. • Work with national sporting organisations to help them minimise the threat of doping in sport. • Contribute to the reform of the global anti-doping framework and share expertise at international anti-doping forums. <p>B. Deterrence – Minimising the risk of doping in Australian sport through education, communications and testing activities</p> <ul style="list-style-type: none"> • Design and deliver education and communications programs. • Work with sporting organisations to help them develop and implement education programs relevant to the needs of their sport. • Conduct no-advance notice testing of athletes. <p>C. Detection – Gathering intelligence and investigating possible breaches of the anti-doping rules by athletes and support personnel</p> <ul style="list-style-type: none"> • Conduct intelligence-based risk assessment functions to detect high-level doping threats through enhanced relationships and collaborations with sports, law enforcement agencies, regulators within Australia and anti-doping organisations internationally. • Monitor and report on sports' compliance with anti-doping policies. <p>D. Enforcement – Managing possible anti-doping violations by athletes and athlete support personnel</p> <ul style="list-style-type: none"> • Manage the presentation of cases of possible anti-doping rule violations at sport tribunal hearings.

Performance criteria ²				
A. Engagement – Strengthening relationships internally and externally to build anti-doping capabilities and hardening the environment against doping in sport				
Achievement of ASADA legislation and the World Anti-Doping Code awareness amongst sporting organisations, athletes and support personnel.				
a. Percentage of sporting organisations, athletes and support personnel aware of ASADA legislation and the World Anti-Doping Code.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 97% level of awareness	≥80% level of awareness	≥80% level of awareness	≥80% level of awareness	≥80% level of awareness
B. Deterrence – Minimising the risk of doping in Australian sport through education, communications and testing activities				
Achievement of satisfaction with anti-doping education and awareness raising activities in the sporting community.				
a. Percentage of national sporting organisations, athletes and support personnel who are satisfied with anti-doping education and awareness raising programs.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 88% level of satisfaction	≥80% level of satisfaction	≥80% level of satisfaction	≥80% level of satisfaction	≥80% level of satisfaction

² For all targets ASADA uses a baseline of 80% as a measure of good performance. Where possible ASADA works to achieve above the baseline target.

C. Detection – Gathering intelligence and investigating possible breaches of the anti-doping rules by athletes and support personnel				
Achievement in delivering effective anti-doping intelligence and investigative functions. a. Percentage of national sporting organisations, athletes and support personnel who view ASADA's intelligence and investigative functions as effective at deterring athletes and support personnel from doping.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 83% level of satisfaction	≥80% level of satisfaction	≥80% level of satisfaction	≥80% level of satisfaction	≥80% level of satisfaction
D. Enforcement – Managing possible anti-doping violations by athletes and athlete support personnel				
Achievement of anti-doping rule violation findings in tribunals. a. Percentage of cases conducted by ASADA in tribunals that result in a finding of an anti-doping rule violation.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 100% of tribunal findings resulting in an anti-doping rule violation.	≥80% of tribunal findings result in an anti-doping rule violation.	≥80% of tribunal findings result in an anti-doping rule violation.	≥80% of tribunal findings result in an anti-doping rule violation.	≥80% of tribunal findings result in an anti-doping rule violation.
Material changes to Program 1.1 resulting from the following measures: There are no material changes to Program 1.1 resulting from measures.				

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2018-19 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 ASADA.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

For the 2018-19 budget year and the forward estimates ASADA is budgeting for a break-even comprehensive income result attributable to the agency net of unfunded depreciation and amortisation expenses.

Total operating revenue for 2018-19 is estimated at \$17.7 million and comprises appropriation funding for ordinary annual services of \$15.5 million and revenue from independent sources of \$2.2 million, primarily comprised of revenue from contracted testing services.

Total expenses in 2018-19 are anticipated to be \$18.1 million including \$0.3 million in unfunded depreciation and amortisation costs. The reduction in revenue from Government and expenses from 2019-20 onwards primarily relates to one off funding provided for implementation of the *Sport - building a more active Australia* measure in 2018-19.

Balance Sheet

No significant movements are expected in assets or liabilities over the forward estimates period.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	7,732	10,741	7,922	8,066	8,212
Supplier expenses	9,625	6,980	6,052	5,987	5,907
Depreciation and amortisation	243	340	340	340	340
Other expenses	-	-	-	-	-
Total expenses	17,600	18,061	14,314	14,393	14,459
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	3,843	1,822	1,876	1,876	1,876
Other revenue	625	325	325	325	325
Total revenue	4,468	2,147	2,201	2,201	2,201
Gains					
Resource received free of charge	34	34	34	34	34
Total gains	34	34	34	34	34
Total own-source income	4,502	2,181	2,235	2,235	2,235
Net cost of (contribution by) services	13,098	15,880	12,079	12,158	12,224
Revenue from Government	12,855	15,540	11,739	11,818	11,884
Surplus (deficit)	(243)	(340)	(340)	(340)	(340)
Surplus (deficit) attributable to the Australian Government	(243)	(340)	(340)	(340)	(340)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income attributable to the Australian Government	(243)	(340)	(340)	(340)	(340)
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(243)	(340)	(340)	(340)	(340)
plus non-appropriated expenses					
depreciation and amortisation expenses	243	340	340	340	340
Total comprehensive income (loss) attributable to the agency	-	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	231	231	231	231	231
Receivables	7,495	5,795	5,795	5,795	5,795
Total financial assets	7,726	6,026	6,026	6,026	6,026
Non-financial assets					
Land and buildings	-	1,196	1,066	936	806
Property, plant and equipment	319	468	430	409	390
Intangibles	172	317	277	237	197
Inventories	100	100	100	100	100
Other	101	101	101	101	101
Total non-financial assets	692	2,182	1,974	1,783	1,594
Total assets	8,418	8,208	8,000	7,809	7,620
LIABILITIES					
Payables					
Suppliers	1,844	1,844	1,844	1,844	1,844
Other payables	109	109	109	109	109
Total payables	1,953	1,953	1,953	1,953	1,953
Provisions					
Employees	1,688	1,688	1,688	1,688	1,688
Total provisions	1,688	1,688	1,688	1,688	1,688
Total liabilities	3,641	3,641	3,641	3,641	3,641
Net assets	4,777	4,567	4,359	4,168	3,979
EQUITY					
Contributed equity	4,418	4,548	4,680	4,829	4,980
Reserves	253	253	253	253	253
Retained surpluses or accumulated deficits	106	(234)	(574)	(914)	(1,254)
Total equity	4,777	4,567	4,359	4,168	3,979

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	106	253	4,418	4,777
Surplus (deficit) for the period	(340)	-	-	(340)
Equity injection - appropriations			-	-
Departmental capital budget	-	-	130	130
Estimated closing balance as at 30 June 2019	(234)	253	4,548	4,567

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	12,029	17,240	11,739	11,818	11,884
Goods and services	4,852	2,329	2,389	2,389	2,389
Net GST received	578	441	418	411	403
Total cash received	17,459	20,010	14,546	14,618	14,676
Cash used					
Employees	7,732	10,741	7,922	8,066	8,212
Suppliers	10,553	7,569	6,624	6,552	6,464
Total cash used	18,285	18,310	14,546	14,618	14,676
Net cash from (or used by) operating activities	(826)	1,700	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	132	1,830	132	149	151
Total cash used	132	1,830	132	149	151
Net cash from (or used by) investing activities	(132)	(1,830)	(132)	(149)	(151)
FINANCING ACTIVITIES					
Cash received					
Capital injections	958	130	132	149	151
Total cash received	958	130	132	149	151
Net cash from (or used by) financing activities	958	130	132	149	151
Net increase (or decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	231	231	231	231	231
Cash and cash equivalents at the end of the reporting period	231	231	231	231	231

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	826	-	-	-	-
Capital budget - Bill 1 (DCB)	132	130	132	149	151
Total capital appropriations	958	130	132	149	151
Total new capital appropriations represented by:					
Purchase of non-financial assets	958	130	132	149	151
Total items	958	130	132	149	151
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	-	-	-	-	-
Funded internally from departmental resources	-	1,700	-	-	-
Funded by capital appropriation - DCB ^(b)	132	130	132	149	151
Total acquisitions of non-financial assets	132	1,830	132	149	151
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	132	1,830	132	149	151
Total cash used to acquire assets	132	1,830	132	149	151

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

^(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	293	576	687	1,556
Accumulated depreciation/amortisation and impairment	(293)	(257)	(515)	(1,065)
Opening net book balance	-	319	172	491
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	-	-
By purchase - appropriation ordinary annual services	-	80	50	130
By purchase - other	1,326	189	185	1,700
Total additions	1,326	269	235	1,830
Other movements				
Depreciation/amortisation expense	(130)	(120)	(90)	(340)
Total other movements	(130)	(120)	(90)	(340)
As at 30 June 2019				
Gross book value	1,619	845	922	3,386
Accumulated depreciation/ amortisation and impairment	(423)	(377)	(605)	(1,405)
Closing net book balance	1,196	468	317	1,981

AUSTRALIAN SPORTS COMMISSION

Entity Resources and Planned Performance

ASC

AUSTRALIAN SPORTS COMMISSION

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Sports Commission's (ASC) vision is that Australia is the most active sporting nation, known for its integrity, sporting success and world leading sports industry. The ASC promotes and supports the development of a cohesive and effective national sport sector that creates opportunities for all Australians to participate and excel in sport.

The ASC has undertaken a major review of its strategic direction to ensure it is delivering the best outcomes for its stakeholders and the broader Australian community.

The participation approach will focus on identifying how to maximise the participation of Australians in sport and physical activity, and reduce barriers to participation. The capacity of the Australian sport system to deliver high performance and participation outcomes will be enhanced through the sport industry growth strategy and a strategic approach to national sporting organisation transformation.

The Australian Government continues its investment in high performance sports, which will support athletes and key sports prepare for success at major events, including the Commonwealth, Olympic and Paralympic Games.

The Australian Institute of Sport (AIS), a division of the ASC, is Australia's strategic high performance sport agency, responsible for leading the delivery of Australia's international sporting success. The AIS is working in partnership with state and territory institutes and academies of sport to strengthen the high performance system through a unified approach.

The role and functions of the ASC are set out in the *Australian Sports Commission Act 1989*. The ASC is a corporate Commonwealth Entity under the Public Governance, *Performance and Accountability Act 2013*. Operational details are contained in the Corporate Plan, which is available on the ASC website.

¹ For more information about the strategic direction of the ASC, refer to the current Corporate Plan, available at: www.ausport.gov.au/about

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: ASC Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
Opening balance/cash reserves at 1 July ^(a)	76,673	66,018
FUNDS FROM GOVERNMENT		
Annual appropriations		
Ordinary annual services ^(b)		
Outcome 1	268,328	313,479
Other services ^(c)		
Equity injection	1,069	856
Total annual appropriations	269,397	314,335
Total funds from Government	269,397	314,335
Funds from other sources		
Interest	2,917	2,000
Sale of goods and services	24,974	20,651
Other	2,294	64
Total funds from other sources	30,185	22,715
Total net resourcing for ASC	376,255	403,068
	2017-18	2018-19
Average staffing level (number)	531	531

All figures are GST exclusive.

The ASC is not directly appropriated as it is a corporate Commonwealth entity. Appropriations are made to the Department of Health, which are then paid to the ASC and are considered 'departmental' for all purposes.

^(a) Includes cash and investments.

^(b) Appropriation Bill (No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.

^(c) Appropriation Bill (No. 2) 2018-19 and Appropriation Bill/Act (No. 2, 4, 6) 2017-18.

1.3 BUDGET MEASURES

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

Table 1.2: ASC 2018-19 Budget Measures

		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
More Choices for a Longer Life - healthy ageing and high quality care ^(a)						
Australian Sports Commission						
Departmental expenses	1.1	-	11,440	11,440	-	-
Total		-	11,440	11,440	-	-
Sport - building a more active Australia ^(a)						
Australian Sports Commission						
Departmental expenses	1.1	2,539	68,571	39,999	17,743	19,103
Departmental capital	1.1	-	(379)	(1,237)	(895)	(1,257)
Total		2,539	68,192	38,762	16,848	17,846
Support for the Special Olympics Australia National Games 2018						
Australian Sports Commission						
Departmental expenses	1.1	207	-	-	-	-
Total		207	-	-	-	-

^(a) Full details of this measure are published under Department of Health (Table 1.2)

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 that 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 ASC's most recent Corporate Plan is available at:

www.ausport.gov.au/__data/assets/pdf_file/0011/663419/34806_ASC_Corporate_Plan_2017_web.pdf

The ASC's most recent Annual Performance Statement is available at:

www.ausport.gov.au/annual_report

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Increased participation in organised sport and continued international sporting success including through leadership and development of a cohesive and effective sports sector, provision of targeted financial support, and the operation of the Australian Institute of Sport

Program Contributing to Outcome 1

Program 1.1: Australian Sports Commission

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Australian Sports Anti-Doping Authority Program 1.1: Engagement, Deterrence, Detection and Enforcement The Australian Sports Anti-Doping Authority (ASADA) contributes to the protection of the health of athletes, and the integrity of sport, by conducting World Anti-Doping Code compliant activities domestically. ASADA also contributes to international efforts to combat doping in sport.
Department of Health Program 3.1: Sport and Recreation The Department of Health aims to increase participation in sport and recreation activities, support major international sporting events, improve water and snow safety, and protect the integrity of sport.
Department of the Prime Minister and Cabinet Program 1.1: Prime Minister and Cabinet The Department of the Prime Minister and Cabinet contributes to improving the diversity of sporting organisations by working to increase female representation in sport leadership roles.

Budgeted Expenses for the ASC

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 ASC

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
Program 1.1: Australian Sports Commission					
Revenue from Government					
Ordinary annual services ^(a)	268,328	313,479	258,482	225,917	228,612
Revenues from independent sources	27,961	22,703	22,287	22,033	22,028
Operating deficit (surplus)	16,953	9,846	8,958	8,958	8,958
Total for Program 1.1	313,242	346,028	289,727	256,908	259,598
Total expenses for Outcome 1	313,242	346,028	289,727	256,908	259,598
	2017-18	2018-19			
Average staffing level (number)	531	531			

^(a) Appropriation Bill (No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.

Planned Performance for the ASC

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the ASC

Purpose
The ASC will contribute to improving the health and well-being of Australians and making communities stronger through sport and physical activity.
Outcome 1
Increased participation in organised sport and continued international sporting success including through leadership and development of a cohesive and effective sports sector, provision of targeted financial support, and the operation of the Australian Institute of Sport.
Program 1.1: Australian Sports Commission
<p>The ASC is focused on getting more Australians active, more often, through organised sport and physical activity. The ASC, through the Australian Institute of Sport, will strive to deliver continued success for Australian athletes and teams on the world stage. This will be achieved by leading a unified sport sector that is sustainable and that has the capability and capacity to maximise outcomes for the broader Australian community.</p> <p>The ASC will focus on delivery of seven activities of immediate strategic importance.</p> <ul style="list-style-type: none"> • Embedding physical activity through greater engagement of children and youth in sport. • Increasing awareness and reach in areas which have a direct impact on physical activity and physical literacy levels. • Leading and enabling a united and effective high performance system which is focused on excellence and producing successful outcomes. • Evolving a system-wide approach to athlete well-being for athletes to engage with and inspire the community. • Building workforce capability across the sector. • Driving a leaner and more efficient organisation and building a strong workforce culture. • Improve the digital capability of the Australian sports sector. <p>The priorities outlined above will guide the delivery of the below activities across three strategic areas</p>

Delivery		
<p>A. National pride and inspiration through international success</p> <ul style="list-style-type: none"> • Drive overall investment and resource allocation to optimise performance outcomes, including for the long term. • Develop capability of high performance leadership, coaching and support staff in the system. • Identify key areas where applied technology or innovation is likely to have a significant impact on achieving system performance objectives and prioritise resources accordingly. • Widely share and celebrate our sporting success and stories on the global stage. <p>B. More Australians move more often</p> <ul style="list-style-type: none"> • Embed sport, physical activity and physical literacy into early childhood environments. • Encourage parents, guardians and schools to value the impact that sport, physical literacy and physical activity have on a child's development. • Influence planning, investment and design of sport infrastructure to maximise community benefits. <p>C. Building the capability of sport to create a robust, connected industry</p> <ul style="list-style-type: none"> • Maximise outcomes through a strategic approach to NSO transformation and innovation. • Lead and Influence the supply of sport, physical literacy and physical activity interventions. • Establish strong partnerships between the Commonwealth and state sectors, including State and Territory Departments of Sport and Recreation by focusing on the collective impact of sport. • Widely share ASC insights with sport. 		
Performance criteria		
A. National pride and inspiration through international success		
Percentage of High Performance funded sports rated by the ASC as achieving their benchmark targets.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
N/A ²	On average, 85% of High Performance funded National Sporting Organisations performance targets are achieved.	On average, 85% of High Performance funded National Sporting Organisations performance targets are achieved.
Community perceptions of Australia's international sporting success.		
2017-18 Estimated result	2018-19 Target	2019-20 Target
N/A ³	Baseline metrics established through an ASC Community Engagement Monitor regarding the public perceptions of Australia's international sporting success.	Improvement in public perception of Australia's international sporting success as measured through the ASC Community Engagement Monitor.

² This is a new performance criteria, therefore there is no estimated result for 2017-18.

³ Ibid.

B. More Australians move more often		
Increase in physical activity levels by Australian children.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
N/A ⁴	Children in Australia aged 5 to 14 years participate in organised physical activity outside of school hours for at least 3.2 hours per week, on average.	Children in Australia aged 5 to 14 years participate in organised physical activity outside of school hours for at least 3.4 hours per week, on average.
Percentage of Australians participating in physical activity		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Development of the baseline result for the number of Australians aged 15 or more meeting current physical activity guidelines ⁵ for their age group.	An increase of 1% in the number of Australians aged 15 or more meeting current physical activity guidelines ⁶ for their age group when compared to the 2017-18 baseline result.	An increase of 1% in the number of Australians aged 15 or more meeting current physical activity guidelines ⁷ for their age group when compared to the 2018-19 result.
C. Building the capability of sport to create a robust, connected industry		
Improving the organisational capability of targeted national sporting organisations		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Development of baseline metrics for targeted sports using the organisational development assessment.	Scores on the organisational capability assessment tool are at least five percentage points higher than in 2017-18 for 100% of targeted NSOs.	Scores on the organisational capability assessment tool are at least five percentage points higher than in 2018-19 for 100% of targeted NSOs.
Material changes to Program 1.1 resulting from the following measures: <ul style="list-style-type: none"> <i>Sport - building a more active Australia</i> 		

⁴ Ibid.

⁵ The physical activity guidelines are available at www.health.gov.au/internet/main/publishing.nsf/content/health-pubhlth-strateg-phys-act-guidelines

⁶ Ibid.

⁷ Ibid.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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

The agency resource statement provides a consolidated view of all the resources available in 2018-19. This includes operating appropriation, funds from other sources, and cash and investments to cover payables and provisions on the balance sheet. Operating appropriation is shown as Revenue from Government in the comprehensive income statement.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

The ASC is budgeting for an operating loss of \$16.953 million in 2017-18 mainly arising from: (i) additional and unfunded depreciation expense following the revaluation of assets and (ii) one-off costs as the ASC transitions to the new strategy.

Since the 2017-18 Budget, the 2018-19 revenue from Government estimate (and associated costs) has increased by \$85.922 million, primarily reflecting measures including *Sport - building a more active Australia* (\$67.336 million) and *More Choices for a Longer Life - healthy ageing and high quality care* (\$11.440 million).

Balance Sheet

Total assets at 30 June 2019 are anticipated to be \$293.938 million, of which \$234.361 million (80%) represents investment in non-financial assets. Liabilities are expected to remain stable over the budget and forward estimates period and comprise mainly of supplier payables and employee entitlements.

Total equity is estimated to be \$277.334 million at 30 June 2019. The reduction in equity over the forward estimates reflects the impact of the unfunded loss for increased depreciation expense arising from the revaluation of assets.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	62,135	62,271	57,799	58,897	59,957
Suppliers	44,406	48,294	43,370	37,763	36,981
Grants	177,857	210,519	163,901	135,978	138,399
Depreciation and amortisation	25,600	24,944	24,657	24,270	24,261
Write down and impairment of assets	3,244	-	-	-	-
Total expenses	313,242	346,028	289,727	256,908	259,598
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	24,974	20,651	20,491	20,491	20,491
Interest	2,987	2,052	1,796	1,542	1,537
Total revenue	27,961	22,703	22,287	22,033	22,028
Net cost of (contribution by) services	285,281	323,325	267,440	234,875	237,570
Revenue from Government	268,328	313,479	258,482	225,917	228,612
Surplus (deficit) attributable to the Australian Government	(16,953)	(9,846)	(8,958)	(8,958)	(8,958)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(16,953)	(9,846)	(8,958)	(8,958)	(8,958)

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	11,018	7,655	4,468	4,937	7,174
Trade and other receivables	6,298	6,298	6,298	6,298	6,298
Loans	636	624	568	513	459
Investments	55,000	45,000	30,000	25,000	25,000
Total financial assets	72,952	59,577	41,334	36,748	38,931
Non-financial assets					
Land and buildings	210,625	213,042	221,414	217,353	205,784
Property, plant and equipment	11,185	12,588	11,804	12,269	13,575
Intangibles	4,538	4,352	6,377	6,290	5,757
Inventories	682	682	682	682	682
Other	3,697	3,697	3,697	3,697	3,697
Total non-financial assets	230,727	234,361	243,974	240,291	229,495
Total assets	303,679	293,938	285,308	277,039	268,426
LIABILITIES					
Payables					
Suppliers	2,216	2,216	2,216	2,216	2,216
Grants	26	26	26	26	26
Other payables	1,716	1,716	1,716	1,716	1,716
Total payables	3,958	3,958	3,958	3,958	3,958
Provisions					
Employees	13,330	12,579	12,907	13,243	13,588
Other provisions	67	67	67	67	67
Total provisions	13,397	12,646	12,974	13,310	13,655
Total liabilities	17,355	16,604	16,932	17,268	17,613
Net assets	286,324	277,334	268,376	259,771	250,813
EQUITY					
Contributed equity	151,279	152,135	152,135	152,488	152,488
Reserves	193,836	193,836	193,836	193,836	193,836
Retained surpluses (accumulated deficits)	(58,791)	(68,637)	(77,595)	(86,553)	(95,511)
Total equity	286,324	277,334	268,376	259,771	250,813

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings (accumulated deficit) \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(58,791)	193,836	151,279	286,324
Surplus (deficit) for the period	(9,846)	-	-	(9,846)
Appropriation (equity injection)	-	-	856	856
Estimated closing balance as at 30 June 2019	(68,637)	193,836	152,135	277,334

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	24,974	20,651	20,491	20,491	20,491
Appropriations	268,328	313,479	258,482	225,917	228,612
Interest	2,917	2,000	1,750	1,500	1,500
Total cash received	296,219	336,130	280,723	247,908	250,603
Cash used					
Employees	61,822	63,022	57,471	58,561	59,612
Suppliers	44,406	48,294	43,370	37,763	36,981
Grants	177,857	210,519	163,901	135,978	138,399
Total cash used	284,085	321,835	264,742	232,302	234,992
Net cash from (or used by) operating activities	12,134	14,295	15,981	15,606	15,611
INVESTING ACTIVITIES					
Cash received					
Repayment of loans and interest	2,294	64	102	97	91
Total cash received	2,294	64	102	97	91
Cash used					
Purchase of property, plant and equipment and intangibles	26,152	28,578	34,270	20,587	13,465
Total cash used	26,152	28,578	34,270	20,587	13,465
Net cash from (or used by) investing activities	(23,858)	(28,514)	(34,168)	(20,490)	(13,374)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,069	856	-	353	-
Total cash received	1,069	856	-	353	-
Net cash from (or used by) financing activities	1,069	856	-	353	-
Net increase (or decrease) in cash held	(10,655)	(13,363)	(18,187)	(4,531)	2,237
Cash and cash equivalents at the beginning of the reporting period	76,673	66,018	52,655	34,468	29,937
Cash and cash equivalents at the end of the reporting period	66,018	52,655	34,468	29,937	32,174

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	1,069	856	-	353	-
Total capital appropriations	1,069	856	-	353	-
Total new capital appropriations represented by:					
Purchase of non-financial assets	1,069	856	-	353	-
Total items	1,069	856	-	353	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	1,069	856	-	353	-
Funded internally from departmental resources	25,083	27,722	34,270	20,234	13,465
Total acquisitions of non-financial assets	26,152	28,578	34,270	20,587	13,465
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	26,152	28,578	34,270	20,587	13,465
Total cash used to acquire assets	26,152	28,578	34,270	20,587	13,465

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

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Land	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018					
Gross book value	10,000	550,662	31,209	14,486	606,357
Accumulated depreciation/ amortisation and impairment	-	(350,037)	(20,024)	(9,948)	(380,009)
Opening net book balance	10,000	200,625	11,185	4,538	226,348
CAPITAL ASSET ADDITIONS					
Estimated expenditure on new or replacement assets					
By purchase - equity injection	-	-	-	856	856
By purchase - internal resources	-	21,379	5,255	1,088	27,722
Total additions	-	21,379	5,255	1,944	28,578
Other movements					
Depreciation/amortisation expense	-	(18,962)	(3,852)	(2,130)	(24,944)
Total other movements	-	(18,962)	(3,852)	(2,130)	(24,944)
As at 30 June 2019					
Gross book value	10,000	572,041	36,464	16,430	634,935
Accumulated depreciation/ amortisation and impairment	-	(368,999)	(23,876)	(12,078)	(404,953)
Closing net book balance	10,000	203,042	12,588	4,352	229,982

CANCER AUSTRALIA

Entity Resources and Planned Performance



CANCER AUSTRALIA

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

As the Australian Government's national cancer control agency, Cancer Australia, provides leadership in cancer control across all cancers. Cancer Australia aims to reduce the impact of cancer, address disparities and improve outcomes for people affected by cancer by leading and coordinating national, evidence-based interventions across the continuum of care.

The Australian Government, through Cancer Australia, aims to: provide national leadership in cancer control to improve cancer outcomes; coordinate evidence informed interventions with a range of healthcare providers and groups across the continuum of cancer care; lead the development of sustainable and effective models of cancer care; and provide advice on appropriate cancer care. Cancer Australia oversees dedicated budgets for cancer research, clinical trials and strengthening national data capacity.

In 2018-19, to minimise the impact of cancer, Cancer Australia will:

- continue to implement the *Australian Brain Cancer Mission*, which aims to double survival rates and improve the quality of life of people living with brain cancer over the next ten years;
- continue to implement the *Invest in Medical Research – fighting childhood cancer* program;
- fund research in priority areas through the Priority-driven Collaborative Cancer Research Scheme, including a focus on low survival cancers common among children (0–14 years of age);
- translate evidence to inform the development and implementation of policies and programs in cancer control;
- promote evidence informed clinical practice to health professionals across Australia;
- lead the development of innovative, sustainable, and evidence-based models of cancer care;
- strengthen national data capacity through reporting on cancer stage and treatment for selected cancers;
- provide information for people affected by cancer about their diagnosis and treatment; and
- promote cancer awareness in the community.

The role and functions of Cancer Australia are set out in the *Cancer Australia Act 2006*. Cancer Australia is subject to the *Public Service Act 1999* and the *Auditor-General Act 1997*, and is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of Cancer Australia, refer to the current Corporate Plan, available at: www.canceraustralia.gov.au/about-us/accountability-and-reporting#corporate

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, 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: Cancer Australia Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	4,419	3,568
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	11,110	11,088
s74 retained revenue receipts ^(b)	2,265	2,232
Departmental capital budget ^(c)	81	81
Other services ^(d)		
Equity injection	-	-
Total departmental annual appropriations	13,456	13,401
Total departmental resourcing	17,875	16,969
ADMINISTERED		
Prior year appropriation available	30	30
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	18,679	19,802
Other services ^(d)		
Administered assets and liabilities	-	-
Total administered annual appropriations	18,679	19,802
Total administered resourcing	18,709	19,832
Total resourcing for Cancer Australia	36,584	36,801
	2017-18	2018-19
Average staffing level (number)	69	71

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental Capital Budgets (DCB) are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19.

1.3 BUDGET MEASURES

This section is not applicable to Cancer Australia.

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 that 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.

Cancer Australia's most recent Corporate Plan is available at:

www.canceraustralia.gov.au/about-us/accountability-and-reporting

Cancer Australia's most recent Annual Performance Statement is available at:

www.canceraustralia.gov.au/about-us/accountability-and-reporting/annual-reports

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Minimised impacts of cancer, including through national leadership in cancer control with targeted research and clinical trials; evidence informed clinical practice; strengthened national data capacity; community and consumer information and support

Program Contributing to Outcome 1

Program 1.1: Improved Cancer Control

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 2.4: Preventive Health and Chronic Disease Support The Department of Health has policy responsibility for improving the detection, treatment and survival outcomes for people with cancer. This includes oversight of cancer screening programs, such as the National Bowel Cancer Screening Program and the National Cervical Screening Program.

Budgeted Expenses for Cancer Australia

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 Cancer Australia

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Improved Cancer Control					
Administered expenses					
Ordinary annual services ^(a)	18,679	19,802	19,946	18,381	18,403
Departmental expenses					
Departmental appropriation ^(b)	13,375	13,320	13,168	13,252	11,824
Expenses not requiring appropriation in the Budget year ^(c)	380	403	407	288	258
Operating deficit (surplus)	751	-	-	-	-
Total for Program 1.1	33,185	33,525	33,521	31,921	30,485
Total expenses for Outcome 1	33,185	33,525	33,521	31,921	30,485

	2017-18	2018-19
Average staffing level (number)	69	71

^(a) Appropriation (Bill No. 1) 2018-19.

^(b) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(c) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expenses and audit fees.

Movement of Funds

There were no movements of Administered funds between years.

Planned Performance for Cancer Australia

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for Cancer Australia

Purpose
To minimise the impact of cancer, address disparities, and improve the health outcomes of people affected by cancer in Australia by providing national leadership in cancer control.
Outcome 1
Minimised impacts of cancer, including through national leadership in cancer control with targeted research and clinical trials; evidence informed clinical practice; strengthened national data capacity; community and consumer information and support.
Program 1.1: Improved Cancer Control
Cancer Australia is a specialist agency providing national leadership in cancer control across the cancer continuum of care to minimise the impact of cancer. Cancer Australia guides scientific improvements in cancer prevention, treatment and care; coordinates and liaises between a wide range of stakeholders; makes recommendations to the Australian Government about cancer policies and priorities; assists with the implementation of policies and programs in cancer control; and oversees a dedicated budget for research into cancer.
Delivery
<p>A. Providing leadership in national cancer control and promoting appropriate cancer care</p> <ul style="list-style-type: none"> Promote evidence informed practice for identified cancers and population groups. Lead a shared agenda for improvements in cancer outcomes for Aboriginal and Torres Strait Islander peoples in agreed priority areas across the cancer continuum. Monitor and report national trends in cancer control. <p>B. Funding priority research and strengthening national data capacity</p> <ul style="list-style-type: none"> Fund brain cancer research through the establishment of a grant program to support new and expanded clinical trials and international collaborations as part of the Australian Brain Cancer Mission. Partner with non-government organisations to maximise Government investment in priority areas of cancer research, including paediatric cancers of low survival and brain cancer. Provide funding to support the development of industry independent cancer clinical trials. Report five-year survival by cancer stage data for the top five incidence adult cancers. <p>C. Promoting cancer awareness and providing information about cancer to the community</p> <ul style="list-style-type: none"> Engage consumers to inform Cancer Australia's work. Provide evidence-based cancer information, resources and data for consumers, health professionals and the community through the Cancer Australia websites, including the National Cancer Control Indicator website, the Children's cancer website, and social media platforms.

Performance criteria				
A. Providing leadership in national cancer control and promoting appropriate cancer care				
Research is translated into evidence-based information, policy and clinical practice.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
The Cancer Australia Position Statement on genetic testing for women diagnosed with ovarian cancer translated research into evidence informed recommendations. The Position Statement was endorsed by the relevant colleges, professional associations and consumer organisations.	Evidence is advanced to drive policy change and clinical best practice on the most appropriate interventions across the continuum of cancer care through the publication of research and guidance in specific cancers.	As per 2018-19.		
B. Funding priority research and strengthening national data capacity				
Minimum number of cancer research grants funded by Cancer Australia through the Priority-driven Collaborative Cancer Research Scheme.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
Target of 7 is on track to be achieved by 30 June 2018.	9	9	9	9
Provide high quality cancer data to inform national cancer control.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
N/A ²	Collection and reporting of 5-year survival by cancer stage.	Data linkage to inform national cancer control interventions.	Methodology for standardised cancer recurrence developed.	High quality data informs directions of national cancer control.

² This is a new performance criterion for 2018-19, therefore there is no estimated result for 2017-18.

C. Promoting cancer awareness and providing information about cancer to the community				
Number of consumers engaged in Cancer Australia's work in policy and programs.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
Target of 70 is on track to be achieved by 30 June 2018.	80	80	80	80
Ensure current evidence informed cancer information, resources and data is continuously available to consumers and health professionals.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
N/A ³	Regularly review and update the Cancer Australia websites and social media platforms to ensure up-to-date evidence informed cancer information, resources and data is available.		As per 2018-19.	
Material changes to Program 1.1 resulting from the following measures:				
There are no material changes to Program 1.1 resulting from measures.				

³ This is a new performance criterion for 2018-19, therefore there is no estimated result for 2017-18.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 Cancer Australia.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

This statement details budgeted financial results for Cancer Australia in 2018-19.

Cancer Australia has an approved operating loss of \$751,000, net of non-appropriated depreciation and amortisation expenses, in 2017-18.

A break-even position, net of non-appropriated expenses, is anticipated for the 2018-19 Budget and forward years.

The increase in estimated retained revenue receipts aligns with a corresponding increase in supplier and grant expenses from the 2018-19 Budget and forward years.

Balance Sheet

Assets and liabilities are anticipated to remain relatively stable across the forward years. There is an anticipated small decrease in non-financial assets over the forward estimates.

Cash Flow

Cash flows are consistent with income, expenses and asset movements.

Administered Resources

Administered funding for Cancer Australia programs will continue in 2018-19. The level of administered funding across forward years represents Government expenditure on programs delivered to all Australians through Cancer Australia.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual	2018-19 Budget	2019-20 Forward estimate	2020-21 Forward estimate	2021-22 Forward estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	8,532	9,083	9,089	9,151	9,214
Supplier expenses	4,232	2,873	2,714	2,737	2,747
Grants expenses	1,500	1,500	1,500	1,500	-
Depreciation and amortisation	242	267	272	152	121
Total expenses	14,506	13,723	13,575	13,540	12,082
LESS:					
OWN-SOURCE INCOME					
Revenue					
Other revenue	2,265	2,232	2,071	2,079	586
Total revenue	2,265	2,232	2,071	2,079	586
Gains					
Other	138	136	135	136	137
Total gains	138	136	135	136	137
Total own-source income	2,403	2,368	2,206	2,215	723
Net cost of (contribution by) services	12,103	11,355	11,369	11,325	11,359
Revenue from Government	11,110	11,088	11,097	11,173	11,238
Surplus (deficit)	(993)	(267)	(272)	(152)	(121)
Surplus (deficit) attributable to the Australian Government	(993)	(267)	(272)	(152)	(121)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(993)	(267)	(272)	(152)	(121)
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(993)	(267)	(272)	(152)	(121)
plus non-appropriated expenses					
depreciation and amortisation expenses	242	267	272	152	121
Total comprehensive income (loss) attributable to the agency	(751)	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	110	110	110	110	110
Receivables	3,653	3,590	3,500	3,498	3,488
Total financial assets	3,763	3,700	3,610	3,608	3,598
Non-financial assets					
Buildings	-	-	-	-	-
Property, plant and equipment	338	262	178	110	83
Intangibles	33	26	9	11	11
Other	67	67	67	67	67
Total non-financial assets	438	355	254	188	161
Total assets	4,201	4,055	3,864	3,796	3,759
LIABILITIES					
Payables					
Suppliers	410	410	410	410	410
Other payables	258	258	258	258	258
Total payables	668	668	668	668	668
Provisions					
Employees	1,995	2,035	2,035	2,035	2,035
Other provisions	189	189	189	189	189
Total provisions	2,184	2,224	2,224	2,224	2,224
Total liabilities	2,852	2,892	2,892	2,892	2,892
Net Assets	1,349	1,163	972	904	867
EQUITY					
Contributed equity	1,230	1,311	1,392	1,476	1,560
Reserves	-	-	-	-	-
Retained surpluses or (accumulated deficits)	119	(148)	(420)	(572)	(693)
Total equity	1,349	1,163	972	904	867

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	119	-	1,230	1,349
Surplus (deficit) for the period	(267)	-	-	(267)
Capital budget - Bill 1 (DCB)	-	-	81	81
Other movements	-	-	-	-
Estimated closing balance as at 30 June 2019	(148)	-	1,311	1,163

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	12,243	11,473	11,469	11,457	11,480
GST	282	282	282	282	232
Other cash received	2,224	2,192	2,071	2,079	586
Total cash received	14,749	13,947	13,822	13,818	12,298
Cash used					
Employees	8,492	9,043	9,089	9,151	9,214
Suppliers	4,376	3,019	2,861	2,883	2,842
Grants	1,500	1,500	1,500	1,500	-
GST	282	282	282	282	232
Total cash used	14,650	13,844	13,732	13,816	12,288
Net cash from (or used by) operating activities	99	103	90	2	10
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	180	184	171	86	94
Total cash used	180	184	171	86	94
Net cash from (or used by) investing activities	(180)	(184)	(171)	(86)	(94)
FINANCING ACTIVITIES					
Cash received					
Capital budget - Bill 1 (DCB)	81	81	81	84	84
Total cash received	81	81	81	84	84
Net cash from (or used by) financing activities	81	81	81	84	84
Net increase (or decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	110	110	110	110	110
Cash and cash equivalents at the end of the reporting period	110	110	110	110	110

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	81	81	81	84	84
Total capital appropriations	81	81	81	84	84
Total new capital appropriations represented by:					
Purchase of non-financial assets	81	81	81	84	84
Total represented by	81	81	81	84	84
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ^(a)	81	81	81	84	84
Funded internally from departmental resources	99	103	90	2	10
Total acquisitions of non-financial assets	180	184	171	86	94
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	180	184	171	86	94
Total cash used to acquire assets	180	184	171	86	94

^(a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	-	1,295	593	1,888
Accumulated depreciation/ amortisation and impairment	-	(957)	(560)	(1,517)
Opening net book balance	-	338	33	371
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services	-	164	20	184
Total additions	-	164	20	184
Other movements				
Depreciation/amortisation expense	-	(240)	(27)	(267)
Total other movements	-	(240)	(27)	(267)
As at 30 June 2019				
Gross book value	-	1,459	613	2,072
Accumulated depreciation/ amortisation and impairment	-	(1,197)	(587)	(1,784)
Closing net book balance	-	262	26	288

Table 3.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	16,382	16,737	16,864	17,013	17,251
Suppliers	2,297	3,065	3,082	1,368	1,152
Total expenses administered on behalf of Government	18,679	19,802	19,946	18,381	18,403

Table 3.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	30	30	30	30	30
Receivables	119	119	119	119	119
Other financial assets	101	101	101	101	101
Total financial assets	250	250	250	250	250
Total assets administered on behalf of Government	250	250	250	250	250
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	180	180	180	180	180
Grants	70	70	70	70	70
Other payables	-	-	-	-	-
Total payables	250	250	250	250	250
Total liabilities administered on behalf of Government	250	250	250	250	250

Table 3.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
GST	707	707	707	707	707
Total cash received	707	707	707	707	707
Cash used					
Grant payments	16,382	16,737	16,864	17,013	17,251
Suppliers	2,297	3,065	3,082	1,368	1,152
GST	707	707	707	707	707
Total cash used	19,386	20,509	20,653	19,088	19,110
Net cash from (or used by) operating activities	(18,679)	(19,802)	(19,946)	(18,381)	(18,403)
Net increase (or decrease) in cash held	(18,679)	(19,802)	(19,946)	(18,381)	(18,403)
Cash at beginning of reporting period	30	30	30	30	30
Cash from Official Public Account for:					
- appropriations	18,679	19,802	19,946	18,381	18,403
- GST	707	707	707	707	707
Cash to the Official Public Account					
- return of GST	(707)	(707)	(707)	(707)	(707)
Cash at end of reporting period	30	30	30	30	30

FOOD STANDARDS AUSTRALIA NEW ZEALAND

Entity Resources and Planned Performance

FOOD STANDARDS AUSTRALIA NEW ZEALAND

FSANZ

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government aims to ensure that Australia's food supply is safe and well managed in order to minimise the risk of adverse health events.

Food Standards Australia New Zealand (FSANZ) was established to implement an agreement with States and Territories to achieve the goals of: a high degree of consumer confidence in the quality and safety of food that is available in Australia and New Zealand; an effective, transparent and accountable regulatory framework within which industry can work efficiently; the provision of adequate information about food to support informed food choices; and the harmonisation of food standards in Australia and New Zealand, and internationally.

Food standards are implemented through multi-jurisdictional arrangements with the Australian, New Zealand and State and Territory Governments that are overseen by the Australia and New Zealand Ministerial Forum on Food Regulation.

Regulation is a critical component of the cooperative framework established to deliver safe food in Australia. Food standards developed by FSANZ are based on risk analysis using the best available scientific and other relevant evidence.

FSANZ supports the Australian Government to build consumer confidence in food regulation by improving communication with technical and non-technical audiences. FSANZ will expand its online engagement to enhance consultation on standards development and the provision of information about food safety regulation.

FSANZ also coordinates national food surveillance and food recall activities, maintains national food composition and food consumption databases, and provides advice to the Department of Agriculture and Water Resources to assist them to control imported foods.

In 2018-19, FSANZ will continue work on: revision of standards for novel foods and nutritive substances; progress reviews of the Food Standards Code (food safety requirements and primary production and processing standards); and the application of the standard for food produced using gene technology.

FSANZ will also work with food regulators to develop policies to reduce the levels of foodborne illness, especially salmonella and campylobacter.

The role and functions of FSANZ are set out in the *Food Standards Australia New Zealand Act 1991*. FSANZ is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of FSANZ, refer to the current Corporate Plan, available at: www.foodstandards.gov.au/publications/Pages/Corporate-Plan.aspx

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, 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: FSANZ Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
Opening balance/cash reserves at 1 July	11,496	11,996
Funds from Government		
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	16,961	16,899
Other services ^(b)		
Equity injection	-	-
Total annual appropriations	16,961	16,899
Amounts received from related entities ^(c)		
Amounts from the Portfolio Department	-	-
Amounts from other entities	-	-
Total amounts received from related entities	-	-
Total funds from Government	16,961	16,899
Funds from other sources		
Interest	320	320
Sale of goods and services	100	100
Other	1,749	1,930
Total funds from other sources	2,169	2,350
Total net resourcing for FSANZ	30,626	31,245
	2017-18	2018-19
Average staffing level (number)	107	107

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Appropriation Bill (No. 2) 2018-19.

^(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

This section is not applicable to FSANZ.

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 that 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.

FSANZ's most recent Corporate Plan is available at:

www.foodstandards.gov.au/publications/Pages/Corporate-Plan.aspx

FSANZ's most recent Annual Performance Statement is available at:

www.foodstandards.gov.au/publications/annualreport201617/Pages/default.aspx

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

A safe food supply and well-informed consumers in Australia and New Zealand, including through the development of food regulatory measures and the promotion of their consistent implementation, coordination of food recall activities and the monitoring of consumer and industry food practices

Program Contributing to Outcome 1

Program 1.1: Food Regulatory Activity and Services to the Minister and Parliament

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 2.4: Preventive Health and Chronic Disease Support The Department of Health has strategic responsibility for the development of policies that ensure Australia's food supply is safe and that Australians have access to information to make informed choices about the food they consume.
Department of Agriculture and Water Resources Program 2.1: Biosecurity and Export Services The Department of Agriculture and Water Resources administers the Imported Food Program, which includes managing the risks to human health and regulating imported food for compliance with Australian food standards. This program contributes to the effectiveness of the Australian food regulatory system, which provides confidence to the community that the food supply is safe.

FSANZ

Budgeted Expenses for FSANZ

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 FSANZ

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Food Regulatory Activity and Services to the Minister and Parliament					
Revenue from Government					
Ordinary annual services ^(a)	16,961	16,899	16,907	17,023	17,122
Revenues from independent sources	2,169	2,350	2,350	2,375	2,375
Operating deficit (surplus)	-	-	-	-	-
Total for Program 1.1	19,130	19,249	19,257	19,398	19,497
Total expenses for Outcome 1	19,130	19,249	19,257	19,398	19,497
Average staffing level (number)					
	107	107			

^(a) Appropriation Bill (No. 1) 2018-19.

Planned Performance for FSANZ

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for FSANZ

Purpose
To contribute to the cooperative food regulatory system by developing food standards that are informed by the best available evidence and enable efficient implementation of food laws. To provide food standards information and advice to regulators and information about food standards to all stakeholders.
Outcome 1
A safe food supply and well-informed consumers in Australia and New Zealand, including through the development of food regulatory measures and the promotion of their consistent implementation, coordination of food recall activities and the monitoring of consumer and industry food practices.
Program 1.1: Food Regulatory Activity and Services to the Minister and Parliament
The Australian Government aims to ensure that all Australians have access to a safe food supply and adequate, accurate information to make informed choices about the food they consume. FSANZ develops food standards that are informed by the best available evidence and enables efficient implementation of food laws. It coordinates trans-jurisdictional food regulatory activities, and provides information about food regulation in order to enhance confidence in food for sale.
Delivery
A. Developing food standards <ul style="list-style-type: none">• Develop standards in response to applications and proposals to amend the Food Standards Code. B. Providing advice and coordinating regulatory responses <ul style="list-style-type: none">• Coordinate food incident response and food recalls.• Undertake monitoring and surveillance activities to ensure that regulatory and non-regulatory activities achieve their objectives. C. Providing information about food standards <ul style="list-style-type: none">• Provide authoritative evidence-based information about food to stakeholders and consumers.

Performance Criteria				
A. Developing food standards				
Food regulatory measures are considered in a timely manner.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
100% of applications assessed within statutory deadlines.	Applications are assessed within 12 months or less as required by the <i>Food Standards Australia New Zealand Act 1991</i> .	As per 2018-19.		
B. Providing advice and coordinating regulatory responses				
Coordinate major food incidents under the National Food Incident Response Protocol.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
The response and management of national food incidents were effectively coordinated. (e.g. listeria and rockmelon) Information exchange on more than ten food issues was effectively coordinated.	Deliver efficient and effective food incident management through the Bi-National Food Safety Network and, when appropriate, the National Food Incident Response Protocol.	As per 2018-19.		
Make a valuable contribution to ensuring that the food regulatory system is implemented consistently.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
FSANZ coordinated 80 food recalls relating to foods that were not safe or suitable for consumption were coordinated effectively.	FSANZ's coordination role is effectively demonstrated in the annual report on recall activities (including evaluation outcomes) to States and Territories, through the Implementation Subcommittee for Food Regulation. ²	As per 2018-19.		
Deliver efficient and effective food recall coordination to minimise risk to public health and safety. ³				
a. Industry satisfaction with food recall coordination.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. ≥95%	≥95%	≥95%	≥95%	≥95%

² The Implementation Subcommittee for Food Regulation was set up by the Food Regulation Standing Committee to foster a consistent approach across jurisdictions to implementing and enforcing food regulation. Further information is available at: foodregulation.gov.au/internet/fr/publishing.nsf/Content/ISFR

³ Industry satisfaction with food recall coordination is measured by surveying industry recall participants.

C. Providing information about food standards				
FSANZ is recognised as the primary source of information about food standards and food regulation in Australia and New Zealand.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
Stakeholder satisfaction with FSANZ is over 70%.	Stakeholders consistently report a high level of satisfaction with FSANZ and the information it provides.		As per 2018-19.	
Encourage stakeholder engagement through up-to-date information on FSANZ's website and social media interactions.				
a. Unique website visitors.				
b. Social media interactions.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
a. 1,000,000	>850,000	>850,000	>850,000	>850,000
b. 200,000 Facebook users	>200,000	>200,000	>200,000	>200,000
Material changes to Program 1.1 resulting from the following measures:				
There are no material changes to Program 1.1 resulting from measures.				

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 FSANZ.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

FSANZ has projected a break-even budget in 2018-19 and the forward years.

Revenues

Appropriation revenue in 2018-19 has decreased from 2017-18 largely reflecting the impact of previous increased efficiency dividends on the agency.

Revenue from other sources of \$2.4m in 2018-19 is expected to remain stable next year and over the forward years. The revenue from other sources is received primarily from the New Zealand Government, cost recovery arrangements for the processing of paid applications to amend the Food Standards Code and bank interest.

Expenses

Expenditure in 2018-19 is anticipated to be \$19.2m which is in line with the agency's resourcing.

Employee expenses are anticipated to remain consistent with 2017-18 actuals given the relatively stable workforce and a slight increase in salaries. Supplier expenses will increase slightly in line with the general increase in prices.

Balance Sheet

Non-financial assets and liabilities will remain broadly constant over the future period. Employee and other provisions are expected to remain stable across future years.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	14,434	14,432	14,429	14,382	14,382
Supplier expenses	3,591	3,712	3,723	3,911	4,010
Depreciation and amortisation	1,105	1,105	1,105	1,105	1,105
Total expenses	19,130	19,249	19,257	19,398	19,497
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	100	100	100	200	200
Interest	320	320	320	200	200
Other revenue	1,749	1,930	1,930	1,975	1,975
Total revenue	2,169	2,350	2,350	2,375	2,375
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	2,169	2,350	2,350	2,375	2,375
Net cost of (contribution by) services	16,961	16,899	16,907	17,023	17,122
Revenue from Government	16,961	16,899	16,907	17,023	17,122
Surplus (deficit)	-	-	-	-	-
Surplus (deficit) attributable to the Australian Government	-	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	-	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	11,996	12,496	12,496	12,496	12,496
Trade and other receivables	284	284	284	284	484
Total financial assets	12,280	12,780	12,780	12,780	12,980
Non-financial assets					
Land and buildings	670	690	690	690	690
Property, plant and equipment	274	224	224	224	224
Intangibles	1,699	1,229	1,229	1,229	1,229
Other	296	296	296	296	296
Total non-financial assets	2,939	2,439	2,439	2,439	2,439
Total assets	15,219	15,219	15,219	15,219	15,419
LIABILITIES					
Payables					
Suppliers	873	873	873	873	873
Other payables	1,592	1,592	1,592	1,592	1,592
Total payables	2,465	2,465	2,465	2,465	2,465
Interest bearing liabilities					
Leases	68	68	68	68	68
Total interest bearing liabilities	68	68	68	68	68
Provisions					
Employees	4,527	4,527	4,527	4,527	4,527
Other provisions	351	351	351	351	351
Total provisions	4,878	4,878	4,878	4,878	4,878
Total liabilities	7,411	7,411	7,411	7,411	7,411
Net assets	7,808	7,808	7,808	7,808	8,008
EQUITY					
Contributed equity	1,823	1,823	1,823	1,823	1,823
Reserves	2,254	2,254	2,254	2,254	2,254
Retained surpluses or accumulated deficits	3,731	3,731	3,731	3,731	3,931
Total equity	7,808	7,808	7,808	7,808	8,008

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	3,731	2,254	1,823	7,808
Surplus (deficit) for the period	-	-	-	-
Appropriation (equity injection)	-	-	-	-
Estimated closing balance as at 30 June 2019	3,731	2,254	1,823	7,808

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	100	100	100	200	200
Appropriations	16,961	16,899	16,907	17,023	17,122
Interest	320	320	320	200	200
Net GST received	-	-	-	-	-
Other cash received	1,749	1,930	1,930	1,975	1,975
Total cash received	19,130	19,249	19,257	19,398	19,497
Cash used					
Employees	14,434	14,432	14,429	14,382	14,382
Suppliers	3,591	3,712	3,723	3,911	4,010
Net GST paid	-	-	-	-	-
Total cash used	18,025	18,144	18,152	18,293	18,392
Net cash from (or used by) operating activities	1,105	1,105	1,105	1,105	1,105
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	605	605	1,105	1,105	1,105
Total cash used	605	605	1,105	1,105	1,105
Net cash from (or used by) investing activities	(605)	(605)	(1,105)	(1,105)	(1,105)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	-	-	-
Total cash received	-	-	-	-	-
Net cash from (or used by) financing activities	-	-	-	-	-
Net increase (or decrease) in cash held	500	500	-	-	-
Cash and cash equivalents at the beginning of the reporting period	11,496	11,996	12,496	12,496	12,496
Cash and cash equivalents at the end of the reporting period	11,996	12,496	12,496	12,496	12,496

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 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	605	605	1,105	1,105	1,105
Total acquisitions of non-financial assets	605	605	1,105	1,105	1,105
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	605	605	1,105	1,105	1,105
Total cash used to acquire assets	605	605	1,105	1,105	1,105

^(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 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	1,557	1,808	5,087	8,452
Accumulated depreciation/ amortisation and impairment	(887)	(1,534)	(3,388)	(5,809)
Opening net book balance	670	274	1,699	2,643
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	-	-
By purchase - internal resources	200	100	305	605
Total additions	200	100	305	605
Other movements				
Depreciation/amortisation expense	(180)	(150)	(775)	(1,105)
Total other movements	(180)	(150)	(775)	(1,105)
As at 30 June 2019				
Gross book value	1,757	1,908	5,392	9,057
Accumulated depreciation/ amortisation and impairment	(1,067)	(1,684)	(4,163)	(6,914)
Closing net book balance	690	224	1,229	2,143

INDEPENDENT HOSPITAL PRICING AUTHORITY

Entity Resources and Planned Performance

INDEPENDENT HOSPITAL PRICING AUTHORITY

IHPA

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government is working with State and Territory Governments to implement reforms to the health system to improve health outcomes for all Australians and ensure the sustainability of the health system.

The Independent Hospital Pricing Authority (IHPA) is responsible for determining the National Efficient Price (NEP) for public hospital services through the analysis of data on the actual activities and costs of public hospitals services. IHPA also determines the National Efficient Cost (NEC), which is used when Activity Based Funding is not suitable for funding such as in the case of small rural public hospitals.

In 2018-19, IHPA will continue to further develop and implement pricing for safety and quality into funding of public hospital services, consistent with the Addendum to the National Health Reform Agreement signed in 2017.

IHPA is responsible for developing national classifications for health care and other services delivered by public hospitals and, as required, resolving disputes on cost-shifting and cross-border issues. It also provides advice and reports to the Australian Government and the public.

IHPA publishes an annual *Pricing Framework for Australian Public Hospital Services* that outlines the principles, criteria and methodology used by IHPA to determine the NEP for services provided by hospitals on an activity basis and the NEC for services that are block funded.

As prescribed in the *National Health Reform Act 2011*, the Clinical Advisory Committee, the Jurisdictional Advisory Committee and other advisory committees, advise on matters relating to the functions of IHPA. These committees ensure that the underlying principles applied to setting the NEP and NEC are both clinically relevant and technically appropriate.

IHPA is independent of the Australian Government and State and Territory Governments.

The role and functions of IHPA are set out in the *National Health Reform Act 2011*. IHPA is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of the IHPA, refer to the current Corporate Plan, available at: www.ihoa.gov.au/who-we-are/corporate-plan

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, 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: IHPA Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
Opening balance/cash reserves at 1 July	9,794	9,690
Funds from Government		
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	-	-
Other services ^(b)	-	-
Equity injection	-	-
Total annual appropriations	-	-
Amounts received from related entities ^(c)		
Amounts from the Portfolio Department	14,476	14,797
Amounts from other entities	-	-
Total amounts received from related entities	14,476	14,797
Total funds from Government	14,476	14,797
Funds from other sources		
Interest	96	120
Sale of goods and services	1,850	1,120
Other	-	-
Total funds from other sources	1,946	1,240
Total net resourcing for IHPA	26,216	25,727
	2017-18	2018-19
Average staffing level (number)	1	1

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Appropriation Bill (No. 2) 2018-19.

^(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

This section is not applicable to IHPA.

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 that 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.

IHPA's most recent Corporate Plan is available at:
www.ihpa.gov.au/who-we-are/corporate-plan

IHPA's most recent Annual Performance Statement is available at:
www.ihpa.gov.au/publications/ihpa-annual-report-2016-17

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Promote improved efficiency in, and access to, public hospital services primarily through setting efficient national prices and levels of block funding for hospital activities

Program Contributing to Outcome 1

Program 1.1: Public Hospital Price Determinations

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 2.7: Hospital Services The Department of Health has policy responsibility for public and private hospital services, including the Commonwealth Government funding contribution for public hospital services. This includes policy responsibility for the implementation of Activity Based Funding under the National Health Reform Agreement.
Australian Commission on Safety and Quality in Health Care Program 1.1: Safety and Quality in Health Care The Australian Commission on Safety and Quality in Health Care works together with IHPA, through a joint working party, to consider options for their respective governing bodies on possible approaches to ensuring safety and quality in the provision of healthcare services to fulfil the relevant requirements of the National Health Reform Agreement.

Budgeted Expenses for IHPA

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 IHPA

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Public Hospital Price Determinations					
Revenue from Government					
Ordinary annual services	-	-	-	-	-
Amounts from related entities	14,476	14,797	15,039	15,038	15,021
Revenues from independent sources	1,946	1,240	1,258	1,258	1,358
Expenses not requiring appropriation in the Budget year ^(a)	6,811	7,086	7,208	7,215	7,257
Operating deficit (surplus)	-	-	-	-	-
Total for Program 1.1	23,233	23,123	23,505	23,511	23,636
Total expenses for Outcome 1	23,233	23,123	23,505	23,511	23,636
	2017-18	2018-19			
Average staffing level (number)	1	1			

^(a) Expenses not requiring appropriation in the Budget year are made up of staff salary and shared services received free of charge from Department of Health.

Planned Performance for IHPA

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for IHPA

Purpose
To determine the National Efficient Price and the National Efficient Cost for public hospital services.
Outcome 1
Promote improved efficiency in, and access to, public hospital services primarily through setting efficient national prices and levels of block funding for hospital activities.
Program 1.1: Public Hospital Price Determinations
<p>IHPA promotes improved efficiency in, and access to, public hospital services by providing independent advice to the Australian Government and State and Territory Governments regarding the efficient price of healthcare services, and by developing and implementing robust systems to support Activity Based Funding for those services.</p> <p>In 2018-19 this will include work to further develop and implement pricing for safety and quality into funding of public hospital services, consistent with the Addendum to the National Health Reform Agreement signed in 2017.</p>
Delivery
<p>A. Determining the National Efficient Price (NEP) and National Efficient Cost (NEC) for public hospital services</p> <ul style="list-style-type: none"> Continue to develop and refine the pricing models that will ensure accurate NEP and NEC Determinations. Develop safety and quality measures for inclusion in the NEP in future years. <p>B. Developing infrastructure to support a national Activity Based Funding system</p> <ul style="list-style-type: none"> Continue to develop and refine new and existing hospital activity classifications through specialist input from clinicians. Ensure clinical acceptance of classification systems through consultation and collaboration with specialist committees including IHPA's Clinical Advisory Committee. Establish and maintain national costing standards. Ensure effective collection and processing of costing information from public and private hospitals. Develop and maintain standards for activity data collections, including the annual publication of the <i>Three Year Data Plan</i>. Publish a quarterly report outlining jurisdictional compliance with the data requirements and data standards as set out in the <i>Three Year Data Plan</i>. <p>C. Resolving disputes on cost-shifting and cross-border issues</p> <ul style="list-style-type: none"> Investigate and make recommendations concerning cost-shifting disputes and cross-border disputes between States and Territories.

Performance criteria		
A. Determining the National Efficient Price (NEP) and National Efficient Cost (NEC) for public hospital services		
Publish the <i>Pricing Framework for Australian Public Hospital Services</i> (Pricing Framework) outlining the principles, scope and methodology to be adopted in the determination of the National Efficient Price and National Efficient Cost.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<i>Pricing Framework for Australian Public Hospital Services 2018-19</i> was published in November 2017.	Publish the Pricing Framework 2019-20 by 31 December 2018.	Publish the next Pricing Framework annually by 31 December.
Publish an annual determination of the National Efficient Price (NEP) and National Efficient Cost (NEC) for the coming financial year along with other information supporting the efficient funding of public hospital services.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The NEP and NEC Determinations for 2018-19 were published in March 2018.	Publish the NEP and NEC Determinations for 2019-20 by 31 March 2019.	Publish the next NEP and NEC Determinations annually by 31 March.
B. Developing infrastructure to support a national Activity Based Funding system		
Develop new Activity Based Funding classifications.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
New classification system for emergency care services was developed. Australian Teaching and Training Classification Version 1.0 was approved on 4 April 2018.	Seek approval for the Australian Emergency Care Classification Version 1.0 by December 2018. Commence work on the Australian Non-Admitted Care Classification system Version 1.0 for approval in 2019-20.	Complete work on the Australian Non-Admitted Care Classification system Version 1.0 for approval in 2019-20.

Revise existing Activity Based Funding classifications.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Continued work on the Australian Modification of the International Statistical Classification of Diseases 11th edition. Continued work on Australian Refined Diagnosis Related Groups Version 10. Continued work on the refinement of the classification for Australian national sub-acute and non-acute patient care. Commenced work on the Australian Mental Health Care Classification Version 2.0.	Complete work on the Australian Modification of the International Statistical Classification of Diseases 11th edition by June 2019. Complete work on Australian Refined Diagnosis Related Groups Version 10 by June 2019. Continue to develop Mental Health Care Classification Version 2.0 for approval in 2019.	Commence work on Version 2.0 of the Australian Emergency Care Classification. Complete Mental Health Care Classification Version 2.0 for approval in 2019. Commence work on the Australian Teaching and Training Classification Version 2.0. Commence work on the Australian Modification of the International Statistical Classification of Diseases 12th edition. Commence work on Australian Refined Diagnosis Related Groups Version 11.
Maintain up-to-date national costing standards.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The Australian Hospital Patient Costing Standards Version 4 was published on 31 March 2018.	Implementation of the Australian Hospital Patient Costing Standards Version 4.	Development of the Australian Hospital Patient Costing Standards Version 5.
Ensure effective collection and processing of costing information to support Activity Based Funding outcomes.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The National Hospital Cost Data Collection (Round 20) was completed on 31 March 2018. The National Hospital Cost Data Collection (Round 20) Independent Financial Review was published in January 2018. The annual cost weights for public and private hospitals were released in February 2018.	Completion of the annual National Hospital Cost Data Collection Round by December 2018. Completion of the annual National Hospital Cost Data Collection Round, Independent Financial Review by December 2018. Release of the annual cost weights for public and private hospitals by December 2018.	Release of the next annual cost weights for public and private hospitals by December 2019.

C. Resolving disputes on cost-shifting and cross-border issues		
Review of IHPA's <i>Cost-Shifting and Cross-Border Dispute Resolution Framework</i>.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<i>Cost-Shifting and Cross-Border and Dispute Resolution Framework</i> on track to be reviewed and published by June 2018.	Complete review and publish updated <i>Cost-Shifting and Cross-Border and Dispute Resolution Framework</i> by June 2019.	Complete review and publish updated <i>Cost-Shifting and Cross-Border and Dispute Resolution Framework</i> by June 2020.
Timely investigation and provision of recommendations to Health Ministers to resolve cost-shifting and cross-border disputes.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
No disputes were received (as at May 2018).	IHPA investigation of cost-shifting or cross-border disputes and provision of recommendations or assessment within six months of receipt of request.	As per 2018-19.
Material changes to Program 1.1 resulting from the following measures:		
There are no material changes to Program 1.1 resulting from measures.		

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 IHPA.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

The operational functions of the Independent Hospital Pricing Authority (IHPA) were transferred to the Department of Health (the Department) on 1 July 2016, with the Board, Chief Executive Officer (CEO) and functions retained.

Under a memorandum of understanding (MOU) arrangement executed in June 2016, the Department's staff are seconded to IHPA under direct control of IHPA's CEO to support its functions. The cost of these services are provided to IHPA as resources free of charge.

In the 2018-19 financial year IHPA's total budget expenditure estimate is \$23.1 million. IHPA is funded through both payments from the Department and funds from own source income. Own source income is primarily derived from sales of intellectual property relating to the Australian Refined Diagnosis Related Groups (AR-DRG) classification systems.

Balance Sheet

IHPA's total assets and liabilities are expected to 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)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	6,601	7,126	7,126	7,126	7,126
Supplier expenses	15,915	15,522	15,816	15,822	15,947
Depreciation and amortisation	717	475	563	563	563
Total expenses	23,233	23,123	23,505	23,511	23,636
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services ^(a)	16,326	15,917	16,177	16,176	16,259
Interest	96	120	120	120	120
Total Revenue	16,422	16,037	16,297	16,296	16,379
Gains					
Other ^(b)	6,811	7,086	7,208	7,215	7,257
Total gains	6,811	7,086	7,208	7,215	7,257
Total own-source income	23,233	23,123	23,505	23,511	23,636
Net cost of (contribution by) services	-	-	-	-	-
Revenue from Government	-	-	-	-	-
Surplus (deficit)	-	-	-	-	-
Surplus (deficit) attributable to the Australian Government	-	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	-	-	-	-	-

^(a) Payments from Department of Health and funds from own sources.

^(b) Staff salary and shared services received free of charge from Department of Health.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	9,690	9,698	9,889	9,980	10,071
Receivables	210	707	707	707	707
Total financial assets	9,900	10,405	10,596	10,687	10,778
Non-financial assets					
Land and buildings	382	305	240	175	110
Property, plant and equipment	366	320	239	213	187
Intangibles	792	543	543	543	543
Prepayments	254	254	254	254	254
Total non-financial assets	1,794	1,422	1,276	1,185	1,094
Total assets	11,694	11,827	11,872	11,872	11,872
LIABILITIES					
Payables					
Suppliers	2,577	2,700	2,735	2,735	2,735
Other payables	109	109	109	109	109
Total payables	2,686	2,809	2,844	2,844	2,844
Provisions					
Employees	133	143	153	153	153
Other provisions	186	186	186	186	186
Total provisions	319	329	339	339	339
Total liabilities	3,005	3,138	3,183	3,183	3,183
Net Assets	8,689	8,689	8,689	8,689	8,689
EQUITY					
Contributed equity	400	400	400	400	400
Reserves	88	88	88	88	88
Retained surpluses or accumulated deficits	8,201	8,201	8,201	8,201	8,201
Total equity	8,689	8,689	8,689	8,689	8,689

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	8,201	88	400	8,689
Surplus (deficit) for the period	-	-	-	-
Appropriation (equity injection)	-	-	-	-
Estimated closing balance as at 30 June 2019	8,201	88	400	8,689

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	1,980	1,198	1,218	1,218	1,325
Interest	96	120	120	120	120
Appropriations	-	-	-	-	-
Net GST received	1,481	1,458	1,484	1,488	1,497
Other	14,476	14,797	15,039	15,038	15,021
Total cash received	18,033	17,573	17,861	17,864	17,963
Cash used					
Employees	850	850	850	850	850
Suppliers	16,292	16,037	16,323	16,371	16,463
Net GST paid	130	78	80	80	87
Others	-	-	-	-	-
Total cash used	17,272	16,965	17,253	17,301	17,400
Net cash from (or used by) operating activities	761	608	608	563	563
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	865	600	417	472	472
Total cash used	865	600	417	472	472
Net cash from (or used by) investing activities	(865)	(600)	(417)	(472)	(472)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Cash used for other financing activities	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (or used by) financing activities	-	-	-	-	-
Net increase (or decrease) in cash held	(104)	8	191	91	91
Cash and cash equivalents at the beginning of the reporting period	9,794	9,690	9,698	9,889	9,980
Cash and cash equivalents at the end of the reporting period	9,690	9,698	9,889	9,980	10,071

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 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	865	600	417	472	472
Total acquisitions of non-financial assets	865	600	417	472	472
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	865	600	417	472	472
Total cash used to acquire assets	865	600	417	472	472

^(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 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	201	405	1,271	1,877
Accumulated depreciation/ amortisation and impairment	(68)	(134)	(632)	(834)
Opening net book balance	133	271	639	1,043
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	-	-
By purchase - internal resources	300	150	150	600
Total additions	300	150	150	600
Other movements				
Depreciation/amortisation expense	(128)	(101)	(246)	(475)
Total other movements	(128)	(101)	(246)	(475)
As at 30 June 2019				
Gross book value	501	555	1,421	2,477
Accumulated depreciation/ amortisation and impairment	(196)	(235)	(878)	(1,309)
Closing net book balance	305	320	543	1,168

NATIONAL BLOOD AUTHORITY

Entity Resources and Planned Performance

NATIONAL BLOOD AUTHORITY

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government, through the National Blood Authority (NBA), aims to ensure that Australia has an adequate, safe, secure and well-managed blood supply. The NBA was established by the Australian Government, and State and Territory Governments, to coordinate policy, governance, funding and management of the blood and blood product sector in Australia.

The NBA manages national contracts to secure the supply of safe and affordable blood products in Australia in accordance with the National Blood Agreement. The NBA works with governments and stakeholders to implement an efficient, demand-driven blood supply system that is highly responsive to clinical needs and based upon evidence and good clinical practice. The purchasing and supply arrangements for fresh, fractionated and recombinant blood products² will continue to be improved, including further strengthening risk mitigation arrangements.

The NBA will continue to undertake a range of activities aimed at improving the clinical use of blood and blood products in recognition of the growing cost of blood products and the growing evidence of risk associated with unnecessary transfusions. Specifically, the NBA aims to improve the sustainability and performance of the sector through: enhanced data capture and analysis; improved governance of access to immunoglobulin products to ensure the most cost-effective use of limited and high cost products; and facilitate the development and publication of evidence-based national clinical practice guidelines, informed by close engagement with clinicians.

The role and functions of the NBA are set out in the *National Blood Authority Act 2003*. The NBA is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of the NBA, refer to the current Corporate Plan, available at: www.blood.gov.au/system/files/documents/NBA-Corporate-Plan-2017-18-to-2020-21.pdf

² Fractionated products are those derived from human plasma whereas recombinant products are those manufactured through commercial scale expression of proteins from cell lines modified using recombinant gene technology.

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, 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: NBA Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	10,524	8,746
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	5,590	5,682
s74 retained revenue receipts ^(b)	-	-
Departmental capital budget ^(c)	621	617
Other services ^(d)		
Equity injection	-	-
Total departmental annual appropriations	6,211	6,299
Special Accounts ^(e)		
Appropriation receipts	6,211	6,299
Non-appropriation receipts	3,867	3,949
Total special account	10,078	10,248
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts ^(f)	(6,211)	(6,299)
Total departmental resourcing	20,602	18,994

NBA

Table 1.1: NBA Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018 (continued)

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
ADMINISTERED		
Prior year appropriation available	123,526	155,441
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	3,860	3,404
Other services ^(d)		
Administered assets and liabilities	-	-
Total administered annual appropriations	3,860	3,404
Special Accounts ^(e)		
Appropriation receipts	3,860	3,404
Appropriation receipts - other entities ^(g)	718,621	782,766
Non-appropriation receipts	433,885	473,010
Total Special Accounts	1,156,366	1,259,180
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts ^(f)	(3,860)	(3,404)
Total administered resourcing	1,279,892	1,414,621
Total resourcing for NBA	1,300,494	1,433,615
	2017-18	2018-19
Average staffing level (number)	53	54

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental Capital Budgets (DCB) are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19.

^(e) For further information on special appropriations and special accounts, refer to *Budget Paper No. 4 - Agency Resourcing*. Also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

^(f) Appropriation receipts included above.

^(g) Appropriation receipts from the Department of Health.

1.3 BUDGET MEASURES

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

Table 1.2: NBA 2018-19 Budget Measures

Program		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Improving Access to Medicines - strengthening the quality use of healthcare services ^(a)						
National Blood Authority						
Administered expenses	1.1	-	(2,222)	(5,484)	(17,340)	(17,778)
Administered revenue ^(b)	1.1	-	822	2,029	6,416	6,577
Total		-	(1,400)	(3,455)	(10,924)	(11,201)

^(a) Full details of this measure are published under Department of Health (Table 1.2)

^(b) Revenue is reverse fiscal and shows the net fiscal position

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 that 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 NBA's most recent Corporate Plan is available at:
www.blood.gov.au/about-nba

The NBA's most recent Annual Performance Statement is available at:
www.blood.gov.au/pubs/1617report.v2/index.html

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Access to a secure supply of safe and affordable blood products, including through national supply arrangements and coordination of best practice standards within agreed funding policies under the national blood arrangements

Program Contributing to Outcome 1

Program 1.1: National Blood Agreement Management

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
<p>Australian Commission on Safety and Quality in Health Care Program 1.1: Safety and Quality in Health Care</p> <p>The Australian Commission on Safety and Quality in Health Care works closely with the National Blood Authority in relation to the <i>National Safety and Quality Health Service Standard 7: Blood Management</i>. This supports the National Blood Authority in administering the National Blood Agreement.</p>
<p>Department of Health Program 1.1: Health Policy Research and Analysis</p> <p>The Department of Health, in collaboration with State and Territory health departments, has policy responsibility for ensuring Australians have access to an adequate, safe, secure and affordable blood supply. This includes supporting the National Blood Authority to administer the national blood arrangements.</p>



Budgeted Expenses for the NBA

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 NBA

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: National Blood Agreement Management					
Administered expenses					
Ordinary annual services ^(a)	3,860	3,404	-	-	-
<i>to National Blood Authority Account</i>	(3,860)	(3,404)	-	-	-
<i>to National Managed Fund (Blood and Blood Products) Special Account</i>	-	-	-	-	-
Special Accounts					
<i>National Blood Authority Account</i>	1,171,220	1,253,439	1,333,794	1,445,933	1,578,877
<i>National Managed Fund (Blood and Blood Products) Special Account</i>	-	-	-	-	-
Departmental expenses					
Departmental appropriation ^(b)	5,590	5,682	5,686	5,531	5,562
<i>to National Blood Authority Account</i>	(5,590)	(5,682)	(5,686)	(5,531)	(5,562)
Special Accounts					
<i>National Blood Authority Account</i>	9,457	9,631	9,638	9,409	9,460
Expenses not requiring appropriation in the Budget year ^(c)	418	392	592	559	559
Operating deficit (surplus)	1,784	-	-	-	-
Total for Program 1.1	1,182,879	1,263,462	1,344,024	1,455,901	1,588,896
Total expenses for Outcome 1	1,182,879	1,263,462	1,344,024	1,455,901	1,588,896
	2017-18	2018-19			
Average staffing level (number)	53	54			

^(a) Appropriation (Bill No. 1) 2018-19.

^(b) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(c) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Movement of Funds

There were no movements of Administered funds between years.

Planned Performance for the NBA

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the NBA

Purpose
Saving and improving Australian lives through a world-class blood supply.
Outcome 1
Access to a secure supply of safe and affordable blood products, including through national supply arrangements and coordination of best practice standards within agreed funding policies under the national blood arrangements.
Program 1.1: National Blood Agreement Management
The NBA, on behalf of the Australian Government and State and Territory Governments, manages and coordinates national contracts to secure the supply of safe and affordable blood products in Australia in accordance with the National Blood Agreement.
Delivery
<p>A. Providing a safe, secure and affordable supply of blood and blood-related products and services</p> <ul style="list-style-type: none"> Continue implementation of the Immunoglobulin Governance Program. Finalise and implement the revised <i>National Blood Supply Contingency Plan</i>. Implement the <i>National Blood Product Management Improvement Strategy 2018–22</i>. <p>B. Driving performance improvement in the Australian blood sector</p> <ul style="list-style-type: none"> Implement the revised <i>National ICT and Data Strategy</i>. Finalise the implementation of BloodNet interfaces with hospital laboratory information systems. Implement the <i>Immunoglobulin Performance Improvement Strategy</i>. Establish immunoglobulin governance performance indicators and reporting. <p>C. Promoting a best practice model of management and use of blood and blood-related products and services</p> <ul style="list-style-type: none"> Develop and promote an expanded suite of tools to support health providers to implement the National Safety Quality Health Services Blood Management Standards. Continue the review and revision of criteria for access to immunoglobulin products under the national blood arrangements. Develop and support health technology assessment and utilisation review processes for immunoglobulin and other existing and proposed new blood products. Revise and publish updated modules of the <i>National Patient Blood Management Guidelines</i>.

Performance criteria				
A. Providing a safe, secure and affordable supply of blood and blood-related products and services				
Provision of an adequate, affordable and secure supply of blood and blood-related products.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
Supply for clinical need has been met within the requirements of the approved 2017-18 National Supply Plan and Budget. There have been no contingency events and no product shortages reported.	Blood products are available to meet clinical need.		As per 2018-19.	
Variance between actual and budget is kept to a minimum both in monetary and product volumes.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
<5%	<5%	<5%	<5%	<5%
Minimise wastage to ensure availability of product to meet clinical demand.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
<3%	<3%	<3%	<3%	<3%
B. Driving performance improvement in the Australian blood sector				
National data and ICT strategy and <i>National Patient Blood Management Guidelines Implementation Strategy 2017–21</i> are progressed.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
The National Data and ICT strategy was developed and <i>The Patient Blood Management Implementation Strategy 2017–21</i> was executed.	Strategies are progressed and results published against the expected outcomes in the strategies.		As per 2018-19.	
Percentage of national blood supply processed by laboratories interfaced to BloodNet.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
60%	≥60%	≥80%	≥85%	≥85%

C. Promoting a best practice model of management and use of blood and blood-related products and services		
Support best practice management and use of blood and blood-related products through a robust framework.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Sustained improvements in the management and use of blood products by:</p> <ul style="list-style-type: none"> – reduction in wastage in comparison to the 2016-17 result; and – improvement in the delivery schedule for fresh products as a result of a reduction in the number of orders by health providers. 	<p>Sustain improvements in the management and use of blood products by:</p> <ul style="list-style-type: none"> – improving inventory management practices as part of the National Inventory Management Framework rollout; – reducing wastage in comparison to the 2017-18 result; and – improving the delivery schedule for fresh products by a reduction in the number of orders by health providers. 	As per 2018-19.
Support clinicians to use best practice models for the management and use of blood and blood products.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>A number of clinical guidelines, clinical practice tools and resources have been developed, updated and promoted for use within the sector.</p> <p>The revised guideline project was advanced and outcomes endorsed by the Jurisdictional Blood Committee in 2018.</p>	<p>Update, develop and promote a number of clinical guidelines, clinical practice tools and resources for use within the sector.</p> <p>One guideline in 2018-19.</p>	As per 2018-19.
Material changes to Program 1.1 resulting from the following measures:		
There are no material changes to Program 1.1 resulting from measures.		

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2018-19 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 NBA.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

This statement illustrates the expected financial results for the NBA by identifying accrual expenses and revenues showing the net cost of services.

The NBA's operational costs are funded jointly by the Australian Government and State and Territory Governments, on a 63 per cent: 37 per cent basis via annual contributions. All NBA receipts and payments are accounted for through special accounts.

The NBA has an approved operating loss of \$1.784 million in 2017-18. This is offset against surplus operating funds from prior years. This operating loss reflects additional expenditure incurred by the NBA to strengthen cyber-security, improve contract management arrangements and governance for contracted personnel and to provide additional support and maintenance for a national system that supports and governs the use of nationally funded immunoglobulin.

The income statement deficit in the Budget year and forward years is as a result of the Government's decision to no longer fund for depreciation via an operating appropriation.

Balance Sheet

Special account accumulated funds are held within the Official Public Account and included as Cash and cash equivalents in the Balance Sheet. The NBA always maintains sufficient accumulated funds to cover employee entitlements and other liabilities.

The value of intangible assets increases from 2018-19 onwards due to the development of replacement systems. Other non-financial assets and liabilities will remain broadly stable over the period.

Administered Resources

Schedule of Budgeted Income and Expenses Administered on Behalf of Government

The NBA's administered accounts include contributions from all States and Territories and the Australian Government for the supply of blood and blood related products for 2018-19. Each year the Council of Australian Governments' Health Council approves an Annual National Supply Plan and Budget which is formulated by the NBA, derived from demand estimates provided by the States and Territories.

Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government

The schedule of budgeted assets and liabilities administered on behalf of Government illustrates normal movements in non-financial assets and liabilities. Special account accumulated funds are held within the Official Public Account and included as Cash and cash equivalents in the Balance Sheet. The balance of Receivables represents GST payments made to suppliers which are recoverable from the Australian Taxation Office. Other non-financial assets represent a prepayment to the Australian Red Cross Blood Service under the Output Based Funding Model agreement.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
EXPENSES					
Employee benefits	6,630	6,500	6,591	6,639	6,712
Supplier expenses	4,686	3,206	3,121	2,844	2,822
Depreciation and amortisation	337	311	511	478	478
Finance costs	6	6	7	7	7
Total expenses	11,659	10,023	10,230	9,968	10,019
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	250	250	250	250	250
Other revenue	3,617	3,699	3,702	3,628	3,648
Total revenue	3,867	3,949	3,952	3,878	3,898
Gains					
Other	81	81	81	81	81
Total gains	81	81	81	81	81
Total own-source income	3,948	4,030	4,033	3,959	3,979
Net cost of (contribution by) services	7,711	5,993	6,197	6,009	6,040
Revenue from Government	5,590	5,682	5,686	5,531	5,562
Surplus (deficit)	(2,121)	(311)	(511)	(478)	(478)
Surplus (deficit) attributable to the Australian Government	(2,121)	(311)	(511)	(478)	(478)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income attributable to the Australian Government	(2,121)	(311)	(511)	(478)	(478)
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(2,121)	(311)	(511)	(478)	(478)
plus non-appropriated expenses depreciation and amortisation expenses	337	311	511	478	478
Total comprehensive income (loss) attributable to the agency	(1,784)	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	8,746	8,752	8,765	8,772	8,779
Receivables	125	125	125	125	125
Total financial assets	8,871	8,877	8,890	8,897	8,904
Non-financial assets					
Land and buildings	700	568	436	337	238
Property, plant and equipment	402	433	414	375	336
Intangibles	527	934	1,192	1,499	1,809
Other	168	168	168	168	168
Total non-financial assets	1,797	2,103	2,210	2,379	2,551
Total assets	10,668	10,980	11,100	11,276	11,455
LIABILITIES					
Payables					
Suppliers	384	384	390	390	390
Other payables	616	616	616	616	616
Total payables	1,000	1,000	1,006	1,006	1,006
Provisions					
Employees	1,892	1,892	1,892	1,892	1,892
Other provisions	149	155	162	169	176
Total provisions	2,041	2,047	2,054	2,061	2,068
Total liabilities	3,041	3,047	3,060	3,067	3,074
Net Assets	7,627	7,933	8,040	8,209	8,381
EQUITY					
Contributed equity	4,565	5,182	5,800	6,447	7,097
Reserves	460	460	460	460	460
Retained surpluses or accumulated deficits	2,602	2,291	1,780	1,302	824
Total equity	7,627	7,933	8,040	8,209	8,381

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	2,602	460	4,565	7,627
Surplus (deficit) for the period	(311)	-	-	(311)
Appropriation (equity injection)	-	-	-	-
Capital budget - Bill 1 (DCB)	-	-	617	617
Estimated closing balance as at 30 June 2019	2,291	460	5,182	7,933

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	5,590	5,682	5,686	5,531	5,562
Good and Services	250	250	250	250	250
Net GST received	460	313	303	276	274
Other cash received	3,617	3,699	3,702	3,628	3,648
Cash from the Official Public Account					
Total cash received	9,917	9,944	9,941	9,685	9,734
Cash used					
Employees	6,630	6,500	6,591	6,639	6,712
Suppliers	4,605	3,125	3,034	2,763	2,741
Net GST paid	460	313	303	276	274
Cash to the Official Public Account	-	-	-	-	-
Total cash used	11,695	9,938	9,928	9,678	9,727
Net cash from (or used by) operating activities	(1,778)	6	13	7	7
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	621	617	618	647	650
Total cash used	621	617	618	647	650
Net cash from (or used by) investing activities	(621)	(617)	(618)	(647)	(650)
FINANCING ACTIVITIES					
Cash received					
Capital budget - Bill 1 (DCB)	621	617	618	647	650
Total cash received	621	617	618	647	650
Net cash from (or used by) financing activities	621	617	618	647	650
Net increase (or decrease) in cash held	(1,778)	6	13	7	7
Cash and cash equivalents at the beginning of the reporting period	10,524	8,746	8,752	8,765	8,772
Cash and cash equivalents at the end of the reporting period	8,746	8,752	8,765	8,772	8,779

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	621	617	618	647	650
Total capital appropriations	621	617	618	647	650
Total new capital appropriations represented by:					
Purchase of non-financial assets	621	617	618	647	650
Total items	621	617	618	647	650
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ^(a)	621	617	618	647	650
Funded internally from departmental resources	-	-	-	-	-
Total acquisitions of non-financial assets	621	617	618	647	650
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	621	617	618	647	650
Total cash used to acquire assets	621	617	618	647	650

DCB = Departmental Capital Budget.

^(a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	864	593	4,072	5,529
Accumulated depreciation/ amortisation and impairment	(164)	(191)	(3,545)	(3,900)
Opening net book balance	700	402	527	1,629
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	-	-
By purchase - appropriation ordinary annual services	-	150	467	617
By purchase - internal resources	-	-	-	-
Total additions	-	150	467	617
Other movements				
Depreciation/amortisation expense	(132)	(119)	(60)	(311)
Total other movements	(132)	(119)	(60)	(311)
As at 30 June 2019				
Gross book value	864	743	4,539	6,146
Accumulated depreciation/ amortisation and impairment	(296)	(310)	(3,605)	(4,211)
Closing net book balance	568	433	934	1,935

Table 3.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Employee benefits	634	634	-	-	-
Suppliers	1,169,411	1,251,630	1,333,794	1,445,933	1,578,877
Grants	500	500	-	-	-
Depreciation and amortisation	675	675	-	-	-
Total expenses administered on behalf of Government	1,171,220	1,253,439	1,333,794	1,445,933	1,578,877
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Other sources of non-taxation revenues	1,152,506	1,255,776	1,337,940	1,450,079	1,583,023
Total non-taxation revenue	1,152,506	1,255,776	1,337,940	1,450,079	1,583,023
Total revenues administered on behalf of Government	1,152,506	1,255,776	1,337,940	1,450,079	1,583,023
Total income administered on behalf of Government	1,152,506	1,255,776	1,337,940	1,450,079	1,583,023

Table 3.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalent	155,441	153,357	153,357	153,357	153,357
Receivables	21,307	21,307	21,307	21,307	21,307
Investments	127,246	131,392	135,538	139,684	143,830
Total financial assets	303,994	306,056	310,202	314,348	318,494
Non-financial assets					
Property, plant and equipment	93	83	83	83	83
Intangibles	3,286	3,571	3,571	3,571	3,571
Inventories	95,125	95,125	95,125	95,125	95,125
Other	76,064	76,064	76,064	76,064	76,064
Total non-financial assets	174,568	174,843	174,843	174,843	174,843
Total assets administered on behalf of Government	478,562	480,899	485,045	489,191	493,337
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Interest bearing liabilities					
Payables					
Suppliers	53,843	53,843	53,843	53,843	53,843
Total payables	53,843	53,843	53,843	53,843	53,843
Total liabilities administered on behalf of Government	53,843	53,843	53,843	53,843	53,843

Table 3.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Commonwealth contributions	718,621	782,766	834,415	904,945	988,577
State and Territory contributions	429,739	468,864	499,379	540,988	590,300
Interest	4,146	4,146	4,146	4,146	4,146
Net GST received	116,941	125,385	133,928	146,327	159,666
Total cash received	1,269,447	1,381,161	1,471,868	1,596,406	1,742,689
Cash used					
Employees	634	634	-	-	-
Suppliers	1,169,411	1,255,034	1,333,794	1,445,933	1,578,877
Grant payments	500	500	-	-	-
Net GST paid	117,775	125,385	133,928	146,327	159,666
Total cash used	1,288,320	1,381,553	1,467,722	1,592,260	1,738,543
Net cash from (or used by) operating activities	(18,873)	(392)	4,146	4,146	4,146
INVESTING ACTIVITIES					
Cash received					
Proceeds from sale of investments	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of investments	4,146	4,146	4,146	4,146	4,146
Purchase of non-financial assets	950	950	-	-	-
Total cash used	5,096	5,096	4,146	4,146	4,146
Net cash from (or used by) investing activities	(5,096)	(5,096)	(4,146)	(4,146)	(4,146)
Net increase (or decrease) in cash held	(23,969)	(5,488)	-	-	-
Cash at beginning of reporting period	175,550	155,441	153,357	153,357	153,357
Cash from Official Public Account for:					
- appropriations	3,860	3,404	-	-	-
Cash at end of reporting period	155,441	153,357	153,357	153,357	153,357

Table 3.10: Schedule of Administered Capital Budget

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	-	-	-	-	-
Total capital appropriations	-	-	-	-	-
Total new capital appropriations represented by:					
Purchase of non-financial assets	-	-	-	-	-
Total items	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ^(a)	-	-	-	-	-
Funded internally from departmental resources	950	950	-	-	-
Total acquisitions of non-financial assets	950	950	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	950	950	-	-	-
Total cash used to acquire assets	950	950	-	-	-

DCB = Departmental Capital Budget.

^(a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.11: Statement of Administered Asset Movements (Budget Year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2017				
Gross book value	-	167	6,282	6,449
Accumulated depreciation/ amortisation and impairment	-	(74)	(2,996)	(3,070)
Opening net book balance	-	93	3,286	3,379
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	-	-
By purchase - appropriation ordinary annual services	-	-	-	-
By purchase - internal resources	-	50	900	950
Total additions	-	50	900	950
Other movements				
Depreciation/amortisation expense	-	(60)	(615)	(675)
Total other movements	-	(60)	(615)	(675)
As at 30 June 2018				
Gross book value	-	217	7,182	7,399
Accumulated depreciation/ amortisation and impairment	-	(134)	(3,611)	(3,745)
Closing net book balance	-	83	3,571	3,654

NATIONAL HEALTH FUNDING BODY

NHFB

Entity Resources and Planned Performance

NATIONAL HEALTH FUNDING BODY

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The role of the National Health Funding Body (NHFB) is to support the obligations and responsibilities of the Administrator of the National Health Funding Pool (the Administrator) by providing transparent and efficient administration of the Commonwealth, State and Territory funding of the Australian public hospital system. The Administrator and the NHFB were created through the Council of Australian Governments National Health Reform Agreement (NHR Agreement) of August 2011. The functions of the Administrator are set out in the *National Health Reform Act 2011* and common provisions in relevant State and Territory legislation.

The functions of the NHFB are to assist the Administrator in:

- calculating and advising the Commonwealth Treasurer of the NHR Agreement funding to be paid by the Commonwealth to each State and Territory for public hospital services, including advice on any reconciliation of amounts paid against actual services provided;
- managing the National Health Funding Pool (the Pool), comprised of a Reserve Bank of Australia account for each State and Territory that receive all Commonwealth and State activity-based hospital funding, and make payments to Local Hospital Networks (LHNs) and other parties;
- overseeing transactions through the National Health Funding Pool using the Administrator's Payments System;
- reporting publicly on NHR Agreement funding and payments made from each Pool account and each State Managed Fund;
- developing the Administrator's rolling *Three Year Data Plan* that details the Administrator's data requirements, standards, and timelines to the Commonwealth, and States and Territories; and
- undertaking Commonwealth funding integrity analysis through data matching by linking hospital activity, Medicare Benefits Schedule and Pharmaceutical Benefits Scheme data.

¹ For more information about the strategic direction of the NHFB, refer to the current Corporate Plan, available at: www.nhfb.gov.au/publications/

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, 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: NHFB Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	1,439	1,451
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	5,844	5,378
s74 retained revenue receipts ^(b)	-	-
Departmental capital budget ^(c)	-	-
Other services ^(d)		
Equity injection	-	-
Total departmental annual appropriations	5,844	5,378
Total departmental resourcing	7,283	6,829
Total resourcing for the NHFB	7,283	6,829
	2017-18	2018-19
Average staffing level (number)	17	21

All figures are GST exclusive.

Prepared on resourcing (i.e. appropriation available) basis.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental Capital Budgets (DCB) are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19.

1.3 BUDGET MEASURES

This section is not applicable to the NHFB.

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 that 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 NHFB's most recent Corporate Plan is available at:
www.nhfb.gov.au/publications

The NHFB's most recent Annual Performance Statement is available at:
www.nhfb.gov.au/publications

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Provide transparent and efficient administration of Commonwealth, State and Territory funding of the Australian public hospital system, and support the obligations and responsibilities of the Administrator of the National Health Funding Pool

Program Contributing to Outcome 1

Program 1.1: National Health Funding Pool Administration

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 2.7: Hospital Services The Department of Health has policy responsibility for public and private hospital services, including the Commonwealth Government funding contribution for public hospital services. This includes policy responsibility for the Administrator and the National Health Funding Body.
The Treasury Program 1.5: Assistance to the States for Healthcare Services The Commonwealth Treasury transfers to the National Health Funding Pool the amount of Commonwealth funding to which each State and Territory (including Local Hospital Networks in each jurisdiction) is entitled, and makes the payments on the dates specified in the Intergovernmental Agreement on Federal Financial Relations.

Budgeted Expenses for the NHFB

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 NHFB

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: National Health Funding Pool Administration					
Departmental expenses					
Departmental appropriation ^(a)	5,844	5,378	5,575	4,260	-
Expenses not requiring appropriation in the budget year ^(b)	92	92	92	92	-
Operating deficit (surplus)	-	-	-	-	-
Total for Program 1.1	5,936	5,470	5,667	4,352	-
Total expenses for Outcome 1	5,936	5,470	5,667	4,352	-
Average staffing level (number)					
	17	21			

^(a) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Planned Performance for the NHFB

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the NHFB

Purpose
To support the obligations and responsibilities of the Administrator by providing transparent and efficient administration of Commonwealth, State and Territory funding of the Australian public hospital system.
Outcome 1
Provide transparent and efficient administration of Commonwealth, State and Territory funding of the Australian public hospital system, and support the obligations and responsibilities of the Administrator of the National Health Funding Pool.
Program 1.1: National Health Funding Pool Administration
The NHFB supports the Administrator of the National Health Funding Pool in paying and distributing Commonwealth and State and Territory funding for public hospitals – responsible for over \$40.0 billion a year. The NHFB ensures that payments from the Funding Pool are made in accordance with directions from the responsible State or Territory Minister, and in line with the National Health Reform Agreement and the Addendum to the National Health Reform Agreement.
Delivery
<p>A. Producing accurate and timely Commonwealth funding contribution calculations</p> <ul style="list-style-type: none"> Calculate the Commonwealth funding contribution. Reconcile the funding entitlement against actual services delivered. The calculations form the Administrator's advice to the Commonwealth Treasurer. <p>B. Achieving best practice financial administration of the National Health Funding Pool (the Pool)</p> <ul style="list-style-type: none"> Develop robust policies and processes to oversee NHR Agreement funding and payments through the Pool. Assist the Administrator to ensure the operation of the Pool is in accordance with directions from the responsible State or Territory Minister. <p>C. Providing effective public hospital funding reporting</p> <ul style="list-style-type: none"> Ensure public reporting requirements under the <i>National Health Reform Act 2011</i> are met. Publish financial statements for the Pool. <p>D. Operating as a compliant agency and developing productive, effective partnerships with stakeholders</p> <ul style="list-style-type: none"> Adhere to good governance and accountability principles. Maintain and strengthen partnerships through collaboration with all stakeholders.

Performance criteria ²		
A. Producing accurate and timely Commonwealth funding contribution calculations		
The Commonwealth funding contribution is accurately calculated and is accepted by the Administrator and informs the basis of advice to the Commonwealth Treasurer.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The 2017-18 and 2018-19 Commonwealth Contribution Models have been developed and accepted by the Administrator to calculate the Commonwealth National Health Reform Agreement funding for each State and Territory.	Current and future year Commonwealth Contribution Models are developed and accepted by the Administrator to calculate the Commonwealth National Health Reform Agreement funding for each State and Territory.	As per 2018-19.
B. Achieving best practice financial administration of the National Health Funding Pool (the Pool)		
Publish documents that will provide expert National Health Reform Agreement implementation policy advice to the Administrator and stakeholders.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Key policy documents will be published to a satisfactory standard, and are on track to be accepted by the Administrator and all jurisdictions. This includes the rolling <i>Three Year Data Plan</i> , accepted by the Council of Australian Governments Health Council, and associated documents that enabled States and Territories to submit all required data.	Timely production of key policy documents to a satisfactory standard to enable acceptance by the Administrator and all jurisdictions. Develop and release policies to provide expert advice on the implementation of the Addendum to the National Health Reform Agreement.	As per 2018-19.

² The National Health Reform Agreement and Addendum secure public hospital funding arrangements until 30 June 2020. The Commonwealth and States and Territories have begun discussions regarding funding arrangements for 1 July 2020 onward.

Develop and implement efficient and robust processes to oversee National Health Reform Agreement funding and payments through the National Health Funding Pool.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
The NHFB and State and Territory Payments System procedures manuals that cover the procedures for the Pool have been reviewed and published. An independent third-party review was completed on the Payments System Internal Control Framework, on behalf of all Auditors-General. The review did not identify any material, systemic control or process weaknesses.		Ensure all payments made in accordance with the authorised Payments System procedures manuals. The independent third-party review of the Payments System Internal Control Framework does not find any material weaknesses and is satisfactory to all Auditors-General. Engage with jurisdictions to enhance data integrity and assurance processes, in line with the Addendum to the National Health Reform Agreement.		As per 2018-19.
National Health Funding Pool operations and payments are in accordance with directions from the responsible State or Territory Minister.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
100%	100%	100%	TBC	TBC

C. Providing effective public hospital funding reporting				
The Annual Report on the operations of the National Health Funding Pool (the Pool) is submitted to each Health Minister for tabling as per the National Health Reform Act 2011.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond)Target		
A single 2016-17 annual report and accompanying financial statements on the operation of the Pool was tabled in the Commonwealth Parliament on 20 October 2017. The annual report included a combined financial statement for the Pool, and financial statements for each State and Territory Pool Account audited by the respective Auditor-General.	Release a single annual report and accompanying financial statements on the operation of the Pool and table in the Commonwealth Parliament. The annual report will include a combined financial statement for the Pool, and financial statements for each State and Territory State Pool Account audited by the respective Auditor-General.	As per 2018-19.		
Financial statements were prepared for each Pool account and received an unqualified audit by the relevant Auditor-General.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
100%	100%	100%	TBC	TBC
Monthly reports of the funding and payments through the Pool and State Managed Funds are produced and published to support the transparency of public hospital funding. ³				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
100%	100%	100%	TBC	TBC

³ This includes a national report, a report for each State and Territory, and a report for each Local Hospital Network.

D. Operating as a compliant agency and developing productive, effective partnerships with stakeholders		
Robust policies and procedures are in place, including ensuring all NHFB values are reflected, and compliant with relevant statutory and legislative requirements.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Policies and procedures are in place, supporting the integrity of the NHFB and the health and wellbeing of staff. These cover governance, performance, controls, risk management, fraud and human resources.</p> <p>All compliance reporting requirements for the NHFB as a non-corporate entity have been met.</p> <p>The 2016-17 NHFB Annual Report was provided to all Health Ministers and the financial statements received an unqualified audit opinion.</p>	<p>Policies and procedures are in place to support the integrity of the NHFB and the health and wellbeing of staff.</p> <p>All compliance reporting requirements for the NHFB as a non-corporate entity are met.</p> <p>The NHFB Annual Report is provided to all Health Ministers and the financial statements receive an unqualified audit opinion.</p>	As per 2018-19.
Maintain and continually strengthen productive partnerships and collaboration with all stakeholders to support the obligations and responsibilities of the Administrator.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
<p>Effective partnerships were maintained through national and bi-lateral collaboration with the Commonwealth, States and Territories, and other national bodies and stakeholder groups.</p> <p>This was achieved through national workshops and meetings in 2017-18.</p>	<p>Effective partnerships are maintained through national and bi-lateral collaboration with the Commonwealth, States and Territories, and other national bodies and stakeholder groups.</p>	As per 2018-19.
Material changes to Program 1.1 resulting from the following measures:		
There are no material changes to Program 1.1 resulting from measures.		

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements that provide a comprehensive snapshot of entity finances for the 2018-19 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 NHFB.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

The NHFB's appropriation revenue is largely in line with its statutory functions and the National Health Reform (NHR) Agreement agreed by the Council of Australian Governments.

The NHFB's departmental appropriation is allocated to fund employees to assist the Administrator and to carry out the NHFB's functions. The remaining departmental appropriation is allocated to fund supplier expenses to support the Administrator's obligations under the NHR Agreement. These expenses support the delivery of monthly and annual statutory reporting, operation of the Payments System, and determination of the Commonwealth health funding as required under the *National Health Reform Act 2011*. The appropriation is also allocated to the review and assurance of data application, and controls over the processes and systems managed by the NHFB.

The NHFB will receive additional funding in 2018-19 of \$1.2 million for work associated with the requirements of the Addendum.

Balance Sheet

The NHFB does not anticipate the purchase of any major assets with the balance sheet largely reflecting the appropriation held to meet employee and supplier provisions and payables.

Cash Flows

Cash flows are consistent with projected income and expenses.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
EXPENSES					
Employee benefits	2,349	2,451	2,455	2,191	-
Supplier expenses	3,587	3,019	3,212	2,161	-
Depreciation and amortisation	-	-	-	-	-
Total expenses	5,936	5,470	5,667	4,352	-
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	-	-	-	-	-
Total revenue	-	-	-	-	-
Gains					
Other	92	92	92	92	-
Total gains	92	92	92	92	-
Total own-source revenue	92	92	92	92	-
Net cost of (contribution by) services	5,844	5,378	5,575	4,260	-
Revenue from Government	5,844	5,378	5,575	4,260	-
Surplus (Deficit)	-	-	-	-	-
Surplus (Deficit) attributable to the Australian Government	-	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income attributable to the Australian Government	-	-	-	-	-
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	-	-	-	-	-
plus non-appropriated expenses depreciation and amortisation expenses	-	-	-	-	-
Total comprehensive income (loss) attributable to the agency	-	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	25	25	25	25	25
Trade and other receivables	1,327	1,339	1,339	1,339	1,339
Total financial assets	1,352	1,364	1,364	1,364	1,364
Non-financial assets					
Intangibles	305	305	305	305	305
Total non-financial assets	305	305	305	305	305
Total assets	1,657	1,669	1,669	1,669	1,669
LIABILITIES					
Payables					
Suppliers	244	244	244	244	244
Other payables	18	18	18	18	18
Total payables	262	262	262	262	262
Provisions					
Employees	607	619	619	619	619
Total provisions	607	619	619	619	619
Total liabilities	869	881	881	881	881
Net Assets	788	788	788	788	788
EQUITY					
Contributed equity	-	-	-	-	-
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	788	788	788	788	788
Total equity	788	788	788	788	788

NHFB

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	-	-	-	-
Surplus (deficit) for the period	788	-	-	788
Capital budget - Bill 1 (DCB)	-	-	-	-
Estimated closing balance as at 30 June 2019	788	-	-	788

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	5,969	5,366	5,575	4,260	-
Net GST received	-	-	-	-	-
Total cash received	5,969	5,366	5,575	4,260	-
Cash used					
Employees	2,337	2,439	2,455	2,191	-
Suppliers	3,495	2,927	3,120	2,069	-
Net GST paid	-	-	-	-	-
Total cash used	5,832	5,366	5,575	4,260	-
Net cash from (or used by) operating activities	137	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	137	-	-	-	-
Total cash used	137	-	-	-	-
Net cash from (or used by) investing activities	(137)	-	-	-	-
FINANCING ACTIVITIES					
Cash received					
Capital budget - Bill 1 (DCB)	-	-	-	-	-
Total cash received	-	-	-	-	-
Net cash from (or used by) financing activities	-	-	-	-	-
Net increase (or decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	25	25	25	25	25
Cash and cash equivalents at the end of the reporting period	25	25	25	25	25

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	-	-	-	-	-
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 by capital appropriation - DCB ^(b)	-	-	-	-	-
Funded internally from departmental resources	137	-	-	-	-
Total acquisitions of non-financial assets	137	-	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	137	-	-	-	-
Total cash used to acquire assets	137	-	-	-	-

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

^(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	-	-	305	305
Accumulated depreciation/ amortisation and impairment	-	-	-	-
Opening net book balance	-	-	305	305
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	-	-	-	-
By purchase - appropriation ordinary annual services	-	-	-	-
Total additions	-	-	-	-
Other movements				
Depreciation/amortisation expense	-	-	-	-
Total other movements	-	-	-	-
As at 30 June 2019				
Gross book value	-	-	305	305
Accumulated depreciation/ amortisation and impairment	-	-	-	-
Closing net book balance	-	-	305	305

NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL

Entity Resources and Planned Performance

NHMRC

NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The National Health and Medical Research Council (NHMRC) is the Australian Government's key entity for managing investment in, and the integrity of, health and medical research. NHMRC is also responsible for developing evidence-based health advice for the Australian community, health professionals and governments, and for promoting the highest standards in health and medical research.

In 2018-19, NHMRC will roll out a new grant program, which is the culmination of extensive consultations with the health and medical research community. It will encourage greater creativity and innovation in research, and provide opportunities for talented researchers at all career stages. In 2018-19, NHMRC will implement new ICT solutions that will complement its new grant program by streamlining grant opportunities and assessment processes, to further reduce red tape for the research community.

NHMRC's work will also facilitate and promote the translation of evidence derived from health and medical research into practices and systems designed to prevent illness and improve public health. NHMRC's guidelines and advice support the States and Territories in achieving consistent standards in public and environmental health and in the detection and prevention of illness. NHMRC will also continue to ensure strategic alignment with the Medical Research Future Fund, including opportunities for future collaborations.

The role and functions of NHMRC are set out in the *National Health and Medical Research Council Act 1992*. NHMRC also has statutory obligations under the *Prohibition of Human Cloning for Reproduction Act 2002* and the *Research Involving Human Embryos Act 2002*. NHMRC is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of NHMRC, refer to the current Corporate Plan, available at: www.nhmrc.gov.au/guidelines-publications/nh173

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, 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: NHMRC Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	11,990	7,831
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	39,005	37,591
s74 retained revenue receipts ^(b)	5,386	6,846
Departmental capital budget ^(c)	171	171
Other services ^(d)		
Equity injection	3,879	250
Total departmental annual appropriations	48,441	44,858
Total departmental resourcing for NHMRC	60,431	52,689

Table 1.1: NHMRC Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018 (continued)

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
ADMINISTERED		
Prior year appropriation available	198,460	185,770
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	883,632	882,753
Other services ^(d)		
Administered assets and liabilities	-	-
Total administered annual appropriations	883,632	882,753
Special Accounts ^(e)		
Appropriation receipts	817,990	829,324
Appropriation receipts - other entities ^(f)	-	-
Non-appropriation receipts	11,000	11,000
Total Special Accounts	828,990	840,324
Total administered resourcing	1,911,082	1,908,847
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts ^(g)	(817,990)	(829,324)
Total administered resourcing	1,093,092	1,079,523
Total resourcing for NHMRC	1,153,523	1,132,212
	2017-18	2018-19
Average staffing level (number)	177	180

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental capital budgets (DCB) are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details.

For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19 and Appropriation Bill/Act (No. 2, 4, 6) 2017-18.

^(e) For further information on special appropriations and special accounts, refer to *Budget Paper No. 4 - Agency Resourcing*. Also see Table 2.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.

^(f) Appropriation receipts from the Department of Health.

^(g) Appropriation receipts included above.

1.3 BUDGET MEASURES

This section is not applicable to the NHMRC.

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 that 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.

NHMRC's most recent Corporate Plan is available at:
www.nhmrc.gov.au/guidelines-publications/nh173

NHMRC's most recent Annual Performance Statement is available at:
www.nhmrc.gov.au/guidelines-publications/nh1754

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Improved health and medical knowledge, including through funding research, translating research findings into evidence-based clinical practice, administering legislation governing research, issuing guidelines and advice for ethics in health and the promotion of public health

Program Contributing to Outcome 1

Program 1.1: Health and Medical Research

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 has policy responsibility for health and medical research through the Medical Research Future Fund, which will support the sustainability of the health system into the future, and drive further medical innovation.

Budgeted Expenses for NHMRC

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 NHMRC

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Health and Medical Research					
Administered expenses					
Ordinary annual services ^(a)	883,632	882,753	854,712	867,532	880,545
to Medical Research Endowment Account	(817,990)	(829,324)	(842,766)	(855,407)	(868,238)
Special Accounts					
Medical Research Endowment Account	853,091	844,199	844,732	863,136	878,490
Departmental expenses					
Departmental appropriation ^(b)	44,391	44,437	42,646	41,827	41,192
Expenses not requiring appropriation in the Budget year ^(c)	3,418	2,708	2,708	2,708	2,708
Operating deficit (surplus)	-	-	-	-	-
Total for Program 1.1	966,542	944,773	902,032	919,796	934,697
Total expenses for Outcome 1	966,542	944,773	902,032	919,796	934,697

	2017-18	2018-19
Average staffing level (number)	177	180

^(a) Appropriation (Bill No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.

^(b) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(c) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Movement of Funds

There were no movements of Administered funds between years.

Planned Performance for NHMRC

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for NHMRC

Purpose
To fund high quality health and medical research and build research capability, support the translation of health and medical research into better health outcomes and promote the highest standards of ethics and integrity in health and medical research.
Outcome 1
Improved health and medical knowledge, including through funding research, translating research findings into evidence-based clinical practice, administering legislation governing research, issuing guidelines and advice for ethics in health and the promotion of public health.
Program 1.1: Health and Medical Research
The Australian Government, through NHMRC, will continue to invest in innovative health and medical research that is undertaken within a framework focused on promoting quality, integrity and ethics. The knowledge created will contribute to addressing national health priorities with the aim of improving health care and the health status of all Australians. In 2018-19, NHMRC will begin the rollout of its new grant program to fund high quality research to achieve the best quality health outcomes, while reducing the burden on applicants and reviewers.
Delivery
<p>A. Investment</p> <ul style="list-style-type: none"> Support research across the four pillars of health research: biomedical, clinical, public health and health services research. Fund the highest quality research and researchers. Continue funding of research and capacity building to support better health outcomes for Aboriginal and Torres Strait Islander peoples. Continue to boost Australia's dementia research capacity and fund priority research and translation into prevention, better diagnosis, treatment and care for people with dementia. <p>B. Translation</p> <ul style="list-style-type: none"> Support leadership in research and evidence-based health care through the designation and promotion of Advanced Health Research and Translation Centres and Centres for Innovation in Regional Health. Facilitate and promote the translation of evidence derived from health and medical research into practices, policies and systems designed to prevent illness and improve public health. <p>C. Integrity</p> <ul style="list-style-type: none"> In partnership with the Australian Research Council and Universities Australia, finalise and release the <i>Australian Code for the Responsible Conduct of Research</i>, to ensure it reflects best practice in ethics and integrity, and develop other supporting guides. Administer the <i>Research Involving Human Embryos Act 2002</i> and the <i>Prohibition of Human Cloning for Reproduction Act 2002</i>, which prohibits certain practices, including human cloning for reproduction and restrict other practices relating to reproductive technology and research.

Performance criteria				
A. Investment				
Increase research on dementia and its translation into policy and practice.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
Two additional grant rounds were opened between July 2017 and February 2018 to support priority research projects. In addition, outcomes for three grant rounds were announced.	Synthesise outcomes from dementia research to inform improved treatments and care for people with dementia.	As per 2018-19.		
Citation rate of journal articles resulting from NHMRC funded research. ^{2,3}				
2017-18 Estimated result	2019-20 Target	2022-23 (& beyond) Target		
>160% of the average citation rate of all journal articles published worldwide.	>150% of the average citation rate of all journal articles published worldwide.	As per 2019-20.		
Support research that will provide better health outcomes for Aboriginal and Torres Strait Islander peoples, through percentage of annual research budget expenditure on Indigenous health research.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
6%	>5%	>5%	>5%	>5%
C. Integrity				
Release the revised <i>Australian Code for the Responsible Conduct of Research (Code)</i> and monitor implementation.				
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target		
Revised Code released.	Support Administering Institutions with implementation of the Code.	At least 80% of Administering Institutions report implementation of the Code.		
Material changes to Program 1.1 resulting from the following measures:				
There are no material changes to Program 1.1 resulting from measures.				

² This is a triennial measure.

³ Bibliographic citations are the referencing of a journal article in a subsequent journal article, indicating some scientific impact of the original work. The citation rate of journal articles resulting from NHMRC funded research (above) is shown as a proportion of the world citation average, which is determined by dividing the total number of citations by the total number of journal articles published in the world in the same time period. In this measure, the world average, based on publications and citation data available in the Web of Science database, is set to 100%, which means publications are achieving citations as would be expected for that subject area during the specified time period. Therefore, a value of 150%, for example, indicates a citation impact of 50% higher than the world average for similar research worldwide.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 NHMRC.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement (showing net cost of services)

Revenue and expenditure for 2018-19 is expected to be in line with Government forecasts, with Employee expenses to be 48 per cent of total expenditure.

Balance Sheet

Assets and Liabilities are expected to remain stable across the Budget and forward years.

Administered Resources

The Administered accounts are used as a mechanism to transfer the majority of funds to NHMRC's Special Account (Medical Research Endowment Account). In 2018-19 the transfer to the Special Account is expected to be \$829 million.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
EXPENSES					
Employee benefits	22,025	22,400	22,523	22,150	22,400
Supplier expenses	23,384	22,145	20,231	19,785	18,900
Depreciation and amortisation	2,400	2,600	2,600	2,600	2,600
Total expenses	47,809	47,145	45,354	44,535	43,900
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	5,386	6,846	5,124	5,107	4,356
Total revenue	5,386	6,846	5,124	5,107	4,356
Gains					
Other	1,018	108	108	108	108
Total gains	1,018	108	108	108	108
Total own-source income	6,404	6,954	5,232	5,215	4,464
Net cost of (contribution by) services	41,405	40,191	40,122	39,320	39,436
Revenue from Government	39,005	37,591	37,522	36,720	36,836
Surplus (deficit)	(2,400)	(2,600)	(2,600)	(2,600)	(2,600)
Surplus (deficit) attributable to the Australian Government	(2,400)	(2,600)	(2,600)	(2,600)	(2,600)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(2,400)	(2,600)	(2,600)	(2,600)	(2,600)
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(2,400)	(2,600)	(2,600)	(2,600)	(2,600)
plus non-appropriated expenses depreciation and amortisation expenses	2,400	2,600	2,600	2,600	2,600
Total comprehensive income (loss) attributable to the agency	-	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	524	524	524	524	524
Receivables	8,148	7,089	5,739	5,739	5,739
Total financial assets	8,672	7,613	6,263	6,263	6,263
Non-financial assets					
Property, plant and equipment	4,012	2,783	2,904	1,682	461
Inventories	193	193	193	193	193
Intangibles	9,408	9,388	8,438	7,238	6,038
Other	1,157	1,157	1,157	1,157	1,157
Total non-financial assets	14,770	13,521	12,692	10,270	7,849
Total assets	23,442	21,134	18,955	16,533	14,112
LIABILITIES					
Payables					
Suppliers	1,838	1,828	1,828	1,828	1,828
Other payables	2,296	2,271	2,271	2,271	2,271
Total payables	4,134	4,099	4,099	4,099	4,099
Provisions					
Employees	6,012	5,918	5,918	5,918	5,918
Total provisions	6,012	5,918	5,918	5,918	5,918
Total liabilities	10,146	10,017	10,017	10,017	10,017
Net Assets	13,296	11,117	8,938	6,516	4,095
EQUITY					
Contributed equity	15,825	16,246	16,667	16,845	17,024
Retained surpluses or accumulated deficits	(2,529)	(5,129)	(7,729)	(10,329)	(12,929)
Total equity	13,296	11,117	8,938	6,516	4,095

NHMRC

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(2,529)	-	15,825	13,296
Surplus (deficit) for the period	(2,600)	-	-	(2,600)
Appropriation (equity injection)	-	-	250	250
Capital budget - Bill 1 (DCB)	-	-	171	171
Other movements	-	-	-	-
Estimated closing balance as at 30 June 2019	(5,129)	-	16,246	11,117

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	5,386	6,846	5,124	5,107	4,356
Appropriations	43,164	38,650	38,872	36,720	36,836
Net GST received	1,500	1,500	1,500	1,500	1,500
Total cash received	50,050	46,996	45,496	43,327	42,692
Cash used					
Employees	21,801	22,519	22,523	22,150	22,400
Suppliers	23,917	23,547	22,973	21,177	20,292
Total cash used	45,718	46,066	45,496	43,327	42,692
Net cash from (or used by) operating activities	4,332	930	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	8,382	1,351	421	178	179
Total cash used	8,382	1,351	421	178	179
Net cash from (or used by) investing activities	(8,382)	(1,351)	(421)	(178)	(179)
FINANCING ACTIVITIES					
Cash received					
Equity injections - Bill 2	3,879	250	250	-	
Capital budget - Bill 1 (DCB)	171	171	171	178	179
Total cash received	4,050	421	421	178	179
Net cash from (or used by) financing activities	4,050	421	421	178	179
Net increase (or decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	524	524	524	524	524
Cash and cash equivalents at the end of the reporting period	524	524	524	524	524

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	3,879	250	250	-	-
Capital budget - Bill 1 (DCB)	171	171	171	178	179
Total capital appropriations	4,050	421	421	178	179
Total new capital appropriations represented by:					
Purchase of non-financial assets	4,050	421	421	178	179
Total items	4,050	421	421	178	179
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	3,879	250	250	-	-
Funded by capital appropriation - DCB ^(b)	171	171	171	178	179
Funded internally from departmental resources	4,332	930	-	-	--
Total acquisitions of non-financial assets	8,382	1,351	421	178	179
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	8,382	1,351	421	178	179
Total cash used to acquire assets	8,382	1,351	421	178	179

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

^(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	-	7,613	17,546	25,159
Accumulated depreciation/ amortisation and impairment	-	(3,601)	(8,138)	(11,739)
Opening net book balance	-	4,012	9,408	13,420
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services	-	171	250	421
By purchase - internal resources	-	-	930	930
Total additions	-	171	1,180	1,351
Other movements				
Depreciation/amortisation expense	-	(1,400)	(1,200)	(2,600)
Total other movements	-	(1,400)	(1,200)	(2,600)
As at 30 June 2019				
Gross book value	-	7,784	18,726	26,510
Accumulated depreciation/ amortisation and impairment	-	(5,001)	(9,338)	(14,339)
Closing net book balance	-	2,783	9,388	12,171

Table 3.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants - MREA	853,091	844,199	844,732	863,136	878,490
Grants - dementia	40,000	40,000	-	-	-
Suppliers	25,642	13,429	11,946	12,125	12,307
Total expenses administered on behalf of Government	918,733	897,628	856,678	875,261	890,797
REVENUES ADMINISTERED ON BEHALF OF GOVERNMENT					
Sales of Good and Services	3,000	3,000	3,000	3,000	3,000
Recoveries	5,000	5,000	5,000	5,000	5,000
Other non-tax revenue	3,000	3,000	3,000	3,000	3,000
Total income administered on behalf of Government	11,000	11,000	11,000	11,000	11,000

MREA = Medical Research Endowment Account.

Table 3.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	185,777	181,617	190,348	193,324	193,324
Receivables	1,883	1,883	1,883	1,883	1,883
Total financial assets	187,660	183,500	192,231	195,207	195,207
Total assets administered on behalf of Government	187,660	183,500	192,231	195,207	195,207
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Grants	2,949	2,949	2,949	2,949	2,949
Other	238	238	238	238	238
Total payables	3,187	3,187	3,187	3,187	3,187
Total liabilities administered on behalf of Government	3,187	3,187	3,187	3,187	3,187

Table 3.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sales of Goods and Services	3,000	3,000	3,000	3,000	3,000
Cash received - other	8,000	8,000	8,000	8,000	8,000
Net GST received	26,000	26,000	26,000	26,000	26,000
Total cash received	37,000	37,000	37,000	37,000	37,000
Cash used					
Grant payments - MREA	841,673	844,484	845,035	863,431	879,238
Grant payments – Boosting Dementia Research Initiative	40,000	40,000	-	-	-
Suppliers	25,642	13,429	11,946	12,125	12,307
Net GST paid	26,000	26,000	26,000	26,000	26,000
Total cash used	933,315	923,913	882,981	901,556	917,545
Net cash from (or used by) operating activities	(896,315)	(886,913)	(845,981)	(864,556)	(880,545)
Net increase (or decrease) in cash held	(896,315)	(886,913)	(845,981)	(864,556)	(880,545)
Cash at beginning of reporting period	198,460	185,777	181,617	190,348	193,324
Cash from Official Public Account for: - appropriations	883,632	882,753	854,712	867,532	880,545
Cash at end of reporting period	185,777	181,617	190,348	193,324	193,324

MREA = Medical Research Endowment Account.

NATIONAL MENTAL HEALTH COMMISSION

Entity Resources and Planned Performance

NMHC

NATIONAL MENTAL HEALTH COMMISSION

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government is committed to delivering an efficient, integrated and sustainable mental health system to improve mental health outcomes for Australians and help prevent suicide.

The National Mental Health Commission (NMHC) supports the Australian Government through the provision of insight, advice and evidence on ways to continuously improve Australia's mental health and suicide prevention systems, and acts as a catalyst for change to achieve those improvements. This includes increasing accountability and transparency in mental health through the provision of independent reports and advice to the Australian Government and the community. The NMHC provides cross-sectoral leadership on the policy, programs, services and systems that support better mental health and social and emotional wellbeing in Australia.

The NMHC works with stakeholders—particularly people with lived experience of mental health, their families and other support people—to ensure reforms are collectively owned and actioned. The NMHC acknowledges that engaging stakeholders and facilitating meaningful participation is essential to achieving transformational change.

The NMHC recognises Aboriginal and Torres Strait Islander mental health and social and emotional wellbeing as a priority that sits across all of our work.

The NMHC will facilitate collaboration across all sectors to promote mental health and prevent mental illness and suicide. This includes health, housing, human services, income support, justice, education, employment, defence, veteran's affairs, and the broader system to maximise outcomes and integrate service provision.

The NMHC is an executive agency established on 1 January 2012 under the *Public Service Act 1999* and is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of the NMHC, refer to the current Corporate Plan, available at: www.mentalhealthcommission.gov.au/about-us/our-documents.aspx

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, 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: NMHC Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	859	2,702
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	2,712	5,693
s74 retained revenue receipts ^(b)	1,200	2,050
Departmental capital budget ^(c)	24	24
Other services ^(d)		
Equity injection	-	150
Total departmental annual appropriations	3,936	7,917
Total departmental resourcing	4,795	10,619
ADMINISTERED		
Prior year appropriation available	122	122
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	3,726	3,785
Other services ^(d)		
Administered assets and liabilities	-	-
Total administered annual appropriations	3,726	3,785
Total administered resourcing	3,848	3,907
Total resourcing for NHMC	8,643	14,526
	2017-18	2018-19
Average staffing level (number)	20	26

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental Capital Budgets (DCB) are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19.

1.3 BUDGET MEASURES

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

Table 1.2: NMHC 2018-19 Budget Measures

Program		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Prioritising Mental Health - strengthening the National Mental Health Commission						
National Mental Health Commission						
Departmental expenses	1.1	-	3,000	3,002	3,019	3,039
Departmental capital		-	150	-	-	200
Total		-	3,150	3,002	3,019	3,239

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 that 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 NMHC's most recent Corporate Plan is available at:
www.mentalhealthcommission.gov.au/about-us/our-documents.aspx

The NMHC's most recent Annual Performance Statement is available at:
www.mentalhealthcommission.gov.au/about-us/our-documents.aspx

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Provide expert advice to the Australian Government and cross-sectoral leadership on the policy, programs, services and systems that support mental health in Australia, including through administering the Annual National Report Card on Mental Health and Suicide Prevention, undertaking performance monitoring and reporting, and engaging consumers and carers

Program Contributing to Outcome 1

Program 1.1: National Mental Health Commission

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 2.1: Mental Health The Department of Health has strategic policy responsibility for developing a more efficient, integrated and sustainable mental health system.

Budgeted Expenses for the NMHC

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 NMHC

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: National Mental Health Commission					
Administered expenses					
Ordinary annual services ^(a)	3,726	3,785	3,849	3,922	3,992
Departmental expenses					
Departmental appropriation ^(b)	3,912	7,743	5,694	5,724	5,759
Expenses not requiring appropriation in the Budget year ^(c)	38	108	108	108	108
Operating deficit (surplus)	-	-	-	-	-
Total for Program 1.1	7,676	11,636	9,651	9,754	9,859
Total expenses for Outcome 1	7,676	11,636	9,651	9,754	9,859

	2017-18	2018-19
Average staffing level (number)	20	26

^(a) Appropriation (Bill No. 1) 2018-19.

^(b) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(c) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Movement of Funds

There were no movements of Administered funds between years.

Planned Performance for the NMHC

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the NMHC

Purpose
To provide insight, advice and evidence on ways to continuously improve Australia's mental health and suicide prevention systems and act as a catalyst for change to achieve those improvements.
Outcome 1
Provide expert advice to the Australian Government and cross-sectoral leadership on the policy, programs, services and systems that support mental health in Australia, including through administering the Annual National Report Card on Mental Health and Suicide Prevention, undertaking performance monitoring and reporting, and engaging consumers and carers.
Program 1.1: National Mental Health Commission
The Australian Government, through the NMHC continues to increase accountability and transparency in mental health and suicide prevention through independent reporting and the provision of advice to the Australian Government and the community. The NMHC continues to lead projects that improve the policy, programs, services and systems that support mental wellbeing and suicide prevention in Australia.
Delivery
<p>A. Reporting on national progress to improve mental health and prevent suicide</p> <ul style="list-style-type: none"> Publically release the annual National Report on Mental Health and Suicide Prevention outcomes, ensuring a cross-sectoral perspective is taken where possible. Monitor performance on mental health reform across Australia, with benchmarking against agreed indicators and targets, where possible. <p>B. Improving system accountability, evidence and results</p> <ul style="list-style-type: none"> Provide mental health and suicide prevention policy advice to the Australian Government, developed in collaboration with consumers and carers and in consultation with stakeholders. Initiate research reports, discussion and policy papers to inform key policy or service delivery issues. Promote consumer and career engagement and participation in the mental health system.

Performance criteria		
A. Reporting on national progress to improve mental health and prevent suicide		
Prepare and disseminate the National Report on Mental Health and Suicide Prevention.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
The 2017 National Report on Mental Health and Suicide Prevention was published on 22 December 2017.	The 2018 National Report on Mental Health and Suicide Prevention will be published by 31 December 2018.	The National Report on Mental Health and Suicide Prevention is published annually.
B. Improving system accountability, evidence and results		
Undertake research, analysis and evaluation on key national mental health priorities.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Evidence-based advice is available to inform improvements in policy, programs, services and systems that support mental health and suicide prevention.	Evidence-based advice will be available to inform improvements in policy, programs, services and systems that support mental health and suicide prevention.	As per 2018-19.
Promote consumer and carer engagement and participation in the mental health system.		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
Opportunities for engagement and participation by consumers and carers in the mental health system have increased.	Increased opportunities for engagement and participation by consumers and carers in the mental health system.	As per 2018-19.
Material changes to Program 1.1 resulting from the following measures:		
There are no material changes to Program 1.1 resulting from measures.		

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 NMHC.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

Revenue from Government increases from 2017-18 to 2018-19 to around \$5.7 million per annum.

Balance Sheet

The NMHC assets increase in 2018-19 when compared to 2017-18.

Administered Resources

Schedule of budgeted income and expense administered on behalf of Government

Administered funding for NMHC programs will continue in 2018-19. Expenses administered on behalf of Government will remain stable from 2017-18 to 2018-19 at around \$3.7 million per annum with a slight increase over forward years.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
EXPENSES					
Employee benefits	2,972	3,507	3,508	3,518	3,569
Supplier expenses	965	4,261	2,211	2,231	2,215
Depreciation and amortisation	13	83	83	83	83
Total expenses	3,950	7,851	5,802	5,832	5,867
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	1,200	2,050	-	-	-
Total revenue	1,200	2,050	-	-	-
Gains					
Other	25	25	25	25	25
Total gains	25	25	25	25	25
Total own-source income	1,225	2,075	25	25	25
Net cost of (contribution by) services	2,725	5,776	5,777	5,807	5,842
Revenue from Government	2,712	5,693	5,694	5,724	5,759
Surplus (deficit)	(13)	(83)	(83)	(83)	(83)
Surplus (deficit) attributable to the Australian Government	(13)	(83)	(83)	(83)	(83)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income attributable to the Australian Government	(13)	(83)	(83)	(83)	(83)
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(13)	(83)	(83)	(83)	(83)
plus non-appropriated expenses depreciation and amortisation expenses	13	83	83	83	83
Total comprehensive income (loss) attributable to the agency	-	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	470	470	470	470	470
Receivables	2,302	252	252	252	252
Total financial assets	2,772	722	722	722	722
Non-financial assets					
Land and buildings	4	4	4	4	4
Property, plant and equipment	1,568	1,659	1,600	1,541	1,682
Intangibles	-	-	-	-	-
Other	25	25	25	25	25
Total non-financial assets	1,597	1,688	1,629	1,570	1,711
Total assets	4,369	2,410	2,351	2,292	2,433
LIABILITIES					
Payables					
Suppliers	11	11	11	11	11
Employees	43	43	43	43	43
Other payables	3,376	1,326	1,326	1,326	1,326
Total payables	3,430	1,380	1,380	1,380	1,380
Provisions					
Employees	232	232	232	232	232
Other provisions	56	56	56	56	56
Total provisions	288	288	288	288	288
Total liabilities	3,718	1,668	1,668	1,668	1,668
Net Assets	651	742	683	624	765
EQUITY					
Contributed equity	308	482	506	530	754
Reserves	-	-	-	-	-
Retained surpluses or accumulated deficits	343	260	177	94	11
Total equity	651	742	683	624	765

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	343	-	308	651
Surplus (deficit) for the period	(83)	-	-	(83)
Capital budget - Bill 1 (DCB)	-	-	150	150
Equity injections - Bill 2	-	-	24	24
Estimated closing balance as at 30 June 2019	260	-	482	742

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	869	7,743	5,694	5,724	5,759
Sale of goods and rendering of services	3,250	-	-	-	-
Other					
Total cash received	4,119	7,743	5,694	5,724	5,759
Cash used					
Employees	1,972	3,507	3,508	3,518	3,569
Suppliers	1,941	4,236	2,186	2,206	2,190
GST paid	-	-	-	-	-
Total cash used	3,913	7,743	5,694	5,724	5,759
Net cash from (or used by) operating activities	206	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	230	174	24	24	224
Total cash used	230	174	24	24	224
Net cash from (or used by) investing activities	(230)	(174)	(24)	(24)	(224)
FINANCING ACTIVITIES					
Cash received					
Capital budget - Bill 1 (DCB)	24	174	24	24	224
Equity injections - Bill 2	-	-	-	-	-
Total cash received	24	174	24	24	224
Net cash from (or used by) financing activities	24	174	24	24	224
Net increase (or decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	470	470	470	470	470
Cash and cash equivalents at the end of the reporting period	470	470	470	470	470

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	24	24	24	24	24
Equity injections - Bill 2	-	150	-	-	200
Total capital appropriations	24	174	24	24	224
Total new capital appropriations represented by:					
Purchase of non-financial assets	24	24	24	24	224
Total items	24	24	24	24	224
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	150	150	-	-	200
Funded by capital appropriation - DCB ^(b)	80	24	24	24	24
Funded internally from departmental resources	1,326	-	-	-	-
Total acquisitions of non-financial assets	1,556	174	24	24	224
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,556	174	24	24	224
Less additions by finance lease	1,326				
Total cash used to acquire assets	230	174	24	24	224

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

^(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	13	1,603	24	1,640
Accumulated depreciation/ amortisation and impairment	(9)	(35)	(24)	(68)
Opening net book balance	4	1,568	-	1,572
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services	-	174	-	174
Total additions	-	174	-	174
Other movements				
Depreciation/amortisation expense	-	(83)	-	(83)
Total other movements	-	(83)	-	(83)
As at 30 June 2019				
Gross book value	13	1,777	24	1,814
Accumulated depreciation/ amortisation and impairment	(9)	(118)	(24)	(151)
Closing net book balance	4	1,659	-	1,663

Table 3.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Supplier expenses	3,726	3,785	3,849	3,922	3,992
Total expenses administered on behalf of Government	3,726	3,785	3,849	3,922	3,992

Table 3.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	122	122	122	122	122
Receivables	108	108	108	108	108
Total financial assets	230	230	230	230	230
Total assets administered on behalf of Government	230	230	230	230	230
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	1,028	1,028	1,028	1,028	1,028
Total payables	1,028	1,028	1,028	1,028	1,028
Total liabilities administered on behalf of Government	1,028	1,028	1,028	1,028	1,028

Table 3.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
GST received	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Grant payments	-	-	-	-	-
Suppliers	3,726	3,785	3,849	3,922	3,992
GST paid	-	-	-	-	-
Total cash used	3,726	3,785	3,849	3,922	3,992
Net cash from (or used by) operating activities	(3,726)	(3,785)	(3,849)	(3,922)	(3,992)
Net increase (or decrease) in cash held	(3,726)	(3,785)	(3,849)	(3,922)	(3,992)
Cash at beginning of reporting period	122	122	122	122	122
Cash from Official Public Account for:					
- appropriations	3,726	3,785	3,849	3,922	3,992
Cash to the Official Public Account	-	-	-	-	-
Cash at end of reporting period	122	122	122	122	122

ORGAN AND TISSUE AUTHORITY

Entity Resources and Planned Performance

OTA

ORGAN AND TISSUE AUTHORITY

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government's national program to improve opportunities for transplantation through increased organ and tissue donation was endorsed by the Council of Australian Governments on 3 July 2008.

The Australian Organ and Tissue Donation and Transplantation Authority, also known as the Organ and Tissue Authority (OTA), works to implement the national program in partnership with: the DonateLife Network; States and Territories; the donation and transplantation clinical sectors; eye and tissue banks; and the community.

Australia's national reform program is implemented within the context of clear international commitments and statements by the World Health Organization relating to the obligation of governments to be accountable and responsible for implementing safe, ethical and effective organ and tissue donation and transplantation systems.

All State and Territory health ministers are committed to increasing Australia's organ and tissue donation rates by proactively promoting organ and tissue donations and committing to effectively managing downstream services including tissue typing, retrieval surgery and transplantation services.

National organ donation targets and projected donation growth trajectories have been agreed by State and Territory health ministers to the end of 2018. Work has commenced to inform the modelling of donation potential and growth post-2018. This work is critical to ensuring that all transplant opportunities presented by increased donation rates are realised.

In 2018-19, the OTA will focus on the following four key areas, ensuring organ and tissue donation is delivered on a collaborative basis throughout Australia:

- Increasing the number of donors.
- Improving consent rates.
- Delivering high quality care to donors and their families.
- Enhancing systems to support organ and tissue donation and transplantation.

The OTA is a statutory authority established by the *Australian Organ and Tissue Donation and Transplantation Authority Act 2008*. The Act sets out the primary functions of the OTA, the responsibilities of the OTA Board (established 1 July 2017), and the Chief Executive Officer.

The OTA is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of the OTA, refer to the current Corporate Plan, available at: www.donatelife.gov.au/corporate-plan

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, 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: OTA Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	1,850	1,850
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	5,453	5,461
s74 retained revenue receipts ^(b)	-	-
Departmental capital budget ^(c)	251	249
Other services ^(d)		
Equity injection	-	-
Total departmental annual appropriations	5,704	5,710
Total departmental resourcing	7,554	7,560
ADMINISTERED		
Prior year appropriation available	90	90
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	42,116	43,148
Total administered annual appropriations	42,116	43,148
Total administered resourcing	42,206	43,238
Total resourcing for OTA	49,760	50,798
	2017-18	2018-19
Average staffing level (number)	27	28

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental Capital Budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19.

1.3 BUDGET MEASURES

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

Table 1.2: OTA 2018-19 Budget Measures

Program		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Increasing Awareness of Organ Donation - partnerships						
Australian Organ and Tissue Donation and Transplantation Authority						
Administered expenses	1.1	-	400	-	-	-
Total		-	400	-	-	-

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 that 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 OTA's most recent Corporate Plan is available at:
www.donatelife.gov.au/corporate-plan

The OTA's most recent Annual Performance Statement is available at:
www.donatelife.gov.au/annual-reports

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Improved access to organ and tissue transplants, including through a nationally coordinated and consistent approach and system

Program Contributing to Outcome 1

Program 1.1: A Nationally Coordinated System for Organ and Tissue Donation for Transplantation

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 has policy responsibility for organ and tissue donation for transplantation, including the Australian Organ Donor Register, administration of the Supporting Living Organ Donors Program, national approaches around access to organ donation and transplantation services and emerging national and international issues.
Department of Human Services Program 1.2: Services to the Community – Health The Department of Human Services administers the Australian Organ Donor Register on behalf of the Department of Health.

Budgeted Expenses for the OTA

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 OTA

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: A Nationally Coordinated System for Organ and Tissue Donation for Transplantation					
Administered expenses					
Ordinary annual services ^(a)	42,116	43,148	43,432	44,171	44,878
Departmental expenses					
Departmental appropriation ^(b)	5,453	5,461	5,341	5,378	5,411
Expenses not requiring appropriation in the Budget year ^(c)	405	515	556	556	556
Operating loss	-	-	-	-	-
Total for Program 1.1	47,974	49,124	49,329	50,105	50,845
Total expenses for Outcome 1	47,974	49,124	49,329	50,105	50,845
Average staffing level (number)					
	27	28			

^(a) Appropriation Bill (No. 1) 2018.-19.

^(b) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(c) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Movement of Funds

There were no movements of Administered funds between years.

Planned Performance for the OTA

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the OTA

Purpose
To save and improve the lives of more Australians through optimising every potential organ and tissue donation for transplantation.
Outcome 1
Improved access to organ and tissue transplants, including through a nationally coordinated and consistent approach and system.
Program 1.1: A Nationally Coordinated System for Organ and Tissue Donation for Transplantation
The Australian Government aims to deliver a nationally coordinated leading practice approach to organ and tissue donation for transplantation, in collaboration with the States and Territories, clinicians and the community.
Delivery
<p>A. Increasing the capability and capacity within the health system to maximise donation and transplantation rates</p> <ul style="list-style-type: none"> Implement Phase 3 of the Clinical Practice Improvement Program in all DonateLife Network hospitals. The program identifies elements of clinical strategic focus with associated key performance indicators that are integral to achieving best practice organ and tissue donation in intensive care units and emergency departments. Expand and enhance the performance measurement and reporting framework for the donation and transplantation sectors to inform nationally consistent evidence-based best practice. Collaborate with States and Territories to ensure the health system has the capacity and capability to support future growth and sustainability of donation and transplantation outcomes. Deliver, in partnership with the Australian Red Cross Blood Service, the Australian organ matching system, known as OrganMatch by 30 June 2019 to maximise equity of access and clinical outcomes for transplant recipients in Australia. <p>B. Raising community awareness and stakeholder engagement across Australia to promote organ and tissue donation</p> <ul style="list-style-type: none"> Continue to educate the Australian community about the importance of registering on the Australia Organ Donor Register and sharing this decision with their family. This includes working with our national community, corporate and sporting partners to promote and normalise organ and tissue donation through their engagement with the community.

Performance criteria ²				
A. Increasing the capability and capacity within the health system to maximise donation and transplantation rates				
Deceased organ donors per million population.				
2017 Result	2018 Target	2019 Target	2020 Target	2021 Target
20.7	≥25	Not available ³	Not available	Not available
Rate of consent to organ donation.				
2017 Result	2018 Target	2019 Target	2020 Target	2021 Target
59%	≥70%	Not available	Not available	Not available
B. Raising community awareness and stakeholder engagement across Australia to promote organ and tissue donation				
Through community education and awareness, increase the number of registrations on the Australian Organ Donor Register.				
2017 Result		2018 Target	2019 (& beyond) Target	
159,365 new registrations on the Australian Organ Donor Register.		10% increase on the number of new annual registrations on the Australian Organ Donor Register from 2017.	10% increase on the number of new annual registrations on the Australian Organ Donor Register from the previous year.	
Material changes to Program 1.1 resulting from the following measures:				
There are no material changes to Program 1.1 resulting from measures.				

² Performance criteria are reported by calendar year to align with Australian and international donation and performance reporting practice.

³ Targets are endorsed by the Council of Australian Governments to 2018 only.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 OTA.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Departmental resources remain consistent with 2017-18 estimated actuals. The OTA is budgeting an operating loss in 2018-19 reflecting unfunded depreciation.

Administered Resources

The OTA administers funds associated with the delivery of the Australian Government's national program to implement a world's best practice approach to organ and tissue donation for transplantation. Funding is provided to Jurisdictions to deliver organ and tissue donation services in selected public and private hospitals. State and Territory Governments use these funds to employ specialised clinical staff – the DonateLife Network to deliver organ and tissue donation services.

In 2018-19 the OTA has forecast Administered expenses of \$43.148 million. Expenses administered on behalf of Government will remain stable with a slight increase in the forward years.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
EXPENSES					
Employee benefits	3,666	3,706	3,772	3,824	3,819
Supplier expenses	1,857	1,830	1,644	1,629	1,667
Depreciation and amortisation	335	440	481	481	481
Total expenses	5,858	5,976	5,897	5,934	5,967
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	-	-	-	-	-
Other	-	-	-	-	-
Total revenue	-	-	-	-	-
Gains					
Other	70	75	75	75	75
Total gains	70	75	75	75	75
Total own-source income	70	75	75	75	75
Net cost of (contribution by) services	5,788	5,901	5,822	5,859	5,892
Revenue from Government	5,453	5,461	5,341	5,378	5,411
Surplus (deficit)	(335)	(440)	(481)	(481)	(481)
Surplus (deficit) attributable to the Australian Government	(335)	(440)	(481)	(481)	(481)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	(335)	(440)	(481)	(481)	(481)
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(335)	(440)	(481)	(481)	(481)
plus non-appropriated expenses depreciation and amortisation expenses	335	440	481	481	481
Total comprehensive income (loss) attributable to the agency	-	-	-	-	-

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	112	112	112	112	112
Receivables	1,788	1,788	1,788	1,788	1,788
Total financial assets	1,900	1,900	1,900	1,900	1,900
Non-financial assets					
Land and buildings	208	146	183	130	67
Property, plant and equipment	138	134	146	141	104
Intangibles	1,040	915	635	475	357
Other	47	47	47	47	47
Total non-financial assets	1,433	1,242	1,011	793	575
Total assets	3,333	3,142	2,911	2,693	2,475
LIABILITIES					
Payables					
Suppliers	187	187	187	187	187
Other payables	188	188	188	188	188
Total payables	375	375	375	375	375
Provisions					
Employees	845	845	845	845	845
Total provisions	845	845	845	845	845
Total liabilities	1,220	1,220	1,220	1,220	1,220
Net Assets	2,113	1,922	1,691	1,473	1,255
EQUITY					
Contributed equity	2,919	3,168	3,418	3,681	3,944
Reserves	675	675	675	675	675
Retained surpluses or accumulated deficits	(1,481)	(1,921)	(2,402)	(2,883)	(3,364)
Total equity	2,113	1,922	1,691	1,473	1,255

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(1,481)	675	2,919	2,113
Surplus (deficit) for the period	(440)	-	-	(440)
Capital budget - Bill 1 (DCB)	-	-	249	249
Estimated closing balance as at 30 June 2019	(1,921)	675	3,168	1,922

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	5,453	5,461	5,341	5,378	5,411
GST received	203	203	203	203	203
Total cash received	5,656	5,664	5,544	5,581	5,614
Cash used					
Employees	3,666	3,706	3,772	3,824	3,819
Suppliers	1,787	1,755	1,569	1,554	1,592
GST paid	203	203	203	203	203
Total cash used	5,656	5,664	5,544	5,581	5,614
Net cash from (or used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	251	249	250	263	263
Total cash used	251	249	250	263	263
Net cash from (or used by) investing activities	(251)	(249)	(250)	(263)	(263)
FINANCING ACTIVITIES					
Cash received					
Capital budget - Bill 1 (DCB)	251	249	250	263	263
Total cash received	251	249	250	263	263
Net cash from (or used by) financing activities	251	249	250	263	263
Net increase (or decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	112	112	112	112	112
Cash and cash equivalents at the end of the reporting period	112	112	112	112	112

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	251	249	250	263	263
Equity injections - Bill 2	-	-	-	-	-
Total capital appropriations	251	249	250	263	263
Total new capital appropriations represented by:					
Purchase of non-financial assets	251	249	250	263	263
Other	-	-	-	-	-
Total items	251	249	250	263	263
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	-	-	-	-	-
Funded by capital appropriation - DCB ^(b)	251	249	250	263	263
Funded internally from departmental resources	-	-	-	-	-
Total acquisitions of non-financial assets	251	249	250	263	263
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	251	249	250	263	263
Total cash used to acquire assets	251	249	250	263	263

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

^(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other Property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	796	423	2,382	3,601
Accumulated depreciation/ amortisation and impairment	(588)	(285)	(1,342)	(2,215)
Opening net book balance	208	138	1,040	1,386
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services	20	49	180	249
Total additions	20	49	180	249
Other movements				
Depreciation/amortisation expense	(82)	(53)	(305)	(440)
Disposals ^(a)	-	-	-	-
Other	-	-	-	-
Total other movements	(82)	(53)	(305)	(440)
As at 30 June 2019				
Gross book value	816	472	2,562	3,850
Accumulated depreciation/ amortisation and impairment	(670)	(338)	(1,647)	(2,655)
Closing net book balance	146	134	915	1,195

^(a) Net proceeds may be returned to the Official Public Account.

Table 3.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	39,106	40,506	42,161	42,671	43,334
Supplier expenses	3,010	2,642	1,271	1,500	1,544
Total expenses administered on behalf of Government	42,116	43,148	43,432	44,171	44,878

Table 3.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	90	90	90	90	90
Receivables	338	338	338	338	338
Total financial assets	428	428	428	428	428
Non-financial assets					
Other	150	150	150	150	150
Total non-financial assets	150	150	150	150	150
Total assets administered on behalf of Government	578	578	578	578	578
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Grants	14,089	14,089	14,089	14,089	14,089
Suppliers	8	8	8	8	8
Other payables	100	100	100	100	100
Total payables	14,197	14,197	14,197	14,197	14,197
Total liabilities administered on behalf of Government	14,197	14,197	14,197	14,197	14,197

Table 3.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
GST received	752	752	752	752	752
Total cash received	752	752	752	752	752
Cash used					
Grant payments	39,106	40,506	42,161	42,671	43,334
Suppliers	3,010	2,642	1,271	1,500	1,544
GST paid	752	752	752	752	752
Total cash used	42,868	43,900	44,184	44,923	45,630
Net cash from (or used by) operating activities	(42,116)	(43,148)	(43,432)	(44,171)	(44,878)
Net increase (or decrease) in cash held	(42,116)	(43,148)	(43,432)	(44,171)	(44,878)
Cash at beginning of reporting period	90	90	90	90	90
Cash from Official Public Account for:					
- appropriations	42,116	43,148	43,432	44,171	44,878
Cash to the Official Public Account	-	-	-	-	-
Cash at end of reporting period	90	90	90	90	90

PROFESSIONAL SERVICES REVIEW

Entity Resources and Planned Performance

PSR

PROFESSIONAL SERVICES REVIEW

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government, through the Professional Services Review (PSR), safeguards the public against the risks and costs of inappropriate practice by health practitioners, and aims to protect the integrity of Commonwealth Medicare benefits, dental benefits and pharmaceutical benefits programs.

PSR reviews and investigates health practitioners who are suspected of inappropriate practice, on request from the Chief Executive Medicare. 'Inappropriate practice' includes inappropriately rendering or initiating health services that attract a Medicare Benefits Schedule (MBS) payment, or inappropriately prescribing under the Pharmaceutical Benefits Scheme (PBS).

The PSR Scheme is part of a strong regulatory regime designed to ensure that appropriate and cost-effective clinical services are delivered. The PSR Scheme covers medical practitioners, dentists, optometrists, midwives, nurse practitioners, chiropractors, physiotherapists, podiatrists, osteopaths, audiologists, diabetes educators, dietitians, exercise physiologists, mental health nurses, occupational therapists, psychologists, social workers, speech pathologists, Aboriginal and Torres Strait Islander health practitioners, Aboriginal health workers and orthoptists.

Reviews are conducted by the Director of PSR who can take further action by entering into a negotiated agreement with the health practitioner or referring them to a committee of peers constituted by appointed PSR Panel members and Deputy Directors. This review could be undertaken in relation to the MBS and/or the PBS, both of which are administered by the Department of Human Services. The PSR Scheme also applies sanctions, if required, through the PSR Determining Authority.²

PSR seeks to change behaviour across the health professions by deterring inappropriate practice and raising awareness of the Australian Government's expectation of high quality health service delivery. The role and functions of PSR are set out in Part VAA of the *Health Insurance Act 1973*. PSR is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of the PSR, refer to the current Corporate Plan, available at: www.psr.gov.au/publications-and-resources/governance-and-corporate-documents

² The Determining Authority is the body established by section 106Q of the *Health Insurance Act 1973* that determines the sanctions that should be applied in cases where PSR committees have found inappropriate practice, and decides whether or not to ratify negotiated agreements.

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, 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: PSR Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
DEPARTMENTAL		
Prior year appropriation available	2,201	2,099
Annual appropriations		
Ordinary annual services ^(a)		
Departmental appropriation	5,518	6,006
s74 retained revenue receipts ^(b)	-	-
Departmental capital budget ^(c)	649	62
Other services ^(d)		
Equity injection	-	-
Total departmental annual appropriations	6,167	6,068
Total departmental resourcing	8,368	8,167
Total resourcing for PSR	8,368	8,167
	2017-18	2018-19
Average staffing level (number)	21	23

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19 and Appropriation Bill/Act (No. 1, 3, 5) 2017-18.

^(b) Estimated retained revenue receipts under section 74 of the PGPA Act 2013.

^(c) Departmental Capital Budgets (DCB) are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.

^(d) Appropriation Bill (No. 2) 2018-19 and Appropriation Bill/Act (No. 2, 4, 6) 2017-18.

1.3 BUDGET MEASURES

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

Table 1.2: PSR 2018-19 Budget Measures

Program		2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Guaranteeing Medicare - improving safety and quality through stronger compliance ^(a)						
Professional Services Review						
Departmental expenses	1.1	-	-	-	-	-
Total		-	-	-	-	-

^(a) Full details of this measure are published under Department of Health (Table 1.2)

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 that 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.

PSR's most recent Corporate Plan is available at: www.psr.gov.au/publications-and-resources/governance-and-corporate-documents

PSR's most recent Annual Performance Statement is available at: www.psr.gov.au/publications-and-resources/annual-reports

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

A reduction of the risks to patients and costs to the Australian Government of inappropriate practice, including through investigating health services claimed under the Medicare and Pharmaceutical benefits schemes

Program Contributing to Outcome 1

Program 1.1: Safeguarding the Integrity of the Medicare Program and Pharmaceutical Benefits Scheme

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
Department of Health Program 4.1: Medical Benefits The Department of Health has policy responsibility for Medicare and the Pharmaceutical Benefits Scheme (PBS). Program 4.7: Health Benefit Compliance Under the Health Provider Compliance Program, the Chief Executive Medicare refers suspected cases of inappropriate practice by health care service providers to the PSR for investigation.
Department of Human Services Program 1.2: Services to the Community – Health The Department of Human Services administers the PBS, Repatriation PBS, Indigenous access to PBS, and Medicare services and benefit payments.

Budgeted Expenses for PSR

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 PSR

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Safeguarding the Integrity of the Medicare Program and Pharmaceutical Benefits Scheme					
Departmental expenses					
Departmental appropriation ^(a)	5,518	6,006	5,972	6,012	6,047
Expenses not requiring appropriation in the Budget year ^(b)	217	310	316	334	324
Operating deficit (surplus)	246	(17)	(2)	(3)	(3)
Total for Program 1.1	5,981	6,299	6,286	6,343	6,368
Total expenses for Outcome 1	5,981	6,299	6,286	6,343	6,368
	2017-18	2018-19			
Average staffing level (number)	21	23			

^(a) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s74)'.

^(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

Planned Performance for PSR

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for PSR

Purpose
To protect the integrity of the Commonwealth Medicare Benefits and Pharmaceutical Benefits programs and in doing so safeguard the Australian public from the cost and risk of inappropriate practice.
Outcome 1
A reduction of the risks to patients and costs to the Australian Government of inappropriate practice, including through investigating health services claimed under the Medicare and Pharmaceutical benefits schemes.
Program 1.1: Safeguarding the Integrity of the Medicare Program and Pharmaceutical Benefits Scheme
The Australian Government, through PSR, aims to safeguard the public against the risks and costs of inappropriate practice by health practitioners. PSR works with Governments, medical and health care regulatory bodies, and professional organisations to protect the integrity of the Medicare Benefits Scheme (MBS) and the Pharmaceutical Benefits Schedule (PBS).
Delivery
<p>A. Protecting against inappropriate health care practice</p> <ul style="list-style-type: none"> Where warranted the Director will review provision of services by engaging expert consultants to advise on the conduct of practitioners and to assist the Director interviewing persons under review. The Director enters into agreements, where appropriate, with persons under review who have acknowledged engaging in inappropriate practice. If an agreement is not made, PSR Committees are established to conduct hearings and obtain information to investigate possible inappropriate practice of persons under review. PSR's Determining Authority takes into account the circumstances of each case and makes appropriate sanction decisions: ratifying agreements that are fair and fitting to the inappropriate practice acknowledged by the person under review; and making determinations fitting to the inappropriate practice found by PSR Committees. PSR utilises a peer review process and relies on the support of health practitioners, and their representative bodies, to perform its statutory function. PSR consults with relevant professional bodies to raise awareness of inappropriate practice issues.

Performance criteria		
A. Protecting against inappropriate health care practice		
Investigate whether practitioners have engaged in inappropriate practice through a staged review process.		
<p>a. The Director of PSR will review the provision of services by practitioners referred by the Chief Executive Medicare and, where appropriate, enter into an agreement with the practitioner.</p> <p>b. Where appropriate, the Director of PSR will refer the practitioner to a PSR Peer Review Committee.</p> <p>c. The Determining Authority will consider ratification of agreements and make appropriate determinations.</p>		
2017-18 Estimated result	2018-19 Target	2019-20 (& beyond) Target
a. The Director conducted reviews of practitioners referred by the Chief Executive Medicare and in appropriate cases enter into agreements.	The Director will conduct reviews of practitioners referred by the Chief Executive Medicare and in appropriate cases enter into agreements.	As per 2018-19.
b. PSR Committees were convened and conducted hearings in a timely manner ensuring that practitioners being reviewed by their peers were afforded procedural fairness in each stage of the process.	PSR Committees will be convened and will conduct hearings in a timely manner ensuring that practitioners being reviewed by their peers are afforded procedural fairness in each stage of the process.	As per 2018-19.
c. The Determining Authority ratified agreements and made appropriate determinations of sanctions.	The Determining Authority will ratify agreements and make appropriate determinations of sanctions.	As per 2018-19.

Professional bodies actively engaged in consultation.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Professional bodies were actively engaged in the process for appointments to the PSR Panel, and PSR received the required number of nominees to ensure broad professional representation on the PSR Panel.		Professional bodies actively engaged in the process for appointments to the PSR Panel, and PSR receives the required number of nominees to ensure broad professional representation on the PSR Panel.		As per 2018-19.
Percentage of reviews by the Director of PSR finalised within 12 months.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
100%	100%	100%	100%	100%
Total number of matters for review finalised.3				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
80	90	100	100	100
Percentage of court cases where PSR's application of the law upheld.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
100%	100%	100%	100%	100%
Material changes to Program 1.1 resulting from the following measures:				
There are no material changes to Program 1.1 resulting from measures.				

³ Reviews are requested by the Chief Executive Medicare to the Director of PSR.

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 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 PSR.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

PSR is anticipating a break-even position for the Budget and forward years. The Budget year and forward years have been adjusted for unfunded depreciation and amortisation expenses.

PSR's approved operating loss in the current year relates to an increase in case activity.

Balance Sheet

PSR's total assets and liabilities are expected to remain relatively stable over the forward years.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
EXPENSES					
Employee benefits	2,916	3,168	3,275	3,458	3,533
Supplier expenses	2,881	2,855	2,730	2,587	2,548
Depreciation and amortisation	184	276	281	298	287
Total expenses	5,981	6,299	6,286	6,343	6,368
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	-	-	-	-	-
Other revenue	-	-	-	-	-
Total revenue	-	-	-	-	-
Gains					
Other	33	34	35	36	37
Total gains	33	34	35	36	37
Total own-source income	33	34	35	36	37
Net cost of (contribution by) services	5,948	6,265	6,251	6,307	6,331
Revenue from Government	5,518	6,006	5,972	6,012	6,047
Surplus (deficit)	(430)	(259)	(279)	(295)	(284)
Surplus (deficit) attributable to the Australian Government	(430)	(259)	(279)	(295)	(284)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
Total other comprehensive income attributable to the Australian Government	(430)	(259)	(279)	(295)	(284)
Note: Reconciliation of comprehensive income attributable to the agency					
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Total comprehensive income (loss) attributable to the Australian Government	(430)	(259)	(279)	(295)	(284)
plus non-appropriated expenses					
depreciation and amortisation expenses	184	276	281	298	287
Total comprehensive income (loss) attributable to the agency	(246)	17	2	3	3

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	79	79	79	79	79
Receivables	2,056	2,141	2,128	2,122	2,109
Total financial assets	2,135	2,220	2,207	2,201	2,188
Non-financial assets					
Land and buildings	431	333	235	137	39
Property, plant and equipment	416	426	341	353	349
Intangibles	319	283	232	174	140
Other	61	47	47	47	47
Total non-financial assets	1,227	1,089	855	711	575
Total assets	3,362	3,309	3,062	2,912	2,763
LIABILITIES					
Payables					
Suppliers	285	297	305	307	299
Other payables	106	86	67	47	25
Total payables	391	383	372	354	324
Provisions					
Employees	533	685	699	713	727
Other provisions	100	100	100	100	100
Total provisions	633	785	799	813	827
Total liabilities	1,024	1,168	1,171	1,167	1,151
Net assets	2,338	2,141	1,891	1,745	1,612
EQUITY					
Contributed equity	1,646	1,708	1,737	1,886	2,037
Reserves	792	792	792	792	792
Retained surpluses or accumulated deficits	(100)	(359)	(638)	(933)	(1,217)
Total equity	2,338	2,141	1,891	1,745	1,612

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	(100)	792	1,646	2,338
Surplus (deficit) for the period	(259)	-	-	(259)
Capital budget - Bill 1 (DCB)	-	-	62	62
Estimated closing balance as at 30 June 2019	(359)	792	1,708	2,141

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	5,360	5,667	5,726	5,754	5,790
Net GST received	249	254	259	264	270
Other cash received	77	-	-	-	-
Total cash received	5,686	5,921	5,985	6,018	6,060
Cash used					
Employees	2,956	3,016	3,260	3,444	3,519
Suppliers	2,765	2,815	2,707	2,569	2,541
Total cash used	5,721	5,831	5,967	6,013	6,060
Net cash from (or used by) operating activities	(35)	90	18	5	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	636	152	47	154	151
Total cash used	636	152	47	154	151
Net cash from (or used by) investing activities	(636)	(152)	(47)	(154)	(151)
FINANCING ACTIVITIES					
Cash received					
Capital budget - Bill 1 (DCB)	649	62	29	149	151
Total cash received	649	62	29	149	151
Net cash from (or used by) financing activities	649	62	29	149	151
Net increase (or decrease) in cash held	(22)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	101	79	79	79	79
Cash and cash equivalents at the end of the reporting period	79	79	79	79	79

DCB = Departmental Capital Budget.

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

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Estimate \$'000	2020-21 Forward Estimate \$'000	2021-22 Forward Estimate \$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	649	62	29	149	151
Total capital appropriations	649	62	29	149	151
Total new capital appropriations represented by:					
Purchase of non-financial assets	649	62	29	149	151
Total items	649	62	29	149	151
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ^(a)					
- current year appropriation	636	75	29	149	151
- prior year appropriation	-	77	18	5	-
Total acquisitions of non-financial assets	636	152	47	154	151
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	636	152	47	154	151
Total cash used to acquire assets	636	152	47	154	151

^(a) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCB).

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	492	486	770	1,748
Accumulated depreciation/ amortisation and impairment	(61)	(70)	(451)	(582)
Opening net book balance	431	416	319	1,166
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services	-	132	20	152
Total additions	-	132	20	152
Other movements				
Depreciation/amortisation expense	(98)	(122)	(56)	(276)
Total other movements	(98)	(122)	(56)	(276)
As at 30 June 2019				
Gross book value	492	618	790	1,900
Accumulated depreciation/ amortisation and impairment	(159)	(192)	(507)	(858)
Closing net book balance	333	426	283	1,042

PORTFOLIO GLOSSARY

Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Additional Estimates	The Additional Estimates process updates estimates from the previous Budget update.
Additional Estimates Bills or Acts	Where amounts appropriated in the annual appropriation acts at Budget time are insufficient, Parliament may appropriate more funds to Portfolios through the Additional Estimates Acts. These are Appropriation Bills No. 3 and No. 4, and a separate Bill for Parliamentary Departments (Appropriations (Parliamentary Departments) Bill (No.2)). These Bills are introduced into the Parliament sometime after the Budget Bills.
Administered items	Expenses, revenues, assets or liabilities managed by entities on behalf of the Australian Government. Entities do not control administered items. Administered items include grants, subsidies and benefits (for example, funding for the Pharmaceutical Benefits Scheme).
Annotated appropriation	A form of appropriation that allows an entity access to certain money it receives in payment of services. The nature and extent of the amount to be appropriated are specified in Rules under s74 of the <i>Public Governance, Performance and Accountability Act 2013</i> .
Annual appropriation	Two appropriation Bills are introduced into Parliament in May and comprise the Budget. Further Bills are introduced later in the financial year as part of the Additional Estimates process. Parliamentary Departments have their own appropriations.
Appropriation	The amount of public moneys authorised by Parliament for expenditure from Consolidated Revenue Fund (CRF). Appropriations authorise expenditure by the Australian Government for particular purposes.
ASL (Average Staffing Levels)	The average number of employees receiving salary/wages (or compensation in lieu of salary/wages) over a financial year, with adjustments for casual and part-time employees to show the full-time equivalent.
Assets	Future economic benefits controlled by an entity as a result of past transactions or past events.

Available appropriation	Available appropriation is used to allow a comparison of the current year's appropriation with what was made available for use in the previous year. Available appropriation is the amount available to be drawn down, and is equal to: Budget appropriation + Additional Estimates appropriation + Advance to the Finance Minister (AFM) - Savings - Rephasings - Other Reductions +/- Section 74.
Budget measure	A decision by Cabinet or Ministers in the Budget process that has resulted in a change in expenditure in the current year and/or the forward years. <u>See also cross-Portfolio Budget measure.</u>
Budget Paper 1	Budget Strategy and Outlook. Provides information and analysis on whole-of-government expenditure and revenue.
Budget Paper 2	Budget Measures. Provides a description of each Budget measure by Portfolio.
Budget Paper 3	Australia's Federal Relations. Provides information and analysis on federal funding provided to the States and Territories.
Budget Paper 4	Entity Resourcing. Details total resourcing available to agencies.
Capital Budget Statement	A statement of the entity's estimated capital funding, through Appropriation Act No. 1 Departmental Capital Budget funding or Appropriation Act No. 2 equity injection funding and the entity's estimated expenditures on non-financial assets.
Capital expenditure	Expenditure by an entity on non-financial assets, for example purchasing a building.
Cross-Portfolio Budget measure	This is a <u>Budget measure</u> which affects outcomes administered in a number of Portfolios.
Departmental Capital Budget (DCB)	Departmental Capital Budget funding appropriated to non-corporate PGPA Act entities through their Appropriation Act 1 Departmental appropriation, for the ongoing replacement of Departmental assets which cost less than \$10 million.
Departmental terms	Assets, liabilities, revenues and expenses that are controlled by the entity in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by entities in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation and Amortisation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Efficiency dividend	An annual deduction of a percentage of running costs from an entity's budget, which acts as both an incentive to efficiency and a quantification of some of the efficiency gains made by an entity in the previous year.

Equity or net assets	Residual interest in the assets of an entity after deduction of its liabilities.
Expense	The value of resources consumed or lost during the reporting period.
Fair value	Fair values are prices in arm's length transactions between willing buyers and sellers in an active market.
Forward estimates	A system of rolling three year financial estimates. After the Budget is passed, the first year of the forward estimates becomes the base for next year's Budget bid, and another out year is added to the forward estimates.
Historical cost	The original cost of acquisition of an asset, including any costs associated with acquisition. Under AASB 116 <i>Property, Plant and Equipment</i> are required to be reported initially at the cost of acquisition (historical cost). The Australian Government's financial reporting requirements issued under the Finance Minister's Orders require the revaluation of noncurrent assets with sufficient regularity to ensure that the carrying amount of assets does not differ materially from fair value as at reporting date.
Liabilities	Future sacrifices of economic benefits that an entity is presently obliged to make to other entities as a result of past transactions or other past events.
Mid-Year Economic and Fiscal Outlook (MYEFO)	The MYEFO updates the economic and fiscal outlook from the previous budget, and takes account of all decisions made since the release of the budget that affect expenses and revenue, and hence revises the budget aggregates.
Operating result	Equals income less expenses.
Outcomes	Outcomes are the results of events, actions or circumstances including in particular, the impact of the Australian Government on the Australian community. Outcomes may be linked with both the outputs of entities using the departmental expenses under their control, and with the administered expenses which entities manage on behalf of the Australian Government. Planned outcomes represent the changes desired by Government. The achievement of actual outcomes is assessed and reported in the Annual Report.
Performance criteria	A list of criteria that are used to measure entity effectiveness in achieving the Government's outcomes. Criteria must be measurable, but may be qualitative or quantitative. Criteria in the Portfolio Budget Statements are reported in the Annual Performance Statements, in the Annual Report, for the same year.

PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i> An Act about the governance, performance and accountability of, and the use and management of public resources by the Commonwealth, Commonwealth entities and Commonwealth companies, and for related purposes.
Portfolio Budget Statements	Budget Related Paper prepared by Portfolios detailing Budget initiatives and explanations of appropriations in terms of outcomes and programs.
Price parameter adjustment	Expenses are indexed by a price parameter for anticipated increases in costs over the estimates period. Changes in indexation are annotated to each outcome as 'Price parameter adjustment' or 'Application of indexation parameters'.
Program/ Programme	Commonwealth programs deliver benefits, services or transfer payments to individuals, industry/business or the community as a whole, and are the primary vehicles for Government entities to achieve the intended results of their outcome statements. Commencing from the 2009-10 Budget, entities are required to report to Parliament by program.
Revenue	Total value of resources earned or received during the reporting period.
Special account	A special account is an appropriation mechanism that notionally sets aside an amount within the Consolidated Revenue Fund (CRF) to be expended for specific purposes. The amount of appropriation that may be drawn from the CRF by means of a special account is limited to the balance of each special account. Special accounts are not bank accounts. However, amounts forming the balance of a special account may be held in the Official Public Account, an entity official bank account or by an outsider authorised in a manner consistent with the PGPA Act.
Special appropriation	Special appropriations are provisions within an Act, other than the annual appropriation Acts, which authorise expenditure for particular purposes. Special appropriations may state a maximum amount that is appropriated for the particular purpose or may specify the legislative criteria that will determine the amount to be paid.
Strategic Direction Statement	The Strategic Direction Statement explains the year ahead for the entity, focusing on the items of most importance, recognising the major Budget decisions affecting the entity, the major ongoing functions, new function and significant partnership arrangements, as well as upcoming challenges in the years ahead.