DEPARTMENT OF HEALTH AND HUMAN SERVICES

# ANNUAL REPORT 2017–18

Tasmanian Government

**Department of Health and Human Services Annual Report 2017-18**

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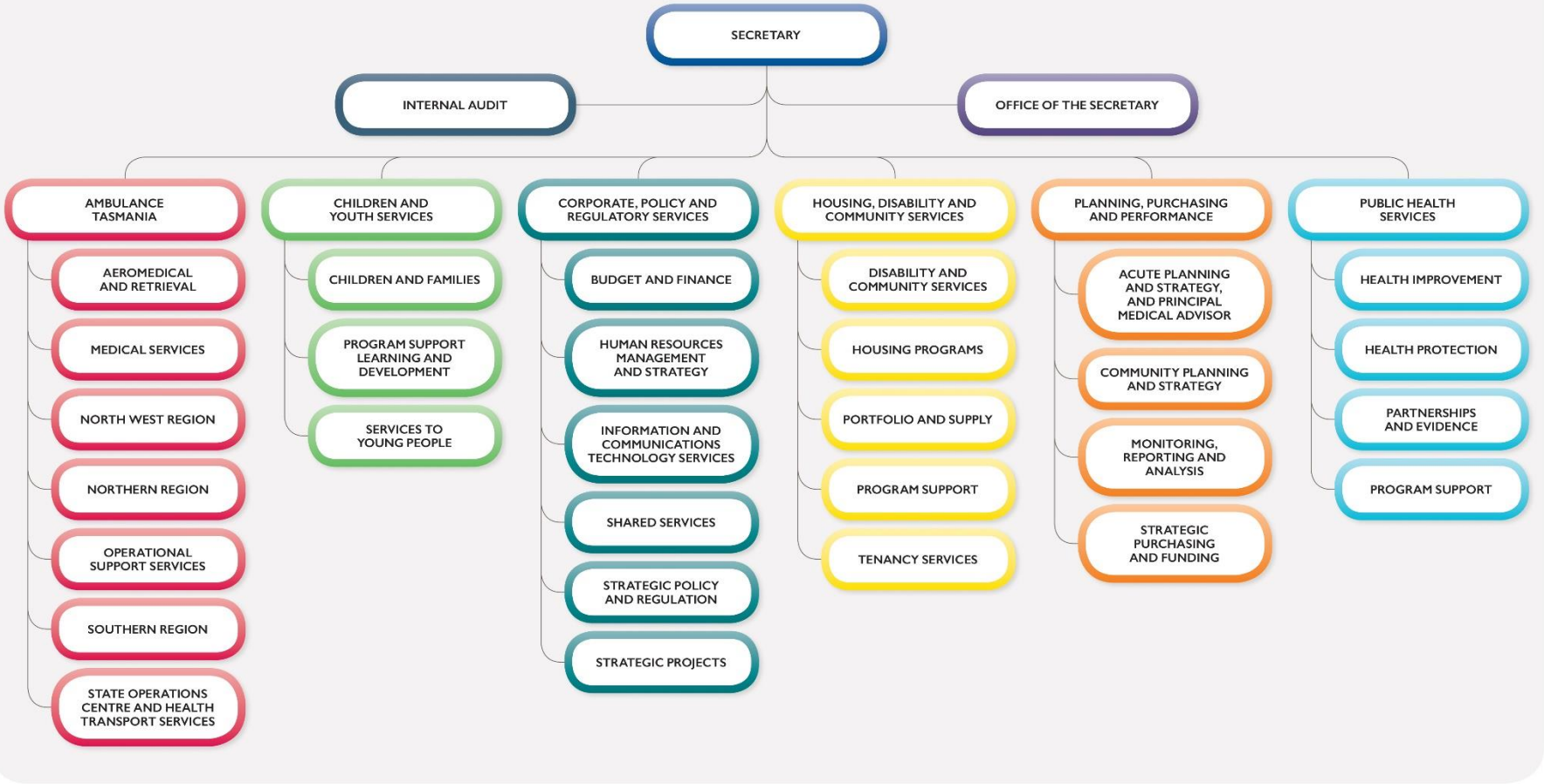
# Key Acronyms

| | |
|---|---|
| AHPRA | Australian Health Practitioner Regulation Agency |
| AMS | Asset Management Services |
| AT | Ambulance Tasmania |
| CHaPS | Child Health and Parenting Services |
| COPMM | Council of Obstetric and Paediatric Mortality and Morbidity |
| CPRS | Corporate, Policy and Regulatory Services |
| CPS | Child Protection Services |
| CSS | Child Safety Service |
| CSCS | Cancer Screening and Control Services |
| CYS | Children and Youth Services |
| DCS | Disability and Community Services |
| DAP | Disability Action Plan |
| DFA | Disability Framework for Action |
| DHHS | Department of Health and Human Services |
| FTE | Full Time Equivalent |
| HAPS | Housing Assessment Prioritisation System |
| HDCS | Housing, Disability and Community Services |
| HRMS | Human Resources Management and Strategy |
| KPI | Key Performance Indicator |
| LGH | Launceston General Hospital |
| MCH | Mersey Community Hospital |
| NDIA | National Disability Insurance Agency |
| NDIS | National Disability Insurance Scheme |
| NWRH | North West Regional Hospital |
| PHS | Public Health Services |
| PPP | Planning, Purchasing and Performance |
| RHH | Royal Hobart Hospital |
| RHHR | Royal Hobart Hospital Redevelopment |
| ROGS | Report on Government Services |
| RTI | Right to Information |
| THS | Tasmanian Health Service |
| WHS | Work Health and Safety |

# DEPARTMENT OF HEALTH AND HUMAN SERVICES



# Secretary's Letter of Transmittal

Dear Ministers

I am pleased to present to you the 2017-18 Annual Report for the Department of Health and Human Services (DHHS).

The establishment of two new Departments from 1 July 2018 – the Department of Health (DoH) and Communities Tasmania – makes this the last Annual Report to be provided by DHHS.

In future, separate Annual Reports will be provided for each organisation.

I would like to take this opportunity to thank the many dedicated and hardworking staff of the former DHHS, who continue to deliver essential public services to Tasmanians with endless commitment and compassion.

The dedication of our people has always been behind our achievements and has seen us through our many challenges. I have been proud to lead the DHHS and look forward to continuing to lead our staff under the new organisational arrangements.

**Creating two new departments**

The establishment of two new departments required significant organisational change and I would like to thank everyone for their effort, patience and support throughout the process.

I'd like to say a big thank you to everyone who helped set up the new Departments in record time. It was achieved through passionate commitment to our respective roles and the strong support of the Government in the delivery of better services to Tasmanians.

The Department of Communities Tasmania comprises Communities, Sport and Recreation and the Silverdome; Children and Youth Services; and Housing, Disability and Community Services.

The Department of Health comprises Ambulance Tasmania, Public Health Services, Planning, Purchasing and Performance and the Corporate Services Group.

Some Communities Tasmania services will continue to be provided through a 'bureau' or 'shared services' model, from the corporate areas within DoH or Department of Premier and Cabinet (DPAC), under service level and partnership agreements.

**White Ribbon accreditation**

I am pleased to report that DHHS began an 18-month accreditation process in November 2017 with White Ribbon Australia to commit to doing everything it can to end violence against women.

The accreditation process is rigorous and requires organisations to satisfactorily demonstrate that they can help prevent family violence, and recognise and support those who have experienced family violence.

To achieve accreditation DHHS leaders committed to positively modelling and influencing a culture of gender equality, respect, safety and support. If we are to make a difference, our leaders must actively demonstrate commitment to the prevention of violence against women and accountability for breaches of the code of conduct.

### Target reached under Rapid Re-Housing Program

Housing Tasmania made great gains in 2017-18, achieving its goal under the Rapid Rehousing Program of creating a pool of 50 rental properties available to Tasmanians experiencing family violence issues. At the end of June 2018, at least 50 Rapid Rehousing properties were available and 120 households had been assisted to escape family violence.

The program is part of the Government's $26 million *Safe Homes, Safe Families – Tasmania's Family Violence Action Plan 2015-2020*.

By entering into leases with private landlords, Housing Tasmania developed the pool of furnished properties across the state to rapidly rehouse people who have experienced family violence, and need safe and secure accommodation.

The program will ease demand on our crisis services while meeting the needs of families for whom shelters may not necessarily be appropriate.

The program was developed based on the successful rapid rehousing model used in New South Wales.

### Youth at Risk Strategy released

The Minister for Human Services launched one of our major projects, the Government's *Youth at Risk Strategy,* during the 2017 Budget Estimates.

The strategy is based on early intervention and a whole-of-government approach to helping at-risk young Tasmanians.

In launching the strategy the Minister noted that by taking a collaborative approach across government and non-government services, we can better respond to safety and rehabilitative needs.

DHHS continued to develop the implementation plan to support the strategy, which will also incorporate other across-government initiatives announced in the State Budget.

### Community Rapid Response Service pilot

The Community Rapid Response Service is a big success story for Ambulance Tasmania.

While the pilot program for the service in Launceston finished on 30 June 2017, the decision was made to continue the program in the North this financial year. The program provides out-of-hospital coordinated care for people with chronic illness.

Further work is being undertaken to roll out of the program in the North-West and the South of the State.

### Tasmanian Home and Community Care Program – discussion paper

DHHS released a discussion paper in August 2017, with a view to remodeling the Home and Community Care (HACC) Program to better meet the needs of Tasmanians.

To complement the discussion paper, a response process was undertaken to allow all stakeholders to have their say on the proposed future direction of the Tasmanian HACC Program.

Proposed changes to the program will ensure the HACC program continues to meet client needs and reflect its role in contemporary health, aged care and disability service sectors.

### Healthy Tasmania Five Year Strategy achievements

The Healthy Tasmania Workplace Program was launched by the Minister for Health in October 2017, and has been actively taken up in workplaces around Tasmania.

This program, announced as part of the Tasmanian Government's Healthy Tasmania Five Year Strategic Plan, was developed in conjunction with Worksafe Tasmania and DPAC.

It is the first phase of the Healthy Tasmania Challenge, a key initiative under Healthy Tasmania.

The first initiative under the workplace program was the implementation of the free Ritualize app available for all Tasmanian workplaces.

The Ritualize App is one way for people to come together in the workplace around changing their behaviours. It is part of the Total Worker Health approach that integrates injury and illness prevention efforts to improve worker health and wellbeing.

The app challenge participants to embed incrementally healthier and safer behaviours, including eating, physical activity, sleep and resilience.

It also provides a useful and practical engagement tool for workplaces to promote health, safety and wellbeing.

Also in October, we launched the Healthy Tasmania web portal that provides information and resources for Tasmanian people, communities and organisations on making healthy lifestyle changes.

Later in 2017, the first round of the Healthy Tasmania Community Innovations Grants, worth up to $25 000 each, were made available.

A key part of the strategy, the grants supported healthy eating, physical activity, quitting smoking, and encourage community connection and partnerships.

Initial grants were funded for activities that support innovative, sustainable, grassroots, community-driven programs to improve health and reduce health inequities for Tasmanian communities.

The Tasmanian Government will offer $500 000 to the second round of the Healthy Tasmania Community Innovations Grants in 2018-19 for activities that support healthy lifestyles in Tasmania.

### Corporate plan

At the one year mark of the Corporate Plan in September 2017, we added further actions to ensure our priorities still reflect the DHHS agenda. As such, we introduced several new actions:

*Priority 1* – Healthy and Safe Tasmanians: Improve the infrastructure available to paramedics and make it easier for them to do their jobs by building a new ambulance station at Campbell Town; completing the upgraded Launceston Ambulance Station; and contributing to the whole-of -government upgrade of emergency services computer aided dispatch systems.

*Priority 2* – Well-Governed Systems: Implement systems to improve efficiency and minimise burden on frontline child protection staff by commencing the Children and Youth Services Client Information System Project designed to replace the Child Protection Information System.

*Priority 3* – Integrated Services: Increase the efficiency of Ambulance Tasmania resources and reduce demand on emergency services by implementing the recommendations from the Review of Ambulance Tasmania Clinical and Operational Services.

**Child safety**

The redesign of the child safety service began with a focus on existing core services. However, it was understood that to make real gains we would have to develop new solutions and work together across DHHS, the State Service and the entire community to provide the kind of care for our kids we all want to see.

A great deal of work has been undertaken this financial year through the *Strong Kids - Safe Families* project and the Government has supported this work with $20.5 million.

This implementation will take place over four years and progress against key strategies is steady.

I acknowledge and thank all frontline staff across Government who work tirelessly to protect our children.

**Looking forward to 2018-19**

The new *Tasmanian Health Service Act 2018* came in to effect on 1 July 2018, legislating that the THS reports directly to the Secretary, Department of Health.

While the Tasmanian Health Service (THS) remains a discreet legal entity and organisation, this change will ensure closer collaboration to improve service delivery, support statewide coordination and the local management of our health services.

Local decision making will strengthen the ability of THS facilities to respond to their local communities' healthcare needs as efficiently and effectively as possible.

The creation of the new Department of Communities Tasmania provides a unique opportunity to create strong, active and inclusive communities. To invest in children and young people, strengthen families, build social infrastructure and inspire improved performance.

Communities Tasmania is committed to working with partners across all sectors and across Government.

Through the Strong Families Safe Kids project and the implementation of the Children's Advice and Referral Service, Communities Tasmania is striving to provide better support to vulnerable children and their families.

The continued roll out of the Affordable Housing Action Plan will see more Tasmanians achieving the dream of owning their own home and the commencement of new incentive schemes for property owners will see more affordable rental accommodation across our state.

There is much work being done to create opportunities for Tasmanians to be better connected to their communities through renewed investment in Neighbourhood Houses, with a focus on giving a hand up to those who need it and creating role models who children can aspire to through our sporting and community programs.

Everyone has an important and valuable role to play in achieving strong, active and inclusive communities.

Ministers, I am pleased to transmit to you the DHHS 2017-18 Annual Report.

Michael Pervan
**Secretary**

# PART ONE

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# DHHS Overview

Our vision is to deliver services, policies, programs and legislation that improve the health, safety and wellbeing of Tasmanians.

Our commitment is to work together with clients and the community. To work as stewards and partners in the delivery of health and human services.

Through service planning we manage, procure and deliver high quality health and human services for the State.

# What We Do

DHHS has an important role as a steward and strategic partner in health and human services delivery as system manager. The roles and responsibilities of system management stretch across our operational and departmental groups alike.

System management's key elements include:

- describing and enacting the strategic direction of the health and human services systems;
- monitoring and oversight of the health and human services systems;
- planning and purchasing of services;
- continuous improvement in the quality of care and service provision;
- performance management of service providers;
- intergovernmental relations;
- contract management;
- industrial relations; and
- planning and purchasing of capital resources.

We have four operational Groups involved in the direct provision of services: Ambulance Tasmania (AT); Children and Youth Services (CYS); Housing, Disability and Community Services (HDCS); and Public Health Services (PHS) who all deliver important services to the public.

Our corporate support functions and core system manager elements are provided by our two departmental Groups: Corporate, Policy and Regulatory Services (CPRS); and Planning, Purchasing and Performance (PPP). More detail about each of our Groups follows.

We also have two units reporting directly to the Secretary:

- the Office of the Secretary which provides high level public administration, parliamentary and corporate governance support and advice to DHHS, the Secretary and portfolio Ministers, and
- Internal Audit which is an objective assurance unit which brings a systematic approach to the evaluation of the Department's governance, risk management, and control environment and recommends improvements.

**Ambulance Tasmania**

AT provides integrated, high quality, pre-hospital emergency and medical care, health transport and medical retrieval services to the Tasmanian community.

This range of services include:

- dispatching and coordination of road ambulances, fixed wing, rotary wing and non-emergency patient transport services through the State Operations Centre

- 54 ambulance response locations across the State;
- highly qualified paramedics throughout urban and rural areas across the State, including approximately 460 Volunteer Ambulance Officers;
- Extended Care Paramedics who can provide services that allow patients to be treated at home without the requirement to attend hospital; and
- approximately 785 community defibrillators registered with AT under the life-saving Early Access to Defibrillation program.

**Children and Youth Services**

CYS provides a range of services and supports that contribute to ensuring children, young people and their families are safe, nurtured and well.

CYS provides services across two service portfolios: Services to Children and Families; and Strategic Youth Services which includes Community Youth Justice, Ashley Youth Detention Centre and Family Violence Counselling and Support Services. . These services are delivered by a professional workforce who are supported by the Program Support and Quality Improvement and Workforce Development teams. A list of client service activities follows:

- The Child Safety Service delivers a statutory response to notifications of child abuse and neglect; provides out of home care for children unable to remain in their parents' care; and supports families to become safe enough to resume care of their children. Services are statewide and delivered through service centres based in each region as well as home visits throughout Tasmania.
- The Family Violence Counselling and Support Service provides counselling and support services to children, young people and adults who have experienced family violence.
- The Adoption, Transfer of Guardianship and Aftercare Service provides a range of statewide services including local and international adoption and aftercare for young people who have left out of home care.
- Community and Custodial Youth Justice responds to children and young people sentenced by the court to secure detention or community supervision as a result of their offending behaviour. This includes the operation of Ashley Youth Detention Centre.
- CYS funds community sector organisations to deliver some specific services through contracting arrangements.

**Housing, Disability and Community Services**

HDCS is responsible for ensuring the provision of housing, disability and community services to people in need. Its responsibilities include:

- maintaining the Department's stock of social housing and agreements with its tenants;
- policy and planning of the affordable and social housing system in Tasmania, including homelessness and affordable housing programs;
- ensuring progress against the Tasmanian Government's *Affordable Housing Strategy 2015-2025 (Affordable Housing Strategy)* and *Safe Homes, Safe Families: Tasmania's Family Violence Action Plan 2015-2020*

- working through the transition of disability services to the National Disability Insurance Scheme (NDIS) and the delivery of policy and programs to support Tasmanians living with disability; and
- provision and oversight of programs to develop community resilience and capacity.

**Public Health Services**

PHS protects and improves the health of all Tasmanians by building the conditions for Tasmanians to make healthy choices and to live in safe environments.

PHS develops and delivers public health policy, plans and programs; delivers public health information; and administers public health legislation including the *Public Health Act 1997,* the *Radiation Protection Act 2005* and the *Food Act 2003*. PHS also manages public health threats and risks, such as communicable disease outbreaks and public health emergencies.

In 2017-18, these services included:

- licensing of 697 tobacco and e-cigarette premises, 833 point of sales inspections;
- 139 retailer education and consultation visits and 41 controlled purchase test activity with tobacco retailers;
- 463 smoke free area checks;
- provision of vaccines and support services to 205 immunisation providers, including 29 councils, 97 high schools and 11 colleges; and
- a total of 6 316 calls to the Public Health Hotline.

**Corporate, Policy and Regulatory Services**

CPRS manages the provision of strategic corporate, policy and regulatory services to DHHS and portfolio Ministers. These functions support the delivery of an efficient and effective statewide health and human services system. The key roles of CPRS include:

- managing intergovernmental relations;
- providing shared services (including asset management, procurement services and payroll services) across DHHS and the THS;
- leading the implementation of strategic, policy and reform initiatives on behalf of portfolio Ministers and the Secretary;
- providing Professional Advice, via the Office of the Chief Nurse and Midwifery Officer, Chief Allied Health Advisor and Mental Health, Alcohol and Drug Directorate; and
- managing the delivery of efficient and effective services across DHHS, including:
    - budget and finance services;
    - human resource management;
    - information and communication technology services; and
    - strategic policy and regulatory services.

**Planning, Purchasing and Performance**

PPP fulfils core system management functions and also provides expert advice and expertise to our portfolio Ministers. The key roles of PPP are to:

- clarify, promote and embed the role and functions of system management within the DHHS, THS and with external stakeholders;

- ensure that health and human services are planned and purchased in an evidence-based, effective and efficient manner and have the greatest impact on improving the health and wellbeing of Tasmanians;
- ensure all parts of the health and human services systems understand and enact their quality governance responsibilities to safeguard patient and client safety;
- work with our service delivery partners to purchase and deliver joined-up service systems that meet the needs of clients and the community;
- implement DHHS-led system reforms, policy initiatives and pilot programs to provide better access to higher-quality health and human services throughout Tasmania (right care, right place, right person, right time);
- represent the interests of Tasmania at local and national fora and translate the incorporation of national policy, funding and pricing directions into practice; and
- act as the single point of access to statistical information for performance monitoring, analysis and reporting for all services purchased by the Department.

# Financial Overview

### Budgeted Activity 2017-18

In 2017-18, the total budgeted expenditure for DHHS was $1.624 billion and the budgeted annual appropriation from the Consolidated Fund for recurrent services was $1.401 billion.

The Department's 2017-18 budgeted expenditure distributed by Output included:

- Health Services System Management 9.86 per cent
- THS 49.56 per cent
- Statewide Services 6.43 per cent
- Human Services 24.23 per cent
- Children Services 7.22 per cent
- Independent Children's and Young Person's Review Service 0.06 per cent
- Capital Investment Program 1.27 per cent, and
- Special Capital Investment Funds 1.37 per cent.

# Expenses

Department of Health and Human Services Expenditure Budget 2017-18

| **Budget Expenditure by Output** | **2017-18** |
|---|---|
| | **$ '000** |
| Health Services System Management | 160 194 |
| Tasmanian Health Service | 804 858 |
| Statewide Services | 104 409 |
| Human Services System Management | 4 497 |
| Human Services | 388 978 |
| Children Services System Management | 3 029 |
| Children Services | 114 216 |
| Independent Children's and Young Person's Review Service | 928 |
| Capital Investment Program | 20 665 |
| Special Capital Investment Funds | 22 236 |
| **Total** | **1 624 010** |

### Actual Results 2017-18

The Department had $1.913 billion in physical assets under its control in 2017-18, and the annual appropriation from the Consolidated Fund for recurrent services was $1.467 billion.

The Statement of Comprehensive Income identified that total actual expenses for 2017-18 amounted to $1.733 billion.

Operating expenses incurred throughout the Department are varied, but the major categories include:

- salaries and employee related expenses of $198.752 million
- patient and client services of $63.081 million, and
- property, including rent, rates, maintenance and electricity of $81.184 million.

Capital Expenditure for property, plant and equipment in 2017-18 totalled $173.749 million, which included expenditure on works at the major hospitals, community health centres and ongoing Housing Tasmania capital programs.

Further details on the capital program are available in Part 2 of this Annual Report.

# Revenue

Department of Health and Human Services Revenue 2017-18 by Major Category

| **Revenue** | **2017-18** |
|---|---|
| | **$ '000** |
| Revenue from Government | 1 643 057 |
| Revenue from Special Capital Investment Funds | 9 296 |
| Grants | 41 624 |
| Rental revenue | 51 846 |
| Sales of goods and services [1] | 17 159 |
| Interest | 151 |
| Contributions received | 31 843 |
| Other revenue | 92 522 |
| **Total revenue and other income from transactions** | **1 887 498** |

Note:

1 Sales of goods and services includes interstate charging, Ambulance Fees and Compensable Fees for Motor Vehicle Accidents.

# Net Assets

Department of Health and Human Services Net Assets 2017-18

| **Net Assets** | **2017-18** |
|---|---|
| | **$ '000** |
| Total Assets | 2 139 787 |
| Total Liabilities | 267 445 |
| Net Assets | 1 872 342 |

For further financial information on the Department's activities, please refer to the Financial Statements in Part 3 of this Annual Report.

Department of Health and Human Services Actual Expenditure 2017-18

| **Actual Expenditure by Output** | **2017-18 $ '000** |
|---|---|
| Health Services System Management | 138 921 |
| Tasmanian Health Service | 899 631 |
| Statewide Services | 111 888 |
| Human Services System Management | 2 968 |
| Human Services | 429 458 |
| Children Services System Management | 3 126 |
| Children Services | 123 776 |
| Independent Children's and Young Person's Review Service | 1 210 |
| Capital Investment Program | 17 731 |
| Special Capital Investment Funds | 4 370 |
| **Total** | **1 733 079** |

| **Actual Expenditure by Type** | **2017-18 $ '000** |
|---|---|
| Salaries and wages | 149 870 |
| Other employee related expenses | 28 016 |
| Superannuation expenses | 20 866 |
| Depreciation and amortisation | 25 364 |
| Consultants | 2 750 |
| Maintenance and property services | 81 184 |
| Communications | 3 415 |
| Information technology | 19 393 |
| Travel and transport | 4 753 |
| Medical, surgical and pharmacy supplies | 5 444 |
| Patient and Client Services | 63 081 |
| Service Fees | 5 956 |
| Other supplies and consumables | 14 514 |
| Grants and subsidies | 1 294 317 |
| Finance costs | 8 108 |
| Other expenses | 6 048 |
| **Total** | **1 733 079** |

# Workforce Overview

The following provides a summary of some of our key workforce initiatives in 2017-18.

**Preparing for the workforce of the future**

Under the Tasmanian Government's *100 Day Plan,* a 'Health Workforce Planning Unit' was established to develop the 20-year *Future Health Workforce Plan*.

Its primary focus is on the health professional workforces, with the aim of supporting the roll-out of more than 300 hospital and community beds, and other services, across Tasmania.

**We launched our new Values!**

In March 2018, DHHS launched a new set of values and behaviours.

The *DHHS Values Project – Have your say to help shape our future* was an opportunity for employees to contribute to the sort of organisation they wished to work in.

This project used the Barret Values Centre Cultural Transformation tools and delivered the following new Values:

- Our focus is *PEOPLE*
- We work *TOGETHER*
- We act with *INTEGRITY*
- We are *ACCOUNTABLE*

**Embracing a Supportive Workplace Culture**

As part of DHHS' commitment to building a supportive workplace culture, in June 2018 we launched new resources to support flexible work options, including the *Flexibility at Work: Guide to Flexible Arrangements* and *Flexibility at Work – Talking to your Manager guide.*

We also launched our new *Workplace Adjustment Procedure* and associated resources to ensure our workplaces are accessible and inclusive of people with disability.

**Investing in engagement**

A range of positive workplace activities were undertaken to support a more connected workforce, including:

- actions associated with the *Workplace Diversity Plan 2017-2020* including whole-of-agency activities for 'days of significance' such as Harmony Day, International Women's Day; participation in the Pride March;
- continued support of a Workplace Support Officer network;
- continued offering of webinars provided on employees areas of interest – such as *Investigations with the Integrity Commission; Leading in a #MeToo world*; *A Briefing on NDIS;* as well as information sessions with community organisations like headspace and Women's Health Tasmania;

- positive wellbeing activities – such as inaugural Dragons Abreast Dragon-boating Departmental team, the 10 000 Step Challenge and Festive Decorating competition (DHHS and THS-wide); and
- White Ribbon surveys and associated positive workplace initiatives – including a DHHS team in the City to Casino and participation in community events like the Candle-light Vigil.

**Better systems and processes**

As part of our commitment to updating our business systems, we continued the roll out of Empower's Employee and Manager Self Service function to allow staff to update personal information and check and request leave online, rather than use paper-based processes.

Alongside this, we also:

- revised our Human Resources delegations management approach to make it more user-friendly;
- updated information and advice about supporting senior executive recruitment; and
- began work to introduce new dashboards to support stronger reporting.

**Investing in people management**

To ensure our Human Resources Management and Strategy (HRMS) staff operate using best practice approaches, we invested in their development, providing the following up-skilling opportunities:

- training with Page Seager on workplace conflict and grievances;
- Mercer CED Job evaluation;
- Integrity Commission Managing Misconduct Training; and
- Vicarious Trauma.

**Building employee capability**

Alongside investing in our HRMS staff, the Workforce Development and Policy Unit continued to support training and development of all staff – such as through promoting training and running face-to-face and e-learning course.

As a snapshot, the following provides a summary of development activities in 2017-18:

- we invested in courses provided by the Training Consortium, the Australian and New Zealand School of Government and the Institute of Public Administration Australia (such as '*Emotional Intelligence for managers', 'Managing people and performance', 'Think on your feet'; 'Being bold: how women can improve their power and influence in the public sector'; 'Confidence to lead');*
- we continued to administer the *Academic Program* (partnership with UTAS offering HECS-free postgraduate tertiary qualifications targeted at existing and aspiring health sector managers);
- we continued to offer a range of internal training opportunities, such as the face-to-face Manager Induction and Work Health Safety Training for Managers; and
- we supported DHHS employee participation in whole-of-government programs such as the State Service Strategic Management Program (S3MP)(3 participants); the Manager Essentials Program (30 participants); and SES Leadership Program (six participants).

### Whole-of-government

Alongside our own activities, we also supported a number of whole-of-government workforce initiatives, including implementing:

- the *Workplace Adjustment Procedure;*
- the *Occupational Violence and Aggression Procedure;*
- the *Diversity and Inclusion Framework;* and
- the *School-Based Traineeships program.*

We also contributed to:

- the continued development of the Aboriginal Employment Strategy;
- the *Active Ageing Survey;* and
- the *UNSW Survey on Gender Equality in the State Service.*

### Other activities

Alongside our proactive activities described above, we also continued to provide our business as usual activities.

### Supporting units through change

We continued to support a number of business units undertake change processes. These include:

- consolidating Information, Coordination & Strategic Unit (ICSU), Business Systems, Technical Services ICT;
- relocating Children and Youth Services units to the Marine Board building; and
- restructuring within Purchasing, Planning and Performance.

### Industrial Relations

The industrial relations area has seen the commencement of negotiations for a number of Agreements, including the Nurses and Midwives Agreement, the Ambulance Tasmania Agreement and the Allied Health Professional Agreement, each having an expiry date of 30 June 2018. This process has included negotiating with public sector unions to identify areas of potential improvement in our employment frameworks.

Alongside negotiations, ongoing compliance work has been occurring to identify, correct and unify the interpretation and application of existing Award and Agreement provisions. Change projects in the Agency have also required industrial oversite and assistance, including the Children's Advice and Referral Service for Children and Youth Services

## Current Workforce Profile

The DHHS workforce figures for 2017-18 reflect an increase in FTEs primarily due to the appointment of additional ambulance officers and child safety officers.

### Total Number of Full Time Equivalent (FTE) Paid Employees by Award

| | 2014-15[1] | 2015-16[1] | 2016-17 | 2017-18 |
|---|---|---|---|---|
| Allied Health Professional | 293.09 | 299.16 | 301.51 | 318.60 |
| Ambulance Tasmania Award | 306.81 | 340.13 | 354.85 | 375.78 |
| Health and Human Services | 873.85 | 875.67 | 903.91 | 946.36 |
| Medical Practitioners | 10.03 | 12.39 | 12.60 | 14.21 |
| No Award (Head of Agency) | 1.00 | 1.00 | 1.00 | 1.00 |
| Nursing | 23.40 | 29.83 | 26.99 | 25.77 |
| Senior Executive Service | 23.50 | 24.20 | 29.00 | 28.80 |
| Visiting Medical Officers | 0.50 | 0.62 | 0.50 | 0.50 |
| **Total** | **1 532.18** | **1 583.00** | **1 630.36** | **1 711.02** |

Note:

1 Due to organisational changes, data for previous years has been recast to the current organisational structure. These figures therefore differ from those previously published in DHHS Annual Reports. The organisational changes include the transfer of Cancer Screening and Control Services (CSCS) and Child Health and Parenting to the THS, and the transfer of some administrative functions from the THS to DHHS, including the Royal Hobart Hospital Redevelopment (RHHR).

### Total Number Paid by Employment Category: Permanent, Full Time, Part Time, Fixed Term and Casual

| | 2014-15[1] | 2015-16[1] | 2016-17 | 2017-18 |
|---|---|---|---|---|
| Permanent full-time | 1 146 | 1 192 | 1 170 | 1193 |
| Permanent part-time | 366 | 388 | 401 | 416 |
| Fixed-term full-time | 85 | 71 | 115 | 172 |
| Fixed-term part-time | 29 | 38 | 46 | 66 |
| Part 6[2] | 25 | 26 | 30 | 30 |
| Casual | 26 | 24 | 32 | 33 |
| **Total** | **1 677** | **1 739** | **1 794** | **1 910** |

Notes:

1 Due to organisational changes, data for previous years has been recast to the current organisational structure. These figures therefore differ from those previously published in DHHS Annual Reports. The organisational changes include the transfer of CSCS and Child Health and Parenting to the THS, and the transfer of some administrative functions from the THS to DHHS, including the RHHR.

2 Head of Agency, holders of Prescribed Offices and Senior Executives and equivalents.

## Total Number Paid Employees by Salary Bands (Total Earnings) – Salary for Award Classification

| | 2014-15[1] | 2015-16[1] | 2016-17 | 2017-18 |
|---|---|---|---|---|
| 40 001-45 000 | 0 | 0 | 0 | 0 |
| 45 001-50 000 | 27 | 12 | 5 | 1 |
| 50 001-55 000 | 131 | 44 | 73 | 76 |
| 55 001-60 000 | 48 | 154 | 134 | 137 |
| 60 001-65 000 | 145 | 131 | 152 | 163 |
| 65 001-70 000 | 114 | 63 | 65 | 77 |
| 70 001-75 000 | 160 | 203 | 36 | 49 |
| 75 001-80 000 | 170 | 93 | 173 | 153 |
| 80 001-85 000 | 167 | 192 | 185 | 175 |
| 85 001-90 000 | 112 | 168 | 147 | 142 |
| 90 001-95 000 | 231 | 164 | 170 | 78 |
| 95 001-100 000 | 48 | 161 | 221 | 169 |
| 100 001-110 000 | 184 | 183 | 175 | 329 |
| 110 001-120 000 | 79 | 98 | 98 | 119 |
| 120 001-130 000 | 20 | 24 | 105 | 160 |
| 130 001-140 000 | 10 | 14 | 18 | 29 |
| 140 001-150 000 | 3 | 5 | 5 | 14 |
| 150 000 plus | 28 | 30 | 32 | 39 |
| **Total** | **1 677** | **1 739** | **1 794** | **1 910** |

Note:

1 Due to organisational changes, data for previous years has been recast to the current organisational structure. These figures therefore differ from those previously published in DHHS Annual Reports. The organisational changes include the transfer of CSCS and Child Health and Parenting to the THS, and the transfer of some administrative functions from the THS to DHHS, including the RHHR.

## Total Number of Paid Employees by Award 2017-18

| | 2017-18 |
|---|---|
| Allied Health Professional | 365 |
| Ambulance Tasmania Award | 416 |
| Health and Human Services | 1 048 |
| Medical Practitioners | 19 |
| No Award (Head of Agency) | 1 |
| Nursing | 31 |
| Senior Executive Service (SES) | 29 |
| Visiting Medical Officers | 1 |
| **Total** | **1 910** |

## Total Number of Paid Employees by Age Profile

| | 2014-15[1] | 2015-16[1] | 2016-17 | 2017-18 |
|---|---|---|---|---|
| 15-19 years | 0 | 0 | 1 | 2 |
| 20-24 years | 32 | 46 | 56 | 69 |
| 25-29 years | 108 | 126 | 131 | 145 |
| 30-34 years | 207 | 195 | 201 | 203 |
| 35-39 years | 235 | 238 | 255 | 262 |
| 40-44 years | 228 | 260 | 253 | 248 |
| 45-49 years | 244 | 256 | 260 | 285 |
| 50-54 years | 262 | 242 | 242 | 270 |
| 55-59 years | 203 | 204 | 214 | 236 |
| 60+ years | 158 | 172 | 181 | 190 |
| **Total** | 1 677 | 1 739 | 1 794 | 1 910 |

Note:

1 Due to organisational changes, data for previous years has been recast to the current organisational structure. These figures therefore differ from those previously published in DHHS Annual Reports. The organisational changes include the transfer of CSCS and Child Health and Parenting to the THS, and the transfer of some administrative functions from the THS to DHHS, including the RHHR.

# Gender Diversity

The *Tasmanian Women's Strategy 2018-2021* and the *Gender Diversity in the State Service* have identified developing women's leadership and participation as a key priority to support gender equality for the benefit of the whole community.

As part of DHHS' commitments under these strategies, we have committed to achieving 50/50 gender diversity in the Senior Executive Service, with a goal of at least 40 per cent by 2020.

The following section outlines our progress in the reporting period.

## Gender Profile

The Department's gender profile has been relatively stable over the past four years. As at 30 June 2018, the overall gender profile for DHHS was 38.38 per cent male, 61.57 per cent female and 0.05 per cent Indeterminate/Intersex/Unspecified.

The Senior Executive Service profile for DHHS in the reporting period was 60 per cent male and 40 per cent female.

## Developing our female leaders

In acknowledgement that we still have work to do to increase the number of female senior leaders, in April 2018 the DHHS hosted a 'Women in Leadership' workshop with around 50 female leaders and aspiring leaders.

This forum focused on helping the DHHS determine actions to support greater female representation in senior leadership positions.

One of the key activities that came out of the forum was the development of the inaugural 'Women in Leadership Program' – which will be open to all female DoH, Department of Communities Tasmania and THS employees.

This program has been developed through a partnership between the DHHS and expert in leadership development Jill Currey. A cohort of 30 participants will go through the twelve-month Program, including ten two-hour workshops from October 2018.

The Program is free for participants, and supported by a Working Group, led by the Chief Executive Officer, PHS.

Investing in learning and development opportunities for women not only aligns with our commitments under whole-of-service strategies, but also the DHHS' work towards White Ribbon accreditation and the *DHHS Workforce Diversity Plan 2017-2020.*

## Senior Executive Service by Gender

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|---|---|---|---|
| Male | 18 | 16 | 18 | 18 |
| Female | 8 | 10 | 12 | 12 |
| **Total** | **26** | **26** | **30** | **30** |

Note: Table excludes Acting Senior Executive Service (SES) arrangements and includes Head of Agency

## Senior Executive Service Level by Gender

| | 2014-15 | | 2015-16 | | 2016-17 | | 2017-18 | |
|---|---|---|---|---|---|---|---|---|
| | **Male** | **Female** | **Male** | **Female** | **Male** | **Female** | **Male** | **Female** |
| SES 1 | 4 | 4 | 5 | 6 | 7 | 6 | 6 | 6 |
| SES 2 | 6 | 4 | 6 | 4 | 4 | 5 | 5 | 5 |
| SES 3 | 5 | - | 3 | - | 6 | - | 6 | - |
| SES 4 | 2 | - | 1 | - | - | 1 | - | 1 |
| Head of Agency | 1 | - | 1 | - | 1 | - | 1 | - |
| **Total** | **18** | **8** | **16** | **10** | **18** | **12** | **18** | **12** |

Note: Table excludes Acting SES arrangements.

## Gender Profile

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|---|---|---|---|
| Male | 651 | 662 | 682 | 733 |
| Female | 1 026 | 1 077 | 1 112 | 1 176 |
| Indeterminate/Intersex/Unspecified[1] | - | - | - | 1 |
| **Total** | **1 677** | **1 739** | **1 794** | **1 910** |

Note:

1 To support anonymity, in the following sections we have removed data that might identify the individual that has self-selected 'Indeterminate/Intersex/Unspecified'.

## Total Number Paid Employees by Gender and Salary Bands (Total Earnings) – Salary for Award Classification

| Salary Bands | Indeterminate/Intersex/ Unspecified | Male | Female | Total |
|---|---|---|---|---|
| 45 001-50 000 | | 1 | | 1 |
| 50 001-55 000 | | 26 | 50 | 76 |
| 55 001-60 000 | | 33 | 104 | 137 |
| 60 001-65 000 | | 25 | 138 | 163 |
| 65 001-70 000 | | 25 | 52 | 77 |
| 70 001-75 000 | | 10 | 39 | 49 |
| 75 001-80 000 | | 71 | 82 | 153 |
| 80 001-85 000 | | 74 | 101 | 175 |
| 85 001-90 000 | | 36 | 106 | 142 |
| 90 001-95 000 | | 25 | 53 | 78 |
| 95 001-100 000 | | 46 | 123 | 169 |
| 100 001-110 000 | | 150 | 178 | 328 |
| 110 001-120 000 | | 62 | 57 | 119 |
| 120 001-130 000 | | 98 | 62 | 160 |
| 130 001-140 000 | | 18 | 11 | 29 |
| 140 001-150 000 | | 10 | 4 | 14 |
| 150 000 plus | | 23 | 16 | 39 |
| **Total** | | **733** | **1 176** | **1 909** |

## Classifications by Gender

The following information describes the gender profile of particular classification groups of employees, including General Stream employees, as well as those in particular occupations such as Allied Health Professionals. Data is by headcount.

### General Stream

| Classification | 2017 | | 2018 | |
|---|---|---|---|---|
| | Male | Female | Male | Female |
| Bands 1-5 | 123 | 379 | 130 | 388 |
| Bands 6-8 | 151 | 196 | 156 | 222 |
| Bands 9-10 | 1 | 3 | 2 | 4 |
| Graduate | 2 | 2 | 3 | 3 |
| Health Services Officer | 33 | 32 | 29 | 33 |
| Information and Communication Technology | 60 | 11 | 68 | 10 |

### Allied Health Professionals

| Classification | 2017 | | 2018 | |
|---|---|---|---|---|
| | Male | Female | Male | Female |
| AHP 1-2 | 43 | 152 | 45 | 160 |
| AHP 3 | 10 | 86 | 13 | 88 |
| AHP 4 | 8 | 23 | 13 | 29 |
| AHP 5 | 3 | 12 | 3 | 11 |
| AHP 6 | 3 | 1 | 2 | 1 |

| Classification | 2017 | | 2018 | |
|---|---|---|---|---|
| Ambulance | Male | Female | Male | Female |
| Paramedic Intern | 12 | 21 | 19 | 25 |
| Paramedic | 104 | 99 | 117 | 108 |
| Clinical Support Officer | 6 | 10 | 9 | 5 |
| Paramedic Educator | 7 | 1 | 7 | 1 |
| Communications Officer | 3 | 3 | 3 | 3 |
| Emergency Medical Dispatch Officer | 7 | 19 | 10 | 18 |
| Branch Station Officer | 45 | 7 | 47 | 7 |
| Ambulance Manager | 29 | 7 | 25 | 11 |

| Classification | 2017 | | 2018 | |
|---|---|---|---|---|
| **Nursing** | **Male** | **Female** | **Male** | **Female** |
| Grade 3-4 | 4 | 6 | 2 | 6 |
| Grade 5 | 1 | - | 1 | - |
| Grade 6 | - | 11 | - | 15 |
| Grade 7 | - | 2 | - | - |
| Grade 8 | - | 6 | - | 6 |
| Grade 9 | - | - | - | - |
| Chief Nurse | - | 1 | - | 1 |

| Classification | 2017 | | 2018 | |
|---|---|---|---|---|
| **Medical** | **Male** | **Female** | **Male** | **Female** |
| Rural Medical Practitioner | - | - | - | - |
| Visiting Medical Practitioner | - | 1 | - | 1 |
| Medical Practitioner 5-11 | - | 1 | - | 1 |
| Medical Practitioner R5-9 | - | 3 | 1 | 1 |
| Specialist Medical Practitioner 1-11 | 5 | 4 | 4 | 5 |
| Senior Specialist Medical Practitioner 1-3 | 4 | 1 | 4 | 1 |

# Indicators of Organisational Health

## Leave

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|---|---|---|---|
| **Annual Leave** | | | | |
| Average number of days used per paid full time equivalent (FTE) | 17.7 | 22.8 | 21.3 | 20.5 |
| Number of FTEs with entitlements equal to the two year limit | 2.6 | 0 | 1.8 | 2.0 |
| Number of FTEs in excess of two year limit | 53.7 | 64.9 | 72.3 | 88.4 |
| **Long Service Leave (includes maternity leave)** | | | | |
| Average number of days used per paid FTE | 2.9 | 3.1 | 4.2 | 4.2 |
| **Personal Leave Days (includes sick, carers and family leave)** | | | | |
| Personal leave days per average paid FTE | 11.1 | 13.6 | 12.5 | 13.4 |
| **Overtime Hours (includes callback and overtime hours)** | | | | |
| Overtime/callback paid hours per average paid FTE | 43.7 | 46.3 | 50.5 | 48.5 |
| **Turnover Rate**[1] | | | | |
| Total number of separations (FTEs) divided by the average paid FTE | 15.2% | 8.5% | 6.7% | 7.9% |

Note:

1. The turnover rate is the rate at which people were leaving DHHS as at 30 June each year.

# Workplace Health and Safety

DHHS recognises the importance of Work Health and Safety (WHS). We strive for continual improvement in the Department's WHS environment and support a range of activities and strategies. In 2017-18, WHS initiatives have included:

- The improvement of reporting on WHS matters from and for the Department's business units through:
    - engaging and supporting business units to meet reporting requirements;
    - consolidation of WHS data;
    - removing duplication;
    - providing consistent standardised WHS reporting; and
    - the development of a new, Workers Compensation, case management system.
- Continuing a collective approach with Asset Management Services in the improvement of WHS Contractor Management and ongoing support in emergency management planning and maintenance.
- Ongoing WHS training for all DHHS staff, including manager and supervisors, and implementation of a WHS training framework for DHHS.
- The introduction of Mental Health First Aid Training within the workplace.
- Regular review and updating of policies and procedures relating to Safety, Health and Wellbeing with a particular focus this year on the DHHS WHS Management System and WHS Risk Register.

**A snapshot of WHS data**

DHHS received 119 workers compensation claims during 2017-18, compared to 138 claims in 2016-17.

The major areas of injury were:

- 32 stress claims (a decrease from 40 stress related claims in 2016-17).
- 87 non-stress claims (a decrease from 98 non-stress related claims in 2016-17).
- Subcategories of non-stress claims saw:
    - a notable reduction in subcategory muscular stress from 55 in 2016-17 to 45 in 2017-18;
    - a decrease in aggression from 11 in 2016-17 to 5 in 2017-18;
    - an increase in slip/trips/falls claims from 5 in 2016-17 to 11 in 2017-18.

Total claim costs (normal weekly earnings plus associated costs) for 2017-18 were $7.06 million, an increase of approximately $1.39 million from 2016-17 where total claim costs were $5.67 million. This increase was attributed to higher payroll costs, common law and disability payments relating to settlements.

During 2017-18, there were nine settlements paid, five stress claims with a total common law component of $1.04 million, and four non-stress claims settled for $1.05 million.

Cash cost (premium paid plus normal weekly earnings paid, less normal weekly earnings reimbursements from insurer) for 2017-18 was $5.26 million, an increase of $1.72 million from $3.54 million in 2016-17.

# Publications

### For the Public

We have launched several significant publications this financial year that further our goal of improving health and human services in Tasmania.

These publications are available on our website at: www.dhhs.tas.gov.au/about_the_department/our_plans_and_strategies.

We use these plans and strategies to ensure we are providing effective and efficient care and support for all Tasmanians.

### For Staff

We produce numerous regular internal publications to keep our staff up to date on important work-related issues. For example, all staff receive the weekly News and Announcements e-bulletin and regular communications from the Secretary.

### Library Services

DHHS Library Services supports staff information and research needs.

It comprises four libraries: the Wingfield Library and AT Library in the south, and the Ramsay Library and Buttfield Library in the north.

Our Electronic Portal for Online Clinical Help allows users to search for quality health information simply and quickly.

Library Services also publishes academic research and publications written by our staff in its Who's in Print newsletter.

A list of high level publications released in 2017-18 follows.

### Key Publications 2017-18

| | |
|---|---|
| 2017-18 Service Agreement between the Minister for Health and the Tasmanian Health Service | 2017 |
| DHHS Annual Report 2016-17 | 2017 |
| DHHS Corporate Plan 2016-18 (Revised) | 2017 |
| End of Life Care: Supporting Tasmanians to Live Well at End of Life - Tasmanian Policy Statement | 2017 |
| Tasmania Winter Plan 2018 | 2018 |
| Tasmanian Child and Youth Wellbeing Framework (Final) | 2018 |

# Performance Measures 2017-18

The DHHS strives to improve performance in areas that lead to strong health and human services outcomes for Tasmanians. Our performance measures give an insight into how we measure performance and plan improvements.

The following provides a high- level overview of our performance in diverse areas across the Department.

# Ambulance Tasmania

| Performance Measure | Unit of Measure | 2014-15 Actual | 2015-16 Actual | 2016-17 Actual | 2017-18 Actual |
|---|---|---|---|---|---|
| Total Ambulance Responses [1] | Number | 78 749 | 81 409 | 83 764 | 89 220 |
| Emergency Ambulance Responses | Number | 47 799 | 49 644 | 43 064[2] | 44 895 |
| Satisfaction with Ambulance Services[3] | % | 98 | 98 | 97 | 98 |
| Median Emergency Response Times (state-wide)[4] | Mins | 12.3 | 12.9 | 13.8 | 12.8 |
| Median Emergency Response Times (Burnie) [4] | Mins | 9.8 | 10.1 | 12.7 | 10.2 |
| Median Emergency Response Times (Devonport) [4] | Mins | 10.2 | 10.5 | 11.4 | 9.8 |
| Median Emergency Response Times (Hobart) [4] | Mins | 11.5 | 11.9 | 14.3 | 11.5 |
| Median Emergency Response Times (Launceston) [4] | Mins | 11.0 | 11.7 | 13.5 | 11.1 |
| Ambulance Services expenditure per person[5] | $ | 128.79 | 132.09 | 135.8 | na |

Notes:

1 A response is where an ambulance resource begins responding to an incident. This indicator includes emergency, urgent and non-urgent responses. The indicator excludes non-emergency patient transport responses (7 911), ambulance stand-by responses (3 602) and ambulance contract responses (113).

2 In August 2016, a clinical audit was undertaken of priority dispatching determinants and a number of dispatch codes were reclassified from emergency to a lower level priority resulting in a decrease in emergency responses and a corresponding increase in lower priority cases.

3 Level of patient satisfaction is defined as the total number of patients who were either 'satisfied' or 'very satisfied' with ambulance services they had received in the previous 12 months, divided by the total number of patients that responded to the Patient Experience Survey. The Patient Experience Survey results for 2017-18 will be published in the Report on Government Services (ROGS) in January 2019. The figure provided here for 2017-18 is ATs target for 2017-18.

4 The ambulance emergency response time is calculated as the time interval between AT recording the first keystroke on receipt of a triple zero call in the State Operations Centre, and the first vehicle arriving at the location to treat a sick or injured patient. The median emergency response time (MERT) is the middle time value when all response times for emergency incidents are ordered from shortest to longest. The MERT can be broadly interpreted as the time within which approximately 50 per cent of the first responding ambulance resources arrive at the scene of an emergency.

5 Historical rates for Ambulance Tasmania's expenditure per person may differ from those in previous reports, as historical data have been adjusted to 2016-17 dollars using the General Government Final Consumption Expenditure (GGFCE) chain price deflator. The figures here are those reported in ROGS. The figure for 2017-18 is not yet available and will be published in ROGS in January 2019.

The 2016-17 Council of Ambulance Authorities (CAA) *Patient Experience Survey* results indicate that 97 per cent of Ambulance Tasmania's patients were satisfied, or very satisfied, with the ambulance service. The 2017-18 results will be published in January 2019.

In 2017-18, the demand for ambulance services resulted in 89 220 responses, an increase of 5 456, or 6.5 per cent on the previous year.

Although there has been a significant increase in demand for ambulance services, Ambulance Tasmania has been successful in decreasing the statewide median emergency response time (MERT), with approximately 50 per cent of emergency calls responded to within 12.8 minutes, compared to 13.8 minutes in 2016-17. Notably, the MERT decreased in Hobart, Launceston, Burnie and Devonport.

There are a number of factors which affect ambulance response times in Tasmania. Compared to other states and territories, Tasmania has the highest proportion of people living in rural areas. Additional factors include: an ageing population and reliance on Volunteer Ambulance Officers in many areas.

In 2017-18, a number of strategies were implemented, which have positively impacted on ambulance services. The Tasmanian Government funded an additional ambulance crew in Glenorchy and Launceston, and additional coverage from the Mornington ambulance station.

The 2016-17 Patient Transport initiative was fully implemented in 2017-18, with an additional crew established at Devonport and Latrobe.

Strategies to reduce the impact of demand are a focal point of AT operations. These include improvements in technology and public education campaigns and community announcements.

Employment of three Extended Care Paramedics in the Southern Region and the commencement of exploration of secondary triage referral pathways, have extended pre-hospital care options, with the potential to reduce demand for emergency ambulance responses and still provide appropriate patient care options.

The ongoing implementation of the Emergency Services Computer Aided Dispatch (ESCAD) system, will realise a contemporary dispatch system, with a common platform to enhance and support multi-agency communication in responding to emergency situations. ESCAD implementation for AT is planned for late November 2018.

The increase in ambulance services expenditure per person for 2017-18, was consistent with previous years.

# Public Health Services

| Performance Measure | Unit of Measure | 2014-15 Actual | 2015-16 Actual | 2016-17 Actual | 2017-18 Actual |
|---|---|---|---|---|---|
| **Radiation Protection** | | | | | |
| Radiation Management Plan – Notification of review by licence holder | % | 82.0 | 78.0 | 74.0 | 84.0 |
| Recertification prior to expiry | % | 60.0 | 98.0 | 96.0 | 97.0 |
| **Immunisation** | | | | | |
| Vaccine coverage in children aged 12-15 months[1] | % | 90.4 | 92.9 | 93.8 | 94.6 |
| Vaccine coverage in children aged 24-27 months[1] | % | 88.7 | 89.7 | 92.0 | 90.9 |
| **Move Well Eat Well** | | | | | |
| Primary School Membership | % | 77.8 | 80.1 | 81.0 | 82.4 |
| Primary School Awarded[2] | % | 22.2 | 24.0 | 25.8 | 27.2 |
| Early Childhood Membership | % | 80.0 | 84.0 | 85.8 | 79.7 |
| Early Childhood Awarded[2] | % | 20.0 | 23.0 | 24.8 | 25.2 |

Notes:
1 Data Source: Australian Immunisation Register as at 31 December 2017.
2 Percentage Awarded for 2016-17 updated.

### *Radiation Protection*

Reported approved radiation management plans and recertification of radiation sources are a point in time calculation. Authorised Officers follow up non-compliance and seek evidence that radiation safety and documentation is being maintained.

### *Immunisation*

From 2016-17 to 2017-18, reported vaccination coverage in the 12-15 month age cohort increased by 0.8 per cent and is just above the Australian national average of 94.1 per cent.

The reported vaccination coverage in the 24-27 month age cohort decreased by 1.1 per cent from 92 per cent in 2016-17 to 90.9 per cent in 2017-18.

The vaccination coverage in this age range in Tasmania remains above the national average of 90.5 per cent.

The decrease reflects a national trend resulting from changes in the definition of 'fully immunised' to include several new vaccines. In Tasmania rates are also impacted by the relatively small size of the cohort.

***Move Well Eat Well***

As at 30 June 2018, there were 182 member primary schools, 60 of which have achieved a Move Well Eat Well (MWEW) Award. This represents an increase in membership and the number of award schools since last year. The early childhood membership as at 30 June 2018 was 98 with 31 achieving a MWEW Award. This represents an increase in both membership and awards, however the lower percentage shown in membership for 2017-18 reflects an increase in the total number of Long Day Care centres with more opening during the year.

# Housing, Disability and Community Services

| Disability Services | | | | | |
|---|---|---|---|---|---|
| **Performance Measure** | **Unit of Measure** | **2014-15 Actual** | **2015-16 Actual** | **2016-17 Actual** | **2017-18 Actual** |
| Accommodation support clients[1] | Number | 1 222 | 1 208 | 1201[1] | 1084 |
| Community access clients[1] | Number | 1 074 | 1 078 | 1004[1] | 961 |
| Supported accommodation waiting list | Number | 93 | 82 | 58 | 39 |
| Community access waiting list | Number | 76 | 88 | 112 | 61 |

| Housing Tasmania | | | | | |
|---|---|---|---|---|---|
| Public Housing occupancy rate[2] | % | 98.3 | 98.5 | 98.5 | 98.8 |
| Applicants housed[3] | Number | 1 085 | 926 | 1 047 | 901 |
| New allocations to those in the greatest need | % | 80.5 | 95.5 | 97.8 | 98.3 |
| Households assisted through Private Rental Assistance | Number | 3 666 | 3 544 | 3 057 | 2 839 |
| Applicants on Housing Register | Number | 2 771 | 3 573 | 2 962 | 3 216 |
| Average wait time for people who are housed (year to date) Weeks | | 42.2 | 47.7 | 47.3 | 63.4 |
| Average time to house Priority applicants[4] (quarterly) | Weeks | NA | 43.0 | 48.7 | 59.6 |
| Net recurrent cost per dwelling[2] | $ | 8 379 | 8 117 | 9 164 | NA |
| Turnaround time[5] | Days | 21.5 | 20.4 | 32.6 | 28.4 |

Notes:

1 The number of Accommodation Support and Community Access clients are preliminary figures as the data collection is yet to be finalised. Final figures are due to be published by the Australian Institute of Health and Welfare (AIHW) in June 2019. 2016-17 figures have been updated from the previous Annual Report, in line with the release of AIHW figures in June 2018.

2 Housing Tasmania data is provided from ROGS where appropriate. ROGS data for 2017-18 is not yet available, therefore internal data has been provided when it is available.

3 This includes applicants housed into public or community housing from the Housing Register.

4 This indicator has replaced Average time to house Category 1 applicants due to the new HAPS in 2015. The new HAPS has seen a move to a two category system of Priority and General and has resulted in a higher number of applicants in the Priority category.

5 This data provides improved information than was previously available, but there will be an ongoing focus on continuous improvement to ensure that data aligns with business processes. A national review of turnaround time, led by the AIHW, is ongoing due to discrepancies in jurisdiction's reporting of ROGS data.

## Disability Services

Accommodation support services provide assistance for people with disability within a range of accommodation options, including group homes (supported accommodation) and other settings. The supported accommodation waiting list decreased by 32.8 per cent from 58 people in June 2017 to 39 in June 2018. Supported accommodation waiting list figures are expected to further reduce as people who utilise supported accommodation services are transitioned to the NDIS.

Community access services provide activities for people with disability which promote learning and skill development and enable access, integration and participation in the local community.

The community access waiting list decreased by 45.5 per cent from 112 in June 2017 to 61 in June 2018. The implementation of the NDIS in Tasmania has begun to address the need for community access, with older age cohorts becoming eligible for the NDIS

## Housing Tasmania

This Government is taking significant action in addressing housing need. It has a long-term plan to improve housing outcomes and assist people experiencing housing stress.

*Tasmania's Affordable Housing Strategy 2015-2025* and *Action Plan 2015-2019* (Action Plan) outline the housing reform agenda for Tasmania over the next 10 years.

Housing Tasmania is delivering the new housing assistance and supply initiatives to increase the affordable housing options available for people in housing need.

This is in an environment of growing demand for affordable housing for people on low incomes. A strong economy is resulting in rising house prices and challenges in accessing affordable private rentals.

Occupancy rates for public housing continue to be very high at 98.8 per cent as people remain in safe, affordable and stable housing.

There was a reduction in the number of applicants on the Housing Register in June 2017 associated with a review and update of active applicant details. This has increased to 3 216 applicants on the Housing Register at June 2018, showing there is still significant ongoing demand for social housing.

The number of households accessing Private Rental Assistance has decreased from 3 057 in 2016-17 to 2 839 in 2017-18. This is due to the lack of affordable properties that are available within the private rental market.

In response, Housing Tasmania has commenced the new Private Rental Incentives Program in May 2018 to provide greater opportunities for people on low incomes to access affordable private rentals. This program will be rolled out to assist 110 new households by June 2019.

The number of new households assisted into public and community housing has decreased from 1 047 in 2016-17 to 901 in 2017-18. This again reflects the low turnover of social housing properties.

Under the Housing Assessment Prioritisation System, around 70 per cent of Housing Register applicants are priority.

Housing Tasmania continues to perform extremely well at targeting public housing allocations to people most in need. In June 2018, 98.3 per cent of people housed were priority applicants.

The low turnover and high demand for social housing properties means that there been significant increases in wait times for people to be housed.

To address housing demand, the Government is investing a further $125 million in the next stage of our Affordable Housing Strategy, which is expected to provide an additional 1 500 new affordable homes for Tasmanians and assist around 2 000 households.

Taken with the investment in the first Action Plan, this will represent an unprecedented investment of $200 million over eight years, providing 2 400 new affordable homes and assisting around 3 600 households in need by 30 June 2023.

# Children and Youth Services

## Children Services

| Performance Measure[1] | Unit of Measure | 2014-15 Actual | 2015-16 Actual | 2016-17 Actual | 2017-18 Actual |
|---|---|---|---|---|---|
| **Children Services** | | | | | |
| Children in notifications (per 1 000 population)[2,3] | Rate | 77.1 | 70.4[4] | 55.0 | 52.4 |
| Average daily children in active transition at Response[5] | Number | 15.5 | 65.3 | 83.6 | 38.0 |
| Investigation outcome determined within 28 days[2,8] | % | 33.8 | 19.9 | 17.2 | 17.4 |
| Children who were the subject of a substantiation during the previous year, who were the subject of a subsequent substantiation within 12 months [2,6] | % | 18.5 | 24.5 | 23.8 | 19.3 |
| Average daily children in out of home care | Number | 1 046.5 | 1112.4 | 1180.7 | 1237.1 |
| Children with approved case and care plans[9] | % | 67.5 | 55.3 | 60.0 | 55.2 |
| Foster care households with five or more foster children[10] | % | 5.2 | 5.3 | 6.6 | 5.7 |
| Children in out of home care who had 3+ non-respite placements in the last 12 months | % | 4.5 | 4.0 | 4.5 | 4.9 |
| Children with Children and Young Person's Program (CYPP) status 'referral assessment completed' as at 30 June | Number | 90 | 59 | 33[7] | 67 |

Notes:

1 The continual entry of data means data above may be retrospectively updated from that previously published.
2 The 2017-18 actuals are preliminary and may differ from figures published in national reports.
3 The population figures used to calculate rates are taken from the most recently released ROGS. The population for these calculations is assumed to be the same as that published for the prior financial year.
4 From February 2016, any notification to Child Safety Service finalised under Section 17(2)(a) of the *Children, Young Persons and Their Families Act 1997* (i.e. the notification was based on information or observations that were not sufficient to constitute reasonable grounds for the belief or suspicion contained in the notification) was classified as a child concern report for the purpose of national and state level reporting and was not counted as a notification.
5 Children in active transition at Response are actively managed while awaiting allocation to a Child Safety Officer for an investigation.
6 Due to the continual entry of data, the total percentage of resubstantiations is not able to be reliably reported at the time of publication. As such the figure reported for the most recent financial year should be interpreted with caution.
7 During 2016-17, the 'waitlist' indicator for children referred to CHYPP was revised to 'children with status referral assessment completed' to reflect a change in business process for managing new referrals. From January 2017, a referral assessment was required to be undertaken within three working days of initial contact with the service, and this may result in one of a variety of approaches to supporting children referred. For this reason figures are not comparable across years.
8 This indicator has been retrospectively updated to align with national counting rules. The figures included above therefore do not align with those previously published in the Annual report and other publications.
9 This indicator has been retrospectively updated to exclude children on extension orders who are not subject to a guardianship or custody order. The figures included above therefore do not align with those previously publish in the Annual report and other publications.
10 Foster care households with five or more foster children is reported as at 30 June of the given financial year and as 'point in time' snapshot figures.

Children and Youth Services continue to deliver on the 2016 Tasmanian Government commitment of the comprehensive reform *Strong Families, Safe Kids*.

In 2017, the Government released the *Strategic Plan for Out of Home Care in Tasmania 2017-2019*, which addresses recommendations made by the Commissioner for Children and Young People's in his report *Children and Young People in Out of Home Care in Tasmania*.

The Out of Home Care Foundations Project also builds on the recommendations made by the Commissioner by seeking to build a more coordinated, integrated and accountable Out of Home Care system.

In the later part of the year the updated Tasmanian Child and Youth Wellbeing Framework was launched fulfilling a key deliverable in the *Strong, Families, Safe Kids* Implementation Plan. The Framework articulates an agreed, common definition of child wellbeing and provides a launch pad for a range of future initiatives.

From a performance view, the number of children per 1 000 in the population who were the subject of a notification has decreased from 55.0 in 2016-17 to 52.4 in 2017-18. Figures before 2016-17 cannot be compared due to the change in counting rules in February 2016. Despite a decrease in reported service activity for Child Safety Service intake functions, it should be noted the overall number of children placed on an order and/or in care continued to grow in Tasmania during 2017-18.

During 2017-18, a daily average number of 38.0 children were in active transition from Intake to Response, representing a considerable decrease from 83.6 in 2016-17. This is a reflection on the consistent effort to reduce the number of children in active transition at Response.

Tasmania continues to experience greater case complexity in notifications requiring investigation, which is consistent across every jurisdiction in Australia. This continues to see Child Safety Officers spending more time working with families in an attempt to prevent the need for statutory intervention and to keep families together longer. This is also consistent with the approach being adopted through the Children's Advice and Referral Service as part of the *Strong Families, Safe Kids* reform.

A number of strategies continue to be implemented to assist in working with complex cases. These include:

- Professional development for employees in their understanding of, and response to, trauma
- The continuation of the trial of Intensive Family Engagement Services which consists of a panel of services to provide intensive family functioning and parenting skills aimed at preventing the imminent separation of children from their primary caregivers.
- The investment of $7.5 million saw planning commence to support young people in Out of Home Care including extending the out of home care age from 18 up to 21 years, additional incentives to support education outcomes, and planning for the new initiative to extend support payments to foster/kinship carers whilst the young people in their care are engaged in education between the ages of 18 up to 21 years.
- The announcement of an additional $24 million over four years to employ up to an additional 25 Child Safety Officers is also expected to go a long way in managing demand across the service system.

## Custodial and Community Youth Justice

| Performance Measure | Unit of Measure | 2014-15 Actual | 2015-16 Actual | 2016-17 Actual | 2017-18 Actual |
|---|---|---|---|---|---|
| **Custodial Youth Justice** | | | | | |
| Average daily young people in Custodial Youth Justice[1] | Number | 10.3 | 9.2 | 10.7 | 11.4[2] |
| Distinct number of young people in Custodial Youth Justice[1] | Number | 52 | 33 | 65 | 58 |
| **Community Youth Justice** | | | | | |
| Average daily young people in Community Youth Justice[1] | Number | 242.6 | 227.7 | 198.2 | 182.3 |
| Distinct number of young people in Community Youth Justice [1] | Number | 523 | 476 | 411 | 399 |
| Community Service Orders completed before the statutory expiry date[1] | % | 86.4 | 91.7 | 94.5 | 83.8 |
| Youth Justice Community Conferences held within six weeks of receipt of referral for conference [1] | % | 86.3 | 84.2 | 85.3 | 83.7 |

Note:

1 Given the continual entry of data into information systems and the KIDZ data warehouse, the most recent data reported above may have been retrospectively updated from that published previously in the Annual Report and other publications.

2 The 2017-18 actuals are preliminary and may differ from figures published in national reports as data for these publications are not submitted until late September each year and figures are not generally published until January of the subsequent year.

The Youth at Risk Strategy was launched in June 2017 to focus on early intervention and a whole of government approach to address the complex needs of young people. A key action area of the Strategy is to provide timely and appropriate safety and supports for young people in Out of Home Care and those engaged in the Youth Justice System. The Government committed $16.4 million in the 2017-18 Budget to support implementation of the Strategy.

An investment of $7.3 million was also committed for the redesign of the Ashley Youth Detention Centre and to support a more therapeutic approach in a youth justice correctional setting.

In regards to performance, while the average daily number increased, the distinct number of young people in detention throughout the year declined from 65 in 2016-17 to 58 in 2017-18. The increase in the average daily number occurred because of an increase in the average number of days each young person spent in custody.

The average daily number of people in Community Youth Justice has continued to decrease, declining from 198.2 in 2016-17 to 182.2 in 2017-18.

The number of young people engaged with Community and Custodial Youth Justice Services is predominantly influenced by external services. The factors affecting activity levels include referral practices and diversionary programs implemented by Tasmania Police, as well as the effectiveness of prosecutions and sentencing options selected by the Courts.

# System Management

## Health System Management

| Performance Measure | Unit of Measure | 2014-15 Actual | 2015-16 Actual | 2016-17 Actual | 2017-18 Actual |
|---|---|---|---|---|---|
| Implementation of Government reform agenda goals achieved within published timeframe | % | 100 | 75 | 96 | 92[1] |
| Service Agreements developed and administered in accordance with the THO Act, and policy settings endorsed by the Minister for Health | Number | 3 | 1[2] | 1[2] | 1[2] |

Notes:

1 The health reform goals are those specified in the Government's Deliverables 2017 and the First 100 days. The target of 100 per cent was not achieved due to start for upgrade of housing infrastructure on Cape Barren Island and Flinders Island being delayed to September 2018. The evaluation of the Joined up Human Services Place-based Initiative; the mental health best practice framework for workplaces in Tasmania; and the Safe Families, Safe Kids new state wide advice and referral services; and the 10 year Community Sector Industry Development Plan to be developed with TASCOSS have been delayed until later in 2018.

2 One Service Agreement was required in 2015-16 due to the establishment of the single THS on 1 July 2015.

### Patients First

Throughout 2017-18, DHHS continued to support the THS in the delivery of the *Patients First* and *Patients First (Stage 2)* initiatives.

The actions within the *Patients First* and *Patients First (Stage 2)* initiatives were monitored and actioned by the DHHS and THS through the Service Agreement.

### THS 2017-18 Service Agreement

The *Tasmanian Health Organisations Act 2011* (the Act) required an annual Service Agreement between the Minister for Health and the THS to be in place by 30 June for the forthcoming financial year.

The Service Agreement is the key agreement between the Minister for Health and the THS, and sets out the agreed expectations of the THS.

The Service Agreement is complemented by a Performance Framework, which provides the arrangements for monitoring THS performance against the Service Agreement requirements. As system manager, it is the responsibility of DHHS to ensure that THS performance against the requirements of the Service Agreement is monitored and managed to ensure that where necessary, the performance intervention options available to the Minister under the Act are effectively implemented.

In 2017-18 the DHHS undertook quarterly performance review meetings with the THS to identify and manage emerging performance issues.

The 2017-18 Service Agreement was signed by the Minister for Health on 26 June 2017 and by the Chair of the THS Governing Council on 27 June 2017.

There was one amendment to the Service Agreement in April 2018 that included:

- National Partnership on transfer of the Mersey Community Hospital – to include activity levels agreed between the Commonwealth and Tasmanian Governments;
- additional funding for the Royal Hobart Hospital and Repatriation Hospital Support Package, Statewide Operations and Command Centre and Launceston General Hospital Ward 4D boost;
- adjustment to Elective Surgery Key Performance Indicators;
- transfer of Child Health and Parenting Service administrative positions from DHHS to THS;
- additional funding for the Statewide Trauma Service; and
- adjustment for the National Efficient Cost.

The amendment was signed by the Minister for Health and the Chair of the THS Governing Council.

**Performance Escalations**

During 2017-18, level one performance escalations, for unsatisfactory performance, were in place against the following service agreement Key Performance Indicators (KPIs):

- Percentage of all emergency department presentations seen within recommended time
- Percentage of all emergency patients with an Emergency Department (ED) length of stay less than four hours
- Percentage of patients admitted through the ED with ED length of stay less than eight hours
- Percentage of all ED patients with an ED length of stay less than 24 hours
- Ambulance offload delay – 30 minutes

Consistent with the requirements of a level one performance escalation, the THS was required to submit performance improvement plans for all five KPIs to the Secretary for DHHS, outlining the strategies that would be implemented to remediate performance and a timeframe for the achievement of KPI targets specified in the 2017-18 Service Agreement.

## Human Services System Management

| Performance Measure | Unit of Measure | 2014-15 Actual | 2015-16 Actual | 2016-17 Actual | 2017-18 Actual |
|---|---|---|---|---|---|
| Organisations receiving a Quality and Safety Review within relevant timeframes | % | 42.5 | 31 | 23.75 | 23.8 |
| Target Population transferred to NDIS within agreed timeframes[1] | % | 100 | 100 | 100 | 91 |
| Social Housing owned and/or managed by the Community Sector[2] | % | 42.7 | 42.4 | 41.5 | 40.8 |

Notes:

1 The 2016-17 Actual has been revised from figures previously reported with the most recent data.

2 The agreed National Target for community managed social housing stock is 35 per cent. The 2016-17 target was revised to 42.7 per cent in the 2016-17 Budget Papers to reflect the level of social housing stock actually under community management at that time. Although 2017-18 actuals are slightly below that revised target, they are still well above the national target.

### Quality and Safety Reviews

DHHS conducts regular reviews of funded community sector organisations under the *Quality and Safety Framework for Tasmania's DHHS Funded Community Sector*. DHHS funded organisations are continuing to actively participate in the review process and are showing a commitment to continuous improvement against quality and safety standards. The Department is responsible for triennial reviews under the Framework. However, quality and safety standards are also monitored annually through DHHS funding agreement management.

### NDIS Transition to Full Scheme

Tasmania's transition to full scheme NDIS commenced on 1 July 2016.

As at 30 June 2018 3 879 Tasmanians had become NDIS participants and an additional 537 children under 6 years accessed the NDIS Early Childhood Intervention Program. This represents 91 percent of the anticipated bilateral transition estimate. It is anticipated that around 10 600 Tasmanians will be participants in the Scheme by 30 June 2019. 1 159 service providers have registered to provide NDIS supports in Tasmania. Tasmania continues to provide coverage of quality and safeguarding arrangements for NDIS participants and providers during transition.

## Social Housing

Community housing providers continue to manage over 40 per cent of social housing properties in Tasmania.

Around 3 900 properties have transferred under the Better Housing *Futures* program since its commencement.

The involvement of the community sector in the management of social housing has led to improvements in the way tenants, with special needs in particular, are supported, the building of strong, resilient communities and a concentrated investment in maintenance across the Tasmanian social housing portfolio.

Partnerships with community housing providers are being expanded to enable further investment into affordable housing. The Stock Leverage initiative will see the transfer of ownership of parcels of social housing for community housing providers to redevelop existing social housing and provide new additional supply.

**Children Services System Management**

| Performance Measure | Unit of Measure | 2014-15 Actual | 2015-16 Actual | 2016-17 Actual | 2017-18 Actual |
|---|---|---|---|---|---|
| Planned strategic projects with milestones achieved | % | 59 | 71 | 86 | 92 |
| Planned regular operational performance reviews completed addressing key issues within the remit of Children's Services | % | 100 | 100 | 78[1] | 75[1] |
| Planned quality appraisals completed within relevant timeframes | % | 100 | 100 | 100 | 100 |

Note:

1 Routine performance reports that were issued for reviews were excluded from this measure for 2016-17 and 2017-18 where formal meetings were neither planned nor held.

Following the successful completion of a number of key strategic projects and frameworks in 2016-17, the focus for CYS in 2017-18 was on implementation.

The *Strong Families, Safe Kids* redesign continued to meet key deliverables with the appointment of additional staff into frontline Child Safety Services. These positions are focused on building capacity, providing expert advice and oversight on practice issues and creating critical linkages between health practitioners and child safety practitioners.

Work to develop another key element of the redesign, the establishment of the Children's Advice and Referral Service, is well advanced with the finalisation of the operational model for a new front door to the child safety system. The Children's Advice and Referral Service is focused on early interventions through facilitating appropriate and timely support to ensure the safety and wellbeing of vulnerable children.

To further support children in Out of Home Care a Child Advocate has been appointed. The Child Advocate hears directly from young people about their experiences in Out of Home Care and advocates to ensure those children are getting everything they need and deserve.

The Out of Home Care Foundations project has focused on the development of an outcomes framework for the Out of Home Care System and a discussion paper outlining key elements of a strong family-based care program. This will be released in 2018-19.

The *Youth at Risk Strategy* contains 34 actions, spread across seven key action areas. These actions span multiple Government Departments and existing reforms and are aimed at improving outcomes for youth through improved information sharing, coordination and realignment of existing services. Funding under the 2017-18 budget has directly assisted with the delivery of six actions including:

- ongoing support for young people on bail; and
- youth transitioning from juvenile detention and 'Colville Place', a Youth at Risk Response Centre designed to provide crisis accommodation and provision of integrated services, including support coordination.

The Strategy will be fully implemented over a four-year period.

The 2017-18 forward budget included $6 million for digital transformation across CYS. The long-term goal is to implement an Integrated Client Information System that enables the capture, exchange and viewing of live, operational data for clients across all CYS service lines, functional areas and programs. A Strategy has been under development through 2017-18, with a final report expected to be completed in Quarter 1 2018-19.

Quality appraisals were undertaken by staff in the Quality Improvement and Workforce Development Unit on individual cases as required. These appraisals occur in response to practice issues arising in relation to the Child Safety Service, Community Youth Justice and the Ashley Youth Detention Centre.

# PART TWO

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# Capital Works and Asset Management

## Overview

Asset Management Services (AMS) is responsible for delivering key property management elements of planning, procurement and sustainability for DHHS and the THS.

Capital works are delivered by AMS, Housing Tasmania and the RHH Redevelopment Team.

The majority of the capital works projects undertaken by AMS are delivered on behalf of the THS.

AMS regularly undertakes a range of projects and initiatives to improve asset management and safety as part of its proactive approach to the ongoing management of Departmental and fixed assets.

## Major Capital Works Program

In 2017-18, AMS and Housing Tasmania commenced, progressed and delivered a number of significant capital works projects, while the RHH Redevelopment Team continued its construction program on the RHH site.

Capital works projects completed in 2017-18 included the Northern Suburbs Community Centre at Newnham, the Launceston Integrated Care Centre and the Acute Medical and Surgical Unit at the Launceston General Hospital (LGH).

Construction started on a number of new major projects including the new district hospital at St Helens, the Kingston Health Centre and the expansion and redevelopment of the children's ward 4K at the LGH.

Works also continued on the Glenorchy Health Centre and the new 22 bed ward at the Repatriation Hospital. Both of these were completed in early 2018-19.

A new expanded plating line at Cambridge Kitchen is nearing completion. This will allow the current plating line to be relocated from the RHH thereby freeing up the current space as part of the RHH redevelopment works.

The design and tender for the construction of a new helipad and new Ambulance Station at the Mersey Community Hospital (MCH) are complete and construction commenced in the first quarter of 2018-19.

The new Rehabilitation Centre at the MCH is the first project to commence as part of the Government's $35 million commitment to upgrade the campus. A master planning exercise is underway to review services and determine a future priority works program.

The Statewide Rural Health Facility Infrastructure Upgrades will see a range of facilities undergo roof repairs or replacements and upgrades to heat and ventilation air conditioning (HVAC) systems.

# Completed Major Capital Works 2017-18

| Completed Major Capital Works in 2017-18 | Total Cost $'000 |
|---|---|
| Launceston Integrated Care Centre[1] | 22 700 |
| Hospital and Health Centre Maintenance[2] | 8 340 |
| Launceston General Hospital - Acute Medical and Surgical Unit[3] | 45 990 |
| National Health and Hospitals Network - Capital - Emergency Department - Royal Hobart Hospital[4] | 3 737 |
| **Housing Capital Program** | |
| North West Youth Accommodation Shelter | 6 000 |
| Northern Suburbs Community Centre | 1 660 |
| Strong Families Safe Kids | 550 |

Notes:

1 The Launceston Integrated Care Centre experienced temporary delays related to implementation of new Information Technology (IT) systems in 2016-17. The Australian Government contributed $15 million towards the Launceston Integrated Care Centre, $4.5 million from the University of Tasmania and $3 million from the State Government.

2 Projects under this program included the LGH substation upgrade; Launceston Ambulance Station Structural Works; Flinders Island Sewer Upgrade: Fire Systems Protection Upgrade; Body Protection Wiring Rectification; LGH Intensive Care Unit/Emergency Department Lift Upgrade; Hobart Private Hospital Chiller and Heat Pump Installations; and Emergency Power Supplies.

3 The LGH Acute Medical and Surgical Unit project was initially allocated $40 million by the Australian Government. The THS has provided supplementation of approximately $5 million, and an additional $990 000 was also contributed from the Crown Land Administration Fund.

4 The National Health Reform initiatives: Elective Surgery, Emergency Department and Sub-Acute were primarily funded by the Australian Government under the National Partnership Agreement on Improving Public Hospital Services.

# Ongoing Major Capital Works 2017-18

| Ongoing Major Capital Works in 2017-18[1] | 2017-18 Expenditure $'000 | Estimated total cost $'000 | Estimated cost to complete $'000 | Estimated completion year |
|---|---|---|---|---|
| Essential Maintenance | 1 604 | na | na | Ongoing |
| Campbell Town Ambulance Station | 12 | 2 960 | 2 948 | 2021 |
| Glenorchy Health Centre[2] | 5 212 | 21 000 | 831 | 2018 |
| Health Transport and Coordination Infrastructure[3] | 989 | 10 000 | 6 683 | 2019[4] |
| Hobart Repatriation Hospital Redevelopment | 5 633 | 7 000 | 1 367 | 2018 |
| Kingston Health Centre[5] | 632 | 6 500 | 5 328 | 2019 |
| Launceston General Hospital – Cladding Replacement | 122 | 2 000 | 1 878 | 2019 |
| Launceston General Hospital – Ward 4K Upgrade + WACS Precinct[6] | 935 | 7 850 | 6 768 | 2019 |
| Mersey Community Hospital Redevelopment | 196 | 35 000 | 34 804 | 2021 |
| Mersey Community Hospital – SCIF Project | 13 | 1 900 | 1 346 | 2018 |

| Ongoing Major Capital Works in 2017-18[1] | 2017-18 Expenditure $'000 | Estimated total cost $'000 | Estimated cost to complete $'000 | Estimated completion year |
|---|---|---|---|---|
| Royal Hobart Hospital – Inpatient Precinct Project[7] | 113 482 | 569 200 | 282 741 | 2019 |
| Royal Hobart Hospital – Pharmacy Redevelopment | .... | 3 761 | 3 761 | 2020 |
| St Helens District Hospital | 2 814 | 12 100[8] | 8 302 | 2019 |
| Statewide Cancer Services[9] | 3 | 63 274 | 71 | 2019[10] |
| Statewide Hospital Critical Facility Upgrades | 2 014 | 10 500 | 8 486 | 2020 |
| Statewide Rural Health Facility Infrastructure Upgrades | 553 | 4 700 | 4 147 | 2021 |
| **Housing Capital Program** | | | | |
| National Rental Affordability Scheme support | 3 434 | 20 000 | 3 442 | 2024 |
| Affordable Housing Strategy[11] | 29 041 | 73 500 | 26 686 | 2019 |

Notes:

1 This table does not include expenditure prior to 1 July 2017. It reflects 2017-18 expenditure and anticipated expenditure in future periods.

2 Completion of the Glenorchy Health Centre (formerly referred to as the Glenorchy Community Health Centre) was temporarily delayed while a review of the Integrated Care Centre model of care was undertaken. Construction commenced in early 2017 and practical completion was achieved in March 2018. Minor fit out updates to be finished in late 2018.

3 Expenditure for improved infrastructure is associated with changes to patient coordination, transport and accommodation arising from the One Health System reforms.

4 The estimated completion date for this program has changed from that reported in last year's Annual Return due to delays experienced in site purchase negotiations and the introduction of a whole-of-government solution for teleconferencing services.

5 Completion of the Kingston Health Centre (formerly referred to as the Kingston Community Health Centre) was temporarily delayed as a result of ongoing negotiations for land acquisition and while a review of the Integrated Care Centre model of care was completed. Construction commenced in early 2018 and is anticipated for completion in 2019.

6 The first stage of the Launceston General Hospital Ward 4K upgrade and Women and Childrens Precinct is expected to be completed in late 2019, with the development completed by mid 2020.

7 The estimated total cost of this component of the RHH Redevelopment project is $569.2 million, which reflects $340 million of Australian Government funding and $229.2 million of State Government funding.

8 The estimated total cost has increased from that reported in last year's Annual Return due to an additional allocation of $4.0 million in the 2017-18 Budget.

9 The total Australian Government commitment to the State-wide Cancer Services project is $36.3 million, with $23.9 million also funded by the State Government and $2.8 million provided through donations.

10 The estimated completion date for this program has changed from that reported in last year's Annual Return due to delay caused by a need to source a new portal system provider.

11 The 2016-17 Budget allocation for the Affordable Housing Strategy was $60 million over three years. In addition, the State Government provided funding of $13.5 million in 2015-16 for initial projects outlined in the Affordable Housing Action Plan.

## Royal Hobart Hospital Redevelopment

For over 200 years, the RHH has been serving the Tasmanian community. However, the configuration and condition of existing buildings has made it increasingly difficult to provide contemporary health services at the hospital.

In addition, some of the hospital's buildings are nearing the end of their functional life. The redevelopment and expansion of the site will help ensure the RHH can continue to meet the changing health needs of our community.

The Australian and Tasmanian Governments have now committed a total of $689 million to the RHHR Project, making it the largest ever health infrastructure project in Tasmania.

This substantial investment provides an opportunity to transform Australia's second oldest hospital so that it can deliver health services to Tasmanians into the future.

The Managing Contractor is making significant progress on construction of the new 10-storey inpatient building.

By June 2018, the floor slab for Level 8 of K-Block was completed. The fit-out of the lower floors of K-Block has also commenced.

More than $20 million in much needed sitewide infrastructure upgrades are underway with high and low voltage electricity systems being upgraded as well as other essential services such as medical gasses and water and sewerage systems.

The Managing Contractor and the RHHR Project Team are continuing to encourage Tasmanian businesses to be part of the RHHR Project.

Approximately 95 per cent of the sub-contracts for K-Block have now been awarded. Of these, Tasmanian companies have been awarded over $81 million in sub-contracts for the construction of K-Block.

Work on procurement packages for the significant purchases of furniture, fittings and equipment for K-Block has also now commenced.

One of the major procurement packages the RHHR Project Team is undertaking is the purchase of a Digital Operating Theatre solution that will support contemporary surgical practices in an operating theatre environment.

The Digital Operating Theatres will provide clinicians and nurses with access to a host of advanced clinical information which will be displayed on screens throughout the operating theatre.

*New Operating Theatre in K-Block – Image courtesy of Lyons Terrior (Architects for the RHH Redevelopment Project)*

K-Block remains on track for completion in mid-2019.

## Housing Tasmania

Housing Tasmania, along with its partners in the Better Housing *Futures* (BHF) program, manage Tasmania's portfolio of public and social housing to ensure low income Tasmanians have access to quality housing for themselves and their families.

The Department's approach to asset management is supported by *Tasmania's Affordable Housing Strategy,* the *Affordable Housing Action Plan* and the *Strategic Asset Management Plan 2014-17*, which assists DHHS to align the housing requirements of applicants and tenants with available accommodation.

### Affordable Housing Strategy and Affordable Housing Action Plan

Tasmania's *Affordable Housing Strategy 2015-2025* and *Affordable Housing Action Plan* outline the Tasmanian Government's reform agenda in the areas of housing and homelessness and the capital investment required to underpin progress.

Key capital projects funded in 2017-18 for the *Affordable Housing Action Plan* included:

### Devonport Youth Accommodation

The Devonport youth facility is part of a $9.0 million redevelopment of the former student accommodation at the Devonport TAFE campus. The project includes 25 self-contained units of accommodation, a unit for an onsite manager, administration and consulting rooms, communal areas including kitchen, dining and living, as well as recreational facilities including a games room and gymnasium. The project also includes the construction of a separate food production, processing and packaging facility, which will operate as a social enterprise offering training and employment opportunities for the young residents.

The facility will deliver a transitional model of supported accommodation for young people 16-24 years of age who have low to medium support needs. The facility was completed in June 2018 and managed by Anglicare Tasmania.

### Youth at Risk Response Centre

The Youth at Risk Response Centre (now called Colville Place) provides youth crisis accommodation services for nine young people aged between 12 and 15 years who are homeless or at risk of homelessness. Located in the Municipality of Glenorchy, the Response Centre will accommodate up to nine young people with provision for a live-in manager/caretaker. The aim of the Response Centre is to provide a safe environment for vulnerable young people and connect them to the support they need to return home (where safe and appropriate to do so), or exit into more appropriate longer term supported accommodation. Delivery of the Response Centre is supported by the Tasmanian Government's Youth at Risk Strategy, which provides a whole of government, long term, strategic direction for responding to the needs of young people at risk in Tasmania. The facility is now complete and has been handed over to Colony 47. The project cost for this this facility was $2.4 million.

### Public Housing Site Redevelopment

The Site Redevelopment Program delivers supply of new public housing through the regeneration of existing properties within the portfolio that have reached the end of their asset lifecycle, but are desirably located for the provision of public housing. Redevelopment sites have been identified based on a range of key housing affordability and property attributes that include the age of the existing dwelling, the size and slope of the lot, its suitability to sustain multiple dwellings and, importantly, the demand for social housing in that location.

The properties proximity to key services including health, employment and education opportunities, as well as public transport, is also a critical factor in identifying target sites. Under Rounds 1 and 2 of the initiative, 24 existing public housing homes, averaging around 55 years in age, were demolished across the State and have been redeveloped into multiple unit developments that will deliver 60 new units for people off the public housing waitlist.

**Devonport Disability Accommodation**

The Devonport Disability Accommodation Project delivered five units for younger people at risk of entering residential aged care, who have a permanent disability including people suffering from Huntington's disease and other neurological conditions. The project provides a housing solution to those living with neurodegenerative conditions that will improve their quality of life and offer them an opportunity for social inclusion with appropriate support such that they can achieve greater independence and wellbeing. The project comprises five one bedroom units plus a further unit for onsite carer's accommodation. It offers a communal residence with a sleep over space and central support building providing client assistance services, laundry, communal cooking, and dining and recreation functions. The project budget was $1.3 million and it was completed during June 2018.

**Social Housing Regional Supply Initiative**

This initiative delivers social housing in regional areas through the provision of capital grants to not-for-profit organisations and local councils. The program will see the delivery of 75 units across regional Tasmania including Sheffield, Flinders Island, Nubeena, Latrobe, Somerset and Scottsdale. Conditions of the Regional Supply Initiative include that the housing is for priority applicants on the Social Housing Register such as people escaping domestic violence and relationship issues; those living with disability, poor health or mental health issues; young people, and the aged.

Other conditions under the Regional Supply Initiative include that the dwellings are constructed in regional areas of identified need; are retained for 30 years and used as social housing for that time; are rented at the lesser of 25 per cent of income plus Commonwealth Government rent assistance, or 75 per cent of market rent. The first four units under this initiative have been delivered at Whitemark and Lady Barron on Flinders Island by the Flinders Island Aboriginal Association. The allocated budget for this initiative is $9.3 million.

**Family Violence Action Plan**

Under Tasmania's Safe Homes Safe Families Action Plan, funding has been allocated for the development of a new Hobart Women's Shelter. The project has seen the redevelopment of vacant unit complex owned by the Director of Housing in greater Hobart to deliver 15 new units, communal and administration and support facilities including:

- 6 x one bedroom units (one of which is fully accessible);
- 7 x two bedroom units; and
- 2 x three bedroom units (one of which is fully accessible).

Hobart Women's Shelter formerly managed 11 properties, so the redevelopment has resulted in increased capacity for provision of dedicated crisis accommodation for women (with or without children) who are escaping family violence situations, or are homeless, within the recurrent funding envelope. The allocated budget for this project is $4.0 million. The project is now complete and has been transferred to the Hobart Women's Shelter.

At the end of June 2018, 878 new households have been assisted through the *Affordable Housing Action Plan*. This includes 533 new dwellings and lots and 345 new assistance initiatives. Housing Tasmania is on track to achieve the target of assisting over 1 600 households by the end of 2018-19.

**Better Housing *Futures***

The BHF initiative has been fully implemented and there are now four new community housing organisations delivering property and tenancy management. BHF has transferred around 3 900 properties into community management.

The BHF initiative will leverage around $70 million in additional Australian Government funds over 10 years and deliver 321 new dwellings by 2024.

All of the BHF organisations are working closely with their clients, the community and other key stakeholders and organisations in their respective portfolios in order to improve liveability within their communities.

Properties are being maintained and upgraded, with over 1 780 new heaters installed between 2014 and 2018.

BHF organisations are spending well in excess of $10 million per annum on maintaining properties under their management.

The BHF initiative is delivering on our commitment to provide sustainable, quality social housing to Tasmanians in greatest need.

**Neighbourhood House Program**

- The capital investment program, of $6 million expended over 2015-2017 has resulted in improvements that have enhanced community development activities and amenity for staff and volunteers across the state.
- The 2017-18 financial year also saw the completion of significant work on the Derwent Valley Neighbourhood House and the Northern Suburbs Community Centre (NSCC).
- The Northern Suburbs Community Centre, at Newnham, was completed in 2017-18 at a total project cost of $1.66m. The former site at Rocherlea has been demolished.
- The Derwent Valley Neighbourhood House has relocated to new premises in Blair Street, New Norfolk. This site of a former Education Department Kindergarten has undergone some minor refurbishment works to improve the amenity of the building.
- 2018-22 will see a further capital investment to enhance the network, with an additional $2 million for capital works and $150 000 over 2018-20 for security improvements to provider for the safety of staff, volunteers and visitors.

## Asset Management

In 2017-18, Asset Management Services (AMS) continued to implement initiatives to improve the management of DHHS (outside of the housing program) and THS assets.

Continuing AMS's commitment to provide a safe and healthy working environment for all workers, including contractors, AMS implemented an online contractor safety management system for AMS-managed properties in early 2018 with 212 contractors completing the online induction training as of 30 June 2018.

AMS continued working with the Consumer, Building and Occupational Services (CBOS) section of the Department of Justice on a three year plan to audit electrical installations of high risk buildings within our community. CBOS has identified a number of DHHS buildings it will audit and provide a report to AMS detailing any safety and compliance issues.

During 2017-18, work continued on the rolling program of Building Condition Assessments across the state, to identify asset-related risks for inclusion in the essential maintenance program.

## Acquisitions

The Department did not purchase any real estate assets during 2017-18.

## Disposals

Disposal of all DHHS and THS managed properties is undertaken by AMS within DHHS.

During 2017-18 two properties were sold:

- a property at 13 Cambridge Road, Bellerive for $910 000; and
- a property at 34 Pioneer Drive, Mole Creek for $115 000.

Surplus properties for disposal with sale expected in 2018-19 include:

- a Community Hall at 17 Cambridge Road, Bellerive that will be sold to the Clarence City Council;
- a residential unit in Zeehan;
- a former child care centre in Rosebery; and
- a former child health clinic in Waratah.

## Maintenance

In 2017-18, AMS continued to manage statutory building compliance for AMS-managed properties. Where required, works were promptly completed to ensure compliance with the *Building Act 2000*. AMS also maintains a register to ensure essential building services maintenance is undertaken on DHHS and THS properties.

During 2017-18, a number of maintenance projects were completed. This included a major upgrade to water metering and the installation of backflow protection at St Johns Park.

AMS on call staff responded to a number of emergency maintenance calls. This included dealing with numerous issues associated with the Hobart extreme weather event in May 2018.

## Asset Management and the Disability Action Plan

From the built environment perspective, AMS continued to be a key contributor to the DHHS Disability Action (DDA) Plan.

In 2017-18, $203 000 was allocated towards essential maintenance to address disability access issues across the DHHS asset portfolio.

Various works were completed at the St Johns Park campus including the installation of DDA complaint toilets at the Bowls Club, installation of DDA compliant toilets and internal stairs at the Vicarage and work on the stairs at the Carruthers Building to ensure DDA compliance.

DDA compliance audits continue to be undertaken to identify a future program of improvement works across all DHHS facilities.

## Transport

At 30 June 2018, DHHS operated 476 leased light vehicles, comprising 38 executive vehicles and 438 operational vehicles.

In 2017-18, DHHS fleet costs increased $94 047 (excluding GST) on vehicle lease costs compared to 2016-17. This increase primarily related to an increase in the number of vehicles in the car pool and to fuel increases that have occurred in the past 12 months.

# Consultancies, Contracts and Tenders

DHHS ensures procurement is undertaken in accordance with the requirements of the Treasurer's Instructions relating to procurement. This includes ensuring that Tasmanian businesses are given every opportunity to compete for business. It is the Department's policy to support Tasmanian businesses whenever they offer best value for money for the Government.

Table 1 provides a summary of the level of participation by local businesses for contracts, tenders and/or quotations with a value of $50 000 or over (excluding GST).

Tables 2 and 3 provide detailed information on consultancies and other contracts with a value of $50 000 or over (excluding GST).

Table 4 provides a summary of contracts awarded as a result of a direct/limited submission sourcing process approved in accordance with Treasurer's Instructions 1114 or 1217.

Table 5 provides a summary of contract extensions approved in accordance with Treasurer's Instruction 1115(2).

Table 6 provides a summary of contracts where approval to aggregate the procurement was obtained in accordance with Treasurer's Instructions 1119 and 1225.

## Table 1 - Summary of Participation by Local Businesses

Participation by local businesses for contracts, tenders and/or quotation processes with a value of $50 000 or over.

| | |
|---|---|
| Total number of contracts awarded | 148 |
| Total number of contracts awarded to Tasmanian businesses | 109 |
| Value of contracts awarded[1,2] | $252 461 732 |
| Value of contracts awarded to Tasmanian businesses[1,2] | $155 455 541 |
| Total number of tenders called and/or quotation processes run | 62 |
| Total number of bids and/or written quotations received | 282 |
| Total number of bids and/or written quotations received from Tasmanian businesses | 210 |

Notes:

1 In accordance with the requirements of the Treasurer's Instructions, the values in this table do not include the value of any options to extend.

2 All values exclude GST.

## Table 2 - Consultancies Awarded[1]

Consultancies awarded during the 2017-18 financial year with a value of $50 000 or over.

| Consultant Name | Location | Consultancy Description | Period of Consultancy | Total Value $[2] |
|---|---|---|---|---|
| 6ty° Pty Ltd | Tas | Backyard Units for Young People Project - Architectural Consultancy | 06/06/2018 - 26/06/2020 | 138 000 |
| Artas Pty Ltd | Tas | Contract Superintendent Services to Support Tasmania's Affordable Housing Strategy | 10/11/2017 - 10/11/2019 | 135 600 |
| Cumulus Studio Pty Ltd | Tas | 23-25 Goulburn Street - Architectural Services | 25/01/2018 - 30/06/2020 | 168 855 |
| EHWB Pty Ltd t/a Heffernan Button Voss Architects | Tas | Wintringham Residential Aged Care Facility - Principal Consultant | 18/10/2017 - 26/06/2020 | 815 917 |
| GHD Pty Ltd | Tas | Launceston General Hospital - Masterplan | 18/01/2018 - 31/05/2018 | 150 322 |
| Loop Architecture Pty Ltd | Tas | Midlands Multi-Purpose Health Centre Redevelopment - Principal Consultant | 26/06/2018 - 30/11/2019 | 144 567 |
| Mercer Consulting (Australia) Pty Ltd | NSW | Specialist Medical Practitioner - Market Allowance Framework | 06/03/2018 - 25/05/2018<br>Option to extend[3]<br>26/05/2018 - 31/10/2018 | 55 000<br><br>175 000 |
| O'Connor Marsden & Associates Pty Ltd | NSW[4] | Royal Hobart Hospital Redevelopment - Probity Adviser 2018 to 2020 | 29/05/2018 - 31/12/2020 | 69 500 |
| Tasmanian Association of Hospice and Palliative Care | Tas | Tasmanian Palliative Care Community Charter Implementation Project | 27/07/2017 - 30/06/2018 | 91 300 |
| Price Waterhouse Coopers Consulting (Australia) Pty Ltd | Vic | Tasmanian Home and Community Care (HACC) Program Unit Price and Service Mapping Sub-Project | 30/04/2018 - 31/10/2018 | 150 712 |
| Robert Carroll & Associates Pty Ltd | Tas | Latrobe Ambulance Station - Redevelopment - Principal Consultant | 14/08/2017 - 30/06/2019 | 99 650 |
| Silver Thomas Hanley (Aus) Pty Ltd | Vic | Mersey Community Hospital - Masterplan Review | 02/05/2018 - 02/08/2018 | 64 000 |
| Xsquared Architects Pty Ltd | Tas | Mersey Community Hospital - Helipad - Principal Consultant | 03/10/2017 - 30/06/2019 | 219 339 |

Notes:

1 Where an overarching procurement process exists (for example Common Use Contracts and Agency Panel arrangements) individual engagements are not reported.

2 All values exclude GST.

3 In accordance with Treasurer's Instruction 1111, the period of a contract for reporting purposes includes any options to extend. Where applicable, the principal period of the contract is identified as well as any options to extend; this does not signify that the options have been or will be exercised by DHHS.

4 An organisation whose principal place of business is not in Tasmania but has a permanent office or presence in Tasmania and employs Tasmanian workers.

## Table 3 - Contracts Awarded[1]

Contracts awarded during the 2017-18 financial year with a value of $50 000 or over, excluding consultancy contracts.

| Contractor Name | Location | Contract Description | Period of Contract | Total Value $[2] |
|---|---|---|---|---|
| 4 Mental Health Ltd | UK | Suicide Risk Mitigation Training | 07/06/2018 - 30/06/2021 | 88 794 |
| AFT Pharmaceuticals Pty Ltd | NSW[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 343 018<br><br>343 018 |
| Airmaster Australia Pty Ltd | Tas | Woodhouse Building - Air Conditioning Upgrade | 03/05/2018 - 30/06/2018 | 452 606 |
| AJR Construct Pty Ltd | Tas | North West Regional Hospital - Operations Centre | 25/01/2018 - 06/04/2018 | 234 118 |
| Alcon Laboratories (Australia) Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 37 732<br><br>37 732 |
| Alice Elizabeth Jaworski t/a All About Languages | Tas | Interpreting Services Panel | 01/07/2017 - 30/06/2020<br>Option to extend[4]<br>01/07/2020 - 30/06/2026 | 0[5]<br><br>0[5] |
| Alphapharm Pty Ltd | NSW[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 313 980<br><br>313 980 |
| Amgen Australia Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 6 201 230<br><br>6 201 230 |
| Anard Developments Pty Ltd | Tas | Private Developers - Social Housing Purchase Program | 15/03/2016 - 11/08/2016 | 1 468 549 |
| Apotex Pty Ltd | NSW[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 1 450 540<br><br>1 450 540 |
| Astellas Pharma Australia Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 364 060<br><br>364 060 |
| AstraZeneca Pty Ltd | NSW[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 1 241 328<br><br>1 241 328 |
| B Braun Australia Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 201 470<br><br>201 470 |
| Baxter Healthcare Pty Ltd | NSW | Pharmaceutical Compounding | 26/07/2017 - 25/07/2020<br>Option to extend[4]<br>26/07/2020 - 25/07/2023 | 6 705 601<br><br>6 705 601 |
| Baxter Healthcare Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 820 792<br><br>820 792 |
| Bennett Construction (Tas) Pty Ltd | Tas | Level 2 Carruthers Building - Redevelopment | 25/06/2018 - 07/09/2018 | 492 907 |
| Bennett Construction (Tas) Pty Ltd | Tas | St Johns Park Bowls Club - Toilet Upgrade | 15/02/2018 - 30/03/2018 | 98 000 |
| **Consultant Name** | **Location** | **Consultancy Description** | **Period of Consultancy** | **Total Value $[2]** |
| Bennett Construction (Tas) Pty Ltd | Tas | St Johns Park Vicarage - Toilet Upgrade | 15/02/2018 - 30/03/2018 | 69 768 |
| Betta Milk Co-operative Society Ltd | Tas | Food and Beverage Products | 01/08/2017 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 520 386<br><br>1 040 772 |

| Contractor Name | Location | Contract Description | Period of Contract | Total Value $[2] |
|---|---|---|---|---|
| BGM Amigos Pty Ltd t/a Amigos Translate | Tas | Interpreting Services Panel | 01/07/2017 - 30/06/2020<br>Option to extend[4]<br>01/07/2020 - 30/06/2026 | 0[5]<br><br>0[5] |
| Bidfood Australia Limited | Tas | Food and Beverage Products | 01/08/2017 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 1 800 635<br><br>3 601 270 |
| Boehringer Ingelheim Pty Ltd | NSW[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 936 912<br><br>936 912 |
| Brostrom, Mark | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Cleary, Birte | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Clifford Hallam Healthcare Pty Ltd | NSW[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 36 991 144<br><br>36 991 144 |
| Clinect Pty Ltd | Vic | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 45 866<br><br>45 866 |
| Construction 3 Pty Ltd | Tas | Royal Hobart Hospital - Café Alterations | 09/01/2018 - 19/02/2018 | 216 086 |
| Contact Electrical Pty Ltd | Tas | Mersey Community Hospital Server Room - Electrical & Mechanical Services | 12/03/2018 - 14/05/2018 | 80 428 |
| Contact Electrical Pty Ltd | Tas | North West Regional Hospital Server Room - Electrical & Mechanical Services | 30/04/2018 - 30/07/2018 | 139 486 |
| Contact Electrical Pty Ltd | Tas | Northern Integrated Care Service - Body Protection Upgrade | 31/07/2017 - 30/08/2017 | 51 238 |
| Contact Electrical Pty Ltd | Tas | Parkside - Emergency Generator Replacement | 01/11/2017 - 30/03/2018 | 102 200 |
| Contact Electrical Pty Ltd | Tas | Provision of General Maintenance Works and Services to Housing Tasmania's Property Portfolio | 01/07/2018 - 30/06/2022<br>Option to extend[4]<br>01/07/2022 - 30/06/2028 | 30 631 960<br><br>45 947 940 |
| Corporate Travel Management Group Pty Ltd | Tas | Air Travel Management Services | 01/02/2018 - 31/01/2020<br>Option to extend[4]<br>01/02/2020 - 31/01/2023 | 248 000<br><br>372 000 |
| Cripps Nubake Pty Ltd | Tas | Food and Beverage Products | 01/08/2017 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 196 470<br><br>392 940 |
| Cunic Homes Pty Ltd | Tas | Private Developers - Social Housing Purchase Program | 11/04/2016 - 30/11/2016 | 968 000 |
| Data#3 Limited | Qld[3] | LANDesk - Maintenance and Support Services | 05/03/2018 - 04/03/2019 | 52 948 |
| Data#3 Limited | Qld[3] | VMWare - Basic and vRealize Support and Maintenance | 01/05/2018 - 31/01/2019 | 143 069 |
| Data#3 Limited | Tas | VMWare - Basic License Support and Maintenance | 01/11/2017 - 30/04/2018 | 54 061 |
| Data#3 Limited | Tas | VMWare - Production Level Support and Maintenance | 01/11/2017 - 30/04/2018 | 120 428 |
| Data#3 Limited | Qld[3] | VMWare - Production Level Support and Maintenance | 01/05/2018 - 31/01/2019 | 179 488 |
| De Jong & Sons Constructions Pty Ltd | Tas | Multi-Site Construction Panel - 22 Elizabeth St Fitout Stage 2 | 25/09/2017 - 23/02/2018 | 2 458 400 |
| Degree C Pty Ltd | Tas | North West Regional Hospital - Emergency Lighting Changeover | 01/08/2018 - 30/11/2018 | 138 630 |

| Contractor Name | Location | Contract Description | Period of Contract | Total Value $[2] |
|---|---|---|---|---|
| Degree C Pty Ltd | Tas | Parkside - Switchboard Upgrade | 01/11/2017 - 30/03/2018 | 167 500 |
| Department of Immigration and Border Protection t/a Translating and Interpreting Service | Vic | Interpreting Services Panel | 01/07/2017 - 30/06/2020<br>Option to extend[4]<br>01/07/2020 - 30/06/2026 | 0[5]<br><br>0[5] |
| Device Technologies Australia Pty Ltd | NSW[3] | Defibrillators and Associated Consumables | 01/06/2018 - 31/12/2022<br>Option to extend[4]<br>01/01/2023 - 31/12/2024 | 0[5]<br><br>0[5] |
| Drelich, Leszek | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Emerge Health Pty Ltd | Vic | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 249 288<br><br>249 288 |
| Fairbrother Pty Ltd | Tas | Latrobe Ambulance Station - Redevelopment | 09/07/2018 - 12/11/2018 | 1 240 688 |
| Fairbrother Pty Ltd | Tas | Launceston General Hospital - External Cladding | 26/02/2018 - 06/04/2018 | 248 693 |
| Fairbrother Pty Ltd | Tas | Launceston General Hospital - Howick Street Car Park - Access Alterations | 07/12/2017 - 08/03/2018 | 248 067 |
| Fairbrother Pty Ltd | Tas | Launceston General Hospital - Paediatric Inpatient Unit Redevelopment and Expansion | 01/05/2018 - 16/09/2019 | 10 286 818 |
| Fairbrother Pty Ltd | Tas | Mersey Community Hospital – Rehabilitation Redevelopment | 24/04/2018 - 08/03/2019 | 2 661 714 |
| Fairbrother Pty Ltd | Tas | St Helens District Hospital | 30/10/2017 - 12/11/2018 | 10 002 982 |
| Flittner, Robyn | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Forth Farm Produce Pty Ltd | Tas | Fresh Processed Vegetables | 01/08/2017 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 390 591<br><br>781 182 |
| Fresenius Kabi Australia Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 511 706<br><br>511 706 |
| Freshline Marketing Pty Ltd | Tas | Food and Beverage Products | 01/08/2017 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 548 099<br><br>1 096 198 |
| Gartner Australia Pty Ltd | NSW | Specialised ICT Industry Advisory and Consultancy | 01/04/2018 - 31/03/2019<br>Option to extend[4]<br>01/04/2019 - 31/03/2020 | 103 500<br><br>108 900 |
| GlaxoSmithKline Australia Pty Ltd | Vic[3] | Hepatitis A Vaccine | 30/04/2018 - 30/04/2019<br>Option to extend[4]<br>01/05/2019 - 31/12/2019 | 0[5]<br><br>0[5] |
| GlaxoSmithKline Australia Pty Ltd | Vic[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 2 209 052<br><br>2 209 052 |
| Glaxosmithkline Consumer Healthcare Australia Pty Ltd | NSW[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 189 120<br><br>189 120 |
| Halmed Pty Ltd | Vic | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 146 358<br><br>146 358 |
| Hansen Yuncken Pty Ltd | Tas | Multi-Site Construction Panel - Royal Hobart Hospital - Emergency Department | 29/09/2017 - 18/12/2017 | 930 688 |

| Contractor Name | Location | Contract Description | Period of Contract | Total Value $[2] |
|---|---|---|---|---|
| Hansen Yuncken Pty Ltd | Tas | Multi-Site Construction Panel - Royal Hobart Hospital - Transit Lounge Redevelopment | 29/09/2017 - 30/11/2017 | 659 950 |
| HealthCare Software Pty Ltd | Tas | Software Enhancements to the HCS Clinical Suite | 22/08/2017 (one-off purchase) | 216 240 |
| HL Pharma Pty Ltd | Vic | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 32 296<br><br>32 296 |
| Hospira Pty Ltd | Vic | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 1 254 266<br><br>1 254 266 |
| Insight (Tas) Pty Ltd | Tas | Private Developers - Social Housing Purchase Program | 24/05/2016 - 31/10/2016 | 1 162 500 |
| intelliComms Pty Ltd t/a Ezispeak | Vic | Interpreting Services Panel | 01/07/2017 - 30/06/2020<br>Option to extend[4]<br>01/07/2020 - 30/06/2026 | 0[5]<br><br>0[5] |
| Intuit Technologies Pty Ltd | Tas | 3KVA Power Infrastructure | 01/07/2017 (one-off purchase) | 109 989 |
| Intuit Technologies Pty Ltd | Tas | Citrix Support and Maintenance Services | 01/10/2017 - 30/09/2018 | 121 321 |
| Intuit Technologies Pty Ltd | Tas | CommVault - Support and Maintenance | 01/10/2017 - 30/09/2018 | 93 544 |
| Janssen-Cilag Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 792 464<br><br>792 464 |
| Jones, Eliza | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Juicy Isle Pty Ltd | Tas | Food and Beverage Products | 01/08/2017 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 6 976<br><br>13 952 |
| Juno Pharmaceuticals Pty Ltd | Vic | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 1 655 750<br><br>1 655 750 |
| Kohl, Tonia | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Kromkamp, Katie | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Languagelink Australia Pty Ltd t/a VITS Australia | Vic | Interpreting Services Panel | 01/07/2017 - 30/06/2020<br>Option to extend[4]<br>01/07/2020 - 30/06/2026 | 0[5]<br><br>0[5] |
| Larcombe, Alan | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Lennox, John | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Link Medical Products Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 339 292<br><br>339 292 |
| Macquarie Builders Pty Ltd | Tas | Cambridge Production Centre Expansion | 22/01/2018 - 08/06/2018 | 1 351 685 |
| Macquarie Builders Pty Ltd | Tas | New Kingston Health Centre | 16/04/2018 - 04/01/2019 | 4 203 614 |

| Contractor Name | Location | Contract Description | Period of Contract | Total Value $[2] |
|---|---|---|---|---|
| Mader International Pty Ltd | Tas | Change Over and Refurbishment of Ambulance Fit Out | 05/02/2018 - 04/02/2021<br>Option to extend[4]<br>05/02/2021 - 04/02/2023 | 2 560 000<br><br>1 710 000 |
| Mayne Pharma International Pty Ltd | Vic | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 53 518<br><br>53 518 |
| McCormack, Vince | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| McCulloch, Cheryl | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Medsurge Healthcare Pty Ltd | Vic | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 71 566<br><br>71 566 |
| Merck Sharp and Dohme (Australia) Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 773 018<br><br>773 018 |
| MTSI Pty Ltd t/a All Graduates Interpreting and Translating Services | Vic | Interpreting Services Panel | 01/07/2017 - 30/06/2020<br>Option to extend[4]<br>01/07/2020 - 30/06/2026 | 0[5]<br><br>0[5] |
| Novartis Pharmaceuticals Australia Pty Ltd | NSW[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 1 809 198<br><br>1 809 198 |
| Novo Nordisk Pharmaceuticals Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 371 046<br><br>371 046 |
| Oncall Language Services Pty Ltd | Vic | Interpreting Services Panel | 01/07/2017 - 30/06/2020<br>Option to extend[4]<br>01/07/2020 - 30/06/2026 | 0[5]<br><br>0[5] |
| Orion Laboratories Pty Ltd t/a Perrigo Australia | WA | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 461 302<br><br>461 302 |
| Orphan Australia Pty Ltd | Vic[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 19 244<br><br>19 244 |
| Parker, Rosanne | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| PFD Food Services Pty Ltd | Tas | Food and Beverage Products | 01/08/2017 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 3 171 343<br><br>6 342 686 |
| Pfizer Australia Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 2 177 834<br><br>2 177 834 |
| Premium Constructions (Tas) Pty Ltd | Tas | Launceston General Hospital - Ward 4D Isolation Capacity | 19/07/2017 - 24/11/2017 | 652 670 |
| R & S Rosier Constructions Pty Ltd | Tas | Northern Suburbs Community Centre - Demolition of Buildings | 16/11/2017 - 31/12/2017 | 79 371 |
| Reitsema Packaging Pty Ltd | Tas | Food and Beverage Products | 01/08/2017 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 6 083<br><br>12 166 |
| Roche Products Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 6 362 680<br><br>6 362 680 |
| Rod Jager Consulting | Tas | Annual Qlik Support and Maintenance | 01/08/2018 - 31/07/2020 | 216 940 |

| Contractor Name | Location | Contract Description | Period of Contract | Total Value $[2] |
|---|---|---|---|---|
| RTC Facilities Maintenance (Tas) Pty Ltd | NSW | Provision of General Maintenance Works and Services to Housing Tasmania's Property Portfolio | 01/07/2018 - 30/06/2022<br>Option to extend[4]<br>01/07/2022 - 30/06/2028 | 40 892 876<br><br>61 339 314 |
| Sandoz Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 1 031 316<br><br>1 031 316 |
| Sanofi-Aventis Australia Pty Ltd | NSW[3] | Hepatitis A Vaccine | 30/04/2018 - 30/04/2019<br>Option to extend[4]<br>01/05/2019 - 31/12/2019 | 0[5]<br><br>0[5] |
| Sanofi-Aventis Australia Pty Ltd | NSW[3] | Influenza Vaccine | 20/03/2018 - 20/03/2019 | 125 000 |
| Sanofi-Aventis Australia Pty Ltd | NSW[3] | Meningococcal W Vaccination Program | 14/07/2017 - 28/02/2018 | 875 000 |
| Sanofi-Aventis Australia Pty Ltd | NSW[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 2 460 020<br><br>2 460 020 |
| Sigma Company Ltd | Vic[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 130 156<br><br>130 156 |
| Slade Health Pty Ltd | Vic | Pharmaceutical Compounding | 26/07/2017 - 25/07/2020<br>Option to extend[4]<br>26/07/2020 - 25/07/2023 | 21 085 192<br><br>21 085 192 |
| Smith, Allyson | Tas | Community Conferencing and Family Group Conferencing Facilitators | 01/07/2018 - 30/06/2021<br>Option to extend[4]<br>01/07/2021 - 30/06/2027 | 0[5]<br><br>0[5] |
| Stubbs Constructions Pty Ltd | Tas | North West Regional Hospital - Pre-Admission Clinic Redevelopment | 01/02/2018 - 31/07/2018 | 690 042 |
| Superheat Pty Ltd | Tas | Repatriation Centre - Statton Building VRF Air Conditioning | 07/07/2017 - 31/03/2018 | 247 323 |
| Symbion Pty Ltd | Vic[3] | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 3614538<br><br>3614538 |
| Tas City Building Pty Ltd | Tas | Mulgrave Street Launceston - Toilet Upgrade | 22/05/2018 - 22/06/2018 | 56 462 |
| Tas Gas Networks Pty Ltd | Tas | North West Regional Hospital - Provision of Natural Gas Distribution Services | 01/12/2017 - 30/06/2022 | 668 000 |
| Tas Gas Retail Pty Ltd | Tas | Retail Natural Gas Supply | 01/01/2018 - 31/12/2020 | 1 800 000 |
| Tasmanian Meat Wholesalers Pty Ltd | Tas | Food and Beverage Products | 01/08/2017 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 221 704<br><br>443 408 |
| TCM Pty Ltd | Tas | Repatriation Centre - Peacock Building - Air Conditioning Upgrades | 02/01/2018 - 30/04/2018 | 989 640 |
| Technipro-PulmoMed Pty Ltd | NSW | Pharmaceutical Products | 01/08/2016 - 31/07/2018<br>Option to extend[4]<br>01/08/2018 - 31/07/2020 | 1 075 666<br><br>1 075 666 |
| The Uniting Church in Australia Property Trust (Q) represented by Wesley Mission Queensland | Qld | Interpreting Services Panel | 01/07/2017 - 30/06/2020<br>Option to extend[4]<br>01/07/2020 - 30/06/2026 | 0[5]<br><br>0[5] |
| The Workwear Group Pty Ltd | Vic[3] | Supply of Nurses Uniforms | 13/08/2017 - 12/08/2018 | 350 000 |
| University of South Australia | SA | Suicide Risk Mitigation Training | 07/06/2018 - 30/06/2021 | 58 000 |

| Contractor Name | Location | Contract Description | Period of Contract | Total Value $[2] |
|---|---|---|---|---|
| Victorian Deaf Society | Vic[3] | Interpreting Services Panel | 01/07/2017 - 30/06/2020<br>Option to extend[4]<br>01/07/2020 - 30/06/2026 | 0[5]<br><br>0[5] |
| Vos Construction and Joinery Pty Ltd | Tas | Mersey Community Hospital - Antenatal Clinic Redevelopment | 03/07/2017 - 08/12/2017 | 706 496 |
| Vos Construction and Joinery Pty Ltd | Tas | Multi-Site Construction Panel – Repat - Level 1 Peacock Building - Demolition Works | 29/08/2017 - 04/10/2017 | 250 870 |
| Vos Construction and Joinery Pty Ltd | Tas | Multi-Site Construction Panel - Repat - Level 1 Peacock Building | 01/11/2017 - 01/04/2018 | 3 209 600 |
| Wilson Homes Pty Ltd & Roman Catholic Church Trust Corporation of the Archdiocese of Hobart | Tas | Private Developers - Social Housing Purchase Program | 29/09/2017 - 31/12/2017 | 1 647 000 |
| Wilson Homes Tasmania Pty Ltd | Tas | Oldina Road, Wynyard - 2 Unit Development - Sole Occupancy Disability Accommodation | 07/12/2017 - 09/03/2018 | 736 410 |
| Wilson Homes Tasmania Pty Ltd & IRM Holdings Pty Ltd | Tas | Private Developers - Social Housing Purchase Program | 09/09/2016 - 31/03/2017 | 1 000 000 |
| Wilson Homes Tasmania Pty Ltd & Zenia Samec, Robert John Ruddick & Barry Lloyd Campbell | Tas | Private Developers - Social Housing Purchase Program | 26/08/2016 - 31/03/2017 | 1 025 000 |
| Woolston Printing Pty Ltd | Tas | Inpatient Medication Charts | 01/09/2017 - 31/08/2019<br>Option to extend[4]<br>01/09/2019 - 31/12/2019 | 141 767<br><br>23 628 |
| ZOLL Medical Australia Pty Ltd | NSW | Defibrillators and Associated Consumables | 01/01/2018 - 31/12/2022<br>Option to extend[4]<br>01/01/2023 - 31/12/2024 | 0[5]<br><br>0[5] |

Notes:

1 Where an overarching procurement process exists (for example Common Use Contracts and Agency Panel arrangements) individual engagements are not reported.

2 All values exclude GST.

3 An organisation whose principal place of business is not in Tasmania but has a permanent office or presence in Tasmania and employs Tasmanian workers.

4 In accordance with Treasurer's Instruction 1111, the period of a contract for reporting purposes includes the value, or estimated value, of any possible options to extend. Where applicable, the principal period of the contract is identified as well as any options to extend; this does not signify that the options have been or will be exercised by DHHS.

5 A '0' contract value signifies a contract for which a value cannot be estimated, being dependent on future purchasing patterns.

6 Contracts with a value of less than $50 000 reported above are those that form part of a combined procurement valued at $50 000 or over.

7 Where a commencement date is prior to 1 July 2017 or from 1 July 2018 onwards, the contractual arrangements for the procurement were finalised in 2017-18.

### Table 4 - Direct/Limited Submission Sourcing

Treasurer's Instructions 1114 and 1217 provide the Head of Agency with the discretion, where specified circumstances exist, to approve the direct sourcing or seeking of limited submissions from a supplier or suppliers without the need to seek quotations or call for tenders.

The following table provides details of contracts awarded by DHHS in 2017-18 as a result of a direct/limited sourcing process approved in accordance with Treasurer's Instruction 1114 or 1217.

| Contractor Name | Contract Description | Reasons for Approval | Total Value $[1,2] |
|---|---|---|---|
| 4 Mental Health Ltd | Suicide Risk Mitigation Training | Where a procurement is not impacted by a free trade agreement as set out in Instruction 1102 and the cost to the agency and to suppliers of seeking quotations or calling public tenders would outweigh the value for money benefits of seeking quotations or calling public tenders. | 88 794 |
| Cumulus Studio Pty Ltd | 23-25 Goulburn Street - Architectural Services | Where a procurement is not impacted by a free trade agreement as set out in Instruction 1202 and the circumstances justify limiting the number of suppliers. | 168 855 |
| Data#3 Limited | LANDesk - Maintenance and Support Services | Additional deliveries of goods or services by the original supplier or authorised representative that are intended either as replacement parts, extensions or continuing services for existing equipment, software, services or installations, where a change of supplier would compel the agency to procure goods or services that do not meet requirements of interchangeability with existing equipment. | 52 948 |
| Forth Farm Produce Pty Ltd | Fresh Processed Vegetables | Where, in response to a prior notice, invitation to participate or invitation to tender, no tenders were submitted that conform to the essential requirements in the tender documentation. | 1 171 773 |
| HealthCare Software Pty Ltd | Software Enhancements to the HCS Clinical Suite | The goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for the protection of patents, copyrights, or other exclusive rights, or proprietary information. | 216 240 |
| Sanofi-Aventis Australia Pty Ltd | Meningococcal W Vaccination Program | The goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist due to an absence of competition for technical reasons. | 875 000 |
| Sanofi-Aventis Australia Pty Ltd | Influenza Vaccine | The goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist due to an absence of competition for technical reasons. | 125 000 |
| Tas Gas Networks Pty Ltd | North West Regional Hospital - Provision of Natural Gas Distribution Services | The goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist due to an absence of competition for technical reasons. | 668 000 |
| Tas Gas Retail Pty Ltd | Retail Natural Gas Supply | Where, in response to a prior notice, invitation to participate or invitation to tender, no tenders were submitted that conform to the essential requirements in the tender documentation. | 1 800 000 |

| Contractor Name | Contract Description | Reasons for Approval | Total Value $[1,2] |
|---|---|---|---|
| University of South Australia | Suicide Risk Mitigation Training | Where a procurement is not impacted by a free trade agreement as set out in Instruction 1102 and the cost to the agency and to suppliers of seeking quotations or calling public tenders would outweigh the value for money benefits of seeking quotations or calling public tenders. | 58 000 |

Notes:
1 The values in this table include the value, or estimated value, of any possible options to extend.
2 All values exclude GST.

### Table 5 - Contracts Extensions

Treasurer's Instruction 1115 provides the Head of Agency with the discretion to approve the extension of contracts beyond existing provisions for a period of no longer than one year.

The following table provides details of contracts awarded by DHHS in 2017-18 as a result of approval in accordance with Instruction 1115(2).

| Contractor Name | Contract Description | Period of Extension | Total Value $[1] |
|---|---|---|---|
| The Workwear Group Pty Ltd | Supply of Nurses Uniforms | 13/08/2017 - 12/08/2018 | 350 000 |

Note:

1 All values exclude GST.

### Table 6 – Disaggregation Exemptions

Treasurer's Instructions 1119(5) and 1225(5) provide the Head of Agency with discretion to approve an exemption from the requirement to disaggregate substantial contracts where the benefits of aggregation clearly outweigh the potential negative impact on local small and medium sized enterprises/the local economy.

The following table provides details of contracts awarded by DHHS in 2017-18 as a result of such an approval.

| Contract Description | Total Value $[1,2] |
|---|---|
| Oldina Road, Wynyard - 2 Unit Development - Sole Occupancy Disability Accommodation | 736 410 |
| Repatriation Centre - Peacock Building - Air Conditioning Upgrades | 989 640 |
| Air Travel Management Services | 620 000 |
| Cambridge Production Centre Expansion | 1 351 685 |
| Change Over and Refurbishment of Ambulance Fit Out | 4 270 000 |
| Contract Superintendent Services to Support Tasmania's Affordable Housing Strategy | 135 600 |
| Defibrillators and Associated Consumables | 5 306 000 |
| Food and Beverage Products | 19 415 088 |
| Latrobe Ambulance Station - Redevelopment | 1 240 688 |
| Level 2 Carruthers Building - Redevelopment | 492 907 |
| Launceston General Hospital - Paediatric Inpatient Unit Redevelopment and Expansion | 10 286 818 |
| Launceston General Hospital - Ward 4D Isolation Capacity | 652 670 |
| Mersey Community Hospital – Rehabilitation Redevelopment | 2 661 714 |
| Mersey Community Hospital - Antenatal Clinic Redevelopment | 706 496 |
| Midlands Multi-Purpose Health Centre Redevelopment - Principal Consultant | 144 567 |

| Contract Description | Total Value $[1,2] |
|---|---|
| Multi-Site Construction Panel | 7 654 075 |
| New Kingston Health Centre | 4 203 614 |
| North West Regional Hospital - Pre-Admission Clinic Redevelopment | 690 042 |
| Pharmaceutical Compounding | 55 581 586 |
| Provision of General Maintenance Works and Services to Housing Tasmania's Property Portfolio | 178 812 090 |
| Retail Natural Gas Supply | 1 800 000 |
| St Helens District Hospital | 10 002 982 |
| Tasmanian Home and Community Care (HACC) Program Unit Price and Service Mapping Sub-Project | 150 712 |
| Woodhouse Building - Air Conditioning Upgrade | 452 606 |

Notes:
1 The values in this table include the aggregated value and the value, or estimated value, of any possible options to extend.
2 All values exclude GST.

# Community Sector Organisations Funded by DHHS

The non-government organisations making up the community sector fulfil a vital role in delivering community-based health and human services to Tasmanians.

During 2017-18, DHHS provided a total of $222.35 million under its Central Grants Program to 230 organisations to assist them to deliver services across the State.

This highlights the value DHHS places on services provided by the community sector. This funding was inclusive of indexation applied at a rate of 2.25 per cent (or $4.4 million) to help organisations meet the increasing costs of delivering services.

A further $2.5 million was also provided to community sector organisations as part of the Government's election commitment to support sector capacity building and to meet increasing costs.

The following table lists grant funding that DHHS administered under its Central Grants Program. It should be noted other funds distributed to the sector by other parts of the Agency may be listed elsewhere in this report.

Any individual reported here received the listed amount in order to provide dedicated care and support to a person with disability.

| Program and Organisation | |
|---|---|
| **Alcohol Tobacco and Other Drug (ATOD) - services provided under the Illicit Drug Diversion Initiative and the National Drug Strategy** | **Total Funding $** |
| Advocacy Tasmania Inc | 362 588.03 |
| Alcohol and Drug Foundation Inc | 139 710.25 |
| Anglicare Tasmania Inc | 811 684.88 |
| Circular Head Aboriginal Corporation | 39 589.50 |
| Drug Education Network Inc | 781 934.99 |
| Eastern Health | 66 237.57 |
| Holyoake Tasmania Inc | 264 280.50 |
| Launceston City Mission Inc | 702 798.42 |
| Pathways Tasmania Inc | 96 444.03 |
| The Alcohol, Tobacco and other Drugs Council (TAS) Inc | 534 394.79 |
| The Link Youth Health Service Inc | 615 601.17 |
| The Salvation Army Property Trust Tasmania | 1 048 298.55 |
| Youth, Family and Community Connections Inc | 694 999.41 |
| **Alcohol Tobacco and Other Drug Total** | **6 158 562.09** |

| **Children and Youth Services (CYS) - adoptions advocacy services child protection services out of home care family violence counselling and support and youth support services** | **Total Funding $** |
|---|---|
| Anglicare Tasmania Inc | 1 328 742.27 |
| Australian Childhood Foundation | 1 639 093.00 |
| Australian Red Cross Society | 150 000.00 |
| CREATE Foundation Ltd | 466 976.44 |
| Engender Equality Inc | 287 340.00 |
| Glenhaven Family Care Inc | 448 159.17 |
| Kennerley Childrens Home Inc | 570 143.32 |
| Key Assets The Children's Services Provider (Australia) Limited | 2 806 966.00 |
| Life Without Barriers | 196 215.00 |
| Mission Australia | 715 880.88 |
| Save the Children Australia | 143 753.60 |
| Sexual Assault Support Service Inc | 63 500.00 |
| Tasmanian Aboriginal Corporation | 64 466.00 |
| The Foster and Kinship Carers Association of Tasmania Inc | 154 403.23 |
| The Roman Catholic Church Trust Corporation of the Archdiocese of Hobart | 7 632 761.47 |
| The Trustee for Save the Children Australia Trust | 810 342.00 |
| Uniting (Victoria and Tasmania) Limited | 222 746.11 |
| Whitelion Youth Agency Ltd | 169 688.00 |
| **Children and Youth Services Total** | **17 871 176.49** |

| Community Support Program (CSP) - domestic violence parenting education and support financial counselling personal and family counselling neighbourhood houses and community sector peak activities | Total Funding $ |
|---|---|
| Advocacy Tasmania Inc | 174 516.76 |
| Anglicare Tasmania Inc | 1 351 352.70 |
| Baptcare Ltd | 4 586 523.17 |
| Beaconsfield House Inc | 170 667.18 |
| Bucaan Community House Inc | 170 667.18 |
| Burnie Community House Inc | 187 267.86 |
| Child Health Association Inc | 113 316.50 |
| Clarendon Vale Neighbourhood Centre Inc | 187 267.86 |
| Council on the Ageing (Tasmania) Inc | 100 000.00 |
| Deloraine House Inc | 160 667.18 |
| Derwent Valley Community House Inc | 187 267.86 |
| Devonport Community House Inc | 187 267.86 |
| Dorset Community Association Inc | 170 667.18 |
| Dunalley Tasman Neighbourhood House Inc | 187 267.86 |
| Early Support for Parents (ESP) Inc | 70 705.19 |
| Eastern Shore Community Connections Inc | 187 267.86 |
| Engender Equality Inc | 257 480.90 |
| Fingal Valley Neighbourhood House Inc | 170 667.18 |
| Geeveston Community Centre Inc | 372 588.66 |
| George Town Neighbourhood House Inc | 187 267.86 |
| Glenhaven Family Care Inc | 125 000.00 |
| Goodwood Community Centre Inc | 170 667.18 |
| Hobart City Mission Inc | 114 484.01 |
| Jordan River Service Inc | 374 535.72 |
| Karadi Aboriginal Corporation | 160 667.18 |
| Lady Gowrie Tasmania Inc | 145 955.18 |
| Lifeline Tasmania Inc | 332 530.38 |
| Lifelink Samaritans Tasmania Inc | 13 529.10 |
| Maranoa Heights Community Centre Inc | 170 667.18 |
| Midway Point Neighbourhood Centre Inc | 170 667.18 |
| Mission Australia | 4 396 442.15 |
| Neighbourhood Houses Tasmania Inc | 287 628.97 |
| NILS Network of Tasmania Inc | 594 498.18 |
| North & North West Tasmania Sexual Assault Support Services Inc | 1 366 245.87 |
| Northern Suburbs Community Centre Inc | 481 912.09 |
| Okines Community House Inc | 170 667.18 |
| Phoenix Community House Inc | 31 033.11 |
| Pregnancy Counselling and Support Tas Inc | 31 236.61 |
| Risdon Vale Neighbourhood Centre Inc | 187 267.86 |
| Rokeby Neighbourhood Centre Inc | 187 267.86 |
| Rosebery Community House Inc | 170 667.18 |
| Sexual Assault Support Service Inc | 15 00 461.31 |

| | |
|---|---|
| St Helens Neighbourhood House Association Inc | 187 267.86 |
| Starting Point Neighbourhood House Inc | 187 267.86 |
| Tasmanian Aboriginal Corporation | 234 957.17 |
| Tasmanian Council of Social Service Inc | 935 175.78 |
| The Roman Catholic Church Trust Corporation of the Archdiocese of Hobart | 243 112.56 |
| Tresca Community Centre Committee Inc | 170 667.18 |
| Ulverstone Neighbourhood House Inc | 187 267.86 |
| Uniting (Victoria and Tasmania) Limited | 1 307 503.57 |
| Warrane Mornington Neighbourhood Centre Inc | 187 267.86 |
| West Moonah Community Action Group Inc | 187 267.86 |
| West Winds Community Centre Inc | 170 667.18 |
| Wyndarra Centre Inc for Wyndarra Board of Management | 128 167.77 |
| Yemaya Women's Support Service Inc | 178 518.08 |
| Zeehan Neighbourhood Centre Inc | 170 667.18 |
| **Community Support Program Total** | **24 840 502.05** |

| **Disability Services - Disability carer support respite accommodation support information advocacy education day support specialist equipment personal care and other individual support services** | **Total Funding $** |
|---|---|
| A.Q.A Victoria Ltd. | 18 409.70 |
| Able Australia Services | 4 330 616.11 |
| Advocacy Tasmania Inc | 328 854.60 |
| Anglicare Tasmania Inc | 5 282 228.77 |
| Association for Children with a Disability (TAS) Inc | 1 125 359.13 |
| Autism Tasmania Inc | 256 053.75 |
| Baptcare Ltd | 2 469 926.49 |
| Brain Injury Association of Tasmania Inc | 92 951.08 |
| Coastal Residential Service Inc | 1 124 333.44 |
| Devonfield Enterprises Inc | 2 967 652.90 |
| Disability Services Consulting Pty Ltd as Trustee for Naufal Toy Trust | 285 000.00 |
| EPIC Employment Service Inc | 208 502.05 |
| Epilepsy Assoc of Tasmania Inc | 194 506.52 |
| Eskleigh Foundation Inc | 4 926 369.35 |
| GC Services Inc | 419 786.11 |
| Giant Steps Tasmania | 9 788.76 |
| Glenhaven Family Care Inc | 18 158.47 |
| Gog Range Retreat Inc | 43 204.53 |
| Hobart City Mission Inc | 1 450 799.98 |
| HOPES Inc | 114 955.12 |
| Independent Living Centre Tas Inc | 484 376.91 |
| Langford Support Services Inc | 2 337 554.55 |
| LArche Beni-Abbes Community Inc | 690 021.24 |
| Life Without Barriers | 1 880 459.65 |

| | |
|---|---|
| Lifestyle Solutions (Aust) Ltd | 1 986 293.68 |
| Liviende Veranto | 7 367 912.18 |
| McMillan (Tas) Pty Ltd | 263 683.38 |
| Mission Australia | 2 417 941.17 |
| Montagu Community Living Inc | 702 870.64 |
| Multicap Tasmania | 3 327 848.53 |
| Multiple Sclerosis Limited | 547 498.14 |
| National Disability Services Limited | 678 795.00 |
| New Horizon Club Inc | 117 180.90 |
| Nexus Inc | 3 929 719.82 |
| North West Residential Support Services Inc | 3 443 893.39 |
| NOSS Tasmania trading as Northern Occupational Support Service Tasmania Inc | 708 732.35 |
| Oak Tasmania | 10 641 765.84 |
| Paraquad Association of Tasmania Inc | 30 152.37 |
| Riding for the Disabled Association Tasmania | 5 524.44 |
| Royal Guide Dogs for the Blind Association of Tasmania | 472 838.31 |
| RPH Print Radio Tasmania Inc | 81 140.67 |
| Speak Out Association of Tasmania Inc | 315 316.62 |
| Spina Bifida Association of Tasmania Inc | 1 558.74 |
| St Giles Society Limited | 8 456 860.29 |
| St Michaels Assoc Inc | 1 633 272.83 |
| Supported Tenancy Accommodation and Respite Tasmania Inc | 8 862 742.19 |
| TADTAS Inc | 43 876.14 |
| Tasmanian Acquired Brain Injury Services Inc | 302 678.75 |
| Tasmanian Amputee Society Inc | 3 932.92 |
| Tasmanian Association of People with Disabilities and Their Advocates Inc | 734 751.45 |
| Tasmanian Council of Social Service Inc | 1 320 000.00 |
| Tasmanian Deaf Society | 437 106.02 |
| The Parkside Foundation Pty Ltd | 1 285 781.77 |
| The Richmond Fellowship of Tasmania Inc | 510 000.00 |
| The Sunlea Team Inc | 667 425.83 |
| UCA Crossroads Tasmania | 3 573.29 |
| Voluntary Community Service - Visually Impaired Library | 4 848.92 |
| Wellways Australia Ltd | 116 498.92 |
| Wyndarra Centre Inc for Wyndarra Board of Management | 58 695.87 |
| **Disability Services Total** | **92 542 580.57** |

| Gambling Support Program - Gamblers Help: face-to-face individual and group counselling community education and development services 24/7 gambling information and counselling phone service (Gambling Helpline Tasmania) 24/7 gambling information and counselling online services (Gambling Help Online) Community Support Levy | Total Funding $ |
|---|---|
| Anglicare Tasmania Inc | 555 840.00 |
| Arthritis Foundation of Tasmania Inc | 1 068.20 |
| Australian Red Cross Society | 13 221.44 |
| CanTeen - The Australian Organisation for Young People Living with Cancer | 13 250.00 |
| Child Health Association Inc | 15 000.00 |
| East Coast Regional Development Organisation Inc | 3 006.00 |
| Eastern Health | 140 760.00 |
| Furneaux Islands Community Shed Inc | 9 863.00 |
| Hub 4 Health Inc | 9 750.00 |
| Independent Living Centre Tas Inc | 9 343.00 |
| King Island Childcare & Early Learning Centre Inc | 4 000.00 |
| Migrant Resource Centre (Southern Tasmania) Inc | 6 481.82 |
| Neighbourhood Houses Tasmania Inc | 15 000.00 |
| Northern Suburbs Community Centre Inc | 13 227.00 |
| Phoenix Community House Inc | 6 648.89 |
| Riding for the Disabled Inc St Helens | 5 000.00 |
| Rural Alive & Well Inc | 14 970.00 |
| Self Help Workshop Inc | 12 735.83 |
| Shekinah House Inc | 1 998.00 |
| Surf Life Saving Tasmania Inc | 15 000.00 |
| Tasmanian School Canteen Association Inc | 14 833.00 |
| Volunteering Tasmania Inc | 4 300.00 |
| Women's Shelter Inc | 11 940.00 |
| **Gambling Support Program Total** | **897 236.18** |

| Home and Community Care - Community nursing home help and maintenance respite personal care transport packages of care and delivered meals across the State | Total Funding $ |
|---|---|
| Advocacy Tasmania Inc | 202 584.31 |
| Anglicare Tasmania Inc | 2 160 973.54 |
| Australian Red Cross Society | 212 741.98 |
| Baptcare Ltd | 187 684.49 |
| Bucaan Community House Inc | 31 431.41 |
| Care Assessment Consultants Pty Ltd | 786 640.45 |
| Carers Tasmania Inc | 210 683.07 |
| Circular Head Aboriginal Corporation | 23 002.00 |
| Clarence City Council | 25 052.37 |
| Community Based Support Inc | 3 020 759.16 |
| Community Care NESB Inc | 97 724.20 |
| Community Transport Services Tasmania Inc | 560 953.80 |

| | |
|---|---|
| Dementia & Alzheimer's Association (Tas) Inc | 288 497.11 |
| Elders Council of Tasmania Aboriginal Corporation | 15 776.42 |
| Emmerton Park Inc | 3 854.21 |
| Family Based Care Association North West Inc | 2 202 809.40 |
| GC Services Inc | 98 932.14 |
| Glenview Community Services Inc | 93 948.77 |
| Good Neighbour Council of Tasmania | 4 838.21 |
| Greek Orthodox Archdiocese of Australia Consolidated Trust | 38 574.51 |
| Hobart District Nursing Service Inc | 797 066.52 |
| Independent Living Centre Tas Inc | 75 570.32 |
| integratedliving Australia Ltd | 1 442 616.36 |
| Italian-Australian Pensioners Welfare Association of Tasmania Inc | 30 716.33 |
| Karadi Aboriginal Corporation | 1 605.49 |
| KinCare Health Services Pty Ltd | 214 869.57 |
| Launceston VFC Services Inc | 69 524.92 |
| Lifeline Tasmania Inc | 129 302.06 |
| Meals on Wheels Association of Tasmania Inc | 186 397.05 |
| Meercroft Care Inc | 2 410.25 |
| Mersey Community Care Association | 249 840.30 |
| Migrant Resource Centre (Southern Tasmania) Inc | 94 375.63 |
| Multicap Tasmania | 108 931.52 |
| Neighbourhood Houses Tasmania Inc | 27 046.37 |
| Polish Association in Hobart Inc | 7 279.57 |
| Royal District Nursing Service Limited Trading as Bolton Clarke RDNS | 653 945.55 |
| South East Tasmanian Aboriginal Corporation | 25 894.55 |
| South Eastern Community Care Inc | 442 685.63 |
| St Giles Society Limited | 68 815.15 |
| St Helens Community Car Group Inc | 4 363.59 |
| St Johns Ambulance Australia Tasmania Inc | 28 995.12 |
| Tandara Lodge Community Care Inc | 6 243.60 |
| Tasmanian Independent Services Pty Ltd | 57 475.41 |
| The Parkside Foundation Pty Ltd | 138 886.84 |
| Uniting (Victoria and Tasmania) Limited | 5 356.11 |
| Uniting AgeWell | 33 051.31 |
| Volunteering Tasmania Inc | 203 965.63 |
| Wyndarra Centre Inc for Wyndarra Board of Management | 385 168.54 |
| **Home and Community Care (HACC) Total** | **15 759 860.84** |

| **Housing Tasmania - Private Rental Support Program Affordable Housing Strategy Employment Initiatives Specialist Homeless Services – Crisis accommodation and related support services for people who are experiencing homelessness or are at imminent risk of becoming homeless** | **Total Funding $** |
|---|---|
| Affordable Community Housing Alliance Tasmania Ltd | 350 000.00 |
| Anglicare Tasmania Inc | 8 756 739.05 |
| Bethlehem House Tasmania Inc | 1 032 364.79 |
| Colony 47 Inc | 8 404 292.53 |
| Community Housing Ltd | 104 733.67 |
| Housing Choices Tasmania Ltd | 50 000.00 |
| Jireh House Association Inc | 750 825.05 |
| Karinya Young Women's Service Inc | 707 472.34 |
| Launceston City Mission Inc | 626 989.03 |
| Launceston Women's Shelter Inc | 891 842.60 |
| Pathways Tasmania Inc | 619 426.43 |
| Salvation Army Housing Ltd | 470 022.75 |
| Shelter Tasmania Inc | 351 681.23 |
| Tenants' Union of Tasmania Inc | 206 609.95 |
| The Roman Catholic Church Trust Corporation of the Archdiocese of Hobart | 719 899.02 |
| The Salvation Army Property Trust Tasmania | 1 538 642.92 |
| Warrawee Committee Inc | 855 943.57 |
| Women's Shelter Inc | 879 106.83 |
| Wyndarra Centre Inc for Wyndarra Board of Management | 149 178.73 |
| Youth Futures Inc | 658 750.14 |
| Youth, Family and Community Connections Inc | 1 765 002.16 |
| **Housing Tasmania Total** | **29 889 522.79** |

| **Mental Health Services - Treatment support and management of mental disorders to maximise mental health wellbeing and quality of life. Funding covers assessment treatment care and rehabilitation in the community as well as information services and community-based accommodation** | **Total Funding $** |
|---|---|
| Advocacy Tasmania Inc | 479 145.53 |
| Anglicare Tasmania Inc | 4 988 799.11 |
| Australian Huntington's Disease Association Tasmania Inc | 14 696.50 |
| Australian Red Cross Society | 236 626.38 |
| Baptcare Ltd | 2 703 375.00 |
| Beyond Blue Ltd | 88 102.00 |
| Caroline House Inc | 358 295.54 |
| Colony 47 Inc | 358 600.01 |
| Family Based Care Association North West Inc | 99 070.12 |
| Flourish Mental Health Action in Our Hands Inc | 208 751.65 |
| Grow (Tas) | 134 348.09 |
| Langford Support Services Inc | 1 099 893.59 |

| | |
|---|---|
| Launceston City Mission Inc | 800 000.00 |
| Life Without Barriers | 1 000 000.00 |
| Lifeline Australia Ltd | 35 000.00 |
| Mental Health Carers Tasmania | 241 176.28 |
| Mental Health Council of Tasmania Inc | 873 978.70 |
| Migrant Resource Centre (Southern Tasmania) Inc | 157 464.59 |
| OzHelp Tasmania Foundation Association Inc | 69 266.24 |
| Primary Health Tasmania Limited | 33 000.00 |
| Relationships Australia Tasmania Inc | 395 640.19 |
| Rural Alive & Well Inc | 707 612.77 |
| The Richmond Fellowship of Tasmania Inc | 5 275 091.90 |
| The Salvation Army Property Trust Tasmania | 809 506.00 |
| Wellways Australia Ltd | 2 652 826.74 |
| **Mental Health Services Total** | **23 820 266.93** |

| **Planning Purchasing and Performance - Payments to organisations to assist in activities including the recruitment of General Practitioners in Tasmania** | **Total Funding $** |
|---|---|
| Australian Red Cross Society | 151 465.00 |
| Baptcare Ltd | 103 599.00 |
| CanTeen - The Australian Organisation for Young People Living with Cancer | 25 971.66 |
| Consumers Health Forum of Australia Ltd | 215 000.00 |
| General Practice Workforce Inc | 109 308.33 |
| Hobart District Nursing Service Inc | 500 000.00 |
| Mission Australia | 130 437.00 |
| Palliative Care Tasmania Limited | 500 000.00 |
| The Trustee for MPMS Telephone Triage Unit Trust | 251 970.00 |
| The Trustee for the Snowdome Foundation | 35 000.00 |
| University of Tasmania | 48 996.13 |
| **Planning Purchasing and Performance Total** | **2 071 747.12** |

| **Public Health Services - services to prevent illness protect the Tasmanian community and promote health gain** | **Total Funding $** |
|---|---|
| Anglicare Tasmania Inc | 447 019.67 |
| Arthritis Foundation of Tasmania Inc | 119 432.89 |
| Australian Red Cross Society | 157 150.50 |
| Bothwell Wellness Group Inc | 10 153.32 |
| Cancer Council of Tasmania Inc | 1 295 766.02 |
| Central Highlands Council | 25 000.00 |
| Child Health Association Inc | 165 275.50 |
| Clarence City Council | 25 000.00 |
| Delta Society Australia Ltd | 15 457.29 |
| Devonport City Council | 13 195.00 |
| Diabetes Australia - Tasmania | 520 877.36 |
| Drug Education Network Inc | 24 625.00 |
| Eat Well Tasmania Inc | 181 947.95 |
| Family Planning Tasmania | 1 435 173.56 |

| | |
|---|---|
| Geeveston Community Centre Inc. | 24 830.75 |
| Hobart City Council | 55 000.00 |
| Hobart City Farm Inc | 7 791.00 |
| Hub 4 Health Inc | 6 483.00 |
| Jordan River Service Inc | 68 038.07 |
| Kidsafe Tasmania Inc | 57 500.15 |
| Kingborough Council | 21 280.30 |
| Launceston City Mission Inc | 25 000.00 |
| Local Government Association of Tasmania | 310 000.00 |
| Migrant Resource Centre (Northern Tasmania) Inc | 22 000.00 |
| Migrant Resource Centre (Southern Tasmania) Inc | 12 740.00 |
| Mountain Bike Australia Ltd | 5 755.00 |
| National Heart Foundation of Australia (Tasmania Division) | 202 772.00 |
| National Stroke Foundation | 90 490.90 |
| New Horizon Club Inc | 23 295.00 |
| Parkrun Inc | 21 000.00 |
| Ritualize Pty Ltd | 50 000.00 |
| Starting Point Neighbourhood House Inc | 25 000.00 |
| Tasmanian Aboriginal Corporation | 24 386.00 |
| Tasmanian School Canteen Association Inc | 124 382.86 |
| The Asthma Foundation of Tasmania Inc | 94 401.92 |
| The Link Youth Health Service Inc | 498 624.05 |
| The Pharmacy Guild of Australia | 23 470.56 |
| The Salvation Army Property Trust Tasmania | 88 926.19 |
| The Tasmanian Council on AIDS and Related Diseases Inc | 518 734.65 |
| University of Tasmania | 20 000.00 |
| University of Tasmania (Menzies Research Institute of Tasmania) | 538 138.03 |
| Victoria Deaf Society trading as Tasdeaf | 16 080.00 |
| Waratah-Wynyard Council | 23 330.00 |
| Warrane Mornington Neighbourhood Centre Inc | 25 000.00 |
| West Moonah Community Action Group Inc | 22 473.70 |
| Women's Health Tasmania Inc | 549 300.42 |
| Womensport & Recreation Tasmania Inc | 79 502.36 |
| Working It Out Inc | 343 887.97 |
| Youth, Family and Community Connections Inc | 38 023.41 |
| Zeehan Neighbourhood Centre Inc | 11 000.00 |
| **Public Health Services Total** | **85 04 712.35** |
| **Grand Total** | **222 356 167.41** |

| Additional funding for Community Sector Organisations - Supplementary funding to support increasing costs and capacity building | Total Funding $ |
|---|---|
| A.Q.A Victoria Ltd | 181.17 |
| Able Australia Services | 70 693.10 |
| Advocacy Tasmania Inc | 15 033.59 |
| Alcohol and Drug Foundation Inc | 1 374.85 |
| Anglicare Tasmania Inc | 272 826.36 |
| Arthritis Foundation of Tasmania Inc | 1 175.31 |
| Association for Children with a Disability (TAS) Inc | 11 074.37 |
| Australian Childhood Foundation | 16 129.89 |
| Australian Huntington's Disease Association Tasmania Inc | 144.62 |
| Australian Red Cross Society | 7 959.02 |
| Autism Tasmania Inc | 2 519.76 |
| Baptcare Ltd | 89 762.14 |
| Beaconsfield House Inc | 1 679.49 |
| Bethlehem House Tasmania Inc | 10 159.23 |
| Beyond Blue Ltd | 866.99 |
| Brain Injury Association of Tasmania Inc | 914.71 |
| Bucaan Community House Inc | 1 988.80 |
| Burnie Community House Inc | 1 842.85 |
| Cancer Council of Tasmania Inc | 15 084.79 |
| CanTeen - The Australian Organisation for Young People Living with Cancer | 255.58 |
| Care Assessment Consultants Pty Ltd | 7 741.12 |
| Carers Tasmania Inc | 2 073.28 |
| Caroline House Inc | 3 525.89 |
| Child Health Association Inc | 2 524.07 |
| Circular Head Aboriginal Corporation | 615.95 |
| Clarence City Council | 246.53 |
| Clarendon Vale Neighbourhood Centre Inc | 1 842.85 |
| Coastal Residential Service Inc | 19 780.65 |
| Colony 47 Inc | 75 709.29 |
| Community Based Support Inc | 29 726.50 |
| Community Care NESB Inc | 961.68 |
| Community Housing Ltd | 144.99 |
| Community Transport Services Tasmania Inc | 5 520.20 |
| Council on the Ageing (Tasmania) Inc | 984.07 |
| CREATE Foundation Ltd | 4 039.22 |
| Deloraine House Inc | 1 679.49 |
| Delta Society Australia Ltd | 152.11 |
| Dementia & Alzheimer's Association (Tas) Inc | 2 839.02 |
| Derwent Valley Community House Inc | 1 842.85 |
| Devonfield Enterprises Inc | 43 371.00 |
| Devonport Community House Inc | 1 842.85 |
| Diabetes Tasmania | 5 125.82 |
| Dorset Community Association Inc | 1 679.49 |

| | |
|---|---|
| Drug Education Network Inc | 7 694.82 |
| Dunalley Tasman Neighbourhood House Inc | 1 842.85 |
| Early Support for Parents (ESP) Inc | 695.79 |
| Eastern Health | 2 037.01 |
| Eastern Shore Community Connections Inc | 1 842.85 |
| Eat Well Tasmania Inc | 1 546.45 |
| Elders Council of Tasmania Aboriginal Corporation | 155.25 |
| Emmerton Park Incorporated | 100.00 |
| EPIC Employment Service Inc | 2 467.41 |
| Epilepsy Assoc of Tasmania Inc | 1 914.09 |
| Eskleigh Foundation Inc | 57 698.96 |
| Family Based Care Association North West Inc | 22 652.20 |
| Family Planning Tasmania | 14 123.17 |
| Fingal Valley Neighbourhood House Inc | 1 679.49 |
| Flourish Mental Health Action in Our Hands Inc | 2 054.27 |
| GC Services Inc | 5 753.61 |
| Geeveston Community Centre Inc | 2 754.70 |
| General Practice Workforce Inc | 1 075.67 |
| George Town Neighbourhood House Inc | 1 842.85 |
| Giant Steps Tasmania | 160.55 |
| Glenhaven Family Care Inc | 12 994.34 |
| Glenview Community Services Inc | 924.53 |
| Gog Range Retreat Inc | 2 928.02 |
| Good Neighbour Council of Tasmania | 100.00 |
| Goodwood Community Centre Inc | 1 679.49 |
| Greek Orthodox Archdiocese of Australia Consolidated Trust | 379.60 |
| Grow (Tas) | 1 322.08 |
| Hobart City Mission Inc | 24 999.87 |
| Hobart District Nursing Service Inc | 7 843.72 |
| Hobart Women's Health Centre | 4 913.49 |
| Holyoake Tasmania Inc | 2 600.72 |
| HOPES Inc | 1 131.24 |
| Hospice Care Association of North West Tasmania Inc | 955.90 |
| Independent Living Centre Tas Inc | 5 510.29 |
| integratedliving Australia Ltd | 14 196.41 |
| Italian-Australian Pensioners Welfare Association of Tasmania Inc | 302.27 |
| Jireh House Association Inc | 7 388.67 |
| Jordan River Service Inc | 4 134.72 |
| Karadi Aboriginal Corporation | 1 695.29 |
| Karinya Young Women's Service Inc | 6 962.05 |
| Kennerley Childrens Home Inc | 21 983.61 |
| Key Assets The Children's Services Provider (Australia) Ltd | 26 818.86 |
| Kidsafe Tasmania Inc | 565.84 |
| KinCare Health Services Pty Ltd | 2 114.48 |
| Lady Gowrie Tasmania Inc. | 1 436.31 |

| | |
|---|---|
| Langford Support Services Inc | 40 326.23 |
| L'Arche Beni-Abbes Community Inc | 12 974.58 |
| Launceston City Mission Inc | 20 958.68 |
| Launceston VFC Services Inc | 684.18 |
| Launceston Women's Shelter Inc | 8 776.39 |
| Life Without Barriers | 79 261.48 |
| Lifeline Australia Ltd | 344.43 |
| Lifeline Tasmania Inc | 4 544.77 |
| Lifelink Samaritans Tasmania Inc | 133.14 |
| Lifestyle Solutions (Aust) Ltd | 21 961.84 |
| Liviende Veranto | 97 543.33 |
| Local Government Association of Tasmania | 2 460.18 |
| Maranoa Heights Community Centre Inc | 1 679.49 |
| McMillan (Tas) Pty Ltd | 2 594.84 |
| Meals on Wheels Association of Tasmania Inc | 1 834.28 |
| Meercroft Care Inc | 100.00 |
| Mental Health Carers Tasmania | 2 078.13 |
| Mental Health Council of Tasmania Inc | 6 063.07 |
| Mersey Community Care Association | 2 458.61 |
| Midway Point Neighbourhood Centre Inc | 1 679.49 |
| Migrant Resource Centre (Southern Tasmania) Inc | 2 478.29 |
| Mission Australia | 70 943.92 |
| Montagu Community Living Inc | 13 272.27 |
| Multicap Tasmania | 42 719.22 |
| Multiple Sclerosis Ltd | 5 387.79 |
| National Disability Services Ltd | 6 679.84 |
| National Heart Foundation of Australia (Tasmania Division) | 1 771.33 |
| Neighbourhood Houses Tasmania Inc | 2 801.42 |
| New Horizon Club Inc | 1 153.15 |
| Nexus Inc | 65 169.17 |
| NILS Network of Tasmania Inc | 5 850.30 |
| North & North West Tasmania Sexual Assault Support Services Inc | 13 444.87 |
| North West Residential Support Services Inc | 68 066.44 |
| Northern Suburbs Community Centre Inc | 4 742.37 |
| NOSS Tasmania trading as Northern Occupational Support Service Tasmania Inc | 10 487.47 |
| Oak Tasmania | 137 872.32 |
| Okines Community House Inc | 1 679.49 |
| OzHelp Tasmania Foundation Association Inc | 681.63 |
| Paraquad Association of Tasmania Inc | 296.72 |
| Pathways Tasmania Inc | 7 044.69 |
| Phoenix Community House Inc | 206.98 |
| Polish Association in Hobart Inc | 100.00 |
| Pregnancy Counselling and Support Tas Inc | 307.39 |
| Relationships Australia Tasmania Inc | 3 893.39 |
| Riding for the Disabled Association Tasmania | 100.00 |

| | |
|---|---|
| Risdon Vale Neighbourhood Centre Inc | 1 842.85 |
| Ritualize Pty Ltd | 492.04 |
| Rokeby Neighbourhood Centre Inc | 1 842.85 |
| Rosebery Community House Inc | 1 679.49 |
| Royal District Nursing Service Ltd | 6 435.31 |
| Royal Guide Dogs for the Blind Association of Tasmania | 4 653.08 |
| RPH Print Radio Tasmania Inc | 798.48 |
| Rural Alive & Well Inc | 6 837.45 |
| Salvation Army Housing Ltd | 4 625.37 |
| Sexual Assault Support Service Inc | 14 765.65 |
| Shelter Tasmania Inc | 3 460.80 |
| South East Tasmanian Aboriginal Corporation | 254.82 |
| South Eastern Community Care Inc | 4 356.35 |
| Speak Out Association of Tasmania Inc | 3 102.95 |
| Spina Bifida Association of Tasmania Inc | 100.00 |
| St Giles Society Ltd | 104 070.52 |
| St Helens Community Car Group Inc | 100.00 |
| St Helens Neighbourhood House Association Inc | 1 842.85 |
| St Johns Ambulance Australia Tasmania Inc | 285.33 |
| St Michaels Association Inc | 18 896.24 |
| Starting Point Neighbourhood House Inc | 1 842.85 |
| Stroke Foundation | 890.50 |
| Support Help and Empowerment Inc | 4 094.54 |
| Supported Tenancy Accommodation and Respite Tasmania Inc | 115 834.68 |
| TADTAS Inc | 431.77 |
| Tandara Lodge Community Care Inc | 100.00 |
| Tasmanian Aboriginal Corporation | 2 312.15 |
| Tasmanian Acquired Brain Injury Services Inc | 2 978.58 |
| Tasmanian Amputee Society Inc | 100.00 |
| Tasmanian Association of People with Disabilities and Their Advocates Inc | 8 321.21 |
| Tasmanian Council of Social Service Inc | 22 192.60 |
| Tasmanian Deaf Society | 4 301.45 |
| Tasmanian Independent Services Pty Ltd | 565.60 |
| Tasmanian School Canteen Association Inc | 1 224.02 |
| Tenants' Union of Tasmania Inc | 2 033.19 |
| The Alcohol, Tobacco and other Drugs Council (TAS) Inc | 5 258.84 |
| The Asthma Foundation of Tasmania Inc | 928.98 |
| The Foster and Kinship Carers Association of Tasmania Inc | 1 519.44 |
| The Link Youth Health Service Inc | 10 571.17 |
| The Parkside Foundation Pty Ltd | 20 390.14 |
| The Pharmacy Guild of Australia | 230.97 |
| The Richmond Fellowship of Tasmania Inc | 56 141.39 |
| The Roman Catholic Church Trust Corporation of the Archdiocese of Hobart | 83 506.28 |
| The Salvation Army Property Trust Tasmania | 33 216.17 |
| The Sunlea Team Inc | 7 538.70 |

| | |
|---|---|
| The Tasmanian Council on AIDS and Related Diseases Inc | 5 104.73 |
| The Trustee for Save the Children Australia Trust | 7 974.36 |
| Tresca Community Centre Committee Inc | 1 679.49 |
| UCA Crossroads Tasmania | 100.00 |
| Ulverstone Neighbourhood House Inc | 1 842.85 |
| Uniting (Victoria and Tasmania) Ltd | 15 111.50 |
| Uniting AgeWell | 325.25 |
| University of Tasmania | 678.97 |
| University of Tasmania (Menzies Research Institute of Tasmania) | 5 295.68 |
| Voluntary Community Service - Visually Impaired Library | 100.00 |
| Volunteering Tasmania Inc | 2 007.17 |
| Warrane Mornington Neighbourhood Centre Inc | 1 842.85 |
| Warrawee Committee Inc | 8 423.12 |
| Wellways Australia Ltd | 27 252.21 |
| West Moonah Community Action Group Inc | 1 842.85 |
| West Winds Community Centre Inc | 1 679.49 |
| White Lion Inc | 834.93 |
| Women's Shelter Inc | 8 651.06 |
| Womensport & Recreation Tasmania Inc | 782.36 |
| Working It Out Inc | 3 384.11 |
| Wyndarra Centre Inc for Wyndarra Board of Management | 7 279.39 |
| Yemaya Women's Support Service Inc | 878.37 |
| Youth Futures Inc | 6 482.59 |
| Youth, Family and Community Connections Inc | 24 582.41 |
| Zeehan Neighbourhood Centre Inc | 1 679.49 |
| **Sub Total** | **2 499 999.96** |

# Climate Change

The Department continues to contribute to Tasmania's greenhouse gas emissions reduction goals through implementation of energy efficiency opportunities and development of an Agency-wide Energy Management Strategy.

## Departmental Emissions[1]

| | | 2016-17 | | 2017-18 |
|---|---|---|---|---|
| **Activity** | **Volume** | **$tCO_{2-e}$[2]** | **Volume** | **$tCO_{2-e}$[2]** |
| Electricity | 9.64 GWh[3] | 1 254 | 7.92 GWh | 1 505[4] |
| Natural Gas | 0.0 | 0 | 0.0 | 0 |
| Unleaded Petrol | 516.07 kL | 1 193 | 535.03 kL | 1 237 |
| Diesel Fuel | 194.28 kL | 529 | 200.41 kL | 545 |
| Air Travel | 1.76 million km | 278 | 2.1 million km | 332 |
| **Total** | | **3 254** | | **3,620** |

Notes:

1 Excludes social housing, as electricity accounts are issued directly to tenants.

2 Tonnes of carbon dioxide equivalent.

3 FY2016-17 energy volume figures were provided through the third-party provider Planet Footprint (PF) engaged by the Tasmanian Climate Change Office to provide energy data for whole-of-government. FY2017-18 calculations were undertaken in house and are considered more accurate.

4 The higher $tCO_{2-e}$ associated with electricity for FY2017-18 was due to an increase in the National Greenhouse Accounts factor for electricity, published by the Australian Government for use in calculating associated emissions.

## Energy efficiency and greenhouse gas emissions reduction activities.

In 2017-18, DHHS:

- Ensured a Department-wide Energy Working Group continued to meet to oversee energy efficiency and emissions reduction activities, including further development of the draft Energy Management Strategy.
- Continued to pursue minimisation of energy use, focussing primarily on electricity as the largest contributor to greenhouse gas emissions.
- Continued implementation of the Agency-wide energy monitoring system to allow users real-time information on energy use.
- This system provides the appropriate data to allow facility managers to better understand energy use within their facility, leading to identification of potential energy/emissions reduction opportunities.
- Entered into a new retail natural gas supply contract for several large sites.
- Maintained the requirement for Ecologically Sustainable Design requirements in all major capital works projects

- Continued implementation of energy efficiency opportunities identified through previous energy audits. This included projects to upgrade lighting to LED, replacement of old inefficient heating systems with new heat pump technologies and installation of solar PV.
- Continued the installation of energy check meters to provide the necessary data for the energy monitoring system.
- Continued membership of the Australian Health Infrastructure Alliance, Environmentally Sustainable Design (ESD) sub-group to maintain collaboration with other state health authorities on energy efficiency matters.
- Through the ESD sub-group, participated in the National Australian Built Environment Rating Scheme (NABERS) development of an energy rating tool for health facilities.

# Corporate Governance

The DHHS established a range of corporate governance activities, principles and practices over several years, providing a strong foundation for effective public sector decision-making and accountability.

Key corporate governance mechanisms employed by DHHS included: organisational planning, enterprise risk management, authorisations and delegations, values and behaviours, performance management, and internal policy and controls.

## DHHS Corporate Plan 2016-18

The *DHHS Corporate Plan 2016-18* formally came to a close at the end of the 2017-18 financial year.

The plan outlined the major priorities and actions DHHS led on behalf of the Tasmanian Government and its *Plan for a Brighter Future* (Agenda 2016 and Deliverables 2017).

It also provided a vision, commitment, principles and strategic priorities to guide Groups and Business Units across DHHS, as part of an integrated approach to organisational planning.

Throughout the life of the *DHHS Corporate Plan 2016-18* the Departmental Executive monitored regular reports on progress.

At the end of June 2018, the corporate plan activities were completed as planned, including a number of major health and human services reform projects. Other priorities were transitioned to business as usual activities.

## Strengthening Risk Management Approaches

In 2017-18, DHHS reviewed its governance of agency risk, establishing a dedicated Strategic Risk Committee, reporting to the Departmental Executive.

The Strategic Risk Committee was tasked with oversight of the *DHHS Enterprise Risk Management Framework*, with a particular emphasis on risks to performance, finance and service delivery.

The Strategic Risk Committee monitored bi-monthly reports on agency risk; alongside finance, infrastructure and key performance indicator reports (i.e. agency dashboards).

During its lifetime, the Strategic Risk Committee also contributed to a review of agency risk conducted with the Departmental Executive, including the identification of new risks with a whole-of-agency impact.

## Delegations and Administrative Authorities

Throughout the financial year, the DHHS maintained an appropriate framework of delegations and administrative authorities to ensure accountability and transparency around DHHS decision-making.

Towards the end of 2017-18, the DHHS also completed a review of all existing agency delegations and administrative authorities to ensure that human services, financial and information management decision-making remained linked to appropriate authorisations.

## Values and Behaviours

In 2017-18, the Department undertook a staff engagement process to develop a core set of departmental values and behaviours (refer page 21). Further work will now continue to develop behaviours that are specific and meaningful to business units.

# Insurable Risk

DHHS has coverage for various classes of insurable risk through the Tasmanian Risk Management Fund, administered by the Department of Treasury and Finance.

| Risk by Class | Excess Period/$ | Contribution $ (GST Exclusive) | GST | Number of claims | Claims incurred $ (GST Exclusive) |
|---|---|---|---|---|---|
| **Personal Injury** | | | | | |
| Workers Compensation Personal Accident (including 2015-16 salary adjustment) | 26-50 weeks[1] | 3 723 191 | 372 319 | 588 | 17 829 957[2] |
| Asbestos Levy[3] | - | 111 696 | 0 | - | - |
| Aero Medical Retrieval | - | 85 000 | 8 500 | 0 | 0 |
| **Property** | | | | | |
| Housing Stop Loss | - | - | - | - | - |
| General Property | 14 000 | 91 854 | 9 185 | 11 | 87 831 |
| Catastrophe Insurance – DHHS | 5 000 000 | 47 474 | 4 747 | 0 | 0 |
| Catastrophe Insurance – Housing | 5 000 000 | 486 747 | 48 675 | 0 | 0 |
| Housing Tasmania Property | 9 600 000 | 292 225 | 29 223 | 513 | 5 273 881 |
| Motor Vehicles - Fleet Vehicles | 500/1 000 | 93 063 | 9 306 | 97 | 234 472 |
| Motor Vehicles - Miscellaneous | 500 | 48 952 | 4 895 | 45 | 74 596 |
| **Liability** | | | | | |
| General Liability | 40 000 | 23 839 | 2 384 | 2 | 470 000 |
| Housing General Liability | 20 000 | 21 258 | 2 126 | 1 | - |
| Medical Liability | 50 000 | 22 924 | 2 292 | 23 | 7 763 672 |
| **Miscellaneous** | | | | | |
| Government Contingency | - | 2 161 | 216 | - | - |
| Travel includes GST | Various | 6 728 | 673 | 0 | 0 |
| Travel excludes GST | | 1 862 | 0 | 0 | 0 |
| Travel Stamp Duty | | - | - | - | - |
| **Total** | **-** | **5 058 974** | **494 541** | **1 294** | **31 734 409** |

Notes:

1 26 weeks for Workers Compensation and 50 weeks for Personal Accident.

2 JLT adopted a revised claim estimating/reserving philosophy in June 2016 for workers compensation which has contributed to the increased incurred claim costs.

3 The Asbestos Levy is based on four per cent of the contribution for personal injury.

## Pricing Policies

DHHS has activities for which the pricing of goods and services is required. Fee/charging programs are conducted with reference to the Government's policy and guidelines on fees and charges.

The guidelines clarify in the cost-recovery assessment process when the social implications of applying fees or charges should be considered in determining whether a subsidy or concession is provided.

Any amendment to fees charged under regulations are assessed by the Department of Treasury and Finance for any necessary regulatory impact statement consultation process.

Fees and charges are levied by DHHS in accordance with the provisions of the following Acts and their Regulations:

- *Adoption Act 1988*
- *Ambulance Services Act 1982*
- *Anatomical Examinations Act 2006*
- *Health Act 1997*
- *Food Act 2003*
- *Health Service Establishments Act 2006*
- *Poisons Act 1971*
- *Public Health Act 1997*, and
- *Radiation Protection Act 2005*.

## Superannuation Declaration

I, Michael Pervan, Secretary, Department of Health and Human Services, hereby certify that the DHHS has met its obligations under the Commonwealth's *Superannuation Guarantee (Administration) Act 1992* in respect of any employee who is a member of a complying superannuation scheme to which the DHHS contributes.

Michael Pervan
**Secretary**

# Transparency

## Public Interest Disclosure

The Department values transparency and accountability in administrative and management practices and does not tolerate improper conduct by its workers, or reprisals against those who come forward to disclose such conduct.

The DHHS Public Interest Disclosure (Whistle - Blower) Policy commits the Department to the objectives of the *Public Interest Disclosure Act 2002*. The Policy is supported by the Public Interest Disclosure (Whistle-Blower) Procedure which provides employees and managers with practical information about how public interest disclosures are managed in the Department.

During the reporting period, DHHS completed its triennial review of its procedures for submission to the Ombudsman, which was approved on 11 April 2018.

DHHS continued to work with the Ombudsman's Office and the Integrity Commission to ensure all reasonable steps are taken to protect people who make disclosures about improper conduct.

More information about the Department's public interest disclosure procedures is available on the website http://www.dhhs.tas.gov.au.

The *Public Interest Disclosures Act 2002* can be found on the Tasmanian legislation website at http://www.thelaw.tas.gov.au.

Two public interest disclosure reports were received by the Department's Public Interest Disclosure Officer during the reporting period. In order to determine whether the disclosures constituted a Public Interest Disclosure, the five allegations in the disclosures were separately assessed. It was determined that one of the disclosures met the requirements of section 33 of the Act of being a public interest disclosure.

| **Public Interest Disclosures 2017-18[1]** | |
|---|---|
| Number of disclosures made to the DHHS during the year that relate to improper conduct | 2 |
| Number of disclosures made to the DHHS during the year that relate to detrimental action | 0 |
| Number of disclosures determined to be a public interest disclosure | 1 |
| Number of disclosures determined by the DHHS to be public interest disclosures that were investigated | 2 |
| Number and types of disclosed matters referred to the DHHS by the Ombudsman for investigation | 0 |
| Number and types of disclosures referred by the DHHS to the Ombudsman for investigation | 0 |
| Number and types of investigations taken over from the DHHS by the Ombudsman | 0 |
| Number and types of disclosed matters that the DHHS has declined to investigate | 0 |
| Number and types of disclosed matters that were substantiated upon investigation and the action taken on | 0 |
| Any recommendations made by the Ombudsman that relate to the DHHS | 0 |

Note:

1 These disclosures remain under investigation at the time of reporting.

# Performance Audits

Performance audits by the Tasmanian Audit Office (TAO) examine whether a State entity is carrying out its activities effectively and doing so economically and efficiently. Audits may cover all or part of a State entity's operations, or consider particular issues across a number of State entities.

During 2017-18, the DHHS was involved in one performance audit and one follow-up review conducted by the TAO. The objectives of these audits/reviews were:

1 To assess practices followed in recruiting people to fill Senior Executive Offices and employees in General Stream Bands 9 and 10 and Professional Stream Band 6 positions. [1]

2 To inform Parliament about the extent to which the DHHS has acted on recommendations made in previous performance reports. In particular the 2015 Security of Information and Communications Technology (ICT) infrastructure report. [2]

The TAO's performance audit made recommendations to improve recruitment processes and these recommendations have been accepted and are being implemented by the DHHS. In relation to actioning previous TAO recommendations, the TAO's review reported that the DHHS had partially implemented nine out of 10 recommendations.

The DHHS largely agrees in principle with the TAO's subsequent review. The Department is committed to adopting industry best practice in relation to the security of ICT infrastructure.

The TAO's complete reports including recommendations are available from the TAO website

https://www.audit.tas.gov.au/publication-category/performance-audit/

[1] Report of the Auditor-General, No. 3 of 2017-18, Appointment of Tasmanian State Service Senior Executive Officers, General Stream Bands 9 and 10 and Professional Stream Band 6 positions, November 2017

[2] Report of the Auditor-General, No. 8 2017-18, Follow up of selected Auditor-General reports – March 2015 to May 2015, May 2018

# Right to Information

The *Right to Information Act 2009* (the Act) gives members of the public the right to obtain information contained in the records of the Government and public authorities unless it is exempt from disclosure under the Act. The Act provides a framework for the disclosure of information to the Tasmanian community to improve transparency in government, and encourages routine disclosure of information.

In accordance with the Premier's June 2015 announcement that Right to Information (RTI) decisions made by agencies are to be published, DHHS listed 13 decisions on the public disclosure log. This approach ensures a greater level of transparency in the way information is released to the public. The publication of information does not apply to personal information, but provides for the broader release of data, reports and other information of general public interest.

The Department, in line with the whole-of-government initiative of releasing the same category of information routinely, continues to provide access to information that includes organisational structures, governance policies, workforce statistics, senior executive service details, telecommunications expenditure and contracts and consultancies information. Furthermore, the Department has been implementing procedures to encourage active disclosures that result in the number of assessed disclosure applications being submitted.

The number of applications for assessed disclosure under the Act decreased slightly during 2017-18. Many of the applications focussed on issues such as child services, and housing.

The Department continued to maintain focus on improving the processing of RTI applications within the statutory timeframe. The number of RTI decisions released on time at 69 per cent a slight increase on the previous year.

The past overall trend of the total number of pages for assessment decreasing, continued for 2017-18, with 8 583 pages assessed compared to 32 831 in 2016-17. This trend, reflected where applicants were provided support to identify the relevant information they were seeking.

DHHS continues to offer statewide RTI training for staff, and central coordination of the RTI function. DHHS remains committed to improving its RTI processes to support applicants participating in this process.

## Number of Applications

| | | |
|---|---|---|
| 1 | Number of applications for assessed disclosure received | 57 |
| 2 | Number of applications for assessed disclosure accepted | 55 |
| 3 | Number of applications for assessed disclosure transferred or part transferred to another public authority[1] | 1 |
| 4 | Number of applications withdrawn by the applicant | 2 |
| 5 | Number of applications for assessed disclosure determined | 52 |

Note:

The statistics above reflect that 57 applications were received, part of one application was transferred to another authority with the remaining part remaining an application to the Department, and 2 were withdrawn, leaving 55 applications accepted.

## Outcome of Applications

| | | |
|---|---|---|
| 1 | Number of determinations where the information applied for was provided in full | 16 |
| 2 | Number of determinations where the information applied for was provided in part with the balance refused or claimed as exempt | 20 |
| 3 | Number of determinations where all the information applied for was refused or claimed as exempt | 14 |
| 4 | Number of applications where the information applied for was not in the possession of the public authority or Minister | 2 |
| 5 | Number of applications where the information was not released as it was subject to an external party review under section 44 | 0 |

## Reasons for Refusal[1]

| | | |
|---|---|---|
| s.5<br>s.11<br>s.17 | Refusal where information requested was not within the scope of the Act<br>(s.5 – Not official business; s.11 – available at Archives Office and s.17 – Deferred) | 1 |
| s.9<br>s.12 | Refusal where information is otherwise available or will become otherwise available in the next 12 months | 8 |
| s.10<br>s.19 | Refusal where resources of public authority unreasonably diverted | 0 |
| s.20 | Refusal where application repeated; or Vexatious; or Lacking in definition after negotiation | 0 |

Note:

1 Applications can be refused for one or more of the above reasons.

## Exemptions

| | | |
|---|---|---|
| s.25 | Executive Council Information | 0 |
| s.26 | Cabinet Information | 3 |
| s.27 | Internal briefing information of a Minister | 7 |
| s.28 | Information not relating to official business | 0 |
| s.29 | Information affecting national or state security, defence or international relations | 0 |
| s.30 | Information relating to the enforcement of the law | 8 |

| | | |
|---|---|---|
| s.31 | Legal professional privilege | 4 |
| s.32 | Information relating to closed meetings of council | 0 |
| s.34 | Information communicated by other jurisdictions | 0 |
| s.35 | Internal deliberative information | 17 |
| s.36 | Personal information of a person other than the applicant | 16 |
| s.37 | Information relating to the business affairs of a third party | 4 |
| s.38 | Information relating to the business affairs of a public authority | 0 |
| s.39 | Information obtained in confidence | 8 |
| s.40 | Information on procedures and criteria used in certain negotiations of public authority | 0 |
| s.41 | Information likely to affect the State economy | 0 |
| s.42 | Information likely to affect cultural, heritage and natural resources of the State | 0 |

## Time to Make Decisions

| | | |
|---|---|---|
| | Number of requests determined within the following timeframes. | |
| 1 | 1 - 20 working days of the application being accepted. | 36 |
| 2 | More than 20 working days of the application being accepted. | 16 |
| 3 | Number of requests which took more than 20 working days to decide that involved an extension negotiated under s.15(4)(a). | 15 |
| 4 | Number of requests which took more than 20 working days to decide that involved an extension gained through an application to the Ombudsman under s.15(4)(b). | 1 |
| 5 | Number of requests which took more than 20 working days to decide that involved consultation with a third party under s.15(5) | 0 |

## Reviews

### Internal Reviews

| | |
|---|---|
| Number of internal reviews were requested in 2017-18 | 8 |
| Number of internal reviews determined in this 2017-18 | 7 |
| Number where the original decision was upheld in full | 3 |
| Number where the original decision was upheld in part | 3 |
| Number where the original decision was reversed in full | 1 |

### External Reviews (Reviews by the Ombudsman)

| | |
|---|---|
| Number of external reviews requested in 2017-18 | 1 |
| Number of external reviews determined in 2017-18 | 0 |
| Number where the original decision was upheld in full | 0 |
| Number where the original decision was upheld in part | 0 |
| Number where the original decision was reversed in full | 0 |

Note:

1 Statistics for RTI applications for the THS are reported separately in its Annual Report.

# Legislation

As detailed in the *Administrative Arrangements Order (No. 1) 2018*, made under the *Administrative Arrangements Act 1990*, DHHS administers a wide range of legislation.

An Administrative Arrangements Order assigns portfolio responsibility for enactments to Ministers. The Order also assigns responsibility for administration of enactments to particular Departments.

As at 30 June 2018, DHHS administered 26 Acts and associated subordinate legislation for the Minister for Health, three Acts and associated subordinate legislation to the Minister for Disability Services and Community Development, two Acts and associated legislation to the Minister for Housing and eight Acts and associated subordinate legislation for the Minister for Human Services.

## Minister for Health

| |
|---|
| *Alcohol and Drug Dependency Act 1968* |
| *Ambulance Service Act 1982* |
| *Anatomical Examinations Act 2006* |
| *Blood Transfusion (Limitation of Liability) Act 1986* |
| *Fluoridation Act 1968* |
| *Food Act 2003* |
| *Health Act 1997* |
| *Health Practitioner Regulation National Law (Tasmania) Act 2010* |
| *Health Professionals (Special Events Exemption) Act 1998* |
| *Health Service Establishments Act 2006* |
| *Human Cloning for Reproduction and Other Prohibited Practices Act 2003* |
| *Human Embryonic Research Regulation Act 2003* |
| *Human Tissue Act 1985* |
| *Mental Health Act 2013* - except Parts 2 and 3 of Chapter 3, and Schedules 3, 4 and 5 (which are administered by the Department of Justice under the Attorney-General/Minister for Justice) |
| *Mental Health (Transitional and Consequential Provisions) Act 2013* |
| *National Health Funding Administration Act 2012* |
| *Obstetric and Paediatric Mortality and Morbidity Act 1994* |
| *Optometry Offences Act 2010* |
| *Pharmacy Control Act 2001* |
| *Poisons Act 1971* - except in so far as it relates to the Poppy Advisory and Control Board (which are administered by the Department of Primary Industries, Parks, Water and Environment under the Minister for Primary Industries and Water) |
| *Public Health Act 1997* |
| *Radiation Protection Act 2005* |
| *Reproductive Health (Access to Terminations) Act 2013* |
| *Royal Derwent Hospital (Sale of Land) Act 1995* |
| *Tasmanian Health Organisations Act 2011* |
| *Therapeutic Goods Act 2001* |

## Minister for Disability Services and Community Development

| |
|---|
| *Disability Services Act 2011* |
| *Guide Dogs and Hearing Dogs Act 1967* |
| *Tasmanian Community Fund Act 2005* |

## Minister for Housing

| |
|---|
| *Fire Damage Relief Act 1967* - in so far as it relates to the erection of dwellings for renting to eligible persons under the *Homes Act 1935* (otherwise see Department of State Growth under the Minister for State Growth) |
| *Homes Act 1935* - except in so far as it relates to the lending of funds for home ownership (see Department of Treasury and Finance under the Treasurer) |

## Minister for Human Services

| |
|---|
| *Adoption Act 1988* |
| *Child Protection (International Measures) Act 2003* |
| *Children, Young Persons and Their Families Act 1997* |
| *Children, Young Persons and Their Families (Transitional and Savings Provisions) Act 1998* |
| *Commissioner for Children and Young People Act 2016* |
| *Community Housing Providers National Law (Tasmania) Act 2013* |
| *Pensioners (Heating Allowances) Act 1971* |
| *Youth Justice Act 1997* – except in so far as it relates to the establishment and operation of the Magistrates Court (Youth Justice Division – see Department of Justice under the Attorney-General/Minister for Justice) |

## Bills Tabled

During 2017-18, the following Bills were introduced into Parliament:

- *Health and Related Legislation (Miscellaneous Amendments) Bill 2017*; and
- *Tasmanian Health Service Bill 2018*.

## Key Changes to Legislation

The key legislative changes in 2017-18 are described below.

The *Tasmanian Health Service Act 2018* provides for new governance arrangements for the THS. The Act provides a new statutory framework in line with Government commitments:

- the THS continues as a separate legal entity;
- the THS reports directly to the Secretary of the Department;
- the THS Executive team maintains a focus on statewide planning, and ensures appropriate local administrative and management structures; and
- the previous roles of Chief Executive Officer and Governing Council are discontinued.

The reform strengthens the ongoing objectives of a single statewide health service while promoting effective local decision-making and service delivery. The Act commenced on 1 July 2018.

The *Health Practitioner Regulation National Law and Other Legislation Amendment Act 2017* passed the Queensland Parliament and received Royal assent on 13 September 2017. This Act made minor and technical amendments to improve the operation of the National Law and also added paramedicine as the 15th nationally regulated health profession.

Provisions have been progressively proclaimed with the last remaining provisions planned to commence on 1 December 2018.

The *Health and Related Legislation (Miscellaneous Amendments) Bill 2017* was tabled with a range of minor amendments but lapsed due to the 2018 election.

A number of amendments arising from the *Children Young Persons and Their Families Amendment Act 2013* commenced on 28 February 2018 as part of a phased commencement. The amendments included changes to care and protection orders, introduction of supervision orders and review requirements for children under the long-term guardianship of the Secretary. A Bill with further amendments to the 2013 arrangements was tabled in 2016-17, but lapsed due to the 2018 election.

The *Mental Health Amendment Act 2016* amended the *Mental Health Act 2013* to clarify and improve the Act's operation. The Amendment Act amended the assessment and treatment pathway established by the Act to remove duplication and provide clarity around particular aspects of the pathway. The amendments commenced on 1 July 2017.

The *Public Health Amendment (Healthy Tasmania) Act 2017* contained changes to the *Public Health Act 1997* to deliver smoking-related actions from the Government's *Healthy Tasmania Five Year Strategic Plan:* increasing penalties for selling or supplying smoking products to a child; introducing laws to regulate personal vaporiser products (including electronic cigarettes); and providing the option for targeted education through quit smoking information at the point-of-sale. Other changes to tobacco licensing and reporting were also included. The amendments commenced on 29 November 2017.

## Subordinate Legislation

- Health (Fees) Amendment Regulations 2018
- Poisons Amendment (Miscellaneous) Regulations 2017
- Poisons (Declared Restricted Substances) Order 2017
- Poisons (Exempted Public Institutions) Order 2018
- Public Health (Infringement Notices) Amendment Regulations 2017
- Public Health (Tobacco Seller's Licence) Amendment Regulations 2017

# Other Annual Reports

Each year the Department hosts three additional annual reports within the DHHS Annual Report. These are for: reporting under the *Disability Services Act 2011*; the Council of Obstetric and Paediatric Mortality and Morbidity (COPMM); and the Tasmanian Pharmacy Authority (TPA).

A number of planning and reporting provisions must be satisfied under the *Disability Services Act 2011* and each financial year a report is prepared to facilitate this compliance under the Act.

The Council of Obstetric and Paediatric Mortality and Morbidity (COPMM) is required to prepare an annual report on its activities for the past financial year under the *Obstetric and Paediatric Mortality and Morbidity Act 1994*.

In addition, each year COPMM also prepares a report with details of the performance of its functions and exercise of the powers of the Council.

This report is tabled and published separately and details any recommendations arising from the activities of the Council. It also includes the Council's perinatal data collection information for a 12 month period.

The Tasmanian Pharmacy Authority, under the *Pharmacy Control Act 2001*, is required to prepare a report annually. It outlines operations for the past financial year, and can be appended to the DHHS Annual Report.

The following section contains:

- the *Disability Services Act 2011* Annual Report 2017-18
- the Council of Obstetric and Paediatric Mortality and Morbidity Annual Report 2017-18, and
- the Tasmanian Pharmacy Authority Annual Report and Financial Statements 2017-18.

# *Disability Services Act 2011*

The *Disability Services Act 2011* (the Act) came into effect on 1 January 2012 and contains a number of planning and reporting provisions. This Annual Report is provided in accordance with the legislative requirements under the Act (Section 9 – Budgetary Oversight).

In accordance with section 9 of the Act, this Annual Report specifies the amount appropriated by Parliament that was used for the purposes of the administration of the Act and the amount appropriated by Parliament that was used in the making of grants.

For the purposes of this Report the State is regarded as one operational area.

A three year Strategic Plan was approved by the Minister for Human Services in February 2015. The Strategic Plan is supported by an annual Operational Plan. The Operational Plan for Disability Services 2017-18 was approved in November 2017 and aligns goals, priority strategies and outcomes for the Disability Services program in 2017-18 with the Strategic Plan. The Operational Plan describes the actions the program will take to create a sustainable, affordable, inclusive and responsive service system for Tasmanians requiring specialist disability support services.

This Report provides details as to how the amount that was used for making grants was distributed during 2017-18 between different kinds of specialist disability services, research and development activities and grants to individuals under section 14(1)(c).

The Report also provides, in relation to each funded entity, the amounts that were provided by way of grants under the Act. It should be noted that the expenditure report also contains detail of cash contributions to the NDIS. As Tasmanians with disability progressively transition to the NDIS, grants may reduce to organisations or persons in order to make contribution to the NDIS. Individuals will access similarly funded supports through an individual's NDIS plan. In accordance with the requirement under section 9(3), this Report does not contain the name or address of a person with disability funded under the Act.

| Services provided by Community Sector Organisations (Notes 1 2 3 4) | 2017-18 $ |
|---|---|
| Accommodation Support | 76 804 022 |
| Community Access | 13 228 841 |
| Community Support | 11 724 978 |
| Information and Advocacy | 2 307 666 |
| Other | 4 494 091 |
| Peak Organisations | 133 030 |
| Respite | 7 102 644 |
| Fair Work ERO | 11 257 649 |
| Cash Contribution to NDIA | 75 497 401 |
| **Total** | **202 550 323** |

| Services provided by Government | 2017-18 $ |
|---|---|
| Area Management | 1 864 165 |
| Community Support (Disability Assessment and Advisory Team) | 2 911 914 |
| Contract Management (Community Partnership Teams) | 1 654 090 |
| Individual Funding Management | 355 959 |
| Tasmanian Autism Spectrum Diagnostic Assessment Services | 814 329 |
| Workforce Development | 155 930 |
| Reform Transition Costs | 38 850 |
| **Total** | **7 795 237** |

| Administration and Overheads | 2017-18 $ |
|---|---|
| Direct Overheads | 1 854 065 |
| **Total** | **1 854 065** |
| **Community Service Functions** | |
| **Total Expenditure** | **212 199 626** |

**Note 1**

**2017-18 Services provided by Community Sector Organisation Breakdown**

Services provided by Community Sector Organisations comprises the following aggregates:

| | 2017-18 $ |
|---|---|
| Fair Work ERO | 11 257 649 |
| Grants | 115 795 273 |
| Cash Contribution to NDIA | 75 497 401 |
| **Total** | **202 550 323** |

**Note 2**

**2017-18 Distribution of Grants Breakdown**

| | 2017-18 $ |
|---|---|
| Distributed to specialist disability services | 200 850 110 |
| Distributed to research and development activities | 0 |
| Distributed to individuals under section 14(1)(c) | 1 700 213 |
| **Total** | **202 550 323** |

| Note 3 | |
|---|---|
| | **2017-18 $** |
| Indexation of 2.25 per cent | **2 414 712** |

Applied to Services provided by Community Sector Organisations excluding HACC Fair Work ERO

Also excludes funding transferred to NDIA

| **Disability Services – Payments to NGOs for individual funding arrangements for disability clients** | **2017-18 $** |
|---|---|
| Able Australia (no longer providing support in Program) | 0 |
| Aidacare Pty Ltd | 173 267 |
| Anglicare Inc. | 1 100 728 |
| ARC Support Services | 616 655 |
| Beni Abbes Community Inc | 132 695 |
| Carer Solutions Australia Pty Ltd | 57 340 |
| Circular Head Aboriginal Corporation | 14 221 |
| Coastal Residential Service Inc. | 118 508 |
| Community Based Support - South | 732 878 |
| Community Care Tasmania (formerly Community Care NESB Inc) | 178 708 |
| Devonfield Enterprises | 210 055 |
| Epic Assist (formerly Ability Employment) | 31 359 |
| Eskleigh Foundation | 292 193 |
| Family Based Care North West | 1 052 528 |
| Freedom Home Care | 190 798 |
| GC Services Inc.(ceased trading Dec 2017) | 19 691 |
| Glenhaven | 14 859 |
| Hobart City Mission | 280 980 |
| Hobart District Nursing Service | 24 049 |
| Huon Eldercare | 140 067 |
| Independent Healthcare Services | 2 398 781 |
| Integrated Living Australia Ltd | 1 088 253 |
| Island Care Tas | 941 |
| Kincare | 118 895 |
| Langford Support Services | 418 778 |
| Life Without Barriers | 140 957 |
| Lifestyle Solutions | 266 262 |
| Liviende Veranto | 480 140 |
| May Shaw Nursing Centre | 567 |
| Mission Australia | 73 475 |
| Montagu Community Living Inc. | 230 999 |

| | |
|---|---|
| Mosaic Support Services | 71 627 |
| Nexus Inc. | 712 458 |
| North West Residential Services | 1 238 926 |
| Northern Occupational Support Service Inc. | 59 767 |
| Oak Tasmania | 128 682 |
| Optimal Community Services | 4 193 |
| Parkside Foundation | 167 572 |
| Possability – (formerly traded as Optia Inc.) | 1 516 716 |
| Senior Helpers Northern Tasmania | 390 256 |
| Society for Multiply Disabled People of Tasmania | 267 281 |
| South Eastern Nursing and Home Care Association | 566 774 |
| Southern Cross Care | 1 968 |
| St Giles Society | 639 095 |
| St Michaels Association | 76 985 |
| Storm Disability Services | 18 961 |
| Total Support Services | 50 928 |
| Wyndarra Centre | 320 020 |
| Intensive Support Services (cannot be disaggregated by provider) | 1 098 889 |
| One-off support/equipment/modifications | 166 955 |
| **Total** | **18 097 674** |

Notes:

1 FBC Tasmania Integrated Living is now part of Integrated living
2 GOC Range Retreat Inc is no longer funded
3 Headway Support Services is now part of Lifestyle Solutions
4 Mersey Leven Child Care Services is now part of Mission Australia
5 Northern Residential Support Group Inc is now part of Livende Veranto
6 Supported Tenancy is now part of Mosaic Support Services
7 Veranto Lifestyle is now part of Livende Veranto

# Council of Obstetric and Paediatric Mortality and Morbidity

**Annual Report**

**For year ended 30 June 2018**

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## Establishment of the Council

The *Obstetric and Paediatric Mortality and Morbidity Act 1994* (the Act) establishes the Council of Obstetric and Paediatric Mortality and Morbidity (the Council). The functions of the Council include the maintenance of a perinatal data collection system, investigating the circumstances surrounding maternal deaths, perinatal deaths and the deaths of children up to 17 years; and investigating and reporting on matters relating to obstetric and paediatric mortality and morbidity referred to it by the Minister or Secretary.

The Act contains very strict confidentiality provisions such that the Council and its members are precluded from providing information to other persons except in very limited circumstances. Of note, the Act enables the Council:

- to communicate to a coroner information relevant to a coronial inquiry or possible coronial inquiry into the death of a child or woman, of its own motion or at the request of the coroner;
- to investigate and report to the Secretary or Minister (or any other relevant Minister) on any matter relating to obstetric and paediatric mortality and morbidity of its own motion without a reference from the Secretary or Minister;
- to communicate information regarding identified deaths or morbidities to the Secretary, a relevant Minister or a prescribed body;
- to have the power to place a restriction upon subsequent use of any information or reports provided by the Council to a coroner, the Secretary, a Minister or a prescribed body;
- members to communicate information that comes into their possession to the Secretary where there is a belief or suspicion, on reasonable grounds, that a child has been or is being abused or neglected or at risk of being abused or neglected and;
- to report information about possible criminal offences to the Commissioner of Police.

## Council Role and Function

A summary of Council functions under the Act are:

a) To investigate the circumstances surrounding and the conditions that have, or may have, caused:

   (i) maternal, late maternal and perinatal deaths in Tasmania;

   (ii) mortality and morbidity of children in Tasmania in the age group from 29 days to 17 years (inclusive)

   (iii) congenital abnormalities in children born in Tasmania and

   (iv) injuries, illness or defects suffered by pregnant women or viable foetuses in Tasmania at any time before or during childbirth.

b) To maintain a perinatal data collection.

c) To provide information for the education and instruction in medical theory and practice in obstetrics and paediatrics for medical practitioners, registered nurses, enrolled nurses and midwives.

d) To investigate and report on any other matters relating to obstetric and paediatric mortality and morbidity referred to the Council by the Minister or the Secretary:

(da) to investigate and report to the Minister, a relevant Minister or the Secretary of its own motion on any matter relating to obstetric and paediatric mortality and morbidity that it considers necessary and

(db) to communicate to the Minister, or a relevant Minister, the Secretary or a prescribed body, information relating to

(i) a child death, maternal death or late maternal death or

(ii) the morbidity of a child or a woman who is or had been pregnant.

e) To perform any other function imposed by this Act or any other Act or the regulations.

## Council Membership

Appointed members to COPMM's new term (February 2016-February 2019) as specified in the *Obstetric and Paediatric Mortality and Morbidity Act 1994* include:

- Dr Michelle Williams (COPMM Chair), nominee of the Paediatrics and Child Health Division of the Royal Australasian College of Physicians nominated by the Tasmanian State Committee of that College;
- Professor Peter Dargaville, person nominated by the Secretary employed in the delivery of Neonatal Services;
- Associate Professor Amanda Dennis, nominee of the University of Tasmania;
- Dr Anagha Jayakar, nominee of the University of Tasmania;
- Dr Tania Hingston, nominee of the Tasmanian Regional Committee of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists;
- Ms Kate Cuthbertson, additional member nominated by Council to represent community interests;
- Dr Jill Camier, nominee of the Tasmanian Branch of the Royal Australian College of General Practitioners;
- Ms Sue McBeath, nominee of the Tasmanian Branch of the Australian College of Midwifes Incorporated;
- Dr Scott McKeown, person nominated by the Secretary employed in the Department of Health and Human Services.
- Commissioner for Children-Mr Mark Morrissey (resigned August 2017).

Meetings of Council will continue to be held quarterly with two meetings already having been held in February and May 2018.

## Council Meetings

The Council generally meets four times per year.

## Administration

The Council can be contacted via:

Dr Jo Jordan – Manager, COPMM
Clinical Governance
Health Professional Policy & Advisory Services
Department of Health

Address: Level 2, 22 Elizabeth Street
HOBART TAS 7000
Email jo.jordan@health.tas.gov.au

Telephone: (03) 6166 1052

Website: http://www.dhhs.tas.gov.au/copmm

## Representation on National Bodies

The Council continues to be represented on the *Australian and New Zealand Child Death Review and Prevention Group (ANZCDR&PG*) and also provides representation to the *National Perinatal Data Development Committee,* the *National Maternity Data Development Project* and advice to the National Maternity Council's *Maternal and Perinatal Committee.* In addition, Council is represented on the *National Perinatal Mortality Report Advisory Group*. The Council also continues to provide its unidentified data to Queensland to include in Queensland's Annual Report on Child Deaths.

## Registration

Not applicable.

## Review of Activities

COPMM's 2015 Annual Report was tabled in Parliament in November 2017. A key aim of Council's Annual Report was to provide epidemiological information on the women who gave birth to liveborn or stillborn babies in 2015, and on their children. The Annual Report included all four COPMM committee reports detailing relevant key trends arising during 2015 and recommendations based upon committee investigations and findings. National comparisons were made where possible in relation to these trends.

The 2016 Annual Report was progressed during the 2017-18 financial year in preparation for tabling in Parliament in October 2018. The preliminary *2016 Paediatric Mortality and Morbidity Committee* Report was finalised before the end of 2017-18 financial year.

The 2017 Annual Report will be progressed during the 2018-19 financial year in preparation for tabling in Parliament in October 2019.

In the meantime, finalised reports from COPMM's Committees for 2017 will be released with COPMM's newsletters prior to the end of next financial year with key issues and recommendations being highlighted in these newsletters where possible.

Recommendations that are highlighted in recent Annual Reports continue to be archived on the *Council of Obstetric and Paediatric Mortality and Morbidity* website (http://www.dhhs.tas.gov.au/copmm). Council newsletters that are also archived on Council's website are electronically released and circulated either quarterly or bi-seasonally to interested clinicians and organisations following Council meetings to highlight pertinent clinical issues to promote improved healthcare.

In an effort to reduce maternal, perinatal and paediatric mortality and morbidity in Tasmania, a *Progress Against COPMM Recommendations* report in relation to the 2015 COPMM Annual Report is currently being progressed in an effort to be submitted to the Minister for Health. The positive efforts of the various Departmental organisations to address COPMM's recommendations where possible continue to be appreciated by COPMM.

As noted previously, COPMM has been supportive of undertaking CDSI Reviews under the *Obstetric and Paediatric Mortality and Morbidity Act 1994* (the *OPMM Act*) proposing that a sub-committee be formed under the auspices of the *OPMM Act* and entitled the *Child Death and Serious Injury Review Committee (CDSIRC*) provided there be appropriate resourcing secured to allow effective and robust reviews. In-principal commitment had been previously confirmed by the Secretary to provide appropriate funding and resourcing to COPMM to accommodate the increased ongoing responsibilities and activities associated with supporting a CDSIRC. COPMM will continue to undertake discussions with the Department to ensure that set-up is appropriately achieved to enable activities to be undertaken when required.

It is also noted that the current term will finish in February 2019. As such, preparations will be undertaken later in 2018 to seek suitable nominations from the various colleges and organisations for representation on Council into a new 3-year term. All representatives will be appointed by the Health Minister in due course.

## Data Collection and Reporting

The ongoing activities of Council's four Committees to fulfil its legislative requirements have continued to be progressed in the 2017-18 financial year. Again, the continued tireless efforts, commitment and contributions to Council's functions by its busy clinical members are acknowledged and commended.

Membership of the *Data Management Committee* includes representatives derived from obstetric, paediatric, midwifery, Health Information and Epidemiology Unit areas with Professor Peter Dargaville continuing to chair this committee in the current term. A Working Group of the committee primarily progresses the reporting requirements while the Committee continues to meet as required to progress discussions around formatting and preparation of future Annual Reports as well as the *ObstetrixTas System* and development of a more comprehensive Congenital Abnormality Register for Tasmania.

Professor Dargaville also continues to chair the *Perinatal Mortality and Morbidity Committee* in the current term which comprises members who dedicate their invaluable time to review and classify perinatal cases according to Perinatal Society of Australia and New Zealand (PSANZ) guidelines. Classification codes derived from this review process not only serves to fulfil Council's reporting requirements but also provides the State's perinatal death cases dataset to national bodies for national reporting purposes.

All paediatric deaths reported annually throughout the state are reviewed and classified by the *Paediatric Mortality and Morbidity Committee* that continues to be chaired by Council's Chair, Dr Michelle Williams in the current term.

Finally, all reported maternal deaths in Tasmania are reviewed and classified according to the system recognised by the World Health Organisation. The *National Maternal Death Reporting form* also continues to assist with this review process. Associate Professor Amanda Dennis continues to Chair the *Maternal Mortality and Morbidity Committee* in the current term which undertakes the required review processes.

## Data Collection Forms

The *National Perinatal Death Clinical Audit Tool* (NPDCAT) continues to be used by all Tasmanian hospitals (including all public and NWPH) to collect detailed information on reported stillbirths and neonatal deaths in view of the lack of stillbirth and neonatal death forms on the *ObstetrixTas* system. Substantial progress has been made in this financial year to ensure that integration of this form into the *ObstetrixTas* system will be finalised. Council urges that only the attending medical practitioner/specialist completes the NPDCAT form in respect to their reported perinatal mortality case.

The *National Maternal Death Form* continues to assist with the review process for reported maternal death cases.

The Council received notification that AIHW had been given funding to explore ongoing national congenital anomaly collection/register/reports and efforts are underway to undertake an initial assessment of the current status of congenital anomaly surveillance in each jurisdiction. It is hoped that with the development of a more comprehensive national Congenital Abnormality Register it would allow the necessary refinements to be integrated into a Tasmanian model as required and finally incorporated into the *ObstetrixTas* system in the future.

The Tasmanian Perinatal Data Collection Form that has recently been updated continues be completed by all services that do not have access to the *ObstetrixTas* system (i.e., private hospitals and birth centres where the birth occurs; or private midwifery and medical practitioners who deliver babies outside hospitals). Completion of this form is a mandatory requirement for data collection under *the Obstetric and Paediatric Mortality and Morbidity Act 1994*. A copy of these forms and associated guidelines can be accessed via COPMM's website.

## Progress in Database

The development and establishment of the *ObstetrixTas* system was implemented in all statewide public maternity hospitals in 2010 to provide obstetric units with access to clinical information for management, planning, teaching and research purposes. Feedback has indicated that members of hospital staff have embraced the use of this system who have found it to be valuable and useful in their clinical practice especially in regards to improvement in the timeliness, completeness and accuracy of information reported from the system. Council continues to seek support to ensure that *ObstetrixTas* successfully collects the relevant information that is required for its legislative reporting requirements.

## Review the structure of the Annual Report

The Annual Report format continues to be refined as required to ensure a more effective format for clearer presentation of data. The role of the Data Management Committee provides opportunities to discuss and revise formatting issues as required.

## Financial Statements as at 30 June 2018

Not applicable.

# Tasmanian Pharmacy Authority

Annual Report

For year ended 30 June 2018

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# Establishment of the Authority

The Tasmanian Pharmacy Authority is a body corporate, established under section 6(1) of the Pharmacy Control Act 2001 (the Act).

Historically, the former Pharmacy Board of Tasmania had functions including:

- registration of pharmacists; and
- registration of pharmacy premises (regulating the ownership and standards of pharmacy premises).

The first function (registration of pharmacists) is now undertaken by the Australian Health Practitioners Regulatory Authority (AHPRA).

The second function (registration of pharmacy premises), as in other States, is still regulated by a State body. In Tasmania, this is the Tasmanian Pharmacy Authority, which was established on 1st February 2011. This report covers the sixth full financial year of its operations.

# Authority Roles and Functions

## Functions of the Authority

Section 8 of the Act prescribes the following functions for the Authority:

(a) to administer the scheme of registration of pharmacy business premises;

(b) to approve the ownership of and interests in pharmacy businesses;

(c) to ensure that the services that pharmacy businesses provide from pharmacy business premises to the public are of the highest possible standard;

(d) to prosecute offences against this Act;

(e) to advise the Minister on matters relating to the Act;

(f) such other functions as are imposed on the Authority by this or any other Act or as may be prescribed.

## Role of the Authority

Section 9 of the Act empowers the Authority to do all things necessary or convenient to be done in connection with the performance of its functions.

# Membership of the Authority

The members of the Authority during the year ending 30 June 2018 were:

***Chairman***

Mr Rhys Jones – B.Pharm

***Members***

Mr Martin Neumeyer - B.Pharm (Resigned 10th April 2018, creating a vacancy which was unfilled at 30 June)

Ms Kym Child – Consumer Representative

## Meetings of the Authority

The Authority held monthly meetings during the reporting period. This year, additional meetings were held in July 2017 to progress the appointment of a new Registrar; and extra meetings were held in May and June 2018 due to the amount of business on the agenda.

| Authority Members | Meetings held whilst an Authority Member | Meetings Attended |
|---|---|---|
| Mr R Jones | 17 | 17 |
| Mr M Neumeyer | 13 | 13 |
| Ms K Child | 17 | 17 |

The vacancy created when Authority member, Mr Neumeyer resigned due to a change in his employment, was problematic. The Authority comprises only three members, two of whom are registered pharmacists. The operations of the Authority were affected by the reduced membership, especially as the input of qualified pharmacists is required for much of the business.

## Administration

Ms Margie Cole was the Authority's Registrar until 30 August 2017, when she retired. She was replaced by Ms Joni-Lee James until 20th June 2018. At that time, Ms Margie (Cole) Shuley was reappointed as the Authority Registrar as an interim arrangement while recruitment action occurs.

The postal address of the Authority was PO Box 1082, Sandy Bay, TAS 7006 and the mobile phone number was 0417 752 348. The Authority did not have a facsimile machine.

The Authority's ABN is 34 562 572 269.

## Sitting Fees of the Authority

Sitting Fees determined by the Minister for Health, since 1 December 2016, were:

Chair: $448

Members: $340

A small rise was approved from 1 December 2017, to:

Chair: $457

Members: $347

## Representation on National Bodies

During the year, the Pharmacy Premises Registering Authorities of Australia – PPRAA – met twice (November 2017 and May 2018). Both meetings were attended by the Authority Chair and the later meeting was also attended by the Registrar.

The PPRAA is a forum for State and Territory pharmacy premises registering bodies whose responsibility it is to protect the public in registering/approving pharmacy premises. PPRAA activities are intended to allow for the consideration and potential development of a nationally consistent framework by which pharmacists and pharmacy services providers may undertake the provision of pharmacy services within registered premises consistent with nominated scopes of practice. The present members of PPRAA are representatives of the premises registering bodies in Australian Capital Territory, New South Wales, Northern Territory, Queensland, South Australia, Tasmania, Victoria and Western Australia. Whilst there are differences in each jurisdiction's legislation, it is generally acknowledged that these bodies should be responsible for the standards within pharmacy premises. It is noted that the Pharmacy Board of Australia's powers are limited to the registration of pharmacists and dealing with notifications against pharmacists. It does not extend to the standards of practice within pharmacy premises or standards of the premises themselves.

## Registration

The number of pharmacy business premises registered with the Authority at 30 June 2018 was 158.

At 30 June 2018, 82 body corporates and 87 individuals held an Eligibility Certificate for their interests in a pharmacy business.

Many applications for the approval of new owners involved trust structures, with either an individual or body corporate as the trustee, rather than straightforward ownership by the pharmacist. This is an increasing trend, both in Tasmania and other jurisdictions.

The names of some pharmacy business premises changed during the year, many of these reflecting changes to and some mergers of large buying groups.

During the year, the Authority approved the following applications:

| | |
|---|---|
| New or relocating pharmacies | 8 |
| Applications for a new Body Corporate owner | 8 |
| Applications for a new individual owner | 1 |

Applications for alterations of Pharmacy Business Premises were also lodged. Three pharmacy business premises were affected by the May 2018 floods in the Hobart region, necessitating unexpected alterations and remedial work to be undertaken.

The Authority continued its approval of vaccination rooms/consultation areas, within pharmacy premises. As at 30 June 2018, 67 pharmacy premises had approved vaccination areas.

## Registration Policy

Pharmacy premises registrations and the issuing of Eligibility Certificates continued to be managed in accordance with the requirements of the Act. Pharmacists intending to buy or sell an existing pharmacy, change its ownership structure, or to move or re-name it, applied to the Authority for approval by

submitting the appropriate forms and paying the prescribed fees. As indicated above, the development of a vaccination area also follows an application and approval process.

## Fees

The prescribed fees were increased marginally in accordance with the increase in the value of a Fee Unit to $1.55.

The fees for 2017-18 as defined by the regulations were:

| Type of Fee | Section of Act | Fee Units | Fees 2017-18 @$1.55 $ |
|---|---|---|---|
| **Eligibility Certificate - Initial Application** | | | |
| Each individual involving no Trust | 61B | **35** | 54.25 |
| Each individual involving one Trust | 61B | **275** | 426.25 |
| Each individual with more than one Trust | 61B | **550** | 852.50 |
| Each body corporate with no Trust | 61B | **350** | 542.50 |
| Each body corporate with one Trust | 61B | **620** | 961.00 |
| Each body corporate with more than one Trust | 61B | **900** | 1395.00 |
| **Annual Renewals** | | | |
| Individual eligibility certificate | 61E | **70** | 108.50 |
| Body Corporate eligibility certificate | 61E | **140** | 217.00 |
| Certificate of Premises Registration | 71K | **250** | 387.50 |
| **Late Fees** | | | |
| Individual Eligibility Certificate | 61E | **15** | 23.25 |
| Body Corporate Eligibility Certificate | 61E | **50** | 77.50 |
| Premises Registration | 71K | **100** | 155.00 |
| **Other Fees** | | | |
| Initial registration of pharmacy business premises | 71D | **310** | 480.50 |
| Application to exempt premises from registration | 71J | **35** | 54.25 |
| Fee for inspection of register | 71M | **15** | 23.25 |
| Fee for a copy or extract from register - *per page* | 71M | **5** | 7.75 |
| Fee for a copy of notice - *per page* | 71M | **5** | 7.75 |

The Authority notes that changes to the Act which came into effect on 1 January 2017 made provision for fees to be charged for applications for alterations to pharmacy business premises, but that the regulations have yet to be amended to effect this.

## Review of Activities and Operations 2017-2018

### Achievements

### The *Pharmacy Control Act 2001*

The Tasmanian Pharmacy Authority was established under the Act which commenced on 1 February 2011. Amendments to the Act were proclaimed on 1 January 2017, which addressed many ambiguities and inconsistencies which had been identified.

It has been the role of the Authority to implement and administer this Act, which includes considering all applications for alterations, new or relocated premises, transfers of ownership and consideration of ownership eligibility.

The Authority administered the issuing of Eligibility Certificates in accordance with Part 5A of the Act. The complexities of pharmacy ownership when companies and trusts were involved make determining the interests of parties difficult, and the Authority routinely referred company and trust documents to Crown Law for advice.

As far as the Authority is aware, all ownership structures comply with the Act, and no individual has an interest in more than four pharmacy business premises in Tasmania.

### Pharmacy Guidelines

The Authority adopted its inaugural Guidelines on 6 February 2013. These continue to be fine-tuned from time to time, and are available on the Authority's website.

### Authority Financial matters

The Authority believes that identified risks have, in the main, been managed appropriately. However, the replacement of the Registrar late in the financial year raised issues for the Authority, with business continuity raising concerns.

The budget ensures that there is security and stability to the Authority's income to ensure it can operate effectively. In particular, the budget security has allowed the Authority to plan for cyclical inspections of all premises. There is also contingency provision for any potential legal costs which might be incurred in the event of a prosecution by the Authority under the Act. The Authority also is conscious of the need to consider, in time, the development of a new database to manage the complex ownership structures, so has funds notionally set aside for this activity.

There were substantial increases in expenditure in two categories in the 2017-18 financial year – Registrar Fees (an increase of 80 percent over the previous year) and Inspection Expenses (an increase of 118 percent).

The changes to the Registrar during the year increased costs.

Inspection activities increased markedly during the year. The appointment of new inspectors allowed the Authority to properly instigate its rolling three year inspection cycle, and the costs reflect this welcome improvement in operations.

### Authority Website, Database and records

The Authority made further improvements to its website (hosted on a tas.gov.au domain) during the year, and continually updated, added to and refined the information provided on the website to make it clearer, more useful and more user-friendly.

### Authority inspections

A number of Authority Inspectors (who are independent contractors) were trained during the year and were signed off to undertake inspections independently. At 30th June 2018, six inspectors were contracted with the Authority.

The Authority continued its inspection and premises registration processes which require owners to make formal declarations about the completion of premises works and the suitability of the premises to operate as a pharmacy business. Following advice of the completion of works (be it for new or altered premises), the Authority then inspected the pharmacy premises to ensure their compliance with the Act.

In addition, the Authority inspected pharmacy business premises 1-2 months after sale on those occasions where there was a total change of ownership.

The Authority also continued its plan to have a rolling three year cycle of inspecting all pharmacy business premises.

The Authority continued to work closely with the Pharmaceutical Services Branch (PSB) of DHHS, with PSB receiving copies of each Inspection Report. In addition, the Authority alerted the Australian Health Practitioners Regulatory Authority to potential issues which fell under its jurisdiction.

The Inspection Report Form was further improved to ensure a more consistent and comprehensive approach to inspections, and to reflect the need to check on the suitability of vaccination areas.

### Pharmacists administering vaccines

The Authority continued to liaise with DHHS staff responsible for administering the program of Approved Pharmacist Immunisers under *Regulation 64 of the Poisons Regulations 2008*, which was amended in January 2016 to allow adequately trained pharmacists to independently administer vaccinations in Tasmania.

### Conflict of Interest

The Authority continued its practice of requiring an annual update by all employees and independent contractors of its TPA Disclosure of Interest and Confidential Information Form to ensure actual or potential conflicts of interest were declared by employees and independent contractors and that risks were properly identified, assessed and managed. In addition, each Authority meeting includes Declaration of Interest as a Standing Item.

## Legislation

***Pharmacy Control Act 2001***

The Pharmacy Control Act was proclaimed on 1 February 2011.

Following some years of consultation with DHHS and Crown Law to progress amendments to the Act, the Pharmacy Control Amendment Bill 2016 was passed on 22 June 2016 and proclaimed on 1 January 2017. Amendment to the Regulations to make provision for a new fee for applications for alterations to pharmacy premises was not completed by 30 June 2018.

***Personal Information Protection Act 2004***

The Authority approved its Personal Information Protection Statement on 3 October 2012. There were no matters raised under the Personal Information Protection Act during the twelve months ended 30 June 2018.

***Public Interest Disclosure Act 2002***

The Authority approved an Application for Assessed Disclosure Form on 3 October 2012. There were no matters raised under the Public Interest Disclosures Act 2002 during the twelve months ended 30 June 2018.

***Right to Information Act 2009***

The Authority approved a Right to Information Statement on 3 October 2012. There were no requests for information under the Right to Information Act 2009 in the twelve months ended 30 June 2018.

## Complaints and Disciplinary Issues

The administration of complaints and disciplinary issues for pharmacists was transferred to the National Registration and Accreditation Scheme prior to the commencement of the Tasmanian Pharmacy Authority in 2011. All matters became the responsibility of the Australian Health Practitioners Regulatory Authority (AHPRA). As a result of this, the Authority has no role in such issues, and referred any complaints received during the year to AHPRA.

The Authority itself received no complaints about its operations and had no disciplinary issues during the year.

## Financial Statements

The Authority re-appointed Crowe Horwath during the year, as its Auditors; and obtained the permission of the Auditor-General to dispense with the audits by the Tasmanian Audit Office.

Attached are the Audited Financial Statements.

# Tasmanian Pharmacy Authority Financial Statements

For year ended 30 June 2018

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# Tasmanian Pharmacy Authority

Statement by the Registrar

The Registrar has determined that the Authority is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Registrar:

1. The financial statements and notes, as set out on pages 2 to 9, present fairly the Authority's financial position as at 30 June 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. At the date of the statement, there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Authority, and is signed for and on behalf of the Authority by:

# Tasmanian Pharmacy Authority

## Statement of Comprehensive Income

## For the Year Ended 30 June 2018

| | 2018<br>$ | 2017<br>$ |
|---|---|---|
| **Income** | | |
| Annual renewal - body corp eligibility certificate | 16,493 | 15,324 |
| Annual renewal - premises eligibility certificate | 59,670 | 57,758 |
| Annual renewal - individual eligibility certificate | 9,211 | 10,991 |
| Application fee for individual eligibility certificate | 426 | 2,004 |
| Application fee for new body eligibility certificate | 6,867 | 9,195 |
| Application fee for new premises | 3,844 | 2,846 |
| Exempt Premises applications | 54 | 107 |
| Interest | 774 | 436 |
| Miscellaneous fees | 1,087 | 38 |
| **Total Income** | 98,426 | 98,699 |
| **Expenditure** | | |
| Accounting fees | 1,580 | 1,525 |
| Administration expenses | 3,393 | 4,347 |
| Depreciation and amortisation expense | 1,031 | 607 |
| Equipment maintenance | 413 | 2,046 |
| Inspection expenses | 19,461 | 8,919 |
| Legal fees | 6,219 | 4,991 |
| Staff amenities | 2,375 | 622 |
| Registrar fees | 66,615 | 36,942 |
| Sitting Fees | 18,650 | 13,240 |
| Superannuation | 1,296 | 298 |
| Telephone and fax | 881 | 1,012 |
| Travel | 1,600 | 1,530 |
| **Total Expenses** | 123,514 | 76,079 |
| **Net surplus/(deficit) for the year** | (25,088) | 22,620 |
| **Other comprehensive Income** | - | - |
| **Total comprehensive income for the year** | (25,088) | 22,620 |

# Tasmanian Pharmacy Authority

## Statement of Financial Position

## As At 30 June 2018

| | Note | 2018 $ | 2017 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 3 | 188,005 | 212,452 |
| Trade and other receivables | 4 | 1,801 | 2,071 |
| **TOTAL CURRENT ASSETS** | | 189,806 | 214,523 |
| **NON-CURRENT ASSETS** | | | |
| Plant and equipment | 5 | 5,345 | 4,301 |
| **TOTAL NON-CURRENT ASSETS** | | 5,345 | 4,301 |
| **TOTAL ASSETS** | | 195,151 | 218,824 |
| **LIABILITIES** | | | |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 6 | 1,296 | 1,512 |
| Deferred income | 7 | 87,005 | 85,374 |
| **TOTAL LIABILITIES** | | 88,301 | 86,886 |
| **NET ASSETS** | | 106,850 | 131,938 |
| **EQUITY** | | | |
| Accumulated surpluses | | 106,850 | 131,938 |
| **TOTAL EQUITY** | | 106,850 | 131,938 |

# Tasmanian Pharmacy Authority

## Statement of Changes in Equity

## For the year ended 30 June 2018

**2018**

| | Accumulated Surpluses $ | Total $ |
|---|---|---|
| **Balance at 1 July 2017** | 131,938 | 131,938 |
| Net surplus/(deficit) for the year | (25,088) | (25,088) |
| **Balance at 30 June 2018** | 106,850 | 106,850 |

**2017**

| | Accumulated Surpluses $ | Total $ |
|---|---|---|
| **Balance at 1 July 2016** | 109,318 | 109,318 |
| Net surplus/(deficit) for the year | 22,620 | 22,620 |
| **Balance at 30 June 2017** | 131,938 | 131,938 |

# Tasmanian Pharmacy Authority

## Statement of Cash Flows

## For the Year Ended 30 June 2018

| | Note | 2018 $ | 2017 $ |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | | |
| Receipts from customers | | 101,369 | 100,913 |
| Interest received | | 773 | 436 |
| Payments to suppliers and employees | | (124,514) | (81,327) |
| Net cash provided by (used in) operating activities | 8 | (22,372) | 20,022 |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | | |
| Purchase of plant and equipment | | (2,075) | (4,791) |
| Net cash used in investing activities | | (2,075) | (4,791) |
| Net increase (decrease) in cash and cash equivalents held | | (24,447) | 15,231 |
| Cash and cash equivalents at beginning of year | | 212,452 | 197,221 |
| Cash and cash equivalents at end of financial year | 3 | 188,005 | 212,452 |

## 1 Summary of Significant Accounting Policies

This financial report covers Tasmanian Pharmacy Authority as an individual entity. Tasmanian Pharmacy Authority is incorporated in Tasmania under the *Pharmacy Control Act 2001*.

### (a) Basis of preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Pharmacy Control Act 2001*. The Registrar has determined that the not-for-profit Authority is not a reporting entity. The Authority is a not-for-profit entity for financial reporting purposes.

The financial report, except for the cash flow information, has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets. Financial information, where presented, has been rounded to the nearest dollar.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

### (b) Comparative figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### (c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments.

### (d) Trade and other receivables

The Authority considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required

### (e) Plant and equipment

Plant and equipment are carried at cost. All assets are depreciated over their useful lives to the Authority.

The depreciation rates used for each class of depreciable asset are shown below:

| Fixed asset class | Depreciation rate |
|---|---|
| Computer equipment | 20% |

### (f) Trade and other payables

Trade and other payables represent the liability at the end of the reporting period for goods and services received by the Authority during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### (g) Income tax

The Authority is self assessed as being exempt from income tax under Division 50 of the Income Tax Assessment Act 1997, being an exempt entity - a public authority constituted under Australian law.

### (h) Revenue and other income

Registration and application fee income is recognised in the period to which it relates.

The Authority is required under the *Pharmacy Control Act 2001* to issue renewal invoices before year end, and as such the aforementioned invoices are recognised as deferred income.

Interest revenue is recognised in the period to which it relates.

All revenue is stated net of the amount of goods and services tax (GST).

### (i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

## 2 Critical Accounting Estimates and Judgments

The Registrar and the Authority make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

## 3 Cash and Cash Equivalents

| | 2018 | 2017 |
|---|---|---|
| | $ | $ |
| Cash at bank | 188,005 | 212,452 |
| | 188,005 | 212,452 |

## 4 Trade and Other Receivables

| | 2018 | 2017 |
|---|---|---|
| | $ | $ |
| Trade receivables | 1,301 | 1,369 |
| GST receivable | 500 | 702 |
| | 1,801 | 2,071 |

## 5 Property, Plant and Equipment

| | 2018<br>$ | 2017<br>$ |
|---|---|---|
| Computer equipment - at cost | 7,863 | 5,788 |
| Accumulated depreciation | (2,518) | (1,487) |
| | 5,345 | 4,301 |

## 6 Trade and Other Payables

| | 2018<br>$ | 2017<br>$ |
|---|---|---|
| Employee benefits | - | 176 |
| Trade payables | - | 473 |
| PAYG witholding | 1,296 | 863 |
| | 1,296 | 1,512 |

## 7 Deferred Income

| | 2018<br>$ | 2017<br>$ |
|---|---|---|
| Deferred Income | | |
| - Premises Renewal in advance | 60,440 | 59,670 |
| - Application fee for new body eligibility certificate | 9,212 | 9,211 |
| - Annual renewal - body corp eligibility certificate | 17,353 | 16,493 |
| | 87,005 | 85,374 |

## 8 Cash Flow Information

### (a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

| | 2018<br>$ | 2017<br>$ |
|---|---|---|
| Net surplus/(deficit) for the year | (25,088) | 22,620 |
| Cash flows excluded from profit attributable to operating activities | | |
| Non-cash flows in profit: | | |
| - depreciation | 1,031 | 607 |
| Changes in assets and liabilities: | | |
| - (increase)/decrease in trade and other receivables | 270 | (398) |
| - increase/(decrease) in trade and other payables | (216) | (5,478) |
| - increase/(decrease) in deferred income | 1,631 | 2,671 |
| Cashflow from operations | (22,372) | 20,022 |

## 9 Contingent Liabilities and Contingent Assets

In the opinion of the Authority there were not any contingent assets or contingent liabilities as at the reporting date to be disclosed. (2017: Nil).

## 10 Events after the end of the Reporting Period

There are no events after the statement of financial position date affecting these financial statements to be disclosed.

## 11 Authority Details

The postal address of the Authority is:
Tasmanian Pharmacy Authority
PO Box 1082
SANDY BAY TAS 7005

Crowe Horwath
PART OF FINDEX

**Crowe Horwath Tasmania**
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# Tasmanian Pharmacy Authority

## Auditors' Independence Declaration To the Registrar of Tasmanian Pharmacy Authority

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Accounting Professional Ethical Pronouncements* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

**Crowe Horwath Tasmania**

Alison Flakemore
**Senior Partner**

Dated this 23rd day of July 2018.

Hobart, Tasmania.

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# Tasmanian Pharmacy Authority

## Independent Audit Report to the Tasmanian Pharmacy Authority

### Opinion

We have audited the financial report of Tasmanian Pharmacy Authority (the Authority), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the members of the Authority.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2018, and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the *Pharmacy Control Act 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial statements, which describe the basis of accounting. The financial report has been prepared to assist the Authority to meet the requirements of the *Pharmacy Control Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of the Authority for the Financial Report**

The Authority is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the needs of the members in accordance with the financial reporting requirements of the applicable legislation and for such internal control as the Authority determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority members are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate or cease operations, or has no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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**Tasmanian Pharmacy Authority**

**Independent Audit Report to the Tasmanian Pharmacy Authority**

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authoritys' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority.
- Conclude on the appropriateness of the Authoritys' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authoritys' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Crowe Horwath Tasmania

Alison Flakemore
**Senior Partner**

Dated this 15r day of August 2018.

Hobart, Tasmania.

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# PART THREE

# Department of Health and Human Services Financial Statements

For the year ended 30 June 2018

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## Statement of Certification

The accompanying Financial Statements of the Department of Health and Human Services (the Department) are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990* to present fairly the financial transactions for the year ended 30 June 2018 and the financial position as at the end of the year.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

Michael Pervan
Secretary
26 September 2018

Eleanor Patterson
Acting Chief Financial Officer
24 September 2018

# Statement of Comprehensive Income for the year ended 30 June 2018

| | Notes | 2018 Budget $'000 | 2018 Actual $'000 | Revised 2017 Actual $'000 |
|---|---|---|---|---|
| ***Continuing operations*** | | | | |
| **Revenue and other income from transactions** | | | | |
| Revenue from Government | | | | |
| Appropriation revenue - recurrent | 5.1 | 1,401,006 | 1,467,302 | 1,236,158 |
| Appropriation revenue - works and services | 5.1 | 152,501 | 148,117 | 27,284 |
| Other revenue from Government | 5.1 | 2,610 | 27,638 | 4,344 |
| Revenue from Special Capital Investment Funds | 5.2 | 13,428 | 9,296 | 12,315 |
| Grants | 5.3 | 97,955 | 41,624 | 102,660 |
| Rental Revenue | 5.4 | 54,972 | 51,846 | 52,151 |
| Sales of goods and services | 5.5 | 13,200 | 17,159 | 14,032 |
| Interest | 5.6 | 8 | 151 | 49 |
| Contributions received | 5.7 | 0 | 31,843 | 0 |
| Other revenue | 5.8 | 48,251 | 92,522 | 26,200 |
| **Total revenue and other income from transactions** | | **1,783,931** | **1,887,498** | **1,475,193** |
| **Expenses from transactions** | | | | |
| Employee benefits | 6.1 | 190,503 | 198,752 | 191,498 |
| Depreciation and amortisation | 6.2 | 27,468 | 25,364 | 24,372 |
| Supplies and consumables | 6.3 | 165,089 | 200,490 | 165,073 |
| Grants and subsidies | 6.4 | 1,226,528 | 1,294,317 | 1,036,801 |
| Finance costs | 6.5 | 7,727 | 8,108 | 8,488 |
| Other expenses | 6.6 | 6,695 | 6,048 | 4,255 |
| **Total expenses from transactions** | | **1,624,010** | **1,733,079** | **1,430,487** |
| **Net result from transactions (net operating balance)** | | **159,921** | **154,419** | **44,706** |
| **Other economic flows included in net result** | | | | |
| Net gain/(loss) on non-financial assets | 7.1 | 11,785 | (684) | (578) |
| Net actuarial gains/(losses) of superannuation defined benefit plans | 9.4 | 0 | 7,614 | 8,846 |
| Net gain/(loss) on financial instruments and statutory receivables/payables | 7.2 | 0 | (1,476) | (931) |
| Other gains/(losses) from other economic flows | 7.3 | 708 | 521 | 538 |
| **Total other economic flows included in net result** | | **12,493** | **5,975** | **7,875** |
| **Net result from continuing operations** | | **172,414** | **160,394** | **52,581** |
| **Other comprehensive income** | | | | |
| *Items that will not be reclassified subsequently to profit or loss* | | | | |
| Changes in property, plant and equipment revaluation surplus | 11.1 | 32,248 | 13,640 | 90,511 |
| **Total other comprehensive income** | | **32,248** | **13,640** | **90,511** |
| **Comprehensive result** | | **204,662** | **174,034** | **143,092** |

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.
Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 3 of the accompanying notes.

# Statement of Financial Position as at 30 June 2018

| | Notes | 2018 Budget $'000 | 2018 Actual $'000 | Revised 2017 Actual $'000 |
|---|---|---|---|---|
| **Assets** | | | | |
| *Financial assets* | | | | |
| Cash and deposits | 12.1 | 87,884 | 169,218 | 138,201 |
| Receivables | 8.1 | 6,250 | 8,321 | 6,142 |
| Loan advances | 8.2 | 1,033 | 1,158 | 1,313 |
| Equity investments | 8.3 | 26,539 | 17,633 | 18,733 |
| Other financial assets | 8.4 | 4,402 | 5,703 | 10,705 |
| *Non-financial assets* | | | | |
| Inventories | 8.5 | 5,470 | 3,654 | 4,671 |
| Assets held for sale | 8.6 | 0 | 2,033 | 2,052 |
| Property, plant and equipment | 8.7 | 1,995,277 | 1,912,928 | 1,781,179 |
| Intangibles | 8.8 | 11,297 | 9,810 | 10,599 |
| Other assets | 8.9 | 2,786 | 9,329 | 6,007 |
| **Total assets** | | **2,140,938** | **2,139,787** | **1,979,602** |
| **Liabilities** | | | | |
| Payables | 9.1 | 11,394 | 21,418 | 15,281 |
| Interest bearing liabilities | 9.2 | 165,517 | 165,515 | 173,292 |
| Employee benefits | 9.3 | 50,510 | 53,722 | 49,599 |
| Superannuation | 9.4 | 19,337 | 2,737 | 10,458 |
| Other liabilities | 9.5 | 16,144 | 24,053 | 32,664 |
| **Total liabilities** | | **262,902** | **267,445** | **281,294** |
| **Net assets** | | **1,878,036** | **1,872,342** | **1,698,308** |
| **Equity** | | | | |
| Contributed capital | 11.3 | 6,094 | 6,094 | 6,094 |
| Reserves | 11.1 | 1,930,489 | 1,958,735 | 1,946,833 |
| Accumulated funds | | (58,547) | (92,487) | (254,619) |
| **Total equity** | | **1,878,036** | **1,872,342** | **1,698,308** |

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 3 of the accompanying notes.

# Statement of Cash Flows for the year ended 30 June 2018

| | Notes | 2018 Budget $'000 | 2018 Actual $'000 | Revised 2017 Actual $'000 |
|---|---|---|---|---|
| | | Inflows | Inflows | Inflows |
| **Cash flows from operating activities** | | (Outflows) | (Outflows) | (Outflows) |
| **Cash inflows** | | | | |
| Appropriation receipts - recurrent | | 1,401,006 | 1,462,256 | 1,247,923 |
| Appropriation receipts - works and services | | 152,501 | 26,778 | 6,637 |
| Receipts from Special Capital Investment Funds | | 0 | 3,900 | 2,831 |
| Grants - continuing operations | | 37,286 | 40,384 | 36,589 |
| Rental Revenue | | 54,964 | 51,058 | 52,422 |
| Sales of goods and services | | 13,200 | 21,326 | 12,761 |
| GST receipts | | 62,489 | 55,328 | 54,431 |
| Interest received | | 8 | 151 | 49 |
| Other cash receipts | | 48,251 | 61,661 | 27,179 |
| **Total cash inflows** | | **1,769,705** | **1,722,842** | **1,440,822** |
| **Cash outflows** | | | | |
| Employee benefits | | (190,882) | (194,890) | (186,967) |
| Finance costs | | (7,727) | (7,727) | (8,073) |
| GST payments | | (63,441) | (56,785) | (54,684) |
| Grants and transfer payments | | (1,187,188) | (1,220,703) | (1,001,277) |
| Supplies and consumables | | (164,985) | (188,113) | (164,138) |
| Other cash payments | | (6,837) | (5,457) | (3,960) |
| **Total cash outflows** | | **(1,621,060)** | **(1,673,675)** | **(1,419,099)** |
| **Net cash from/(used by) operating activities** | 12.2 | **148,645** | **49,167** | **21,723** |
| | | | | |
| **Cash flows from investing activities** | | | | |
| **Cash inflows** | | | | |
| Proceeds from the disposal of non-financial assets | | 11,785 | 10,386 | 10,790 |
| Receipts from Investments | | 708 | 3,614 | 2,741 |
| Receipts from non-operational capital funding - Works and services | | 13,428 | 144,674 | 36,520 |
| Receipts from non-operational capital funding - Special Capital Investment Funds | | 0 | 5,275 | 11,035 |
| Receipts from non-operational capital funding - Grants | | 60,669 | 1,240 | 60,524 |
| Repayment of loans by other entities | | 339 | 155 | 530 |
| **Total cash inflows** | | **86,929** | **165,344** | **122,140** |
| **Cash outflows** | | | | |
| Payment for acquisition of non-financial assets | | (230,901) | (173,749) | (110,721) |
| Payments for investments | | (4,062) | (1,968) | (2,489) |
| **Total cash outflows** | | **(234,963)** | **(175,717)** | **(113,210)** |
| **Net cash from/(used by) investing activities** | | **(148,034)** | **(10,373)** | **8,930** |

| | Notes | 2018 Budget $'000 | 2018 Actual $'000 | Revised 2017 Actual $'000 |
|---|---|---|---|---|
| | | Inflows | Inflows | Inflows |
| **Cash flows from financing activities** | | (Outflows) | (Outflows) | (Outflows) |
| **Cash outflows** | | | | |
| Repayment of borrowings | | (7,776) | (7,777) | (7,617) |
| **Total cash outflows** | | **(7,776)** | **(7,777)** | **(7,617)** |
| **Net cash from/(used by) financing activities** | | **(7,776)** | **(7,777)** | **(7,617)** |
| | | | | |
| **Net increase/(decrease) in cash and cash equivalents held** | | **(7,165)** | **31,017** | **23,036** |
| **Cash and deposits at the beginning of the reporting period** | | **95,049** | **138,201** | **115,165** |
| **Cash and deposits at the end of the reporting period** | 12.1 | **87,884** | **169,218** | **138,201** |

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 3 of the accompanying notes.

# Statement of Changes in Equity for the year ended 30 June 2018

| | Notes | Contrib Equity | Reserves | Accum Funds | Total Equity |
|---|---|---|---|---|---|
| | | $'000 | $'000 | $'000 | $'000 |
| **Balance as at 1 July 2017** | | **6,094** | **1,946,833** | **(254,619)** | **1,698,308** |
| Net Result | | 0 | 0 | 160,394 | 160,394 |
| Other Comprehensive Income | | 0 | 13,640 | 0 | 13,640 |
| **Total comprehensive result** | | 0 | 13,640 | 160,394 | 174,034 |
| Transfers from asset revaluation reserve to accumulated surplus | 11.1 | 0 | (1,738) | 1,738 | 0 |
| **Balance as at 30 June 2018** | | **6,094** | **1,958,735** | **(92,487)** | **1,872,342** |

| | Notes | Contrib Equity | Reserves | Accum Funds | Total Equity |
|---|---|---|---|---|---|
| | | $'000 | $'000 | $'000 | $'000 |
| **Balance as at 1 July 2016** | | **6,094** | **1,856,076** | **(311,630)** | **1,550,540** |
| Adjustment of prior period error | | 0 | 5,622 | (645) | 4,977 |
| Net Result | | 0 | 0 | 52,581 | 52,581 |
| Other Comprehensive Income | | 0 | 90,511 | 0 | 90,511 |
| **Total comprehensive result** | | 0 | 90,511 | 52,581 | 143,092 |
| Transfers from asset revaluation reserve to accumulated surplus | 11.1 | 0 | (5,376) | 5,376 | 0 |
| **Transactions with owners in their capacity as owners:** | | | | | |
| Administrative restructure - net assets transferred | 11.2 | 0 | 0 | (301) | (301) |
| **Balance as at 30 June 2017** | | **6,094** | **1,946,833** | **(254,619)** | **1,698,308** |

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# Notes to and forming part of the Financial Statements for the year ended 30 June 2018


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# Note 1 Departmental Output Schedules

Comparative information has not been restated for external administrative restructures.

Budget information refers to original Budget estimates reflected in the 2017-18 Budget Papers and has not been subject to audit.

## 1.1 Output Group Information

### Output Group 1 – Health Services System Management

This Output provides for the provision of support for corporate services, policy, planning, regulation, funding, monitoring and service improvement across health services. This Output also provides support to the Secretary in establishing output priorities, including service improvement and supporting the Tasmanian Health Service (THS) to develop consistent, collaborative models of care particularly for chronic and complex conditions.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from appropriation | 129,802 | 131,931 | 117,725 |
| Grants | 4,803 | 6,875 | 8,391 |
| Rental Revenue | 231 | 0 | 0 |
| Sales of goods and services | 977 | 3,865 | 1,808 |
| Interest | 0 | 7 | 1 |
| Other revenue | 21,742 | 26,269 | 2,025 |
| **Total revenue and other income from transactions** | **157,555** | **168,947** | **129,950** |
| | | | |
| **Expenses from transactions** | | | |
| Employee benefits | | | |
| Salaries and wages | 42,222 | 43,288 | 42,503 |
| Other employee related expenses | 682 | 1,246 | 1,020 |
| Superannuation expenses | 6,376 | 5,141 | 4,874 |
| Depreciation and amortisation | 1,433 | 2,169 | 2,131 |
| Supplies and Consumables | | | |
| Consultants | 898 | 1,414 | 2,275 |
| Maintenance and property services | 7,252 | 7,774 | 5,755 |
| Communications | 667 | 833 | 1,061 |
| Information technology | 10,133 | 14,582 | 13,324 |
| Travel and transport | 587 | 106 | 315 |
| Medical, surgical and pharmacy supplies | 886 | 547 | 868 |
| Advertising and promotion | 22 | 205 | 135 |
| Other supplies and consumables | 8,587 | 5,866 | 6,040 |
| Grants and subsidies | 78,324 | 54,947 | 53,402 |
| Other expenses | 2,125 | 803 | 563 |
| **Total expenses from transactions** | **160,194** | **138,921** | **134,266** |
| **Net result from transactions (net operating balance)** | **(2,639)** | **30,026** | **(4,316)** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Other economic flows included in net result** | | | |
| Net gain/(loss) on non-financial assets | 6 | (519) | 37 |
| Net gain/(loss) on financial instruments and statutory receivables/payables | 0 | (17) | (29) |
| Other gains/(losses) from other economic flows | 0 | 1 | 0 |
| **Total other economic flows included in net result** | **6** | **(535)** | **8** |
| ***Net result from continuing operations*** | **(2,633)** | **29,491** | **(4,308)** |
| **Other economic flows - other non-owner changes in equity** | | | |
| Changes in property, plant and equipment revaluation reserve | (44) | 3,182 | 544 |
| **Total other economic flows - other non-owner changes in equity** | **(44)** | **3,182** | **544** |
| **Comprehensive result** | **(2,677)** | **32,673** | **(3,764)** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| 1.1 Health Services System Management | 160,194 | 138,921 | 134,266 |
| **Total** | **160,194** | **138,921** | **134,266** |
| **Net Assets** | | | |
| Total assets deployed for Health Services System Management | | 136,320 | 109,905 |
| Total liabilities incurred for Health Services System Management | | (22,217) | (19,280) |
| **Net Assets Deployed for Health Services System Management** | | **114,103** | **90,625** |

## Output Group 2 – Tasmanian Health Service

This Output provides admitted acute, non-admitted acute, emergency department, forensic medicine, community and aged care, oral health and mental health services to patients through Tasmania's major public and rural hospitals, residential aged care and community health based services. The State contribution to the THS is included in this Output.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from appropriation | 804,858 | 867,790 | 673,254 |
| Sales of goods and services | 0 | 3 | 0 |
| Contributions received | 0 | 31,843 | 0 |
| Other revenue | 0 | 0 | 141 |
| **Total revenue and other income from transactions** | **804,858** | **899,636** | **673,395** |
| **Expenses from transactions** | | | |
| Grants and subsidies | 804,858 | 899,631 | 673,907 |
| **Total expenses from transactions** | **804,858** | **899,631** | **673,907** |
| **Net result from transactions (net operating balance)** | **0** | **5** | **(512)** |
| ***Net result from continuing operations*** | **0** | **5** | **(512)** |
| **Comprehensive result** | **0** | **5** | **(512)** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| 2.1 Tasmanian Health Service | 804 858 | 899 631 | 673 907 |
| **Total** | **804 858** | **899 631** | **673 907** |
| **Net Assets** | | | |
| Total assets deployed for Tasmanian Health Service | | 4 942 | 2 932 |
| Total liabilities incurred for Tasmanian Health Service | | (1,543) | (397) |
| **Net Assets Deployed for Tasmanian Health Service** | | **3 399** | **2 535** |

## Output Group 3 – Statewide Services

This Output includes Ambulance Services and Public Health Services. Ambulance Services provides integrated emergency and medical services, health transport, aero-medical retrieval services to the Tasmanian community. Public Health Services provide the service streams: Public and Environmental Health Services, which monitors the health of the Tasmanian population and implements programs to protect and promote health; and Population and Health Priorities, which implements programs to prevent or reduce risk factors that lead to chronic conditions.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from appropriation | 76,166 | 80,195 | 67,616 |
| Grants | 12,968 | 10,113 | 11,006 |
| Rental revenue | 31 | 0 | 0 |
| Sales of goods and services | 11,542 | 12,915 | 10,785 |
| Interest | 0 | 93 | 0 |
| Other revenue | 3,405 | 5,261 | 1,402 |
| **Total revenue and other income from transactions** | **104,112** | **108,577** | **90,809** |
| | | | |
| **Expenses from transactions** | | | |
| Employee benefits | | | |
| Salaries and wages | 60,247 | 65,810 | 59,993 |
| Other employee related expenses | 485 | 997 | 922 |
| Superannuation expenses | 7,099 | 7,818 | 7,957 |
| Depreciation and amortisation | 2,305 | 2,722 | 2,822 |
| Supplies and Consumables | | | |
| Consultants | 85 | 329 | 128 |
| Maintenance and property services | 2,521 | 1,415 | 1,856 |
| Communications | 932 | 828 | 825 |
| Information technology | 2,189 | 1,806 | 3,449 |
| Travel and transport | 2,550 | 2,714 | 2,469 |
| Medical, surgical and pharmacy supplies | 3,971 | 4,807 | 5,112 |
| Advertising and promotion | 82 | 49 | 53 |
| Other supplies and consumables | 8,665 | 11,000 | 7,571 |
| Grants and subsidies | 11,236 | 9,172 | 8,656 |
| Finance costs | 0 | 0 | 63 |
| Other expenses | 2,042 | 2,421 | 1,714 |
| **Total expenses from transactions** | **104,409** | **111,888** | **103,590** |
| **Net result from transactions (net operating balance)** | **(297)** | **(3,311)** | **(12,781)** |
| | | | |
| **Other economic flows included in net result** | | | |
| Net gain/(loss) on non-financial assets | 6 | (14) | 105 |
| Net actuarial gains/(losses) of superannuation defined benefit plans | 0 | 3,402 | 7,678 |
| Net gain/(loss) on financial instruments and statutory receivables/payables | 0 | (674) | (368) |
| **Total other economic flows included in net result** | **6** | **2,714** | **7,415** |
| ***Net result from continuing operations*** | **(291)** | **(597)** | **(5,366)** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Other economic flows - other non-owner changes in equity** | | | |
| Changes in property, plant and equipment revaluation reserve | 1 007 | 1 486 | 631 |
| **Total other economic flows - other non-owner changes in equity** | **1 007** | **1 486** | **631** |
| **Comprehensive result** | **716** | **889** | **( 4 735)** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| 3.1 Ambulance Services | 74,208 | 85,257 | 77,752 |
| 3.2 Public Health Services | 30,201 | 26,631 | 25,838 |
| **Total** | **104,409** | **111,888** | **103,590** |
| | | | |
| **Net Assets** | | | |
| Total assets deployed for Statewide Services | | 49,957 | 40,906 |
| Total liabilities incurred for Statewide Services | | (19,345) | (20,837) |
| **Net Assets Deployed for Statewide Services** | | **30,612** | **20,069** |

## Output Group 4 – Human Services System Management

This Output provides a number of complementary functions including the provision of support for corporate services, policy, planning, regulation, funding, monitoring and service improvement across human services. This Output also provides support to the Secretary in establishing Output priorities.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from appropriation | 2,173 | 2,643 | 2,309 |
| Grants | 0 | 0 | 1 |
| Rental revenue | 1 | 0 | 0 |
| Sales of goods and services | 35 | 6 | (10) |
| Other revenue | 126 | 63 | 31 |
| **Total revenue and other income from transactions** | **2,335** | **2,712** | **2,331** |
| | | | |
| **Expenses from transactions** | | | |
| Employee benefits | | | |
| Salaries and wages | 3,278 | 2,319 | 2,166 |
| Other employee related expenses | 45 | 54 | 49 |
| Superannuation expenses | 417 | 283 | 261 |
| Depreciation and amortisation | 3 | 4 | 4 |
| Supplies and Consumables | | | |
| Consultants | 128 | 110 | 82 |
| Maintenance and property services | 68 | 46 | 20 |
| Communications | 40 | 35 | 79 |
| Information technology | 188 | 77 | 37 |
| Travel and transport | 64 | (94) | (75) |
| Advertising and promotion | 1 | 41 | 26 |
| Other supplies and consumables | 48 | 16 | 113 |
| Grants and subsidies | 154 | 66 | 88 |
| Other expenses | 63 | 11 | 19 |
| **Total expenses from transactions** | **4,497** | **2,968** | **2,869** |
| **Net result from transactions (net operating balance)** | **(2,162)** | **(256)** | **(538)** |
| | | | |
| **Other economic flows included in net result** | | | |
| Net gain/(loss) on financial instruments and statutory receivables/payables | 0 | 0 | (1) |
| **Total other economic flows included in net result** | **0** | **0** | **(1)** |
| ***Net result from continuing operations*** | **(2,162)** | **(256)** | **(539)** |
| | | | |
| **Other economic flows - other non-owner changes in equity** | | | |
| Changes in property, plant and equipment revaluation reserve | 2 | 10 | 1 |
| **Total other economic flows - other non-owner changes in equity** | **2** | **10** | **1** |
| | | | |
| **Comprehensive result** | **(2,160)** | **(246)** | **(538)** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| 4.1 Human Services System Management | 4,497 | 2,968 | 2,869 |
| **Total** | **4,497** | **2,968** | **2,869** |
| | | | |
| **Net Assets** | | | |
| Total assets deployed for Human Services System Management | | 1,186 | 729 |
| Total liabilities incurred for Human Services System Management | | (1,618) | (1,067) |
| **Net Assets Deployed for Human Services System Management** | | **(432)** | **(338)** |

## Output Group 5 – Human Services

This Output provides services relating to planning, developing and managing Community, Disability and Housing Services throughout the State.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from appropriation | 278,696 | 272,048 | 260,318 |
| Grants | 18,254 | 23,643 | 21,385 |
| Rental revenue | 54,650 | 51,846 | 52,151 |
| Sales of goods and services | 238 | 37 | 229 |
| Interest | 7 | 50 | 48 |
| Other revenue | 16,866 | 53,293 | 17,901 |
| **Total revenue and other income from transactions** | **368,711** | **400,917** | **352,032** |
| **Expenses from transactions** | | | |
| Employee benefits | | | |
| Salaries and wages | 18,579 | 20,712 | 20,861 |
| Other employee related expenses | 93 | 237 | 350 |
| Superannuation expenses | 3,329 | 2,416 | 2,439 |
| Depreciation and amortisation | 23,286 | 19,923 | 18,828 |
| Supplies and Consumables | | | |
| Consultants | 169 | 506 | 349 |
| Maintenance and property services | 56,307 | 57,638 | 52,940 |
| Communications | 715 | 683 | 534 |
| Information technology | 1,448 | 1,152 | 928 |
| Travel and transport | 587 | 610 | 526 |
| Advertising and promotion | 270 | 432 | 388 |
| Other supplies and consumables | 7,057 | 9,649 | 3,561 |
| Grants and subsidies | 268,286 | 306,352 | 253,543 |
| Finance costs | 7,727 | 8,108 | 8,414 |
| Other expenses | 1,125 | 1,040 | 957 |
| **Total expenses from transactions** | **388,978** | **429,458** | **364,618** |
| **Net result from transactions (net operating balance)** | **(20,267)** | **(28,541)** | **(12,586)** |
| **Other economic flows included in net result** | | | |
| Net gain/(loss) on non-financial assets | (299) | (13,202) | (14,615) |
| Net actuarial gains/(losses) of superannuation defined benefit plans | 0 | 4,212 | 1,168 |
| Net gain/(loss) on financial instruments and statutory receivables/payables | 0 | (774) | (529) |
| Other gains/(losses) from other economic flows | 0 | (3,068) | (2,273) |
| **Total other economic flows included in net result** | **(299)** | **(12,832)** | **(16,249)** |
| ***Net result from continuing operations*** | **(20,566)** | **(41,373)** | **(28,835)** |
| **Other economic flows - other non-owner changes in equity** | | | |
| Changes in property, plant and equipment revaluation reserve | 30,890 | 4,537 | 89,023 |
| **Total other economic flows - other non-owner changes in equity** | **30,890** | **4,537** | **89,023** |
| **Comprehensive result** | **10,324** | **(36,836)** | **60,188** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| 5.1 Community Services | 25,730 | 24,820 | 24,203 |
| 5.2 Disability Services | 231,287 | 224,968 | 214,827 |
| 5.3 Housing Services | 131,961 | 179,670 | 125,588 |
| **Total** | **388,978** | **429,458** | **364,618** |
| | | | |
| **Net Assets** | | | |
| Total assets deployed for Human Services | | 1,505,941 | 1,548,817 |
| Total liabilities incurred for Human Services | | (194,207) | (215,930) |
| **Net Assets Deployed for Human Services** | | **1,311,734** | **1,332,887** |

## Output Group 6 – Children Services System Management

This Output performs a number of complementary functions including the provision of support for corporate services, policy, planning, regulation, funding, monitoring and service improvement across children services.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from appropriation | 2,539 | 2,754 | 2,504 |
| Grants | 276 | 0 | 1 |
| Rental revenue | 1 | 0 | 0 |
| Sales of goods and services | 48 | 2 | 117 |
| Other revenue | 153 | 70 | 20 |
| **Total revenue and other income from transactions** | **3,017** | **2,826** | **2,642** |
| | | | |
| **Expenses from transactions** | | | |
| Employee benefits | | | |
| Salaries and wages | 2,183 | 2,215 | 2,215 |
| Other employee related expenses | 42 | 38 | 41 |
| Superannuation expenses | 290 | 267 | 267 |
| Depreciation and amortisation | 39 | 64 | 66 |
| Supplies and Consumables | | | |
| Consultants | 46 | 86 | 142 |
| Maintenance and property services | 31 | 36 | 17 |
| Communications | 32 | 179 | 65 |
| Information technology | 101 | 73 | 35 |
| Travel and transport | 42 | (9) | (8) |
| Advertising and promotion | 2 | 27 | 18 |
| Other supplies and consumables | 80 | 98 | 91 |
| Grants and subsidies | 103 | 42 | 55 |
| Other expenses | 38 | 10 | 16 |
| **Total expenses from transactions** | **3,029** | **3,126** | **3,020** |
| **Net result from transactions (net operating balance)** | **(12)** | **(300)** | **(378)** |
| | | | |
| ***Net result from continuing operations*** | **(12)** | **(300)** | **(378)** |
| | | | |
| **Other economic flows - other non-owner changes in equity** | | | |
| Changes in property, plant and equipment revaluation reserve | 47 | 925 | 57 |
| **Total other economic flows - other non-owner changes in equity** | **47** | **925** | **57** |
| | | | |
| **Comprehensive result** | **35** | **625** | **(321)** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| 6.1 Children Services System Management | 3,029 | 3,126 | 3,020 |
| **Total** | **3,029** | **3,126** | **3,020** |
| | | | |
| **Net Assets** | | | |
| Total assets deployed for Children Services System Management | | 3,946 | 2,860 |
| Total liabilities incurred for Children Services System Management | | (1,278) | (928) |
| **Net Assets Deployed for Children Services System Management** | | **2,668** | **1,932** |

## Output Group 7 – Children Services

This Output provides services to children, young people and their families through a range of programs including the child health and parenting service, child protection, out of home care, adoptions and permanency planning, family violence counselling and support and community and custodial youth justice.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from appropriation | 108,482 | 123,543 | 113,137 |
| Grants | 985 | 258 | 590 |
| Rental revenue | 58 | 0 | 0 |
| Sales of goods and services | 358 | 322 | 418 |
| Interest | 1 | 1 | 0 |
| Other revenue | 4,330 | 4,377 | 2,421 |
| **Total revenue and other income from transactions** | **114,214** | **128,501** | **116,566** |
| **Expenses from transactions** | | | |
| Employee benefits | | | |
| Salaries and wages | 38,982 | 38,094 | 39,339 |
| Other employee related expenses | 394 | 648 | 714 |
| Superannuation expenses | 5,047 | 4,717 | 4,897 |
| Depreciation and amortisation | 402 | 481 | 520 |
| Supplies and Consumables | | | |
| Consultants | 220 | 183 | 297 |
| Maintenance and property services | 2,973 | 2,612 | 2,655 |
| Communications | 689 | 803 | 668 |
| Information technology | 3,148 | 1,361 | 1,230 |
| Travel and transport | 1,040 | 1,380 | 1,498 |
| Medical, surgical and pharmacy supplies | 0 | 90 | 84 |
| Advertising and promotion | 2 | 10 | 61 |
| Other supplies and consumables | 39,386 | 53,801 | 47,232 |
| Grants and subsidies | 20,644 | 17,836 | 16,491 |
| Finance costs | 0 | 0 | 11 |
| Other expenses | 1,289 | 1,760 | 985 |
| **Total expenses from transactions** | **114,216** | **123,776** | **116,682** |
| **Net result from transactions (net operating balance)** | **(2)** | **4,725** | **(116)** |
| **Other economic flows included in net result** | | | |
| Net gain/(loss) on non-financial assets | 12 | (54) | 3 |
| Net gain/(loss) on financial instruments and statutory receivables/payables | 0 | (11) | (4) |
| **Total other economic flows included in net result** | **12** | **(65)** | **(1)** |
| ***Net result from continuing operations*** | **10** | **4,660** | **(117)** |
| **Other economic flows - other non-owner changes in equity** | | | |
| Changes in property, plant and equipment revaluation reserve | 346 | 3,497 | 255 |
| **Total other economic flows - other non-owner changes in equity** | **346** | **3,497** | **255** |
| **Comprehensive result** | **356** | **8,157** | **138** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| 7.1 Children Services | 114,216 | 123,776 | 116,682 |
| **Total** | **114,216** | **123,776** | **116,682** |
| | | | |
| **Net Assets** | | | |
| Total assets deployed for Children Services | | 29,526 | 23,969 |
| Total liabilities incurred for Children Services | | (14,845) | (15,411) |
| **Net Assets Deployed for Children Services** | | **14,681** | **8,558** |

## Output Group 8 – Independent Children's Review Services

Activities provided in this Output include promoting the rights and wellbeing of children and examining the policies, practices and services provided for children and any law affecting the health, welfare, care, protection and development of children.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from appropriation | 900 | 1,186 | 878 |
| Sales of goods and services | 2 | 1 | 1 |
| Other revenue | 29 | 17 | 1 |
| **Total revenue and other income from transactions** | **931** | **1,204** | **880** |
| | | | |
| **Expenses from transactions** | | | |
| Employee benefits | | | |
| Salaries and wages | 628 | 849 | 553 |
| Other employee related expenses | 4 | 37 | 7 |
| Superannuation expenses | 81 | 98 | 70 |
| Depreciation and amortisation | 0 | 1 | 1 |
| Supplies and Consumables | | | |
| Consultants | 8 | 18 | 29 |
| Maintenance and property services | 84 | 88 | 83 |
| Communications | 13 | 12 | 13 |
| Information technology | 29 | 16 | 9 |
| Travel and transport | 24 | 32 | 30 |
| Advertising and promotion | 0 | 14 | 32 |
| Other supplies and consumables | 22 | 43 | 48 |
| Grants and subsidies | 22 | 0 | 0 |
| Other expenses | 13 | 2 | 1 |
| **Total expenses from transactions** | **928** | **1,210** | **876** |
| **Net result from transactions (net operating balance)** | **3** | **(6)** | **4** |
| | | | |
| ***Net result from continuing operations*** | **3** | **(6)** | **4** |
| | | | |
| **Other economic flows - other non-owner changes in equity** | | | |
| Changes in property, plant and equipment revaluation reserve | 0 | 3 | 0 |
| **Total other economic flows - other non-owner changes in equity** | **0** | **3** | **0** |
| | | | |
| **Comprehensive result** | **3** | **(3)** | **4** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| 8.1 Independent Children's Review Services | 928 | 1,210 | 876 |
| **Total** | **928** | **1,210** | **876** |
| | | | |
| **Net Assets** | | | |
| Total assets deployed for Independent Children's Review Services | | 101 | 70 |
| Total liabilities incurred for Independent Children's Review Services | | (169) | (129) |
| **Net Assets Deployed for Independent Children's Review Services** | | **(68)** | **(59)** |

## Output Group – Capital Investment Program

This Output provides financial information on the Department's Capital Investment Program.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from appropriation | 152 501 | 160 967 | 30 045 |
| Grants | 60 669 | 735 | 61 286 |
| Sales of goods and services | 0 | 8 | 684 |
| Other revenue | 1 600 | 3 168 | 2 258 |
| **Total revenue and other income from transactions** | **214 770** | **164 878** | **94 273** |
| | | | |
| **Expenses from transactions** | | | |
| Employee benefits | | | |
| Salaries and wages | 0 | 1 126 | 0 |
| Other employee related expenses | 0 | 9 | 0 |
| Superannuation expenses | 0 | 99 | 0 |
| Supplies and Consumables | | | |
| Consultants | 0 | 104 | 0 |
| Maintenance and property services | 0 | 11 093 | 0 |
| Communications | 0 | 42 | 0 |
| Information technology | 0 | 317 | 0 |
| Travel and transport | 0 | 12 | 0 |
| Advertising and promotion | 0 | 49 | 0 |
| Other supplies and consumables | 0 | 2 061 | 0 |
| Grants and subsidies | 20 665 | 2 818 | 13 756 |
| Other expenses | 0 | 1 | 0 |
| **Total expenses from transactions** | **20 665** | **17 731** | **13 756** |
| **Net result from transactions (net operating balance)** | **194 105** | **147 147** | **80 517** |
| | | | |
| **Other economic flows included in net result** | | | |
| Net gain/(loss) on non-financial assets | 12 060 | 13 105 | 13 892 |
| Other gains/(losses) from other economic flows | 708 | 3 588 | 2 811 |
| **Total other economic flows included in net result** | **12 768** | **16 693** | **16 703** |
| ***Net result from continuing operations*** | **206 873** | **163 840** | **97 220** |
| | | | |
| **Comprehensive result** | **206 873** | **163 840** | **97 220** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| Capital Investment Program | 20,665 | 17,731 | 13,756 |
| **Total** | **20,665** | **17,731** | **13,756** |
| | | | |
| **Net Assets** | | | |
| Total assets deployed for Capital Investment Program | | 384,627 | 231,030 |
| Total liabilities incurred for Capital Investment Program | | (11,971) | (7,254) |
| **Net Assets Deployed for Capital Investment Program** | | **372,656** | **223,776** |

Expenditure in Output-Capital Investment Program which does not qualify for capitalisation remains in this Output Group. In prior years this type of expenditure had been transferred to operational outputs.

## Output Group – Special Capital Investment Funds

This Output identifies capital works by the Department from the State Government's Special Capital Investment Fund.

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from Special Capital Investment Funds | 13,428 | 9,296 | 12,315 |
| Other revenue | 0 | 4 | 0 |
| **Total revenue and other income from transactions** | **13,428** | **9,300** | **12,315** |
| | | | |
| **Expenses from transactions** | | | |
| Employee benefits | | | |
| Salaries and wages | 0 | 207 | 0 |
| Superannuation expenses | 0 | 27 | 0 |
| Supplies and Consumables | | | |
| Maintenance and property services | 0 | 482 | 0 |
| Information technology | 0 | 9 | 0 |
| Travel and transport | 0 | 2 | 0 |
| Advertising and promotion | 0 | 1 | 0 |
| Other supplies and consumables | 0 | 189 | 0 |
| Grants and subsidies | 22,236 | 3,453 | 16,903 |
| **Total expenses from transactions** | **22,236** | **4,370** | **16,903** |
| **Net result from transactions (net operating balance)** | **(8,808)** | **4,930** | **(4,588)** |
| | | | |
| ***Net result from continuing operations*** | **(8,808)** | **4,930** | **(4,588)** |
| | | | |
| **Comprehensive result** | **(8,808)** | **4,930** | **(4,588)** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Expense by Output** | | | |
| Special Capital Investment Funds | 22,236 | 4,370 | 16,903 |
| **Total** | **22,236** | **4,370** | **16,903** |
| | | | |
| **Net Assets** | | | |
| Total assets deployed for Special Capital Investment Funds | | 23,241 | 18,384 |
| Total liabilities incurred for Special Capital Investment Funds | | (252) | (61) |
| **Net Assets Deployed for Special Capital Investment Funds** | | **22,989** | **18,323** |

Expenditure in Output-Special Capital Investment Funds which does not qualify for capitalisation remains in this Output Group. In prior years this type of expenditure had been transferred to operational outputs.

## 1.2 Reconciliation of Total Output Groups Comprehensive Result to Statement of Comprehensive Income

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Total comprehensive result of Output Groups** | | | |
| Health Services System Management | (2,677) | 32,673 | (3,764) |
| Tasmanian Health Service | 0 | 5 | (512) |
| Statewide Services | 716 | 889 | (4,735) |
| Human Services System Management | (2,160) | (246) | (538) |
| Human Services | 10,324 | (36,836) | 60,188 |
| Children Services System Management | 35 | 625 | (321) |
| Children Services | 356 | 8,157 | 138 |
| Independent Children's Review Services | 3 | (3) | 4 |
| Capital Investment Program | 206,873 | 163,840 | 97,220 |
| Special Capital Investment Funds | (8,808) | 4,930 | (4,588) |
| **Total comprehensive result** | **204 662** | **174 034** | **143 092** |
| **Comprehensive result** | **204 662** | **174 034** | **143 092** |

## 1.3 Reconciliation of Total Output Groups Net Assets to Statement of Financial Position

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Total net assets deployed for Output Groups** | | |
| Health Services System Management | 114,103 | 90,625 |
| Tasmanian Health Service | 3,399 | 2,535 |
| Statewide Services | 30,612 | 20,069 |
| Human Services System Management | (432) | (338) |
| Human Services | 1,311,734 | 1,332,887 |
| Children Services System Management | 2,668 | 1,932 |
| Children Services | 14,681 | 8,558 |
| Independent Children's Review Services | (68) | (59) |
| Capital Investment Program | 372,656 | 223,776 |
| Special Capital Investment Funds | 22,989 | 18,323 |
| **Total net assets deployed** | **1 872 342** | **1 698 308** |
| **Net assets** | **1 872 342** | **1 698 308** |

## Note 2 Expenditure under Australian Government Funding Arrangements

| | State Funding | | Australian Government Funding | |
|---|---|---|---|---|
| | 2018 Actual $'000 | 2017 Actual $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
| **Specific Purpose Payments** | | | | |
| Disability Services | 150 188 | 152 729 | 32 483 | 31 874 |
| Affordable Housing | 0 | 0 | 28 542 | 28 735 |
| Health | 0 | 0 | 8 163 | 7 867 |
| **National Partnership Payments** | | | | |
| Health Services | 115 188 | 916 | 4 367 | 71 257 |
| Housing | 11 506 | 7 997 | 3 246 | 3 212 |
| Community Services | 24 387 | 14 647 | 19 587 | 12 069 |
| **Commonwealth Own Purpose Expenditures** | | | | |
| Other | 0 | 0 | 6 615 | 4 889 |
| **Total** | **301 269** | **176 289** | **103 003** | **159 903** |

Specific Purpose Payments (SPPs) are payments from the Australian Government to the Tasmanian Government arising from national agreements that set out the Australian Government's agreed objectives and outcomes, outputs, roles and responsibilities and performance indicators for each sector. SPPs are distributed to the states on the basis of their population shares.

National Partnership Payments (NPPs) are similar to SPPs but are provided for the purpose of the delivery of specified projects, facilitate reforms or reward jurisdictions that deliver nationally significant reforms.

Commonwealth Own Purpose Expenditure is funding paid directly from the Australian Government to the states and territories for the provision of services identified by the Australian Government.

## Note 3 Explanations of Material Variances between Budget and Actual Outcomes

Budget information refers to original estimates as disclosed in the 2017-18 Budget Papers and is not subject to audit.

Variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and $1.0 million.

### 3.1 Statement of Comprehensive Income

| | Note | Budget $'000 | 2018 Actual $'000 | Variance $'000 | Variance |
|---|---|---|---|---|---|
| Other revenue from Government | (a) | 2,610 | 27,638 | 25,028 | 958.9% |
| Revenue from Special Capital Investment Funds | (b) | 13,428 | 9,296 | (4,132) | (30.8%) |
| Grants | (c) | 97,955 | 41,624 | (56,331) | (57.5%) |
| Sales of goods and services | (d) | 13,200 | 17,159 | 3,959 | 30.0% |
| Contributions received | (e) | 0 | 31,843 | 31,843 | n/a |
| Other revenue | (f) | 48,251 | 92,522 | 44,271 | 91.8% |
| Supplies and consumables | (g) | 165,089 | 200,490 | (35,401) | (21.4%) |
| Net gain/(loss) on non-financial assets | (h) | 11,785 | (684) | (12,469) | (105.8%) |
| Net actuarial gains/(losses) of superannuation defined benefit plans | (i) | 0 | 7,614 | 7,614 | n/a |
| Net gain/(loss) on financial instruments and statutory receivables/payables | (j) | 0 | (1,476) | (1,476) | n/a |

**Notes to Statement of Comprehensive Income variances**

(a) The increase in Other revenue from Government reflects the recognition of approved section 8A(2) carry forwards from 2016-17, which were higher than those anticipated at the time the 2017-18 Budget was prepared.

(b) This variation primarily reflects a $3.5 million underspend in the Kingston Health Centre project due to delays experienced in the Development Application and other civil works.

(c) The decrease in Grants is almost entirely associated with cashflow timing issues associated with expenditure of the Royal Hobart Hospital Redevelopment.

(d) The variance in Sales of goods and services is represented by higher than budgeted ambulance fees of $0.7 million and other cost recoveries.

(e) Contributions received relates to the transfer of the Mersey Community Hospital at less than fair value.

(f) The above budget result for Other revenue predominantly reflected the return of management rights which were originally recorded as a capital grant expense in a prior year.

(g) The increase in Supplies and consumables is primarily due to higher than budgeted costs (approximately $15.0 million) of children in special care package placements and various hardware/software and IT network charges (approximately $7.5 million).

(h) The Net gain/(loss) on non-financial assets represents the gain/(loss) on disposal of physical assets. At the time of preparation of the 2017-18 Budget it was anticipated that disposals would generate gains for the Department.

(i) The variance in Net actuarial gains/(losses) on superannuation defined benefit plans reflects an unbudgeted actuarial movement on the superannuation defined benefit plans. The Department does not budget for these movements on the basis that this cannot be reliably forecast.

(j) The variance in Net gain/(loss) on financial instruments and statutory receivables/payables represents increases in the provision of doubtful debts during the year. The Department does not budget for these movements on the basis that this can not be reliably forecast.

### 3.2 Statement of Financial Position

Budget estimates for the 2017-18 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2016-17. As a result, the actual variances from the Budget estimate will be impacted by the difference between estimated and actual opening balances for 2017-18. The following variance analysis therefore includes major movements between the 30 June 2017 and 30 June 2018 actual balances.

| | Note | Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 | Budget Variance $'000 | Actual Variance $'000 |
|---|---|---|---|---|---|---|
| Cash and deposits | (a) | 87,884 | 169,218 | 138,201 | 81,334 | 31,017 |
| Receivables | (b) | 6,250 | 8,321 | 6,142 | 2,071 | 2,179 |
| Equity investments | (c) | 26,539 | 17,633 | 18,733 | (8,906) | (1,100) |
| Other financial assets | (d) | 4,402 | 5,703 | 10,705 | 1,301 | (5,002) |
| Inventories | (e) | 5,470 | 3,654 | 4,671 | (1,816) | (1,017) |
| Assets held for sale | (f) | 0 | 2,033 | 2,052 | 2,033 | (19) |
| Intangibles | (g) | 11,297 | 9,810 | 10,599 | (1,487) | (789) |
| Other assets | (h) | 2,786 | 9,329 | 6,007 | 6,543 | 3,322 |
| Payables | (i) | 11,394 | 21,418 | 15,281 | 10,024 | 6,137 |
| Superannuation | (j) | 19,337 | 2,737 | 10,458 | (16,600) | (7,721) |
| Other liabilities | (k) | 16,144 | 24,053 | 32,664 | 7,909 | (8,611) |

**Notes to Statement of Financial Position Budget Variances**

(a) The increase in Cash and deposits predominantly reflects a $43.1 million higher than anticipated cash balance at 30 June 2017 due to an increase in section 8A(2) carry forwards.

(b) The increase in Receivables primarily reflects a higher than anticipated receivables balance as at 30 June 2017 together with a higher than budgeted increase in GST receivables at year end.

(c) The decrease in Equity investments primarily reflects a lower than anticipated opening balance, lower than budgeted investments during the year and higher than budgeted sales.

(d) The increase in Other financial assets primarily reflects an opening balance which was $6.3 million greater than expected at the time of preparing the 2017-18 budget. This increase was related to the Equal Remuneration Order (ERO) National Partnership Agreement (NPA).

(e) The decrease in Inventories primarily reflects a lower than anticipated balance as at 30 June 2017.

(f) The increase in Assets held for sale reflects an unbudgeted movement. The Department does not specifically include a Budget for Assets held for sale due to difficulties in reliably estimating this balance as at 30 June each year.

(g) This decrease in Intangibles primarily reflects a lower than anticipated balance as at 30 June 2017.

(h) The increase in Other assets reflects a rise in prepayments primarily relating to delays in clients transferring to the National Disability Insurance Scheme (NDIS) which was not included in the original budget. The increase is also the result of a higher than anticipated balance as at 30 June 2017.

(i) This increase in Payables is partly due to a $4.0 million higher than anticipated balance as at 30 June 2017, relating to the implementation of the NDIS. The original budget did not forecast any change in the level of payables as it could not be reliably forecast.

(j) The decrease in Superannuation primarily reflects a lower than anticipated balance as at 30 June 2017 of $9.2 million, in addition to 2017-18 actuarial gains that were not anticipated in the budget.

(k) The balance of Other liabilities largely reflects section 8A(2) Carry Forwards approved at the end of the year. The original budget anticipated that the level of section 8A(2) Carry Forwards would remain similar to prior years.

**Notes to Statement of Financial Position Actual Variances**

(a) The increase in Cash and deposits is due to the timing of expenditure and commitments in relation to ongoing projects and initiatives, such as the NDIS.

(b) The increase in Receivables reflects a minor increase in the general debtor balances.

(d) The decrease in Other financial assets reflects a decrease in accrued revenue primarily in relation to the Equal Remuneration Order (ERO) National Partnership Agreement (NPA). This decrease has been offset by accrued revenue relating to the NDIS.

(e) The decrease in Inventories reflects a lower balance of stock held in relation to Public Health.

(h) The increase in Other assets reflects a rise in prepayments relating to NDIS clients. The payments are paid to providers in advance, and as the clients transition to the NDIS, the amounts paid for that client after the date of transition are owed back to the Department and offset against the next quarterly payment. The prepayment represents funding associated with those clients that have transitioned to the NDIS between April and June. The impact will be to reduce the July grant payments to the providers.

(i) The increase in Payables comprises an increase of $3.8 million in accrued expense relating to the NDIS and an increase of $1.8 million in trade creditors relating to capital projects.

(j) The Superannuation liability relates to Ambulance Tasmania and Housing Tasmania's defined benefit superannuation plans. The decrease reflects the actuarial gains in prior years.

(k) The decrease in Other liabilities reflects a usage during the year of $9.0 million in relation to the Affordable Housing Strategy. Other programs had similar section 8A(2) Carry Forward Balances to prior years.

### 3.3 Statement of Cash Flows

| | Note | Budget $'000 | 2018 Actual $'000 | Variance $'000 | Variance |
|---|---|---|---|---|---|
| Appropriation receipts - works and services | (a) | 152,501 | 26,778 | (125,723) | (82.4%) |
| Receipts from Special Capital Investment Funds | (b) | 0 | 3,900 | 3,900 | n/a |
| Sales of goods and services | (c) | 13,200 | 21,326 | 8,126 | 61.6% |
| GST receipts | (d) | 62,489 | 55,328 | (7,161) | (11.5%) |
| Other cash receipts | (e) | 48,251 | 61,661 | 13,410 | 27.8% |
| GST payments | (f) | (63,441) | (56,785) | (6,656) | 10.5% |
| Supplies and consumables | (g) | (164,985) | (188,113) | 23,128 | (14.0%) |
| Other cash payments | (h) | (6,837) | (5,457) | (1,380) | 20.2% |
| Proceeds from the disposal of non-financial assets | (i) | 11,785 | 10,386 | (1,399) | (11.9%) |
| Receipts from Investments | (j) | 708 | 3,614 | 2,906 | 410.5% |
| Receipts from non-operational capital funding - Works and services | (k) | 13,428 | 144,674 | 131,246 | 977.4% |
| Receipts from non-operational capital funding - Special Capital Investment Funds | (l) | 0 | 5,275 | 5,275 | n/a |
| Receipts from non-operational capital funding - Grants | (m) | 60,669 | 1,240 | (59,429) | (98.0%) |
| Payment for acquisition of non-financial assets | (n) | (230,901) | (173,749) | (57,152) | 24.8% |
| Payments for investments | (o) | (4,062) | (1,968) | (2,094) | 51.6% |

**Notes to Statement of Cash Flows variances**

(a) The decrease in the cashflow variance is due to the original budget allocating a greater proportion of appropriation receipts to operating cashflows rather than financing cashflows. The decrease is offset by a corresponding increase noted at item (k).

(b) The increase in Receipts from Special Capital Investment Funds is due to the original budget allocating this type of revenue to receipts from non-operational capital funding - Grants. This increase is offset by a corresponding decrease noted at item (l).

(c) The increase in Sales of Goods and Services is represented by higher than budgeted ambulance fees of $0.7m and other cost recoveries.

(d) The decrease in GST receipts is primarily due to a reduced number of revenues that attract a GST liability.

(e) The increase in Other cash receipts predominantly reflected the return of management rights under the Stock Leverage Program which were originally recorded as a capital grant expense.

(f) The decrease in GST payments is primarily due to a reduced number of payments that attract a GST liability.

(g) The increase in Supplies and consumables is primarily due to higher than budgeted costs (approximately $15.0 million) of children receiving special care packages and various hardware/software and IT network charges (approximately $7.5 million).

(h) The decrease in Other cash payments is primarily due to allocation differences between the budget and actual expenses.

(i) The decrease in Proceeds from the disposal of non-financial assets represents lower than anticipated proceeds from the sale of housing stock during the year.

(j) The higher than budgeted Receipts from Investments represents the higher than anticipated sale of equity investments during the year.

(k) The increase in Receipts from non-operational capital funding - Works and services is offset by the corresponding decrease noted at item (a).

(l) The increase in Receipts from non-operational capital funding - Special Capital Investment Funds is due to the original budget allocating Special Capital Investment Funds revenue to receipts from non-operational capital funding - Grants disclosed at item (m).

(m) The decrease in Receipts from non-operational capital funding - Grants is offset by variances noted at items(b) and (l). The balance of this variance is primarily due to cashflow timings associated with the RHH redevelopment. The cash flow timing impacts the amount of revenue from this source.

(n) The decrease in Payment for acquisition of non-financial assets is due to the cashflow timing of the RHH Development together with an initial budget expectation that all Capital Investment Program and Special Capital Investment Funds expenditure would qualify for capitalisation i.e. capitalisation of non-financial assets.

(o) The decrease in cashflows related to payments for investments is a result of fewer requests for funding under the Homeshare initiative.

## Note 4 Underlying Net Operating Balance

Non-operational capital funding reflects the income from transactions relating to funding for capital projects. This funding is classified as income from transactions and included in the net operating balance. However, the corresponding capital expenditure is not included in the calculation of the net operating balance. Accordingly, the net operating balance will portray a position that is better than the true underlying financial result.

For this reason, the net operating result is adjusted to remove the effects of funding for capital projects.

Non-operational expenditure that is removed from the net operating balance consists of capital transfers to the Tasmanian Health Service (THS) and the transfer of property under the Community Housing Program.

| | Notes | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|---|
| **Net result from transactions (net operating balance)** | | **159,921** | **154,419** | **44,706** |
| ***Less impact of:*** | | | | |
| ***Non-operational capital funding*** | | | | |
| Net result from Capital Investment Program Output | | 194,105 | 147,147 | 80,517 |
| Net result from Special Capital Investment Funds | | (8,808) | 4,930 | (4,588) |
| **Total** | | **185,297** | **152,077** | **75,929** |
| ***Plus impact of:*** | | | | |
| ***Other one-off transactions*** | | | | |
| **Revenue:** | | | | |
| - Contributions (THS Output) | | 0 | (31,843) | 0 |
| - Operating recoveries (Housing output) | | 0 | (31,663) | 0 |
| **Expenditure:** | | | | |
| - Non-monetary asset transfers (Housing output) | | 0 | 40,409 | 0 |
| - Capital grant (THS Output) | | 0 | 31,843 | 4,850 |
| **Total** | | **0** | **8,746** | **4,850** |
| **Underlying Net operating balance** | | **(25,376)** | **11,088** | **(26,373)** |

# Note 5 Income from Transactions

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

## 5.1 Revenue from Government

Appropriations, whether recurrent or capital, are recognised as revenues in the period in which the Department gains control of the appropriated funds. Except for any amounts identified as carried forward, control arises in the period of appropriation.

Revenue from Government includes revenue from appropriations and appropriations carried forward under section 8A(2) of the *Public Account Act 1986*.

Section 8A(2) of the Public Account Act allows for an unexpended balance of an appropriation to be transferred to an Account in the Special Deposits and Trust Fund for such purposes and conditions as approved by the Treasurer. In the initial year, the carry forward is recognised as a liability, Revenue Received in Advance (refer note 9.5). The carry forward from the initial year is recognised as revenue in the reporting year, assuming that the conditions of the carry forward are met and the funds are expended.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| ***Continuing Operations*** | | |
| Appropriation revenue - recurrent | | |
| Current year | 1 467 302 | 1 236 158 |
| **Total** | **1 467 302** | **1 236 158** |
| Appropriation revenue – works and services | 148 117 | 27 284 |
| **Revenue from Government - other** | | |
| Appropriation carried forward under section 8A(2) of the Public Account Act 1986 taken up as revenue in the current year | 27 638 | 4 344 |
| **Total** | **27 638** | **4 344** |
| **Total revenue from Government** | **1 643 057** | **1 267 786** |

## 5.2 Revenue from Special Capital Investment Funds

Funding for major infrastructure projects is provided through Special Capital Investment Funds. The Department is allocated funding for specific projects from the Special Capital Investment Funds as part of the Budget process.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| ***Non-operational capital funding*** | | |
| Health Infrastructure Fund | 5 826 | 10 824 |
| Housing Fund | 3 434 | 792 |
| Hospitals Capital Fund | 36 | 18 |
| RHH Redevelopment Fund | 0 | 557 |
| Hospital Equipment Fund | 0 | 124 |
| **Total** | **9 296** | **12 315** |
| **Total revenue from Special Capital Investment Funds** | **9 296** | **12 315** |

Details of total Special Capital Investment Funds revenues and expenses are provided as part of Note 1 Departmental Output Schedules. Details of total cash flows for each project are at Note 12.3.

## 5.3 Grants

Grants payable by the Australian Government are recognised as revenue when the Department gains control of the underlying assets. Where grants are reciprocal, revenue is recognised as performance occurs under the grant.

Non-reciprocal grants are recognised as revenue when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| ***Continuing Operations*** | | |
| **Grants from the Australian Government** | | |
| Commonwealth Recurrent Grants - Block Funding | 8 172 | 7 867 |
| COPES Receipts | 4 923 | 5 462 |
| Other Commonwealth Grants | 28 529 | 89 331 |
| **Total** | **41 624** | **102 660** |
| **Total revenue from Grants** | **41 624** | **102 660** |

In 2018 Other Commonwealth Grants included $10.4 million for the Equal Remuneration Order NPA, $11.8 million for the Bilateral Agreement on Older People in Specialist Disability Services and $2.8 million for Homelessness NPA.

In 2017 Other Commonwealth Grants included $59.3 million for the redevelopment of the Royal Hobart Hospital, $11.2 million to fund the cross billing arrangements under the Bilateral Agreement with the Commonwealth for the transition to the NDIS, $3.2 million for Housing Connect and other homelessness services and $2.5 million of funding for immunisation and vaccination programs.

## 5.4 Rental Revenue

Rental Revenue arises from the letting of properties owned by the Director of Housing. This is comprised of the market rent for each individual property reduced by the public rental subsidy, which is an income based subsidy derived from the clients' individual circumstances.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Residential Rent Income | 89 472 | 88 034 |
| Less rebates | (37,626) | (35,883) |
| **Total** | **51 846** | **52 151** |

## 5.5 Sales of goods and services

Amounts earned in exchange for the provision of goods are recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the provision of services is recognised in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Ambulance Fees | 9 904 | 8 567 |
| Other User Charges | 6 764 | 5 016 |
| Commercial Rent Income | 350 | 327 |
| Other Client Revenue | 141 | 122 |
| **Total** | **17 159** | **14 032** |

Other user charges includes licence fees for radiation control and tobacco, microbiology fees and fees for the Home and Community Care Program.

## 5.6 Interest

Interest on funds invested is recognised as it accrues using the effective interest rate method.

| | Notes | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|---|
| Interest on superannuation defined benefit plans | 9.4(b) | 91 | 0 |
| Interest on borrowings | | 49 | 48 |
| Other interest | | 11 | 1 |
| **Total** | | **151** | **49** |

## 5.7 Contributions received

Services received free of charge by the Department, are recognised as income when a fair value can be reliably determined and at the time the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised at their fair value when the Department obtains control of the asset, it is probable that future economic benefits comprising the contribution will flow to the Department and the amount can be measured reliably. However, where the contribution received is from another government agency as a consequence of restructuring of administrative arrangements, they are recognised as contributions by owners directly within equity. In these circumstances, book values from the transferor agency have been used.

A National Partnership Agreement (NPA) was signed on 15 June 2017 between the Commonwealth of Australia and the State of Tasmania to transfer ownership of the Mersey Community Hospital (MCH) to the State of Tasmania from 1 July 2017. The Commonwealth of Australia has advised that the estimated value of the MCH is $31.8 million. Consideration paid for the transfer of the property has been agreed at one dollar.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Fair Value of assets assumed for nominal consideration | 31 843 | 0 |
| **Total** | **31 843** | **0** |

## 5.8 Other revenue

Other revenue primarily relates to the recovery of costs incurred and is recognised when an increase in future economic benefits relating to an increase in an asset or a decrease of a liability has arisen that can be reliably measured.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Operating Recoveries | 52 791 | 16 464 |
| Corporate Services Revenue (THS) | 27 440 | 0 |
| Family Violence Action Plan Initiatives | 3 943 | 1 424 |
| Community Support Levy | 2 858 | 2 866 |
| Revenue from Sale of Contingent Assets | 2 820 | 2 791 |
| Workers Compensation Recoveries | 1 711 | 1 710 |
| Wages and Salaries Recoveries | 940 | 873 |
| Donations | 13 | 8 |
| Food recoveries | 6 | 3 |
| Industry Funds | 0 | 61 |
| **Total** | **92 522** | **26 200** |

Operating recoveries includes $31.0 million which represents the return of management rights which were originally recorded as a capital grant expense. Operating recoveries also relates to rates, service charges and insurance that are recouped from community organisations managing tenancies under the Better Housing Futures (BHF) program and other arrangements.

Corporate Services Revenue (THS) of $27.4 million represents a charge to the THS for costs related to administrative functions performed by the Shared Services unit. Previously this charge was offset against relevant expenditure categories.

Revenue from sale of contingent assets represents Housing Tasmania's share of sales proceeds for properties under the Better Housing Futures program.

## Note 6 Expenses from Transactions

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

### 6.1 Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

#### (a) Employee expenses

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Wages and salaries including FBT | 149 870 | 143 467 |
| Annual leave | 13 761 | 13 321 |
| Long service leave | 3 675 | 4 270 |
| Sick leave | 7 314 | 6 572 |
| Superannuation expenses - defined contribution and benefits schemes | 20 866 | 20 765 |
| Other employee expenses - recruitment & staff development | 2 444 | 2 293 |
| Other employee expenses - other staff allowances | 822 | 810 |
| **Total** | **198 752** | **191 498** |

Superannuation expenses for defined benefit schemes relate to payments into the Consolidated Fund. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 12.95 per cent (2017: 12.85 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to nominated superannuation funds at a rate of 9.5 per cent (2017: 9.5 per cent) of salary. In addition, Departments are also required to pay into the Consolidated Fund a "gap" payment equivalent to 3.45 per cent (2017: 3.35 per cent) of salary in respect of employees who are members of contribution schemes.

#### (b) Remuneration of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Department, directly or indirectly.

Remuneration during 2017-18 for key personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, motor vehicle and other non-monetary benefits. Long term employee expenses include long service leave, superannuation obligations and payments made on departure.

*Acting Arrangements*

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of four weeks.

The following were key management personnel of the Department at any time during the financial year and unless otherwise indicated were key management personnel for the entire year.

| | Short-term benefits | | Long-term benefits | | | |
|---|---|---|---|---|---|---|
| | Salary[1] | Other Benefits[2] | Superann-uation[3] | Other Benefits and Long-Service Leave[4] | Termination Benefits[5] | Total |
| **2018** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** |
| ***Key management personnel*** | | | | | | |
| Michael Pervan<br>- Secretary | 412 | 11 | 39 | 10 | 0 | 472 |
| Ginna Webster<br>- Deputy Secretary Children and Youth Services (from 21/03/2017) and Acting Secretary Designate, Department of Communities Tasmania (from 23/04/2018 to 30/06/2018) | 193 | 19 | 18 | 6 | 0 | 236 |
| Neil Kirby<br>- Chief Executive Officer, Ambulance Tasmania | 182 | 23 | 17 | 4 | 0 | 226 |
| Siobhan Harpur<br>- Chief Executive Officer, Public Health Services | 164 | 10 | 16 | 4 | 0 | 193 |
| Peter White<br>- Chief Executive, Housing and Disability Reform | 164 | 13 | 21 | 4 | 0 | 202 |
| Ross Smith<br>- Deputy Secretary Planning, Purchasing and Performance | 180 | 21 | 23 | 5 | 0 | 229 |
| ***Acting Key management personnel*** | | | | | | |
| Michael Reynolds<br>- Acting Deputy Secretary Corporate, Policy and Regulatory Services (from 20/06/2016) | 232 | 9 | 29 | 5 | 0 | 275 |
| Gail Eaton Briggs<br>- Acting Deputy Secretary Children and Youth Services (from 08/05/2018 to 30/06/2018) | 32 | 2 | 3 | 1 | 0 | 39 |
| Eleanor Patterson<br>- Acting Chief Financial Officer (from 20/12/2016) | 180 | -5 | 23 | 4 | 0 | 202 |

| 2017 | Short-term benefits Salary[1] $'000 | Short-term benefits Other Benefits[2] $'000 | Long-term benefits Superann-uation[3] $'000 | Long-term benefits Other Benefits and Long-Service Leave[4] $'000 | Termination Benefits[5] $'000 | Total $'000 |
|---|---|---|---|---|---|---|
| ***Key management personnel*** | | | | | | |
| Michael Pervan - Secretary | 411 | -14 | 39 | 10 | 0 | 446 |
| Ginna Webster - Deputy Secretary Children and Youth Services (from 21/03/2017) | 52 | 4 | 5 | 6 | 0 | 67 |
| Neil Kirby - Chief Executive Officer, Ambulance Tasmania (from 14/11/2016) | 105 | 4 | 10 | 4 | 0 | 122 |
| Siobhan Harpur - Chief Executive Officer, Public Health Services | 138 | 11 | 13 | 4 | 0 | 165 |
| Peter White - Chief Executive, Housing and Disability Reform | 160 | 6 | 21 | 4 | 0 | 190 |
| Ross Smith - Deputy Secretary Planning, Purchasing and Performance (from 08/05/2017) and Acting Deputy Secretary Children and Youth Services (to 23/11/2016) | 192 | 4 | 26 | -19 | 0 | 203 |
| ***Acting Key management personnel*** | | | | | | |
| Michael Reynolds - Acting Deputy Secretary Corporate, Policy and Regulatory Services | 213 | 23 | 28 | 5 | 0 | 269 |
| Eleanor Patterson - Acting Chief Financial Officer (from 20/12/2016) | 86 | 10 | 8 | 2 | 0 | 106 |
| Paul Templar - Acting Chief Executive Officer, Ambulance Tasmania (to 11/11/2016) | 148 | -1 | 14 | 4 | 0 | 165 |
| Phillipa Leedham - Acting Deputy Secretary Planning, Purchasing and Performance (to 05/05/2017) | 68 | 14 | 6 | 1 | 0 | 90 |
| Carole Owen - Acting Chief Executive Officer, Public Health Services (from 29/06/2016 to 02/09/2016) | 26 | 4 | 2 | 4 | 0 | 37 |

Notes:

1 Salary includes all forms of consideration paid and payable for services rendered and compensated absences during the period.

2 Other benefits includes all other forms of non-salary benefits such as motor vehicles and parking, fringe benefit tax payable in respect of these benefits, payments in lieu of leave, annual leave movements and any other compensation paid or payable.

3 Superannuation means the contribution to the superannuation fund of the individual.

4 Other long term benefits and long service leave includes the movements in the discounted long service leave balances.

5 Termination Benefits include accrued annual and long service leave entitlements and termination payments.

### (c) Related party transactions

There are no material related party transactions requiring disclosure.

## 6.2 Depreciation and amortisation

All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land and Artwork, being assets with unlimited useful lives, are not depreciated.

*Key estimate and judgment*

Depreciation is provided for on a straight line basis, using rates which are reviewed annually. Major depreciation periods are:

| | |
|---|---|
| Vehicles | 5 years |
| Plant and equipment | 2-20 years |
| Medical equipment | 4-20 years |
| Buildings | 40-50 years |

Depreciation of Housing Tasmania's rental dwellings and community rental stock is based on a useful life of 50 years in accordance with the *State Housing Authority's Accounting Policies and Reporting Framework (March 1995)* . All other buildings are depreciated over their remaining useful life.

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by the Department.

Major amortisation periods are:

| | |
|---|---|
| Software | 3-20 years |

### (a) Depreciation

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Plant, equipment and vehicles | 3 061 | 2 930 |
| Buildings | 21 269 | 20 230 |
| **Total** | **24 330** | **23 160** |

### (b) Amortisation

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Intangibles | 1 034 | 1 212 |
| **Total** | **1 034** | **1 212** |
| **Total depreciation and amortisation** | **25 364** | **24 372** |

## 6.3 Supplies and consumables

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Audit Fees - financial audit internal and external | 321 | 330 |
| Leasing Costs | 551 | 467 |
| Consultants | 2 750 | 3 302 |
| Property Services | 42 780 | 39 207 |
| Maintenance | 38 404 | 24 119 |
| Communications | 3 415 | 3 245 |
| Information Technology | 19 393 | 19 012 |
| Travel and Transport | 4 753 | 4 755 |
| Advertising and Promotion | 828 | 713 |
| Patient and Client Services | 63 081 | 54 832 |
| Service Fees | 5 956 | 3 714 |
| Other Supplies and Consumables | 10 419 | 3 676 |
| Medical, Surgical and Pharmacy Supplies | 5 444 | 6 064 |
| Administration | 1 301 | 900 |
| Equipment and Furniture | 785 | 462 |
| Food Production Costs | 309 | 275 |
| **Total** | **200 490** | **165 073** |

Patient and client services primarily relates to the provision of Out of Home Care for children within Children and Youth Services.

## 6.4 Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when the Department has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Grants to Tasmanian Health Service** | | |
| State Grants - Block Funding | 422 422 | 288 480 |
| State Grants - Activity Based Funding | 367 226 | 385 428 |
| State Grants - Mersey | 78 140 | 0 |
| | 867 788 | 673 908 |
| **Capital Grants to Tasmanian Health Service** | | |
| Capital Grants | 33 273 | 30 557 |
| | 33 273 | 30 557 |
| **WIP Expensed Grants to Tasmanian Health Service** | | |
| Expenses Transferred | 53 | 525 |
| | 53 | 525 |
| **Other Grants** | | |
| Grant - Disability Services | 185 324 | 166 944 |
| Grant - Community Housing Program | 38 316 | 4 590 |
| Grant - Community Services | 21 347 | 21 045 |
| Grant - Mental Health | 21 057 | 20 274 |
| Grant - Equal Remuneration Order | 20 352 | 21 391 |
| Grant - Children and Youth Services | 17 993 | 15 582 |
| Grant - Other | 11 451 | 12 170 |
| Grant - Housing | 11 308 | 1 657 |
| Grant - Cross Billing | 11 265 | 17 142 |
| Grant - NDIS Bilateral Agreement Budget Neutral Adjustment | 10 260 | 9 909 |
| Grant - Public Health | 5 694 | 5 465 |
| Grant - Better Housing Futures | 2 025 | 0 |
| Total Other Grants | 356 392 | 296 169 |
| **Subsidies** | | |
| Subsidies - Supported Accommodation Assistance | 22 283 | 21 645 |
| Subsidies - Home and Community Care | 14 528 | 13 997 |
| Total Subsidies | 36 811 | 35 642 |
| **Total** | **1 294 317** | **1 036 801** |

The Department provides State Grants, Activity Based Funding (ABF) and Block payments to the THS for a range of services including the provision of admitted acute, emergency department, forensic medicine, community and aged care, oral health and mental health services provided to patients through Tasmania's major public and rural hospitals, residential aged care and community health services.

Block funding refers to funding provided to the THS to support public hospital functions, other than those funded through ABF, and public patient services provided by facilities that are not appropriately funded through ABF. Block funding includes Teaching Training and Research, Mental Health, Oral Health, rural hospitals and community health centres. Block funding from the Department is provided to the THS through the State Managed Fund.

ABF is the system for funding public hospital services provided to individual patients using national classifications, cost weights and nationally efficient prices developed by the Independent Hospital Pricing Authority. ABF funding from the Department is provided directly to the THS through the Tasmanian State Pool Account which is part of the National Health Funding Pool.

Capital grants relate to the transfer of completed capital projects to the THS. In 2018 major projects completed include Mersey Hospital, LGH Pathology and LGH Substation Upgrade. In 2017, completed projects included the RHH J-Block and Priority Works for Health and Human Services.

The Department also provides grants for a range of services including disability services, mental health, community support, palliative care and other community grants. Disability grants include payments for carer support, respite, accommodation support, information, advocacy, education, day support, specialist equipment, personal care, disability gateway services and other individual support services.

In accordance with the Bilateral Agreement between the Commonwealth and Tasmania for the transition to the National Disability Insurance Scheme (NDIS) a Budget Neutral Adjustment is made each year to offset the additional cost to the Commonwealth of net additional responsibilities taken on as part of the National Health Care Reform (i.e. the additional cost to the Commonwealth of Home and Community Care for older people, and the cost of specialist disability services for older people, less the costs of responsibilities transferred to Tasmania for younger people in aged care).

Under the Bilateral Agreement the Commonwealth have financial responsibility for aged care and specialist disability services for older people aged over 65 years (Indigenous Australians over 50). In addition the Commonwealth will take over service delivery responsibility for specialist disability services for older people as part of the NDIS roll out. Tasmania continues to have responsibility for disability and aged care for younger people under 65 (Indigenous Australians under 50). Under cross billing arrangements Tasmania will pay the Commonwealth for the actual costs of younger people in residential aged care and Home Care packages. In addition Tasmania continues to pay for disability services provided to older persons and this is offset by Australian government funding.

The Department provides assistance for home and community care including community nursing, home help and maintenance, respite, personal care, transport, packages of care and delivered meals across the State.

The Department provides supported accommodation assistance including crisis accommodation and related support for people who are experiencing homelessness or who are at imminent risk of becoming homeless and private rental support.

Grants to the Community Housing Program reflect the transfer of properties to non-government organisations who have assumed responsibility for the management of Housing properties transferred to the non-government sector.

This year, 216 properties had their title transferred to Centacare Evolve Housing under the Stock Leverage Program as an in-kind capital grant.

Under the Better Housing Futures (BHF) program there were transfers of three vacant land lots and two dwellings to Centacare Evolve Housing and seven vacant land lots to Mission Australia.

## 6.5 Finance costs

All finance costs are expensed as incurred using the effective interest method.
Finance costs primarily include interest on long term borrowings.

| | Notes | 2018 $'000 | 2017 $'000 |
|---|---|---|---|
| **Interest expense** | | | |
| Interest on loans | | 7 727 | 8 073 |
| Interest on superannuation defined benefit plans | 9.4(b) | 381 | 415 |
| **Total** | | **8 108** | **8 488** |

### 6.6 Other expenses

Other expenses are recognised when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be reliably measured.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Salary on-costs | 4 397 | 2 904 |
| Tasmanian Risk Management Fund premium | 1 289 | 1 172 |
| Other | 362 | 179 |
| **Total** | **6 048** | **4 255** |

## Note 7 Other Economic Flows included in Net Result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

### 7.1 Net gain/(loss) on non-financial assets

Gains or losses from the sale of non-financial assets are recognised when control of the assets has passed to the buyer.

*Key Judgement*

All non-financial assets are assessed to determine whether any impairment exists. Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use. The Department's assets are not used for the purpose of generating cash flows; therefore value in use is based on depreciated replacement cost where the asset would be replaced if the Department was deprived of it.

All impairment losses are recognised in the Statement of Comprehensive Income unless it relates to a revalued asset. Housing Tasmania's land and buildings have revaluation as the measurement method and are subject to a biennial revaluation (either a full revaluation or an adjustment to indices). Therefore, in accordance with AASB 136 any loss is recognised directly against the revaluation reserve, to the extent the loss does not exceed the amount in the revaluation reserve for that same asset.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the Estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Net gain/(loss) on disposal of physical Assets | (684) | (578) |
| **Total net gain/(loss) on non-financial assets** | **(684)** | **(578)** |

## 7.2 Net gain/(loss) on financial instruments and statutory receivables/payables

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that there are any financial assets that are impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

*Key Judgement*

An impairment loss, in respect of a financial asset measured at amortised cost, is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Impairment losses are recognised in the Statement of Comprehensive Income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the Statement of Comprehensive Income.

| | Notes | 2018 $'000 | 2017 $'000 |
|---|---|---|---|
| Impairment of loans and receivables | 8.1 | (1,476) | (931) |
| **Total** | | **(1,476)** | **(931)** |

## 7.3 Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows includes gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Net gain/(loss) on disposal of equity investments | 496 | 212 |
| Impairment of equity investments | 25 | (70) |
| Revaluation increments/(decrements) of equity investments | 0 | 396 |
| **Total net gain/(loss) from other economic flows** | **521** | **538** |

## Note 8 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the Department and the asset has a cost or value that can be measured reliably.

### 8.1 Receivables

Receivables are recognised at amortised cost, less any impairment losses. However, due to the short settlement period, receivables are not discounted back to their present value.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Receivables | 9,746 | 7,142 |
| Less: Provision for impairment | (1,425) | (1,000) |
| **Total** | **8,321** | **6,142** |
| Sales of goods and services (inclusive of GST) | 5,596 | 4,631 |
| Tax assets | 2,725 | 1,511 |
| **Total** | **8,321** | **6,142** |
| Settled within 12 months | 8,321 | 6,142 |
| **Total** | **8,321** | **6,142** |

| **Reconciliation of movement in provision for impairment of receivables** | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Carrying amount at 1 July** | **1,000** | **1,406** |
| Amounts written off during the year | (1,051) | (1,357) |
| Amounts recovered during the year | 0 | 20 |
| Increase/(decrease) in provision recognised in profit or loss | 1,476 | 931 |
| **Carrying amount at 30 June** | **1,425** | **1,000** |

## 8.2 Loan advances

Loan advances are borrowings provided to clients for the purchase of homes and are recognised as the balance of the outstanding principal less any impairment losses.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Loan Advances** | | |
| Loan Advances | 1 163 | 1 318 |
| Provision for Impairment | (5) | (5) |
| **Total** | **1 158** | **1 313** |
| | | |
| Settled within 12 Months | 271 | 793 |
| Settled in more than 12 Months | 887 | 520 |
| **Total** | **1 158** | **1 313** |

## 8.3 Equity investments

The Director of Housing holds equity investments via the Homeshare Program. Equity investments are initially recorded at cost with any changes in the fair value being recorded as income or expenses in the Statement of Comprehensive Income. Equity investments are not depreciated.

Equity investments are revalued on a biennial basis using information provided by the Valuer-General.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| | | |
| Home share equity investment | 17 718 | 18 843 |
| Less: Provision for impairment | (85) | (110) |
| **Total** | **17 633** | **18 733** |
| | | |
| Settled in more than 12 Months | 17 633 | 18 733 |
| **Total** | **17 633** | **18 733** |

## 8.4 Other financial assets

Other financial assets are recorded at fair value.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Inter Entity Balance | 3 399 | 3 187 |
| Accrued Revenue | 2 304 | 7 518 |
| **Total** | **5 703** | **10 705** |
| | | |
| Settled within 12 Months | 5 703 | 10 705 |
| **Total** | **5 703** | **10 705** |

The Inter Entity Balance comprises transactions arising from interaction between the Department and the Tasmanian Health Service, including goods and services tax (GST) and cash settlement entries.

## 8.5 Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential. Inventories acquired for no cost or nominal consideration are valued at current replacement cost.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Pharmacy | 2 227 | 3 452 |
| General Supplies | 1 427 | 1 219 |
| **Total** | **3 654** | **4 671** |
| | | |
| Consumed within 12 Months | 3 654 | 4 671 |
| **Total** | **3 654** | **4 671** |

## 8.6 Assets held for sale

Assets held for sale (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured at the lower of carrying amount and fair value less costs to sell.

### (a) Carrying amount

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Land | 826 | 813 |
| Buildings | 1 207 | 1 239 |
| **Total** | **2 033** | **2 052** |
| | | |
| Settled within 12 Months | 2 033 | 2 052 |
| Settled in more than 12 Months | 0 | 0 |
| **Total** | **2 033** | **2 052** |

Assets held for sale include residential dwellings from the public housing portfolio identified for sale as part of the ongoing Strategic Asset Management Plan (SAMP), as well as land lots developed for sale under the Australian Government's Housing Affordability Fund (HAF). Where appropriate, existing dwellings may be offered for sale to the sitting tenants supported by government programs such as the HomeShare Shared Equity Sales program or the Streets Ahead Assistance program. All remaining properties are offered for sale through the open market, with all properties sold at a minimum of the market value as assessed by the Valuer-General. All proceeds from the sale of these assets will be reinvested into the housing portfolio.

**(b) Fair value measurement of Assets held for sale (including fair value levels)**

| 2018 | Carrying value at 30 June $'000 | Fair value measurement at end of reporting period Level 1 $'000 | Level 2 $'000 | Level 3 $'000 |
|---|---|---|---|---|
| Land | 826 | 0 | 826 | 0 |
| Buildings | 1 207 | 0 | 1 207 | 0 |
| **Total** | 2 033 | 0 | 2 033 | 0 |

| 2017 | Carrying value at 30 June $'000 | Fair value measurement at end of reporting period Level 1 $'000 | Level 2 $'000 | Level 3 $'000 |
|---|---|---|---|---|
| Land | 813 | 0 | 813 | 0 |
| Buildings | 1 239 | 0 | 1 239 | 0 |
| **Total** | 2 052 | 0 | 2 052 | 0 |

## 8.7 Property, plant and equipment

*Key estimate and judgement*

*(i) Valuation basis*

Property, plant and equipment is recorded at fair value less accumulated depreciation. All other non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or occupied.

*(ii) Subsequent costs*

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Department and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of Comprehensive Income as incurred.

*(iii) Asset recognition threshold*

The asset capitalisation threshold adopted by the Department is:

| | |
|---|---|
| Vehicles | $10 000 |
| Plant and equipment | $10 000 |
| Land and buildings | $10 000 |
| Intangibles | $50 000 |
| Artwork | $10 000 |

Assets valued at less than $10 000 (or $50 000 for intangible assets) are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

*(iv) Revaluations*

The Department's land and building assets (excluding Housing Tasmania's properties) were revalued independently by the Valuer-General of Tasmania as at 30 June 2018. These assets were valued in accordance with the Australian Accounting Standards (AASB 116) and Treasurer's Instructions (TI 303 and
TI 206).

Revaluations are shown on a gross basis where a replacement cost basis of valuations has been used. Asset revaluations based on a market basis are disclosed on a net basis; however the Department has endeavoured to obtain replacement cost valuations where possible to enable gross values to be disclosed.

In accordance with Australian Accounting Standards, the next valuation will take place in 5 years time with the Valuer-General assisting in the determination of Adjusted Interim Carrying Amounts for the real property for the interim four financial years.
Housing Tasmania's land and building assets (excluding vacant land) are revalued biennially as at 1 July using a mix of valuations and/or updated suburb based indices adjustments. This revaluation cycle aligns with the Valuer-General's practice of updating capital values every two years. The next valuation will occur during the financial year ending 30 June 2019.

### (a) Carrying amount

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Land** | | |
| Housing vacant land at fair value | 39,341 | 40,551 |
| Health and Human Services land at fair value | 23,230 | 17,597 |
| **Total land** | **62,571** | **58,148** |
| **Buildings** | | |
| Health and Human Services buildings at fair value | 135,439 | 56,067 |
| Less: Accumulated depreciation | (77,581) | (23) |
| **Total DHHS Buildings** | **57,858** | **56,044** |
| Leasehold Improvements at fair value | 4,379 | 0 |
| Less: Accumulated depreciation | (146) | 0 |
| **Total Leasehold Improvements** | **4,233** | **0** |
| **Total buildings** | **62,091** | **56,044** |
| **Rental dwellings** | | |
| Rental dwellings buildings at fair value | 930,067 | 937,816 |
| Less: Accumulated depreciation | (35,839) | (17,507) |
| **Total Rental Dwellings Buildings** | **894,228** | **920,309** |
| Rental dwellings land at fair value | 483,065 | 489,587 |
| **Total rental dwellings** | **1,377,293** | **1,409,896** |
| **Community housing stock** | | |
| Community housing Buildings at fair value | 34,031 | 34,166 |
| Less: Accumulated depreciation | (1,328) | (621) |
| **Total Community housing stock buildings** | **32,703** | **33,545** |
| Community housing land at fair value | 6,531 | 6,580 |
| **Total community housing stock** | **39,234** | **40,125** |
| **Plant, equipment and vehicles** | | |
| At cost | 32,184 | 34,378 |
| Less: Accumulated depreciation | (23,928) | (25,194) |
| **Total plant, equipment and vehicles** | **8,256** | **9,184** |
| **Work in progress** | | |
| Buildings | 358,029 | 200,433 |
| Plant, equipment and vehicles | 5,454 | 7,349 |
| **Total work in progress** | **363,483** | **207,782** |
| **Total property, plant and equipment** | **1,912,928** | **1,781,179** |

**(b) Reconciliation of movements (including fair value levels)**

Reconciliations of the carrying amounts of each class of Property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

| 2018 | Community housing stock Level 2 $'000 | Rental Dwellings Level 2 $'000 | Land Level 2 $'000 | Buildings Levels 2 & 3 $'000 | Plant, equipment & vehicles $'000 | Works in progress $'000 | Total $'000 |
|---|---|---|---|---|---|---|---|
| **Carrying value at 1 July** | **40 125** | **1 409 896** | **58 148** | **56 044** | **9 184** | **207 782** | **1 781 179** |
| Additions | 0 | 30,861 | 0 | 0 | 0 | 205,343 | 236,204 |
| Disposals | 0 | (8,239) | (306) | (171) | (219) | 0 | (8,935) |
| Revaluation increments (decrements) | 0 | 1,816 | 6,290 | 5,571 | 48 | 0 | 13,725 |
| Assets held for sale | 0 | (2,222) | 0 | 0 | 0 | 0 | (2,222) |
| Grants Transfers | (183) | (38,703) | (1,455) | 0 | 0 | (33,273) | (73,614) |
| Transfers between classes | 0 | 121 | (121) | 0 | 0 | 0 | 0 |
| WIP transfers | 0 | 2,178 | 15 | 2,794 | 2,303 | (7,290) | 0 |
| WIP expensed | 0 | 0 | 0 | 0 | 0 | (9,079) | (9,079) |
| Depreciation | (708) | (18,415) | 0 | (2,147) | (3,060) | 0 | (24,330) |
| **Carrying value at 30 June** | **39 234** | **1 377 293** | **62 571** | **62 091** | **8 256** | **363 483** | **1 912 928** |

| 2017 | Community housing stock Level 2 $'000 | Rental Dwellings Level 2 $'000 | Land Level 2 $'000 | Buildings Level 3 $'000 | Plant, equipment & vehicles $'000 | Works in progress $'000 | Total $'000 |
|---|---|---|---|---|---|---|---|
| **Carrying value at 1 July** | **36 630** | **1 350 446** | **59 172** | **54 085** | **8 999** | **144 894** | **1 654 226** |
| Additions | 0 | 0 | 1 | 0 | 0 | 108 153 | 108 154 |
| Disposals | 0 | ( 5 855) | ( 982) | 0 | ( 32) | 0 | ( 6 869) |
| Net transfers through restructuring | 0 | 0 | ( 1 547) | ( 1 440) | 0 | 0 | ( 2 987) |
| Revaluation increments (decrements) | 4 116 | 82 360 | 1 975 | 999 | 0 | 0 | 89 450 |
| Assets held for sale | 0 | ( 332) | 120 | 0 | 0 | 0 | ( 212) |
| Grants Transfers | 0 | ( 3 675) | ( 915) | 0 | 0 | ( 29 617) | ( 34 207) |
| Transfers between classes | 0 | ( 244) | 244 | 0 | 0 | ( 144) | ( 144) |
| WIP transfers | 0 | 4 770 | 80 | 4 435 | 3 148 | ( 12 433) | 0 |
| WIP expensed | 0 | 0 | 0 | 0 | 0 | ( 3 071) | ( 3 071) |
| Depreciation | ( 621) | ( 17 574) | 0 | ( 2 035) | ( 2 931) | 0 | ( 23 161) |
| **Carrying value at 30 June** | **40 125** | **1 409 896** | **58 148** | **56 044** | **9 184** | **207 782** | **1 781 179** |

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date. It is based on the principle of exit price, and refers to the price an entity expects to receive when it sells an asset, or the price an entity expects to pay when it transfers a liability.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available.

### (c) Level 3 significant valuation inputs and relationship to fair value

| Description | Fair Value at 30 June $'000 | Significant unobservable inputs used in valuation | Possible alternative values for level 3 inputs | Sensitivity of fair value to changes in level 3 inputs |
|---|---|---|---|---|
| Buildings | 40 350 | A - Construction costs<br>B - Age and condition of asset<br>C - Remaining useful life | When valuing these assets, their existing and alternative uses are taken into account by valuers. As a result, it is unlikely that alternative values will arise unless there are changes in known inputs. | Tasmanian construction indexes have remained stable over the last 12 months. Design and useful lives are reviewed regularly but generally remain unchanged. As a result, it is unlikely that significant variations in values will arise in the short term. |

## 8.8 Intangibles

An intangible asset is recognised where:

- it is probable that an expected future benefit attributable to the asset will flow to the Department; and
- the cost of the asset can be reliably measured.

Intangible assets held by the Department are valued at fair value less any subsequent accumulated amortisation and any subsequent accumulated impairment losses where an active market exists. Where no active market exists, intangible assets held by the Department are valued at cost less any subsequent accumulated amortisation and any subsequent accumulated impairment losses.

Intangible assets with a finite useful life held by the Department principally comprise computer software.

### (a) Carrying amount

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Intangibles with a finite useful life** | | |
| Other non-current assets at cost | 16 060 | 16 360 |
| Less: Accumulated amortisation | (8,937) | (8,203) |
| **Total** | **7 123** | **8 157** |
| Capital Work in progress | 2 687 | 2 442 |
| **Total Intangibles** | **9 810** | **10 599** |

### (b) Reconciliation of movements

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Carrying amount at 1 July** | **10,599** | **11,396** |
| Work in progress at cost | 245 | 1,586 |
| Intangible Assets - Sales | 0 | 1 |
| Grants Transfers | 0 | (1,316) |
| Transfers between classes | 0 | 144 |
| Amortisation - Intangible assets | (1,034) | (1,212) |
| **Carrying amount at 30 June** | **9,810** | **10,599** |

## 8.9 Other assets

Other assets are recorded at fair value and include prepayments.

### (a) Carrying amount

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Prepayments | 9 329 | 6 007 |
| **Total** | **9 329** | **6 007** |
| Recovered within 12 months | 9 327 | 5 939 |
| Recovered in more than 12 months | 2 | 68 |
| | **9 329** | **6 007** |

### (b) Reconciliation of movements

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Carrying amount at 1 July** | **6 007** | **2 858** |
| Additions | 9 329 | 6 007 |
| Utilised | (6,007) | (2,858) |
| **Carrying amount at 30 June** | **9 329** | **6 007** |

Prepayments include information technology expenditure for hardware and software support, software licencing contracts and payments relating to NDIS clients. The NDIS payments are paid to providers in advance and as the clients transition to the NDIS amounts paid for that client after the date of transition are owed back to the Department and offset against the next quarterly payment. The prepayment represents funding associated with those clients who have transitioned to the NDIS between April and June. The impact of which will be to reduce the July grant payment to the relevant providers.

## Note 9 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

### 9.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when the Department becomes obliged to make future payments as a result of a purchase of assets or services.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Creditors | 8 042 | 5 833 |
| Accrued Expenses | 13 376 | 9 448 |
| **Total** | **21 418** | **15 281** |
| Settled within 12 months | 21 418 | 15 281 |
| **Total** | **21 418** | **15 281** |

Accrued expenses predominantly include amounts payable to the Commonwealth in accordance with the Bilateral Agreement regarding the transition to the NDIS. These primarily include Tasmania's share of NDIS participant costs and amounts relating to the budget neutral adjustment, which recognises the additional costs to the Commonwealth of net additional responsibilities as part of National Health Care Reform.

### 9.2 Interest bearing liabilities

Bank loans and other loans are initially measured at fair value, net of transaction costs. Bank loans and other loans are subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Loans From Commonwealth Government | 165 515 | 173 292 |
| **Total** | **165 515** | **173 292** |
| Settled within 12 months | 7 915 | 7 776 |
| Settled in more than 12 months | 157 600 | 165 516 |
| **Total** | **165 515** | **173 292** |

## 9.3 Employee benefits

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured at the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Accrued salaries | 7 354 | 6 238 |
| Annual leave | 16 402 | 14 530 |
| Long service leave | 28 962 | 27 621 |
| Sabbatical leave | 156 | 207 |
| Other Employee Benefits | 848 | 1 003 |
| **Total** | **53 722** | **49 599** |
| | | |
| Expected to settle wholly within 12 months | 27 189 | 24 026 |
| Expected to settle wholly after 12 months | 26 533 | 25 573 |
| **Total** | **53 722** | **49 599** |

Other employee benefits is comprised of Purchased leave, Development leave and State Service Accumulated Leave Scheme (SSALS) entitlements.

## 9.4 Superannuation

*(i) Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

*(ii) Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

*Key estimate and judgement*

With the exceptions noted below, the Department does not recognise a liability for the accruing superannuation benefits of State Service employees. This liability is held centrally and is recognised within the Finance-General Division of the Department of Treasury and Finance.

The Department makes contributions in respect of certain employees of Ambulance Tasmania to the Tasmanian Ambulance Service Superannuation Scheme, being a defined benefit scheme where members receive lump sum benefits on resignation, retirement, death or invalidity. The scheme is closed to new members. The Department's superannuation obligations in respect of this scheme are recognised at the latest actuarial assessment of the member's entitlements, net of scheme assets.

The Director of Housing's superannuation obligations, in respect of the contributory service of current and past government employees, are recognised at the latest actuarial assessment of the members' entitlements, net of scheme assets. The valuation is determined by discounting to present value, the gross benefit payments at a current, market-determined, risk-adjusted discount rate appropriate to the respective plan.

Actuarial gains or losses arising from the actuarial revaluation of Ambulance Tasmania and Housing Tasmania superannuation liabilities are recognised in the Statement of Comprehensive Income.

### (a) Type of plan

*Tasmanian Ambulance Service Superannuation Scheme*

The Tasmanian Ambulance Service Superannuation Scheme (TASSS) balances reported are provided in respect of those employees who are defined benefit members.

The State Actuary undertook a revaluation of the present value of the benefit obligation and the fair value of the plan assets as at 30 June 2018 using the process outlined in *AASB Standard 119 Employee Benefits* issued on September 2011. As a result of the revaluation it was determined that the TASSS was in surplus by $4.7 million (2017: $1.4 million surplus).

*Housing Tasmania Superannuation Provision*

Housing Tasmania is required to meet the emerging cost of pension payments paid in respect of retired employees, where those employees had a superannuation entitlement that accrued before 1 July 1994.

The State Actuary undertook a revaluation of the present value of the benefit obligation and the fair value of the plan assets as at 30 June 2018 using the process outlined in AASB Standard 119 *Employee Benefits* issued on September 2011. As a result of the revaluation it was determined that the Housing Tasmania Superannuation Provision was in deficit by $7.4 million (2017: $11.9 million deficit).

The valuation of the superannuation liability relates to the entitlements that accrued before 1 July 1994 for current employees of Housing Tasmania who are members of the Retirement Benefits Fund Contributory Scheme and former employees who were either contributors or non-contributors and who have retained benefits or are current pensioners.

### (b) Reconciliation of movements in Present value of superannuation liability

| | Tasmanian Ambulance Service Superannuation Scheme | | Housing Tasmania Superannuation Provision | | Total Liability | |
|---|---|---|---|---|---|---|
| | 2018 $'000 | 2017 $'000 | 2018 $'000 | 2017 $'000 | 2018 $'000 | 2017 $'000 |
| **Balance at 1 July** | **(1,411)** | **5,109** | **11,869** | **13,381** | **10,458** | **18,490** |
| **Included in profit or loss** | | | | | | |
| Current service cost | 1,650 | 2,534 | 0 | 0 | 1,650 | 2,534 |
| Interest cost (benefit) | (91) | 63 | 381 | 352 | 290 | 415 |
| | 1,559 | 2,597 | 381 | 352 | 1,940 | 2,949 |
| **Included in Other Comprehensive Income** | | | | | | |
| *Re-measurement loss (gain):* | | | | | | |
| Actuarial loss (gain) | 565 | (2,682) | (4,212) | (1,168) | (3,647) | (3,850) |
| Return on plan assets excluding interest | (3,967) | (4,996) | 0 | 0 | (3,967) | (4,996) |
| **Actuarial gains/(losses)** | (3,402) | (7,678) | (4,212) | (1,168) | (7,614) | (8,846) |
| **Other** | | | | | | |
| Employer contributions | (1,425) | (1,439) | (622) | (696) | (2,047) | (2,135) |
| | (1,425) | (1,439) | (622) | (696) | (2,047) | (2,135) |
| **Balance at 30 June** | **(4,679)** | **(1,411)** | **7,416** | **11,869** | **2,737** | **10,458** |

### (c) Plan assets at fair value

*Tasmanian Ambulance Service Superannuation Scheme*

| As at 30 June 2018 ^ | | | | |
|---|---|---|---|---|
| **Asset Category** | **Total** | **Quoted prices in active markets for identical assets - Level 1** | **Significant observable inputs - Level 2** | **Unobservable inputs -Level 3** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Equity securities | 21 078 | 9 043 | 12 035 | 0 |
| Unit Trusts | 37 767 | 18 911 | 16 843 | 13 |
| Direct Property | 544 | 0 | 544 | 0 |
| Derivative Assets | 17 | 0 | 17 | 0 |
| **Total** | **57 406** | **27 954** | **29 439** | **13** |

^ Estimated based on estimated scheme assets as at 30 June 2018 and asset allocation of the RBF Scheme as at 30 June 2018

Housing Tasmania Superannuation Provision do not have any plan assets due to members being part of the RBF Contributory Scheme.

### (d) Key actuarial assumptions

| | **Tasmanian Ambulance Service Superannuation Scheme** | | **Housing Tasmania Superannuation Provision** | |
|---|---|---|---|---|
| | **2018** | **2017** | **2018** | **2017** |
| | **%** | **%** | **%** | **%** |
| Discount rate | 2.80 | 2.95 | 3.00 | 3.30 |
| Future rate of salary increases | 3.00 | 3.00 | 3.00 | 2.50 |
| Future rate of increase of compulsory preserved amounts | n/a | n/a | 3.00 | 4.50 |
| Inflation (pension) | n/a | n/a | 2.50 | 2.50 |

As at 30 June 2018 the weighted average duration of the defined benefit obligation for Housing was 10.5 years (2017: 13.1 years) and Ambulance was 7.9 years (2017: 7.9 years).

**(e) Sensitivity analysis**

*Tasmanian Ambulance Service Superannuation Scheme*

The defined benefit obligation as at 30 June 2018 under several scenarios is presented below.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A : 1% pa lower discount rate assumption
Scenario B : 1% pa higher discount rate assumption
Scenario C : 1% pa lower than expected pension increase rate assumption
Scenario D : 1% pa higher than expected pension increase rate assumption

| Defined benefit obligation | Base Case | Scenario A -1.0% pa discount rate | Scenario B +1.0% pa discount rate | Scenario C -1.0% pa pension increase rate | Scenario D +1.0% pa pension increase rate |
|---|---|---|---|---|---|
| Discount rate (% pa) | 2.80 | 1.80 | 3.80 | 2.80 | 2.80 |
| Pension increase rate (% pa) | 3.00 | 3.00 | 3.00 | 2.00 | 4.00 |
| Defined Benefit obligation^ (A$'000s) | 52,727 | 58,060 | 48,316 | 49,054 | 57,025 |

^includes defined benefit contribution tax provision

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

*Housing Tasmania Superannuation Provision*

The defined benefit obligation as at 30 June 2018 under several scenarios is presented below.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A : 1% pa lower discount rate assumption
Scenario B : 1% pa higher discount rate assumption
Scenario C : 1% pa lower than expected pension increase rate assumption
Scenario D : 1% pa higher than expected pension increase rate assumption

| Defined benefit obligation | Base Case | Scenario A -1.0% pa discount rate | Scenario B +1.0% pa discount rate | Scenario C -1.0% pa pension increase rate | Scenario D +1.0% pa pension increase rate |
|---|---|---|---|---|---|
| Discount rate (% pa) | 3.00 | 2.00 | 4.00 | 3.00 | 3.00 |
| Pension increase rate (% pa) | 2.50 | 2.50 | 2.50 | 1.50 | 3.50 |
| Defined Benefit obligation (A$'000s) | 7 416 | 8 247 | 6 723 | 6 744 | 8 206 |

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

### (f) Funding arrangements

Contributions to the Tasmanian Ambulance Superannuation Scheme and Housing Tasmania Superannuation Provision in respect of defined benefit schemes are made on an emerging cost basis.
The Department expects to make a contribution of $1.4 million (2017: $1.5 million) to the defined benefit plan for the Tasmanian Ambulance Superannuation Scheme during the next financial year and a contribution of $0.6 million (2017: $0.6 million) for the Housing Tasmania Superannuation Provision.

## 9.5 Other liabilities

Other liabilities and other financial liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably. Other liabilities include revenue received in advance and on-costs associated with employee benefits. Revenue received in advance is measured at amortised cost. On-costs associated with employee benefits expected to be realised within 12 months are measured at the amount expected to be paid. Other on-costs associated with employee benefits are measured at the present value of the cost at 30 June 2018, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Revenue received in advance** | | |
| Appropriation carried forward from current and previous years under section 8A(2) of the *Public Account Act 1986* | 18 289 | 27 638 |
| Other revenue received in advance | 3 010 | 2 525 |
| **Other Liabilities** | | |
| Employee benefits - on-costs | 1 797 | 1 206 |
| Payroll accrual | 584 | 636 |
| Other liabilities | 373 | 659 |
| **Total** | **24 053** | **32 664** |
| Settled within 12 months | 23 008 | 31 938 |
| Settled in more than 12 months | 1 045 | 726 |
| **Total** | **24 053** | **32 664** |

# Note 10 Commitments and Contingencies

## 10.1 Schedule of Commitments

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **By Type** | | |
| *Capital Commitments* | | |
| Property, Plant and Equipment | 308 839 | 403 877 |
| Infrastructure | 21 894 | 0 |
| Housing Tasmania | 10 873 | 27 374 |
| *Other Capital Commitments* | **341 606** | **431 251** |
| *Operating Lease Commitments* | | |
| Rent on Buildings | 42 533 | 41 002 |
| Medical Equipment - Defibrillators | 3 759 | 0 |
| Motor Vehicles | 3 580 | 3 592 |
| Other | 880 | 0 |
| *Total Lease Commitments* | **50 752** | **44 594** |
| *Other Commitments* | | |
| Miscellaneous Grants | 1 765 379 | 1 848 914 |
| CSHA Debt Interest | 79 962 | 79 962 |
| Miscellaneous Goods and Services contracts | 35 338 | 30 573 |
| Information Technology | 34 160 | 22 787 |
| RFDS Air Ambulance standing charge | 4 076 | 6 114 |
| *Total Other Commitments* | **1 918 915** | **1 988 350** |
| **Total** | **2 311 272** | **2 464 195** |
| **By Maturity** | | |
| *Capital Commitments* | | |
| One year or less | 278 475 | 217 090 |
| From one to five years | 63 131 | 214 161 |
| *Total Capital Commitments* | **341 606** | **431 251** |
| *Operating Lease Commitments* | | |
| One year or less | 7 604 | 7 587 |
| From one to five years | 22 732 | 20 503 |
| More than five years | 20 416 | 16 504 |
| *Total Operating Lease Commitments* | **50 752** | **44 594** |
| *Other Commitments* | | |
| One year or less | 466 084 | 436 864 |
| From one to five years | 1 140 026 | 1 247 881 |
| More than five years | 312 805 | 303 605 |
| *Total Other Commitments* | **1 918 915** | **1 988 350** |
| **Total** | **2 311 272** | **2 464 195** |

The Department has entered into a number of operating lease agreements for property, plant and equipment, where the lessors effectively retain all the risks and benefits incidental to ownership of the items leased. Equal instalments of lease payments are charged to the Statement of Comprehensive Income over the lease term, as this is representative of the pattern of benefits to be derived from the leased property.

The Department is prohibited by Treasurer's Instruction 502 *Leases* from holding finance leases.

*Property, plant and equipment*

Property, plant and equipment commitments include commitments to either build or improve existing Health and Human Services properties totalling $308.8 million. The current year balance includes only contractual commitments. This includes works associated with the major redevelopment of the Royal Hobart Hospital ($308.0 million). Other works include Glenorchy Integrated Care Centre, Northern Suburbs Community Centre, St Helen District Hospital and Repatriation Hospital infrastructure work.

*Housing Tasmania*

Housing Tasmania commitments include commitments to either build or improve existing Housing Tasmania's properties and include:

- Public housing private developer purchases $5.0 million - additional housing stock is purchased off the plan from private developers. The current program commitments include sites at Claremont, Longford and Newnham.

- Public housing site reinvestment program $3.2 million - new stock is to be built on existing sites e.g. where a property has been burnt down, the site will be redeveloped. The current program commitments include sites at Devonport, Newnham and Punchbowl.

- Four vacant land lots will have title transferred to Mission Australia under the BHF program. The total value of these land lots is $0.2 million.

*Motor Vehicles*

The Government Motor Vehicle Fleet is managed as part of a Whole-of-Government arrangement with the Department of Treasury and Finance as lessor. Lease payments vary according to the type of vehicle and, where applicable, the price received for trade-in vehicles. Lease terms for the majority of existing vehicles are for a period of three years or 60 000 km's, whichever comes first, with no change to the lease rate. No restrictions or purchase options are contained in the lease.

*Rent on Buildings*

The Department leases a range of properties/tenancies around the State for service delivery purposes. The main tenancy is for 22 Elizabeth St ($30.6 million) and Level 2 and 3 of 25 Argyle St ($5.5 million).

*Information Technology*

Information Technology includes infrastructure and software licence commitments.

*RFDS air ambulance standing charge*

The Royal Flying Doctor Service (RFDS) charge covers availability of the aircraft and a back-up aircraft with pilots available 24 hours a day and other fixtures include a hangar.

*CSHA Debt Interest*

The Commonwealth State Housing Agreement Debt Interest relates to interest on a loan from the Commonwealth which is disclosed in Note 9.2.

*Miscellaneous Grants*

The Department has commitments totalling $1.5 billion for Disability Services, Home and Community Care Services, Mental Health Support Services, Alcohol and Drug Services, Housing Tasmania, Children and Youth Services and Public Health Initiatives. The grants include $1.4 billion relating to the NDIS.

*Miscellaneous goods and services contracts*

Miscellaneous goods and services contracts predominantly includes the supply of Electricity Retail Services for Aurora Energy ($20.7 million)

## 10.2 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

### Quantifiable contingencies

A quantifiable contingent asset is any possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A quantifiable contingent liability is any possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or any present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. To the extent that any quantifiable contingencies are insured, details provided below are recorded net.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Quantifiable contingent liabilities** | | |
| *Contingent claims* | | |
| Legal Claims | 6,134 | 2,550 |
| Bank Guarantees | 350 | 600 |
| **Total quantifiable contingent liabilities** | **6,484** | **3,150** |
| | | |
| **Quantifiable contingent assets** | | |
| Community housing properties | 30,355 | 101,758 |
| Less accumulated depreciation | (404) | (725) |
| Community housing grants | 0 | 55,402 |
| Less accumulated amortisation | 0 | (14,820) |
| Better Housing Futures properties | 453,647 | 477,329 |
| Less accumulated depreciation | (6,396) | (6,701) |
| **Total quantifiable contingent assets** | **477,202** | **612,243** |

*Legal Claims*

At 30 June 2018, the Department had a number of legal claims against it for other liability claims.
The Department manages its legal claims through the Tasmanian Risk Management Fund (TRMF). An excess remains payable for every claim and amounts over that excess are met by the TRMF.

*Community Housing*

Quantifiable contingent assets represent assets that are currently not under the control of the Department but it is probable that control will return to the Department in the future.

A review of the quantifiable contingent assets was conducted during the year to assess the likelihood of the Department controlling these assets in the future.

Properties that are not in the title of Housing Tasmania were removed from the contingent asset register, as were grants provided to Community Housing Organisations (CHOs) to increase the quality and/or volume of social housing, for example under the Nation Building Economic Stimulus Package. Overall, the impact of the review decreased quantifiable contingencies relating to community housing properties by $66.4 million and community housing grants by $40.6 million.

The remaining quantifiable contingent assets represent dwellings for which the legal title is retained by Housing Tasmania, however tenancy and property management have been transferred to CHOs, for example Mission Australia, Centacare Evolve Housing (CEH) and Housing Choices Tasmania.

**Unquantifiable contingencies**

*Stock Leverage Program*

The Community Housing Stock Leverage Program is one of the key initiatives of the *Tasmanian Affordable Housing Action Plan 2015-19* . Under this initiative government is seeking innovative proposals that can leverage new supply from the existing social housing portfolio.

During 2018-19, 199 properties that are currently owned by the Director but under management by CHOs under the BHF program had their title transferred to CEH. These properties had a total value of $32.0 million as at 1 July 2016. The total number of properties to be transferred to CEH under this agreement is 300, with the remainder of assets to be transferred based on certain conditions being met by CEH.

It has been determined that the value of the remaining properties to be transferred cannot be reliably measured as these properties have not

*Better Housing Futures (BHF)*

Under the Residential Management Agreement (RMA), where there is damage to a property valued at $50 000 or more, Housing Tasmania will consider transferring title of a dwelling to the CHOs. Where Housing Tasmania transfers title of a damaged property to the CHO, the CHO pays $20 000 to Housing Tasmania as well as stamp duty, registration fees, the organisations legal fees and disbursements arising from the transfer.

As at 30 June 2018, a total of 3 vacant land lots have been transferred to the CHOs with a recorded value of $0.2 million.

*Legislative compliance*

As at 30 June 2018 there remained a number of unresolved issues of potential non-compliance with taxation and superannuation legislation, which at the time of finalising the financial statements remained unquantified. These matters particularly relate to the Private Patient Scheme and have been referred to legal counsel for specific superannuation and taxation advice.

# Note 11 Reserves

## 11.1 Reserves

| 2018 | Community housing stock | Rental Dwellings | Land | Buildings | Artwork | Total |
|---|---|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Asset revaluation reserve** | | | | | | |
| Balance at the beginning of financial year | 52,580 | 1,505,631 | 38,103 | 350,519 | 0 | 1,946,833 |
| Transfers to accumulated surplus | (43) | (5,681) | (279) | 4,265 | 0 | (1,738) |
| Revaluation increments/(decrements) | 0 | 1,632 | 6,389 | 5,571 | 48 | 13,640 |
| **Balance at the end of financial year** | **52 537** | **1 501 582** | **44 213** | **360 355** | **48** | **1 958 735** |

| 2017 | Community housing stock | Rental Dwellings | Land | Buildings | Artwork | Total |
|---|---|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Asset revaluation reserve** | | | | | | |
| Balance at the beginning of financial year | 49,900 | 1,422,508 | 35,495 | 348,173 | 0 | 1,856,076 |
| Restatement of Prior Period Errors | (1,435) | 7,214 | (294) | 137 | 0 | 5,622 |
| Transfers to accumulated surplus | 0 | (4,759) | (617) | 0 | 0 | (5,376) |
| Revaluation increments/(decrements) | 4,115 | 80,668 | 3,519 | 2,209 | 0 | 90,511 |
| **Balance at the end of financial year** | **52 580** | **1 505 631** | **38 103** | **350 519** | **0** | **1 946 833** |

### (a) Nature and purpose of reserves

*Asset Revaluation Reserve*

The Asset revaluation reserve is used to record increments and decrements on the revaluation of non-financial assets, as described in Note 8.7.

## 11.2 Administrative Restructuring

Net assets received under a restructuring of administrative arrangements are designated as contributions by owners and adjusted directly against equity. Net assets relinquished are designated as distributions to owners. Net assets transferred are initially recognised at the amounts at which they were recognised by the transferring agency immediately prior to the transfer.

Prior year's restructuring of administrative arrangements involved the Department relinquishing its responsibility for Child Health and Parenting Services on 1 January 2017.

In respect of activities relinquished, the Department transferred the following assets and liabilities to the THS:

| **Total relinquished to Tasmanian Health Service** | **2018 $'000** | **2017 $'000** |
|---|---|---|
| **Assets** | | |
| *Financial assets* | | |
| Cash and deposits | 0 | 1 |
| Receivables | 0 | 13 |
| Property, plant and equipment | 0 | 2 985 |
| Other assets | 0 | 0 |
| **Total assets** | **0** | **2 999** |
| | | |
| **Liabilities** | | |
| Payables | 0 | 28 |
| Employee benefits | 0 | 2 640 |
| Other liabilities | 0 | 30 |
| **Total liabilities** | **0** | **2 698** |
| | | |
| **Net assets transferred** | **0** | **301** |

## 11.3 Contributed Capital

Capital Contributed records capital contributed on formation of the Home Ownership Assistance Program.

| | **2018 $'000** | **2017 $'000** |
|---|---|---|
| | | |
| **Contributed capital** | | |
| Balance at the beginning of financial year | 6 094 | 6 094 |
| **Balance at the end of financial year** | **6 094** | **6 094** |

## Note 12 Cash Flow Reconciliation

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

### 12.1 Cash and deposits

Cash and deposits includes the balance of the Special Deposits and Trust Fund Accounts held by the Department, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

| | | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|---|
| **Special Deposits and Trust Fund balance** | | | |
| T440 | Tasmanian Guardianship Fund Account | 0 | 1 |
| T470 | Patient Trust and Bequest Account | 79 | 84 |
| T510 | Operating Account | 132 910 | 97 407 |
| T592 | Housing Services Operating Account | 23 023 | 32 571 |
| T647 | Home Ownership Assistance Program | 11 929 | 7 640 |
| **Total** | | **167 941** | **137 703** |
| **Other cash held** | | | |
| Other Cash equivalents not included above | | 1 277 | 498 |
| **Total** | | **1 277** | **498** |
| **Total cash and deposits** | | **169 218** | **138 201** |

## 12.2 Reconciliation of Net Result to Net Cash from Operating Activities

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Net result from transactions (net operating balance) | 154,419 | 44,706 |
| Depreciation and amortisation | 25,364 | 24,373 |
| Prior year other recoveries adjustment | 0 | 979 |
| Recognition of assets as a result of stocktake/donations | (31,843) | 0 |
| Non-operational capital funding | (149,949) | (47,555) |
| Capital grants income | (32,101) | (60,524) |
| Capital grants expense | 73,614 | 35,524 |
| WIP expensed | 9,079 | 3,071 |
| Doubtful debts | (1,476) | (931) |
| Transfer of assets due to restructure | 0 | 2,685 |
| Net actuarial gains/(losses) of superannuation defined benefit plans | 7,614 | 8,846 |
| Decrease (increase) in Receivables | (2,179) | (342) |
| Decrease (increase) in Other assets | 1,680 | (5,982) |
| Decrease (increase) in Inventories | 1,017 | 636 |
| Increase (decrease) in Employee entitlements | 4,402 | 1,905 |
| Increase (decrease) in Superannuation | (7,721) | (8,032) |
| Increase (decrease) in Payables | 6,137 | 3,660 |
| Increase (decrease) in Other liabilities | (8,890) | 18,704 |
| **Net cash from/(used by) operating activities** | **49,167** | **21,723** |

## 12.3 Acquittal of Capital Investment and Special Capital Investment Funds

The Department received Works and Services Appropriation funding and revenues from Special Capital Investment Funds to fund specific projects.
Cash outflows relating to these projects are listed below by category.

Budget information refers to original budget estimates in the 2017-18 Budget Papers and has not been subject to audit.

### (a) Project expenditure

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Capital Investment Program** | | | |
| 928( RHH Redevelopment | 180 150 | 113 482 | 59 706 |
| 929' Affordable Housing Strategy Projects | 15 000 | 29 041 | 15 999 |
| 929' Housing – Debt Repayment and Other | 7 776 | 8 238 | 8 794 |
| 929( Repatriation Hospital Redevelopment Program | 0 | 5 633 | 0 |
| 929' North-West Youth Accommodation Shelter | 4 500 | 4 500 | 1 500 |
| 928' Housing – New Projects | 10 440 | 3 576 | 4 405 |
| 929' Health Transport Infrastructure | 5 270 | 3 554 | 2 189 |
| 929' St Helens District Hospital | 2 750 | 2 814 | 984 |
| 920( Statewide Hospital Critical Facility Upgrades | 700 | 2 014 | 0 |
| 929' Hospital and Health Centre Maintenance | 790 | 1 861 | 4 334 |
| 929' Northern Suburbs Community Centre | 1 000 | 1 000 | 683 |
| 920( LGH Ward Upgrades Ward 4K | 1 350 | 935 | 147 |
| 920( Statewide Rural Health Facility Infrastructure Upgrades | 0 | 553 | 0 |
| 928( Launceston General Hospital Acute Medical and Surgical Unit | 0 | 522 | 1 086 |
| 920( Safe Families Strong Kids | 0 | 324 | 226 |
| 928 National Health & Hospital Network Reforms: Sub-Acute Capital | 0 | 308 | 3 |
| 920( MCH Upgrades | 0 | 196 | 0 |
| 928 National Health & Hospital Network Reforms: Emergency Departments | 160 | 185 | 219 |
| 929' Neighbourhood House Program | 0 | 161 | 759 |
| 928 CYS Client Information System Project | 0 | 150 | 0 |
| 929' Priority Infrastructure Works - Health | 0 | 122 | 0 |
| 920( Campbell Town Ambulance Station | 0 | 12 | 0 |
| 928 National Health & Hospital Network Reforms: Elective Surgery | 0 | 8 | 671 |
| 928( State-wide Cancer Services | 0 | 3 | 424 |
| 929' LGH Allied Health Clinics | 0 | 0 | 2 894 |
| 929' Rural Breast Screening Clinics - Establishment and Upgrade | 0 | 0 | 176 |
| **Total Capital Investment Program** | **229 886** | **179 192** | **105 199** |

| | 2018 Budget $'000 | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Special Capital Investment Funds** | | | |
| *Health Infrastructure* | | | |
| 615 Glenorchy – Tier Three Community Health Services Facility | 6 698 | 5 212 | 10 635 |
| 615 Kingston – Tier Three Community Health Services Facility | 4 134 | 632 | 106 |
| 614 Launceston ICC | 0 | 24 | 321 |
| *Hospitals Capital Fund* | | | |
| 616 Mersey Hospital Upgrade | 1 360 | 21 | 38 |
| *Housing Fund* | | | |
| 950 Housing Fund | 1 236 | 3 434 | 741 |
| *RHH Redevelopment Fund* | | | |
| 950 Royal Hobart Hospital redevelopment project | 0 | 4 | 561 |
| **Total Special Capital Investment Fund** | **13 428** | **9 327** | **12 402** |
| **Total** | **243 314** | **188 519** | **117 601** |

### (b) Classification of cash flows

The project expenditure above is reflected in the Statement of Cash Flows as follows.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Cash outflows** | | |
| Payments for acquisition of assets | 160 247 | 97 270 |
| Supplies and consumables | 14 306 | 6 263 |
| Debt repayment | 7 776 | 7 617 |
| Grants | 4 713 | 1 047 |
| Employee benefits | 1 477 | 3 136 |
| Other cash payments | 0 | 2 268 |
| **Total cash outflows** | **188 519** | **117 601** |

## 12.4 Financing Facilities

The Department does not have any financing facilities. The balance of the Department's Westpac Banking Corporation Credit Card settlement account as at 30 June 2018 was ($44 000) (30 June 2017: nil).

## 12.5 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

| 2018 | Borrowings | Lease liabilities |
|---|---|---|
| | $'000 | $'000 |
| **Balance as at 1 July 2017** | **173 292** | |
| Changes from financing cash flows: | | |
| Cash Repayments | (7,777) | |
| **Balance as at 30 June 2018** | **165 515** | **0** |

| 2017 | Borrowings | Lease liabilities |
|---|---|---|
| | $'000 | $'000 |
| **Balance as at 1 July 2016** | **180 909** | |
| Changes from financing cash flows: | | |
| Cash Repayments | (7,617) | |
| **Balance as at 30 June 2017** | **173 292** | **0** |

# Note 13 Financial Instruments

## 13.1 Risk Exposures

### (a) Risk management policies

The Department has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

The Head of Agency has overall responsibility for the establishment and oversight of the Department's risk management framework. Risk management policies are established to identify and analyse risks faced by the Department, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

### (b) Credit risk exposures

Credit risk is the risk of financial loss to the Department if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

| Financial Instrument | Accounting and strategic policies (including recognition criteria and measurement basis) | Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows) |
|---|---|---|
| **Financial Assets** | | |
| Loans and Receivables | Loans and Receivables are recognised at the nominal amounts due, less any provision for impairment.<br><br>Collectability of debts is reviewed on a monthly basis. Provisions are made when the collection of the debt is judged to be less rather than more likely. | Receivables credit terms are generally 45 days. |
| Equity investments | Equity Investments are recognised at the nominal amounts due, less any provision for impairment. | Equity investments credit terms require the repayment of the Departmental equity interest in a land and building asset, in cash, within a maximum term of 15 years. |
| Other financial assets | Other financial assets are recognised at the nominal amounts due, less any provision for impairment. | Other financial assets credit terms are generally 45 days. |
| Cash and deposits | Cash and deposits are recognised at face value. | Cash means notes, coins and any deposits held at call with a bank or financial institution. |

The Department has made no changes to its credit risk policy during 2017-18. The Department does not hold any security instrument for its Cash and deposits, Other financial assets and Receivables. Loan advances are secured by a mortgage over real property. Equity investments represent the Department's equity interest in land and building assets sold to Housing Tasmania clients and payable in cash within 30 years. The Equity investments are revalued on a yearly basis. No credit terms on any departmental financial assets have been renegotiated.

The carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents the Department's maximum exposure to credit risk without taking into account any collateral or other security.

The following tables analyse financial assets that are past due but not impaired.

| **Analysis of financial assets at 30 June 2018 but not impaired** | | | | |
|---|---|---|---|---|
| | **Not past due** | **Past due 30 – 120 days** | **Past due > 120 days** | **Total** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Receivables | 6 455 | 919 | 947 | **8 321** |

| **Analysis of financial assets at 30 June 2017 but not impaired** | | | | |
|---|---|---|---|---|
| | **Not past due** | **Past due 30 – 120 days** | **Past due > 120 days** | **Total** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Receivables | 4 509 | 1 011 | 622 | **6 142** |

### (c) Liquidity risk

Liquidity risk is the risk that the Department will not be able to meet its financial obligations as they fall due. The Department's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

| **Financial Instrument** | **Accounting and strategic policies (including recognition criteria and measurement basis)** | **Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)** |
|---|---|---|
| **Financial Liabilities** | | |
| Payables | Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period equates to face value, when the Department becomes obliged to make future payments as a result of a purchase of assets or services. | Settlement is usually made within 30 days. |
| Interest bearing liabilities | Loans are initially measured at fair value net of transaction costs. Loans are subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis. | Contractual payments are made in accordance with contractual terms. |
| Other financial liabilities | Other financial liabilities are recognised at amortised cost, which due to the short settlement period equates to face value, when the Department becomes obliged to make payments as a result of the purchase of assets or services.<br><br>The Department regularly reviews budgeted and actual cash outflows to ensure that there is sufficient cash to meet all obligations. | Settlement is usually made within 30 days. |

The following tables detail the undiscounted cash flows payable by the Department by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position.

| | Maturity analysis for financial liabilities | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | More than 5 Years | Undis-counted Total | Carrying Amount |
| **2018** | **$ 000** | **$ 000** | **$ 000** | **$ 000** | **$ 000** | **$ 000** | **$ 000** | **$ 000** |
| **Financial liabilities** | | | | | | | | |
| Payables | 8 042 | 0 | 0 | 0 | 0 | 0 | 8 042 | 8 042 |
| Interest bearing liabilities | 7 915 | 8 017 | 8 122 | 8 259 | 8 373 | 124 829 | 165 515 | 165 515 |
| Other financial liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **15 957** | **8 017** | **8 122** | **8 259** | **8 373** | **124 829** | **173 557** | **173 557** |

| | Maturity analysis for financial liabilities | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 Year | 2 Years | 3 Years | 4 Years | 5 Years | More than 5 Years | Undis-counted Total | Carrying Amount |
| **2017** | **$ 000** | **$ 000** | **$ 000** | **$ 000** | **$ 000** | **$ 000** | **$ 000** | **$ 000** |
| **Financial liabilities** | | | | | | | | |
| Payables | 5 833 | 0 | 0 | 0 | 0 | 0 | 5 833 | 5 833 |
| Interest bearing liabilities | 7 776 | 7 915 | 8 017 | 8 122 | 8 259 | 133 203 | 173 292 | 173 292 |
| Other financial liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **13 609** | **7 915** | **8 017** | **8 122** | **8 259** | **133 203** | **179 125** | **179 125** |

### (d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the Department is exposed to is interest rate risk.

The Department currently has the majority of its financial liabilities at fixed interest rates with the effect that any exposure to movements in interest rates is minimised.

At the reporting date, the interest rate profile of the Department's interest bearing financial instruments was:

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Fixed rate instruments** | | |
| Financial liabilities | 165 515 | 173 292 |
| **Total** | **165 515** | **173 292** |
| **Variable rate instruments** | | |
| Financial assets | 1 158 | 1 313 |
| **Total** | **1 158** | **1 313** |

Changes in variable rates of 100 basis points at reporting date would have the following effect on the Department's profit or loss and equity:

**Sensitivity Analysis of Department's Exposure to Possible Changes in Interest Rates**

| | Statement of Comprehensive Income | | Equity | |
|---|---|---|---|---|
| | 100 basis points increase<br>$'000 | 100 basis points decrease<br>$'000 | 100 basis points increase<br>$'000 | 100 basis points decrease<br>$'000 |
| **30 June 2018** | | | | |
| Financial assets | 12 | (12) | 12 | (12) |
| **Net Sensitivity** | **12** | **(12)** | **12** | **(12)** |
| **30 June 2017** | | | | |
| Financial assets | 13 | (13) | 13 | (13) |
| **Net Sensitivity** | **13** | **(13)** | **13** | **(13)** |

This analysis assumes all other variables remain constant. The analysis was performed on the same basis for 2017.

## 13.2 Categories of Financial Assets and Liabilities

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Financial assets** | | |
| Cash and cash equivalents | 169 218 | 138 201 |
| Loans and receivables | 15 182 | 18 160 |
| Available -for-sale financial assets | 17 633 | 18 733 |
| **Total** | **202 033** | **175 094** |
| | | |
| **Financial Liabilities** | | |
| Financial liabilities measured at amortised cost | 186 933 | 188 573 |
| **Total** | **186 933** | **188 573** |

## 13.3 Reclassification of Financial Assets

No reclassification of Financial Assets occurred during 2017-18.

## 13.4 Comparison between Carrying Amount and Net Fair Value of Financial Assets and Liabilities

| | Carrying Amount 2018 $'000 | Net Fair Value 2018 $'000 | Carrying Amount 2017 $'000 | Net Fair Value 2017 $'000 |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Other financial assets | | | | |
| Equity investments | 17 633 | 17 633 | 18 733 | 18 733 |
| Other | 184 400 | 184 400 | 156 361 | 156 361 |
| **Total financial assets** | **202 033** | **202 033** | **175 094** | **175 094** |
| | | | | |
| **Financial liabilities (Recognised)** | | | | |
| Other financial liabilities | | | | |
| Borrowings | 165 515 | 165 515 | 173 292 | 173 292 |
| Other | 8 042 | 8 042 | 5 833 | 5 833 |
| **Total Financial liabilities (Recognised)** | **173 557** | **173 557** | **179 125** | **179 125** |

## 13.5 Net Fair Values of Financial Assets and Liabilities

| 2018 | Net Fair Value Level 1 $'000 | Net Fair Value Level 2 $'000 | Net Fair Value Level 3 $'000 | Net Fair Value Total $'000 |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Other financial assets | | | | |
| Equity investments | 17 633 | 0 | 0 | 17 633 |
| Other | 184 400 | 0 | 0 | 184 400 |
| **Total financial assets** | **202 033** | **0** | **0** | **202 033** |
| **Financial liabilities (Recognised)** | | | | |
| Other financial liabilities | | | | |
| Borrowings | 165 515 | 0 | 0 | 165 515 |
| Other | 8 042 | 0 | 0 | 8 042 |
| **Total Financial liabilities (Recognised)** | **173 557** | **0** | **0** | **173 557** |

| 2017 | Net Fair Value Level 1 $'000 | Net Fair Value Level 2 $'000 | Net Fair Value Level 3 $'000 | Net Fair Value Total $'000 |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Other financial assets | | | | |
| Equity investments | 19 184 | 0 | 0 | 19 184 |
| Other | 156 361 | 0 | 0 | 156 361 |
| **Total financial assets** | **175 545** | **0** | **0** | **175 545** |
| **Financial liabilities (Recognised)** | | | | |
| Other financial liabilities | | | | |
| Borrowings | 173 292 | 0 | 0 | 173 292 |
| Other | 15 281 | 0 | 0 | 15 281 |
| **Total Financial liabilities (Recognised)** | **188 573** | **0** | **0** | **188 573** |

The recognised fair values of financial assets and financial liabilities are classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements. The Department uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in active markets;

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

*Transfer between categories*

The Department did not transfer any Financial Assets or Financial Liabilities between Level 1 and Level 2.

The Department does not have any Level 3 instruments.

*Financial Assets*

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

The net fair values of Equity investments are based on the Departmental interest in the various land and building assets. An active market exists for the underlying assets that provides for a reliable measurement of the fair value of the Equity investment. The Housing land and building assets are revalued on a biennial basis using information provided by the Valuer-General the increase or decrease recognised as Other comprehensive income.

*Financial Liabilities*

The net fair values of Borrowings and Other financial liabilities are based on the outstanding value owed by the Department and are approximated by their carrying amounts.

*Unrecognised Financial Instruments*

The net fair values of indemnities are regarded as the maximum possible loss which the Department faces while the indemnity remains current.

## Note 14 Adjustment of Prior Period Error

Comparative figures have been restated in the Statement of Financial Position and Statement of Changes in Equity. These changes are a result of prior period errors in accordance with AASB 108 Accounting policies, Changes in Accounting Estimates and Errors.

As part of a comprehensive revaluation process, several properties were identified which had been omitted from the Department's asset registers in previous years and equity investments that had been sold. In total, these anomalies resulted in the Department's assets being understated by $4.2 million as at 30 June 2017.

The following tables disclose the impact on the 2016-17 notes that have been restated for the adjustment of prior period errors discussed above.

**Statement of Financial Position**

| 2017 | As previously reported $'000 | Restated $'000 | Prior period error $'000 |
|---|---|---|---|
| **Assets** | | | |
| *Financial assets* | | | |
| Cash and deposits | 138,201 | 138,201 | 0 |
| Receivables | 6,142 | 6,142 | 0 |
| Loan advances | 1,313 | 1,313 | 0 |
| Equity investments | 19,184 | 18,733 | (451) |
| Other financial assets | 10,705 | 10,705 | 0 |
| *Non-financial assets* | | | |
| Inventories | 4,671 | 4,671 | 0 |
| Assets held for sale | 2,052 | 2,052 | 0 |
| Property, plant and equipment | 1,776,517 | 1,781,179 | 4,662 |
| Intangibles | 10,599 | 10,599 | 0 |
| Other assets | 6,007 | 6,007 | 0 |
| **Total assets** | **1,975,391** | **1,979,602** | **4,211** |
| **Liabilities** | | | |
| Payables | 15,281 | 15,281 | 0 |
| Interest bearing liabilities | 173,292 | 173,292 | 0 |
| Employee benefits | 49,599 | 49,599 | 0 |
| Superannuation | 10,458 | 10,458 | 0 |
| Other liabilities | 32,664 | 32,664 | 0 |
| **Total liabilities** | **281,294** | **281,294** | **0** |
| **Net assets** | **1,694,097** | **1,698,308** | **4,211** |
| **Equity** | | | |
| Contributed capital | 6,094 | 6,094 | 0 |
| Reserves | 1,940,849 | 1,946,833 | 5,984 |
| Accumulated funds | (252,846) | (254,619) | (1,773) |
| **Total equity** | **1,694,097** | **1,698,308** | **4,211** |

**Statement of Changes in Equity**

| 2017 | Total Equity $'000 | Restated Total Equity $'000 | Prior period error $'000 |
|---|---|---|---|
| **Restated Balance as at 1 July 2016** | **1,550,540** | **1,555,517** | **4,977** |
| Net Result | 53,709 | 52,581 | (1,128) |
| Other Comprehensive Income | 90,149 | 90,511 | 362 |
| **Total comprehensive result** | 143,858 | 143,092 | (766) |
| **Transactions with owners in their capacity as owners:** | | | |
| Administrative restructure - net assets transferred | (301) | (301) | 0 |
| **Balance as at 30 June 2017** | **1,694,097** | **1,698,308** | **4,211** |

**Property, plant and equipment**

| 2017 | Community housing stock $'000 | Restated Community housing stock $'000 | Prior period error $'000 |
|---|---|---|---|
| **Carrying value at 1 July 2016** | **38,065** | **36,630** | **(1,435)** |
| Revaluation increments (decrements) | 4,116 | 4,116 | 0 |
| Depreciation | (649) | (621) | 28 |
| **Carrying value at 30 June 2017** | **41,532** | **40,125** | **(1,407)** |

**Property, plant and equipment**

| 2017 | Rental Dwellings $'000 | Restated Rental Dwellings $'000 | Prior period error $'000 |
|---|---|---|---|
| **Carrying value at 1 July 2016** | **1 343 423** | **1 350 446** | **7 023** |
| Disposals | (5,855) | (5,855) | 0 |
| Revaluation increments (decrements) | 82,052 | 82,360 | 308 |
| Assets held for sale | (332) | (332) | 0 |
| Grants Transfers | (3,675) | (3,675) | 0 |
| Transfers between classes | (244) | (244) | 0 |
| WIP transfers | 4,770 | 4,770 | 0 |
| Depreciation | (17,453) | (17,574) | (121) |
| **Carrying value at 30 June 2017** | **1,402,686** | **1,409,896** | **7,210** |

**Property, plant and equipment**

| 2017 | Land $'000 | Restated Land $'000 | Prior period error $'000 |
|---|---|---|---|
| **Carrying value at 1 July 2016** | **59,466** | **59,172** | **(294)** |
| Additions | 1 | 1 | 0 |
| Disposals | (982) | (982) | 0 |
| Net transfers th | (1,547) | (1,547) | 0 |
| Revaluation increments (decrements) | 1,975 | 1,975 | 0 |
| Assets held for sale | 120 | 120 | 0 |
| Grants Transfers | (915) | (915) | 0 |
| Transfers between classes | 244 | 244 | 0 |
| WIP transfers | 80 | 80 | 0 |
| **Carrying value at 30 June 2017** | **58,442** | **58,148** | **(294)** |

**Property, plant and equipment**

| 2017 | Buildings $'000 | Restated Buildings $'000 | Prior period error $'000 |
|---|---|---|---|
| **Carrying value at 1 July 2016** | **53,948** | **54,085** | **137** |
| Net transfers through restructuring | (1,440) | (1,440) | 0 |
| Revaluation increments (decrements) | 999 | 999 | 0 |
| WIP transfers | 4,435 | 4,435 | 0 |
| Depreciation | (2,032) | (2,035) | (3) |
| **Carrying value at 30 June 2017** | **55,910** | **56,044** | **134** |

**Property, plant and equipment**

| 2017 | Works in progress $'000 | Restated Works in progress $'000 | Prior period error $'000 |
|---|---|---|---|
| **Carrying value at 1 July 2016** | **144,894** | **144,894** | **0** |
| Additions | 109,133 | 108,153 | (980) |
| Grants Transfers | (29,617) | (29,617) | 0 |
| Transfers between classes | (144) | (144) | 0 |
| WIP transfers | (12,433) | (12,433) | 0 |
| WIP expensed | (3,071) | (3,071) | 0 |
| **Carrying value at 30 June 2017** | **208,762** | **207,782** | **(980)** |

| 2017 | Equity Investments $'000 | Restated Equity Investments $'000 | Prior period error $'000 |
|---|---|---|---|
| Home share equity investments | 19,294 | 18,843 | (451) |
| Less: Provision for impairment | (110) | (110) | 0 |
| **Total** | 19,184 | 18,733 | (451) |
| Settled in more than 12 months | 19,184 | 18,733 | (451) |
| | 19,184 | 18,733 | (451) |

| 2017 | Community housing stock $'000 | Restated Community housing stock $'000 | Prior period error $'000 |
|---|---|---|---|
| **Asset revaluation reserve** | | | |
| Balance at the beginning of financial year | 49 900 | 48 465 | (1,435) |
| Revaluation increments/(decrements) | 4 115 | 4 115 | 0 |
| **Balance at the end of financial year** | **54 015** | **52 580** | **(1,435)** |

| 2017 | Rental Dwellings $'000 | Restated Rental Dwellings $'000 | Prior period error $'000 |
|---|---|---|---|
| **Asset revaluation reserve** | | | |
| Balance at the beginning of financial year | 1,422,508 | 1,429,722 | 7,214 |
| Transfers to accumulated surplus | (4,759) | (4,759) | 0 |
| Revaluation increments/(decrements) | 80,306 | 80,668 | 362 |
| **Balance at the end of financial year** | **1,498,055** | **1,505,631** | **7,576** |

| 2017 | Land $'000 | Restated Land $'000 | Prior period error $'000 |
|---|---|---|---|
| **Asset revaluation reserve** | | | |
| Balance at the beginning of financial year | 35,495 | 35,201 | (294) |
| Transfers to accumulated surplus | (617) | (617) | 0 |
| Revaluation increments/(decrements) | 3,519 | 3,519 | 0 |
| **Balance at the end of financial year** | **38,397** | **38,103** | **(294)** |

| 2017 | Buildings $'000 | Restated Buildings $'000 | Prior period error $'000 |
|---|---|---|---|
| **Asset revaluation reserve** | | | |
| Balance at the beginning of financial year | 348 173 | 348 310 | 137 |
| Revaluation increments/(decrements) | 2 209 | 2 209 | 0 |
| **Balance at the end of financial year** | **350 382** | **350 519** | **137** |

# Note 15 Details of Consolidated Entities

## 15.1 List of Entities

The following entities have been consolidated by the Department:

| | |
|---|---|
| Director of Housing | 100 per cent |
| Director of Ambulance Services | 100 per cent |

# Note 16 Associated Entities

## 16.1 Tasmanian Affordable Housing Limited

On 11 March 2011, the Crown, represented by the Minister for Human Services, became the sole shareholder of the shares in Tasmanian Affordable Housing Limited (TAHL), thus assuming control of TAHL as a wholly owned Government entity.

TAHL has not been consolidated into the Department's financial statements as at 30 June 2018. The unaudited Statement of Comprehensive Income for the year ending 30 June 2018 and Statement of Financial Position as at 30 June 2018 are provided below.

| Statement of Comprehensive Income for the year ending 30 June 2017 | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Total Revenue and other income from transactions** | 24 | 37 |
| **Expenses from Transactions** | | |
| Winding-up expenses | 0 | 49 |
| Other expenses | 8 | 103 |
| **Total expenses from transactions** | **8** | **152** |
| **Net result from transactions (net operating balance)** | **16** | **(115)** |
| **Comprehensive Result** | **16** | **(115)** |

| Statement of Financial Position as at 30 June 2017 | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | 1 359 | 1 331 |
| Trade and other receivables | 1 | 13 |
| **Total assets** | **1 360** | **1 344** |
| **Liabilities** | | |
| Trade and other payables | 5 | 5 |
| Provisions | 90 | 90 |
| **Total liabilities** | **95** | **95** |
| **Net assets** | **1 265** | **1 249** |
| **Equity** | | |
| Retained Earnings | 1 265 | 1 249 |
| **Total equity** | **1 265** | **1 249** |

As at 30 June 2018, TAHL no longer had principal activities remaining and is expected to wind up during the 2018-19 financial year.

## Note 17 Transactions and Balances Relating to a Trustee or Agency Arrangement

Transactions relating to activities undertaken by the Department in a trust or fiduciary (agency) capacity do not form part of the Department's activities. Trustee and agency arrangements, and transactions/balances relating to those activities, are neither controlled nor administered.

Fees, commissions earned and expenses incurred in the course of rendering services as a trustee or through an agency arrangement are recognised as controlled transactions.

### 17.1 Activities Undertaken Under a Trustee or Agency Relationship

| Account/Activity | Opening balance | Net transac-tions during 2017-18 | Closing balance |
|---|---|---|---|
| | $'000 | $'000 | $'000 |
| Legal Trusts | 10 | (5) | 5 |

## Note 18 Events Occurring After Balance Date

On 20 March 2018, the Government announced that, effective from 1 July 2018, the Department of Health and the Department of Communities Tasmania will be established through the amalgamation of part of the Department of Health and Human Services and part of the Department of Premier and Cabinet. The restructure resulted in the Department of Health and Human Services ceasing on 30 June 2018.

Additionally, the *Tasmania Health Service Act 2018*, repeals the *Tasmanian Health Organisations Act 2011,* under which the Tasmanian Health Service (THS) was established. Under the new legislation the THS will continue as a separate legal entity reporting directly to the Secretary of the Department of Health with a THS Executive maintaining a focus on statewide planning.

The Department of Health and Human Services Output Groups have been allocated to the new Departments as follows:

| Output | Department of Health | Department of Communities Tasmania |
|---|---|---|
| 1 - Health Services System Management | x | |
| 2 -Tasmanian Health Service | x | |
| 3 - Statewide Services | x | |
| 4 - Human Services System Management | | x |
| 5 - Human Services | | x |
| 6 - Children Services System Management | | x |
| 7 - Children Services | | x |
| 8 - Independent Children's Review Services | | x |
| Capital Investment Program | x | x |
| Special Capital Investment Funds | x | x |

Given the continuation of service provision within the new government agencies, the statements have been prepared on a going concern basis.

# Note 19 Other Significant Accounting Policies and Judgements

## 19.1 Objectives and Funding

The Department of Health and Human Services' (Department) objective is to improve the health and wellbeing of patients, clients and the Tasmanian community through a sustainable, high quality and safe health and human services system.

The Department achieves this through the following strategic priorities: promoting health and wellbeing and intervening early when needed; planning and delivering services; delivering the benefits of reform; strengthening sustainability; and shaping our workforce.

Departmental activities are classified as either controlled or administered.

Controlled activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the Department in its own right. Administered activities involve the management or oversight by the Department, on behalf of the Government, of items controlled or incurred by the Government. In the current financial year there are no administered items.

The Department is a Tasmanian Government not-for-profit entity that is predominantly funded through Parliamentary appropriations. The Department includes Housing Tasmania and Ambulance Tasmania. Ambulance Tasmania provides services to fee paying patients, or patients who will receive compensation for these expenses due to the circumstances surrounding their injury. Housing Tasmania derives rental revenue and asset sale income from Housing Tasmania properties and receives income from borrowers in the Home Ownership Assistance Program (HOAP). The financial statements encompass all funds through which the Department controls resources to carry on its functions.

## 19.2 Basis of Accounting

The Financial Statements are a general purpose financial report and have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board; and
- The Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990*.

The Financial Statements were signed by the Secretary of the Department and Chief Financial Officer on 26th September 2018.

Compliance with the Australian Accounting Standards (AAS) may not result in compliance with International Financial Reporting Standards (IFRS), as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The Department is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 19.5.

The Financial Statements have been prepared on a going concern basis. The continued existence of the Department in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for the Department's administration and activities.

The Department has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

## 19.3 Reporting Entity

The Financial Statements include all the controlled activities of the Department, being Ambulance Tasmania and Housing Tasmania. Material transactions and balances between the Department, Ambulance Tasmania and Housing Tasmania have been eliminated. Summary information relating to Tasmanian Affordable Housing Limited (TAHL) is disclosed in Note 16 Associated Entities.

### 19.4 Functional and Presentation Currency

These Financial Statements are presented in Australian dollars, which is the Department's functional currency.

### 19.5 Changes in Accounting Policies

#### (a) Impact of new and revised Accounting Standards

In the current year, the Department has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period. These include:

- 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107 – The objective of this Standard is to amend AASB 107 Statement of Cash Flows to require entities preparing statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This Standard applies to annual periods beginning on or after 1 January 2017. The impact is increased disclosure of financial activities in relation to cash flows and non-cash changes as shown at Note 12.5. There is no financial impact.

- 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities - The objective of this Standard is to amend AASB 136 Impairment of Assets to remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities and to clarify that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that AASB 136 does not apply to such assets that are regularly revalued to fair value under the revaluation model in AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets, and AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138. This Standard applies to annual reporting periods beginning on or after 1 January 2017. The impact is enhanced disclosure in relation to non-cash-generating specialised assets of not-for-profit entities. There is no financial impact.

**(b) Impact of new and revised Accounting Standards yet to be applied**

The following applicable Standards have been issued by the AASB and are yet to be applied:

- AASB 9 *Financial Instruments* and 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)* - the objective of these Standards is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant information to users of financial statements for their assessment of the amounts, timing, uncertainty of an entity's future cash flows, and to make amendments to various accounting standards as a consequence of the issuance of AASB 9. These standards apply to annual reporting periods beginning on or after 1 January 2018. There is no financial impact expected from the application of this revised standard. The Department's current provisioning for bad debts is unlikely to be significantly different from the new forward looking 'expected loss' impairment model as our basis of provisioning is conservative; already taking into consideration forecast collection rates. Further, as equity investments are currently valued at fair value using quoted prices in active markets, there will be no change as a valuation of these financial assets.

- AASB 15 *Revenue from Contracts with Customers* – The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, an uncertainty of revenue and cash flows arising from a contract with a customer. In accordance with 2015-8 *Amendments to Australian Accounting Standards - Effective Date of AAS 15*, this Standard applies to annual reporting periods beginning on or after 1 January 2019. Where an entity applies the Standard to an earlier annual reporting period, it shall disclose that fact. There is no financial impact expected from the application of this revised standard. The Department's major sources of income are from Government Appropriation for recurrent operations, works and services and capital grants. Current operating procedures ensure that revenue is recognised simultaneously that services have been delivered. This timing of revenue recognition is the same as the new standard. Review of other revenue sources confirms that there are no instances where revenue is recognised but the performance obligation under the contract has not been met.

- 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15* – The objective of this Standard is to make amendments to Australian Accounting Standards and Interpretations arising from the issuance of AASB 15 *Revenue from Contracts with Customers*. This Standard applies when AASB 15 is applied, except that the amendments to AASB 9 (December 2009) and AASB 9 (December 2010) apply to annual reporting periods beginning on or after 1 January 2018. This Standard shall be applied when AASB 15 is applied. There is no financial impact expected from the application of this revised standard as there is no financial impact expected from the implementation of AASB15.

- 2016-3 *Amendments to Australian Accounting Standards - Clarifications to AASB 15* - The objective of this Standard is to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. This Standard applies to annual periods beginning on or after 1 January 2018. The impact is enhanced disclosure in relation to revenue. There is no financial impact expected from the application of this revised standard.

- AASB 16 Leases – The objective of this Standard is to introduce a single lessee accounting model and require a lessee to recognise assets and liabilities. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The standard will result in most of the Department's operating leases being brought onto the Statement of Financial Position and additional note disclosures. The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and required lease payments. A corresponding right to use assets will be recognised, which will be amortised over the term of the lease. There are limited exceptions relating to low-value assets and short-term leases with a term at commencement of less than 12 months. Operating lease costs will no longer be shown. The Statement of Comprehensive Income impact of the leases will be through amortisation and interest charges. The Department's current operating lease costs is shown at note 6.3. In the Statement of Cash Flows lease payments will be shown as cash flows from financing activities instead of operating activities. Further information on the Department's current operating lease position can be found at note 10.1. It should be noted that there will be no impact on the Department's cash flow, however impacts on the Department's statement of financial position and financial performance have not been completely quantified.

  It is anticipated that the implementation of the new standard will increase the Department's assets by $41 million with a corresponding increase in the Department's liabilities of $41 million. This represents the right to use assets and lease payment obligations associated with building and equipment leases. For 2018-19 financial year, the annual amortisation expenses is estimated to be $5.0 million with interest expense of $1.6 million. No financial assessment has been made for the Department's leased motor vehicles.

- AASB 1058 *Income of Not-for-Profit Entities* - The objective of this Standard is to establish principles for not-for-profit entities that apply to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives, and the receipt of volunteer services. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to income of not-for-profit entities. It should be noted that there will be no impact on the Department's cash flow, statement of financial position and financial performance, with the exception of recording the contribution of volunteers and the corresponding labour expense which is estimated to be $7.4 million per annum.

- AASB 1059 Service Concession Arrangements: Grantors – The objective of this Standard is to prescribe the accounting for a service concession arrangement by a grantor that is a public sector entity. This Standard applies on or after 1 January 2019. The impact of this standard is enhanced disclosure in relation to service concession arrangements for grantors that are public sector entities. The financial impact has been assessed as requiring the Department to increase its assets by $481.0 million which represents assets that are currently classed as quantifiable contingent assets and an increase in annual depreciation expenses of $6.8 million.

### 19.6 Foreign Currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

### 19.7 Comparative Figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards at Note 19.5.

Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

Restructures of Outputs within the Department (internal restructures) that do not affect the results shown on the face of the Financial Statements are reflected in the comparatives in the Output Schedule at Notes 1.1, 1.2 and 1.3.

### 19.8 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. Amounts less than $500 are rounded to zero.

### 19.9 Departmental Taxation

The Department is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

### 19.10 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the ATO is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the ATO is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

Tasmanian Audit Office

**Independent Auditor's Report**

**To the Members of Parliament**

**Department of Health and Human Services**

**Report on the Audit of the Financial Statements**

## Opinion

I have audited the financial statements of Department of Health and Human Services (the Department), which comprise the statement of financial position as at 30 June 2018 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the Secretary of the Department.

In my opinion, the accompanying financial statements:

(a) present fairly, in all material respects, the Department's financial position as at 30 June 2018 and its financial performance and its cash flows for the year then ended

(b) are in accordance with the *Financial Management and Audit Act 1990* and Australian Accounting Standards.

## Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Department's financial statements.



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## Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

| Why this matter is considered to be one of the most significant matters in the audit | Audit procedures to address the matter included |
|---|---|
| **Property, plant and equipment**<br>*Refer to note 6.2 and 8.7* | |
| Property, plant and equipment at 30 June 2018 includes land, buildings, leasehold improvements, rental dwellings and community housing stock totalling $1.54bn recognised at fair value.<br><br>The fair value of land is valued with reference to observable prices in an active market. Inputs consider recent market conditions for comparable assets.<br><br>The valuation of buildings is based on either:<br>• observable prices for similar buildings or capitalisation of assessed rental income<br>• current replacement cost, which considers the cost to construct assets with similar utility.<br><br>The calculation of fair values is judgemental and highly dependent on a range of assumptions and estimates.<br><br>The calculation of depreciation of building requires estimation of asset useful lives, which involves a high degree of subjectivity. Changes in assumptions underlying depreciation calculations can significantly impact depreciation charged.<br><br>Capital expenditure on Works in progress for the year ended 30 June 2018 totalled $205.34m. Capital projects can contain a combination of enhancement and maintenance activity which are not distinct and therefore the allocation of costs between capital and operating expenditure is inherently judgemental | • Assessing the scope, expertise and independence of management's expert engaged to assist in the valuation of land and buildings.<br>• Evaluating the appropriateness of the valuation methodology applied to determine the fair value of land and buildings.<br>• Critically assessing assumptions and other key inputs in the valuation model, including corroboration of market related assumptions to external data.<br>• Testing, on a sample basis, the mathematical accuracy of the valuation model's calculations.<br>• Evaluating management's assessment of the useful lives of buildings.<br>• Performing substantive analytical procedures on building depreciation expense.<br>• Testing, on a sample basis, the allocation of costs between capital and operating expenditure, including costs capitalised to work in progress.<br>• Evaluating management's assessment of the stage of completion for capital works in progress.<br>• Evaluating the adequacy of disclosures made in the financial statements, including those regarding key assumptions used. |

...2 of 4

**Grants and subsidies paid**
*Refer to note 6.4 and 10.1*

Recurrent funding and capital grants paid by way of asset transfers, grants and subsidies during the year ended 30 June 2018 totalled $1.29bn. Included in this amount was $901.11m paid to the Tasmanian Health Service.

Grants and subsidies totalling $393.20m were paid to a large number of grant recipients. As these recipients operate externally to the Department, there is a possibility the services required under the grant deeds or subsidy arrangements have not been performed or grant eligibility criteria not satisfied.

A commitment of $1.765bn has been recognised for future commitments under current grant deeds at 30 June 2018. A risk of incorrect disclosure of the commitment exists as the collation and projection of future commitments is inherently judgemental.

- Testing the design, implementation and operating effectiveness of controls within the electronic grants management system.
- Testing grant and subsidy payments, on a sample of basis, to grant deeds and determining whether grant recipients met conditions to receive the grant and grant approval processes.
- Assessing the accuracy and adequacy of disclosures of commitments and grants and subsidies paid.

**Responsibilities of the Secretary for the Financial Statements**

The Secretary is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of Section 27 (1) of the *Financial Management and Audit Act 1990*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the Department's ability to continue as a going concern unless the Department's operations will cease as a result of an administrative restructure. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

**Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



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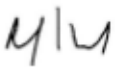
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Secretary.
- Conclude on the appropriateness of the Secretary's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Department to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Secretary regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Secretary, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Rod Whitehead
**Auditor-General**

**Tasmanian Audit Office**

28 September 2018
Hobart



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# Ambulance Tasmania Special Purpose Financial Report

For the year ended 30 June 2018

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## Statement of Certification

The accompanying Special Purpose Financial Report of Ambulance Tasmania are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the Ambulance Service Act 1982 and the Audit Act 2008 to present fairly the financial transactions for the year ended 30 June 2018 and the financial position as at 30 June 2018.

At the date of signing, we are not aware of any circumstances which would render the particulars included in the Special Purpose Financial Report misleading or inaccurate.

Michael Pervan
Secretary and
Commissioner of
Ambulance Tasmania
26 September 2018

Neil Kirby
Chief Executive
Officer Ambulance
Tasmania
29 September 2018

Eleanor Patterson
Acting Chief Financial
Officer
24 September 2018

# Statement of Comprehensive Income for the year ended 30 June 2018

| | Notes | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| ***Continuing operations*** | | | |
| **Revenue and other income from transactions** | | | |
| Revenue from Government | | | |
| Appropriation revenue - recurrent | 2.1 | 64,399 | 52,950 |
| Other revenue from Government | 2.1 | 0 | 559 |
| Sales of goods and services | 2.2 | 10,960 | 9,366 |
| Interest | 2.3 | 91 | 0 |
| Other revenue | 2.4 | 6,430 | 9,294 |
| **Total revenue and other income from transactions** | | **81,880** | **72,169** |
| **Expenses from transactions** | | | |
| Employee benefits | 3.1 | 61,833 | 57,527 |
| Depreciation and amortisation | 3.2 | 2,577 | 2,680 |
| Supplies and consumables | 3.3 | 18,522 | 16,044 |
| Grants and subsidies | 3.4 | 15 | 15 |
| Finance costs | 3.5 | 0 | 63 |
| Other expenses | 3.6 | 2,317 | 1,627 |
| **Total expenses from transactions** | | **85,264** | **77,956** |
| **Net result from transactions (net operating balance)** | | **(3,384)** | **(5,787)** |
| **Other economic flows included in net result** | | | |
| Net gain/(loss) on non-financial assets | 4.1 | (15) | 103 |
| Net actuarial gains/(losses) of superannuation defined benefit plans | 6.3 | 3,402 | 7,678 |
| Net gain/(loss) on financial instruments and statutory receivables/payables | 4.2 | (672) | (363) |
| **Total other economic flows included in net result** | | **2,715** | **7,418** |
| **Net result from continuing operations** | | **(669)** | **1,631** |
| **Other comprehensive income** | | | |
| *Items that will not be reclassified subsequently to profit or loss* | | | |
| Changes in property, plant and equipment revaluation surplus | 8.1 | 1,256 | 608 |
| **Total other comprehensive income** | | **1,256** | **608** |
| **Comprehensive result** | | **587** | **2,239** |

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

## Statement of Financial Position as at 30 June 2018

| | Notes | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|---|
| **Assets** | | | |
| *Financial assets* | | | |
| Cash and deposits | 9.1 | 148 | 462 |
| Receivables | 5.1 | 2 243 | 2 069 |
| Other financial assets | 5.2 | 1 522 | 1 844 |
| *Non-financial assets* | | | |
| Inventories | 5.3 | 1 522 | 1 294 |
| Property, plant and equipment | 5.4 | 29 983 | 29 775 |
| Intangibles | 5.5 | 92 | 108 |
| Superannuation | 6.3 | 4 679 | 1 411 |
| Other assets | 5.6 | 179 | 2 |
| **Total assets** | | **40 368** | **36 965** |
| **Liabilities** | | | |
| Payables | 6.1 | 952 | 876 |
| Employee benefits | 6.2 | 18 082 | 15 569 |
| Other liabilities | 6.4 | 612 | 385 |
| **Total liabilities** | | **19 646** | **16 830** |
| **Net assets** | | **20 722** | **20 135** |
| **Equity** | | | |
| Reserves | 8.1 | 16 753 | 15 497 |
| Accumulated funds | | 3 969 | 4 638 |
| **Total equity** | | **20 722** | **20 135** |

This Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Cash Flows for the year ended 30 June 2018

| | Notes | 2018 Actual $'000 Inflows (Outflows) | 2017 Actual $'000 Inflows (Outflows) |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| **Cash inflows** | | | |
| Appropriation receipts - recurrent | | 64,399 | 52,950 |
| Sales of goods and services | | 10,151 | 8,612 |
| GST receipts | | 1,756 | 1,261 |
| Other cash receipts | | 6,120 | 9,294 |
| **Total cash inflows** | | **82,426** | **72,117** |
| **Cash outflows** | | | |
| Employee benefits | | (59,186) | (54,061) |
| GST payments | | (1,661) | (1,120) |
| Grants and transfer payments | | (142) | (15) |
| Supplies and consumables | | (18,260) | (14,708) |
| Other cash payments | | (2,090) | (1,507) |
| **Total cash outflows** | | **(81,339)** | **(71,411)** |
| **Net cash from/(used by) operating activities** | 9.2 | **1,087** | **706** |
| | | | |
| **Cash flows from investing activities** | | | |
| **Cash inflows** | | | |
| Proceeds from the disposal of non-financial assets | | 202 | 138 |
| **Total cash inflows** | | **202** | **138** |
| **Cash outflows** | | | |
| Payment for acquisition of non-financial assets | | (1,603) | (1,097) |
| **Total cash outflows** | | **(1,603)** | **(1,097)** |
| **Net cash from/(used by) investing activities** | | **(1,401)** | **(959)** |
| | | | |
| **Net increase/(decrease) in cash and cash equivalents held** | | **(314)** | **(253)** |
| **Cash and deposits at the beginning of the reporting period** | | **462** | **715** |
| **Cash and deposits at the end of the reporting period** | 9.1 | **148** | **462** |

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity for the year ended 30 June 2018

| | Notes | Contrib Equity $'000 | Reserves $'000 | Accum Funds $'000 | Total Equity $'000 |
|---|---|---|---|---|---|
| **Balance as at 1 July 2017** | | **0** | **15 497** | **4 638** | **20 135** |
| Net Result | | 0 | 0 | (669) | (669) |
| Other Comprehensive Income | | 0 | 1,256 | 0 | 1,256 |
| **Total comprehensive result** | | 0 | 1,256 | (669) | 587 |
| Transfers from asset revaluation reserve to accumulated surplus | 8.1 | 0 | 0 | 0 | 0 |
| **Balance as at 30 June 2018** | | **0** | **16 753** | **3 969** | **20 722** |

| | Notes | Contrib Equity $'000 | Reserves $'000 | Accum Funds $'000 | Total Equity $'000 |
|---|---|---|---|---|---|
| **Balance as at 1 July 2016** | | **0** | **14 889** | **3 007** | **17 896** |
| Net Result | | 0 | 0 | 1 631 | 1 631 |
| Other Comprehensive Income | | 0 | 608 | 0 | 608 |
| **Total comprehensive result** | | 0 | 608 | 1 631 | 2 239 |
| Transfers from asset revaluation reserve to accumulated surplus | 8.1 | 0 | 0 | 0 | 0 |
| **Balance as at 30 June 2017** | | **0** | **15 497** | **4 638** | **20 135** |

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2018


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## Note 1 Underlying Net Operating Balance

| | 2018 Actual $'000 | 2017 Actual $'000 |
|---|---|---|
| **Net result from transactions (net operating balance)** | **( 3 384)** | **( 5 787)** |
| ***Less impact of:*** | | |
| ***Non-operational capital funding*** | | |
| Revenue from Government - works and services | 0 | 0 |
| **Total** | **0** | **0** |
| **Underlying Net operating balance** | **( 3 384)** | **( 5 787)** |

## Note 2 Income from Transactions

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

### 2.1 Revenue from Government

Revenue from Government, whether recurrent or works and services, are recognised as revenues in the period in which Ambulance Tasmania gains control of the appropriated funds.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| ***Continuing Operations*** | | |
| Appropriation revenue - recurrent | | |
| Current year | 64 399 | 52 950 |
| **Total** | **64 399** | **52 950** |
| **Revenue from Government - other** | | |
| Appropriation carried forward under section 8A(2) of the Public Account Act 1986 taken up as revenue in the current year | 0 | 559 |
| **Total** | **0** | **559** |
| **Total revenue from Government** | **64 399** | **53 509** |

## 2.2 Sales of goods and services

Amounts earned in exchange for the provision of goods are recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the provision of services is recognised in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Ambulance Fees | 9 904 | 8 567 |
| Other user charges | 1 056 | 799 |
| **Total** | **10 960** | **9 366** |

## 2.3 Interest

| | Notes | 2018 $'000 | 2017 $'000 |
|---|---|---|---|
| Interest on superannuation defined benefit plans | 6.3(b) | 91 | 0 |
| **Total** | | **91** | **0** |

## 2.4 Other revenue

Other revenue primarily relates to the recovery of costs incurred and is recognised when an increase in future economic benefits relating to an increase in an asset or a decrease of a liability has arisen that can be reliably measured.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Corporate Overhead Funding | 2 619 | 1 360 |
| Other Revenue | 2 553 | 6 768 |
| Workers Compensation Recoveries | 976 | 878 |
| Wages and Salaries Recoveries | 282 | 287 |
| Donations | 0 | 1 |
| **Total** | **6 430** | **9 294** |

Corporate Overhead Funding represents a contribution by the Department of Health and Human Services (DHHS) to offset the Corporate Overhead Charge levied against Ambulance Tasmania.

Other Revenue primarily reflects additional funding provided by the DHHS above Ambulance Tasmania's approved budget allocation.

## Note 3 Expenses from Transactions

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

### 3.1 Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

### (a) Employee expenses

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Wages and salaries including FBT | 45 508 | 40 963 |
| Annual leave | 5 475 | 5 318 |
| Long service leave | 1 261 | 1 680 |
| Sick leave | 2 364 | 2 059 |
| Superannuation expenses - defined contribution and benefits schemes | 6 449 | 6 744 |
| Other employee expenses - recruitment & staff development | 376 | 402 |
| Other employee expenses - other staff allowances | 400 | 361 |
| **Total** | **61 833** | **57 527** |

Superannuation expenses for defined benefit schemes relate to payments into the Consolidated Fund. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 12.95 per cent (2017: 12.85 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to nominated superannuation funds at a rate of 9.5 per cent (2017: 9.5 per cent) of salary. In addition, Ambulance Tasmania is also required to pay into the Consolidated Fund a "gap" payment equivalent to 3.45 per cent (2017: 3.35 per cent) of salary in respect of employees who are members of contribution schemes.

### 3.2 Depreciation and amortisation

All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land and Artwork, being assets with unlimited useful lives, are not depreciated.

*Key estimate and judgment*

Depreciation is provided for on a straight line basis, using rates which are reviewed annually. Major depreciation periods are:

| | |
|---|---|
| Vehicles | 5 years |
| Plant and equipment | 2-20 years |
| Medical equipment | 4-20 years |
| Buildings | 40-50 years |

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by Ambulance Tasmania.

Major amortisation periods are:

| | |
|---|---|
| Software | 3-20 years |

#### (a) Depreciation

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Plant, equipment and vehicles | 2 027 | 2 127 |
| Buildings | 534 | 548 |
| **Total** | **2 561** | **2 675** |

#### (b) Amortisation

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Intangibles | 16 | 5 |
| **Total** | **16** | **5** |
| **Total depreciation and amortisation** | **2 577** | **2 680** |

### 3.3 Supplies and consumables

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Audit Fees - financial audit internal and external | 27 | 20 |
| Leasing Costs | 185 | 68 |
| Consultants | 65 | 80 |
| Property Services | 633 | 653 |
| Maintenance | 408 | 385 |
| Communications | 631 | 642 |
| Information Technology | 959 | 2 767 |
| Travel and Transport | 2 425 | 2 235 |
| Advertising and Promotion | 2 | 48 |
| Patient and Client Services | 7 776 | 5 744 |
| Corporate Overhead Charge | 2 940 | 1 614 |
| Medical, Surgical and Pharmacy Supplies | 1 634 | 1 158 |
| Equipment and Furniture | 336 | 312 |
| Other Supplies and Consumables | 198 | 119 |
| Administration | 133 | 82 |
| Service Fees | 111 | 59 |
| Food Production Costs | 59 | 58 |
| **Total** | **18 522** | **16 044** |

The decrease in Information Technology expenditure relates to the In-Vehicle Information System (IVIS) project .

The increase in Patient and Client Services expenditure relates to increased flying hours, navigation and landing fees for the Royal Flying Doctor Service and the implementation of a "two helicopter" model for the Tasmanian Police Helicopter.

Corporate Overhead Charge is based on a percentage of expenditure from Shared Services within the DHHS and changes from year to year depending on the level of expenditure within Shared Services and annual review of the percentage charged; this is offset by an equivalent level of revenue. Also included is a $0.3 million charge for Information, Communication and Technology (ICT) services.

### 3.4 Grants and subsidies

Grant and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when Ambulance Tasmania has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Other Grants** | | |
| Grant - Other | 15 | 15 |
| Total Other Grants | 15 | 15 |
| **Total** | **15** | **15** |

### 3.5 Finance costs

All finance costs are expensed as incurred using the effective interest method.

| | Notes | 2018 $'000 | 2017 $'000 |
|---|---|---|---|
| **Interest expense** | | | |
| Interest on superannuation defined benefit plans | 6.3(b) | 0 | 63 |
| **Total** | | **0** | **63** |

### 3.6 Other expenses

Other expenses are recognised when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be reliably measured.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Salary on-costs (workers compensation premiums) | 2 216 | 1 543 |
| Tasmanian Risk Management Fund premium | 101 | 84 |
| **Total** | **2 317** | **1 627** |

## Note 4 Other Economic Flows included in Net Result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

### 4.1 Net gain/(loss) on non-financial assets

Gains or losses from the sale of non-financial assets are recognised when control of the assets has passed to the buyer.

*Key Judgement*

All non-financial assets are assessed to determine whether any impairment exists. Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use. Ambulance Tasmania's assets are not used for the purpose of generating cash flows; therefore value in use is based on depreciated replacement cost where the asset would be replaced if deprived of it.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Net gain/(loss) on disposal of physical Assets | (15) | 103 |
| **Total net gain/(loss) on non-financial assets** | **(15)** | **103** |

## 4.2 Net gain/(loss) on financial instruments and statutory receivables/payables

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that there are any financial assets that are impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

*Key Judgement*

An impairment loss, in respect of a financial asset measured at amortised cost, is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Impairment losses are recognised in the Statement of Comprehensive Income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the Statement of Comprehensive Income.

| | Notes | 2018 $'000 | 2017 $'000 |
|---|---|---|---|
| Impairment of loans and receivables | 5.1 | (672) | (363) |
| **Total** | | **(672)** | **(363)** |

Other gains/(losses) from other economic flows includes gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result.

## Note 5 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to Ambulance Tasmania and the asset has a cost or value that can be measured reliably.

### 5.1 Receivables

Receivables are recognised at amortised cost, less any impairment losses. However, due to the short settlement period, receivables are not discounted back to their present value.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Receivables | 2,760 | 2,165 |
| Less: Provision for impairment | (517) | (96) |
| **Total** | **2 243** | **2 069** |
| | | |
| Sales of goods and services (inclusive of GST) | 2 173 | 1 905 |
| Tax assets | 70 | 164 |
| **Total** | **2 243** | **2 069** |
| | | |
| Settled within 12 months | 2 243 | 2 069 |
| **Total** | **2 243** | **2 069** |

| **Reconciliation of movement in provision for impairment of receivables** | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Carrying amount at 1 July** | **96** | **254** |
| | | |
| Amounts written off during the year | (251) | (521) |
| Amounts recovered during the year | 1 | 0 |
| Increase/(decrease) in provision recognised in profit or loss | 671 | 363 |
| **Carrying amount at 30 June** | **517** | **96** |

## 5.2 Other financial assets

Other financial assets are recorded at fair value.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Accrued Revenue | 1 522 | 1 653 |
| Inter Entity Balance | 0 | 191 |
| **Total** | **1 522** | **1 844** |
| Settled within 12 Months | 1 522 | 1 844 |
| **Total** | **1 522** | **1 844** |

Accrued Revenue relates to recoveries from the Department of Veteran Affairs (DVA) .

## 5.3 Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential. Inventories acquired for no cost or nominal consideration are valued at current replacement cost.

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| General Supplies | 1 366 | 1 170 |
| Pharmacy | 156 | 124 |
| **Total** | **1 522** | **1 294** |
| Consumed within 12 Months | 1 522 | 1 294 |
| **Total** | **1 522** | **1 294** |

## 5.4 Property, plant and equipment

*Key estimate and judgement*

*(i) Valuation basis*

Property, plant and equipment is recorded at fair value less accumulated depreciation. All other non-current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or occupied.

*(ii) Subsequent costs*

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to Ambulance Tasmania and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of Comprehensive Income as incurred.

*(iii) Asset recognition threshold*

The asset capitalisation threshold adopted by Ambulance Tasmania is:

| | |
|---|---|
| Vehicles | $10 000 |
| Plant and equipment | $10 000 |
| Land and buildings | $10 000 |
| Intangibles | $50 000 |
| Artwork | $10 000 |

Assets valued at less than $10 000 (or $50 000 for intangible assets) are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

*(iv) Revaluations*

Ambulance Tasmania's land and building assets were revalued independently by the Valuer-General of Tasmania as at 30 June 2018. These assets were valued in accordance with the Australian Accounting Standards (AASB 116) and Treasurer's Instructions (TI 303 and TI 206).

Revaluations are shown on a gross basis where a replacement cost basis of valuations has been used. Asset revaluations based on a market basis are disclosed on a net basis; however the DHHS has endeavoured to obtain replacement cost valuations where possible to enable gross values to be disclosed.

In accordance with Australian Accounting Standards, the next valuation will take place in five years time with the Valuer-General assisting in the determination of Adjusted Interim Carrying Amounts for land and buildings for the interim four financial years.

### (a) Carrying amount

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Land** | | |
| Land at fair value | 9 810 | 7 740 |
| **Total land** | **9 810** | **7 740** |
| **Buildings** | | |
| Buildings at fair value | 24 672 | 15 185 |
| Less: Accumulated depreciation | (10,600) | 0 |
| **Total DHHS Buildings** | **14,072** | **15,185** |
| **Plant, equipment and vehicles** | | |
| At cost | 18,386 | 21,640 |
| Less: Accumulated depreciation | (13,161) | (15,462) |
| **Total plant, equipment and vehicles** | **5,225** | **6,178** |
| **Work in progress** | | |
| Plant, equipment and vehicles | 876 | 672 |
| **Total work in progress** | **876** | **672** |
| **Total property, plant and equipment** | **29 983** | **29 775** |

**(b) Reconciliation of movements (including fair value levels)**

Reconciliations of the carrying amounts of each class of Property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

| 2018 | Land | Buildings | Plant, equipment & vehicles | Works in progress | Total |
|---|---|---|---|---|---|
| | Level 2 | Levels 2 & 3 | | | |
| | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Carrying value at 1 July** | **7,740** | **15,185** | **6,178** | **672** | **29,775** |
| Additions | 0 | 0 | 0 | 1,603 | 1,603 |
| Disposals | 0 | 0 | (217) | 0 | (217) |
| Revaluation increments (decrements) | 2,055 | (847) | 48 | 0 | 1,256 |
| Grants Transfers | 0 | 0 | 0 | 127 | 127 |
| WIP transfers | 15 | 268 | 1,243 | (1,526) | 0 |
| Depreciation | 0 | (534) | (2,027) | 0 | (2,561) |
| **Carrying value at 30 June** | **9 810** | **14 072** | **5 225** | **876** | **29 983** |

| 2017 | Land | Buildings | Plant, equipment & vehicles | Works in progress | Total |
|---|---|---|---|---|---|
| | Level 2 | Level 3 | | | |
| | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Carrying value at 1 July** | **7,418** | **15,434** | **7,010** | **2,469** | **32,331** |
| Additions | 0 | 0 | 0 | 1,099 | 1,099 |
| Disposals | 0 | 0 | (35) | 0 | (35) |
| Revaluation increments (decrements) | 322 | 284 | 0 | 0 | 606 |
| Transfers between classes | 0 | 0 | 0 | (112) | (112) |
| WIP transfers | 0 | 15 | 1,330 | (1,345) | 0 |
| WIP expensed | 0 | 0 | 0 | (1,439) | (1,439) |
| Depreciation | 0 | (548) | (2,127) | 0 | (2,675) |
| **Carrying value at 30 June** | **7 740** | **15 185** | **6 178** | **672** | **29 775** |

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date. It is based on the principle of exit price, and refers to the price an entity expects to receive when it sells an asset, or the price an entity expects to pay when it transfers a liability.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available.

### (c) Level 3 significant valuation inputs and relationship to fair value

| Description | Fair Value at 30 June $'000 | Significant unobservable inputs used in valuation | Possible alternative values for level 3 inputs | Sensitivity of fair value to changes in level 3 inputs |
|---|---|---|---|---|
| Buildings | 13 114 | A - Construction costs<br>B - Age and condition of asset<br>C - Remaining useful life | When valuing these assets, their existing and alternative uses are taken into account by valuers. As a result, it is unlikely that alternative values will arise unless there are changes in known inputs. | Tasmanian construction indexes have remained stable over the last 12 months. Design and useful lives are reviewed regularly but generally remain unchanged. As a result, it is unlikely that significant variations in values will arise in the short term. |

## 5.5 Intangibles

An intangible asset is recognised where:

- it is probable that an expected future benefit attributable to the asset will flow to Ambulance Tasmania; and
- the cost of the asset can be reliably measured.

Intangible assets held by Ambulance Tasmania are valued at fair value less any subsequent accumulated amortisation and any subsequent accumulated impairment losses where an active market exists. Where no active market exists, intangible assets held by Ambulance Tasmania are valued at cost less any subsequent accumulated amortisation and any subsequent accumulated impairment losses.

Intangible assets with a finite useful life held by Ambulance Tasmania principally comprise computer software.

### (a) Carrying amount

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Intangibles with a finite useful life** | | |
| Other non-current assets at cost | 270 | 270 |
| Less: Accumulated amortisation | (178) | (162) |
| **Total** | **92** | **108** |

### (b) Reconciliation of movements

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Carrying amount at 1 July** | **108** | **0** |
| Transfers between classes | 0 | 112 |
| Amortisation - Intangible assets | (16) | (4) |
| **Carrying amount at 30 June** | **92** | **108** |

## 5.6 Other assets

Other assets are recorded at fair value and include prepayments.

### (a) Carrying amount

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| Prepayments | 179 | 2 |
| **Total** | **179** | **2** |
| Recovered within 12 months | 179 | 2 |
| Recovered in more than 12 months | 0 | 0 |
| | **179** | **2** |

### (b) Reconciliation of movements

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **Carrying amount at 1 July** | **2** | **0** |
| Additions | 179 | 2 |
| Utilised | (2) | 0 |
| **Carrying amount at 30 June** | **179** | **2** |

## Note 6 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

### 6.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when Ambulance Tasmania becomes obliged to make future payments as a result of a purchase of assets or services.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Creditors | 892 | 859 |
| Accrued Expenses | 60 | 17 |
| **Total** | **952** | **876** |
| Settled within 12 months | 952 | 876 |
| **Total** | **952** | **876** |

## 6.2 Employee benefits

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured at the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Accrued salaries | 2 233 | 1 818 |
| Annual leave | 6 348 | 5 037 |
| Long service leave | 9 098 | 8 451 |
| Sabbatical leave | 59 | 48 |
| Other Employee Benefits | 344 | 215 |
| **Total** | **18 082** | **15 569** |
| | | |
| Expected to settle wholly within 12 months | 9 336 | 7 837 |
| Expected to settle wholly after 12 months | 8 746 | 7 732 |
| **Total** | **18 082** | **15 569** |

Other employee benefits is comprised of Purchased leave, Development leave and State Service Accumulated Leave Scheme (SSALS) entitlements.

### 6.3 Superannuation

*(i) Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

*(ii) Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

*Key estimate and judgement*

With the exception noted below, Ambulance Tasmania does not recognise a liability for the accruing superannuation benefits of State Service employees. This liability is held centrally and is recognised within the Finance-General Division of the Department of Treasury and Finance.

Ambulance Tasmania makes contributions in respect of certain employees of Ambulance Tasmania to the Tasmanian Ambulance Service Superannuation Scheme (TASSS), being a defined benefit scheme where members receive lump sum benefits on resignation, retirement, death or invalidity. The scheme is closed to new members. Ambulance Tasmania's superannuation obligations in respect of this scheme are recognised at the latest actuarial assessment of the member's entitlements, net of scheme assets.

Actuarial gains or losses arising from the actuarial revaluation of Ambulance Tasmania's superannuation liabilities are recognised in the Statement of Comprehensive Income.

**(a) Type of plan**

The TASSS balances reported are provided in respect of those employees who are defined benefit members.

The State Actuary undertook a revaluation of the present value of the benefit obligation and the fair value of the plan assets as at 30 June 2018 using the process outlined in *AASB Standard 119 Employee Benefits* issued on September 2011. As a result of the revaluation it was determined that the TASSS was in surplus by $ 4.7 million (2017: $1.4 million surplus).

## (b) Reconciliation of movements in Present value of superannuation liability

| | Total Liability | |
|---|---|---|
| | 2018 | 2017 |
| | $'000 | $'000 |
| **Balance at 1 July** | **(1,411)** | **5,109** |
| **Included in profit or loss** | | |
| Current service cost | 1,650 | 2,534 |
| Interest cost (benefit) | (91) | 63 |
| | 1,559 | 2,597 |
| **Included in other comprehensive income** | | |
| *Re-measurement loss (gain):* | | |
| Actuarial loss (gain) | 565 | (2,682) |
| Return on plan assets excluding interest | (3,967) | (4,996) |
| **Actuarial gains/(losses)** | (3,402) | (7,678) |
| **Other** | | |
| Employer contributions | (1,425) | (1,439) |
| | (1,425) | (1,439) |
| **Balance at 30 June** | **(4,679)** | **(1,411)** |

## (c) Plan assets at fair value

*Tasmanian Ambulance Service Superannuation Scheme*

**As at 30 June 2018 ^**

| Asset Category | Total | Quoted prices in active markets for identical assets - Level 1 | Significant observable inputs - Level 2 | Unobservable inputs - Level 3 |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 |
| Equity securities | 21 078 | 9 043 | 12 035 | 0.0 |
| Unit Trusts | 35 767 | 18 911 | 16 843 | 13 |
| Direct Property | 544 | 0 | 544 | 0 |
| Derivative Assets | 17 | 0 | 17 | 0 |
| **Total** | **57 406** | **27 954** | **24 439** | **13** |

^ Estimated based on estimated scheme assets as at 30 June 2018 and asset allocation of the RBF Scheme as at 30 June 2018

### (d) Key actuarial assumptions

| | Tasmanian Ambulance Service Superannuation Scheme | |
|---|---|---|
| | 2018 % | 2017 % |
| Discount rate | 2.80 | 2.95 |
| Future rate of salary increases | 3.00 | 3.00 |
| Future rate of increase of compulsory preserved amounts | n/a | n/a |
| Inflation (pension) | n/a | n/a |

As at 30 June 2018 the weighted average duration of the defined benefit obligation for Ambulance Tasmania was 7.9 years (2017: 7.9 years).

### (e) Sensitivity analysis

The defined benefit obligation as at 30 June 2018 under several scenarios is presented below.
Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

Scenario A : 1% pa lower discount rate assumption
Scenario B : 1% pa higher discount rate assumption
Scenario C : 1% pa lower than expected pension increase rate assumption
Scenario D : 1% pa higher than expected pension increase rate assumption

| Defined benefit obligation | Base Case | Scenario A -1.0% pa discount rate | Scenario B +1.0% pa discount rate | Scenario C -1.0% pa pension increase rate | Scenario D +1.0% pa pension increase rate |
|---|---|---|---|---|---|
| Discount rate (% pa) | 2.80 | 1.80 | 3.80 | 2.80 | 2.80 |
| Pension increase rate (% pa) | 3.00 | 3.00 | 3.00 | 2.00 | 4.00 |
| Defined Benefit obligation^ (A$'000s) | 52,727 | 58,060 | 48,316 | 49,054 | 57,025 |

^includes defined benefit contribution tax provision

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

### (f) Funding arrangements

Contributions to the Tasmanian Ambulance Superannuation Scheme are made on an emerging cost basis.

Ambulance Tasmania expects to make a contribution of $1.4 million (2017: $1.5 million) to the defined benefit plan for the Tasmanian Ambulance Superannuation Scheme during the next financial year.

## 6.4 Other liabilities

Other liabilities and other financial liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably. Other liabilities include on-costs associated with employee benefits. On-costs associated with employee benefits expected to be realised within 12 months are measured at the amount expected to be paid. Other on-costs associated with employee benefits are measured at the present value of the cost at 30 June 2018, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Other Liabilities** | | |
| Employee benefits - on-costs | 612 | 385 |
| **Total** | **612** | **385** |
| | | |
| Settled within 12 months | 268 | 166 |
| Settled in more than 12 months | 344 | 219 |
| **Total** | **612** | **385** |

# Note 7 Commitments and Contingencies

## 7.1 Schedule of Commitments

| | 2018 $'000 | 2017 $'000 |
|---|---|---|
| **By Type** | | |
| *Operating Lease Commitments* | | |
| Motor Vehicles | 617 | 607 |
| Medical Equipment (Defibrillators) | 3 759 | 0 |
| *Total Lease Commitments* | **4 376** | **607** |
| | | |
| *Other Commitments* | | |
| RFDS Air Ambulance standing charge | 4 076 | 6 115 |
| Radio Maintenance Agreement with TFS | 446 | 436 |
| VACIS Collaboration Agreement | 438 | 438 |
| Tasmanian Police Rescue Helicopter | 11 112 | 0 |
| Guardian Command CAD Contract | 308 | 616 |
| In-Vehicle Information System (IVIS) Contract | 366 | 488 |
| *Total Other Commitments* | **16 746** | **8 093** |
| | | |
| **Total** | **21 122** | **8 700** |
| | | |
| **By Maturity** | | |
| *Operating Lease Commitments* | | |
| One year or less | 1 043 | 299 |
| From one to five years | 3 154 | 308 |
| More than five years | 179 | 0 |
| *Total Operating Lease Commitments* | **4 376** | **607** |
| | | |
| *Other Commitments* | | |
| One year or less | 5 615 | 2 832 |
| From one to five years | 11 130 | 5 261 |
| *Total Other Commitments* | **16 745** | **8 093** |
| | | |
| **Total** | **21 122** | **8 700** |

Ambulance Tasmania has entered into a number of operating lease agreements for property, plant and equipment, where the lessors effectively retain all the risks and benefits incidental to ownership of the items leased. Equal instalments of lease payments are charged to the Statement of Comprehensive Income over the lease term, as this is representative of the pattern of benefits to be derived from the leased property.
Ambulance Tasmania is prohibited by Treasurer's Instruction 502 *Leases* from holding finance leases.

*Motor Vehicles*

The Government Motor Vehicle Fleet is managed as part of a Whole-of-Government arrangement with the Department of Treasury and Finance as lessor. Lease payments vary according to the type of vehicle and, where applicable, the price received for trade-in vehicles. Lease terms for the majority of existing vehicles are for a period of three years or 60 000 km's, whichever comes first, with no change to the lease rate. No restrictions or purchase options are contained in the lease.

*RFDS air ambulance standing charge*

The Royal Flying Doctor Service (RFDS) air ambulance standing charge covers availability of the aircraft and a back-up aircraft with pilots available 24 hours a day with other fixtures including a hangar. It does not include variable costs such as flying hours and aviation charges.

*Tasmanian Police Rescue Helicopter*

The Aero-Medical and Medical Retrieval Division (AMMRD) of Ambulance Tasmania provides inter-facility transport and mobile critical care for patients requiring movement within and outside Tasmania. Ambulance Tasmania utilises a range of transport options for Aero-Medical and Medical Retrieval activity which includes road ambulances, the fixed-wing air ambulance, special operations vehicles and occasionally the Tasmania Police rescue helicopter.

*In-Vehicle Information System (IVIS)*

The IVIS contract relates to the maintenance and support of on-board computer system with a mobile data screen that are placed in operational Ambulance vehicles. This will provide a mobile interface to the State Communications Centre for Ambulance crews.

*Guardian Command Computer Aided Dispatch (CAD) Contract*

Guardian Command is a state of the art, modern Command and Control system for emergency services Control Rooms. The Guardian Command CAD contract relates to the maintenance and support of the substantially upgraded CAD system.

## 7.2 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

### Quantifiable contingencies

A quantifiable contingent liability is any possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or any present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. To the extent that any quantifiable contingencies are insured, details provided below are recorded net.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Quantifiable contingent liabilities** | | |
| *Contingent claims* | | |
| Other legal claims | 5 | 0 |
| **Total quantifiable contingent liabilities** | **5** | **0** |

*Legal Claims*

At 30 June 2018, Ambulance Tasmania had a number of legal claims against it for other liability claims.

Ambulance Tasmania manages its legal claims through the Tasmanian Risk Management Fund (TRMF). An excess remains payable for every claim and amounts over that excess are met by the TRMF.

# Note 8 Reserves

## 8.1 Reserves

| 2018 | Land | Buildings | Artwork | Total |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 |
| **Asset revaluation reserve** | | | | |
| Balance at the beginning of financial year | 4 404 | 11 093 | 0 | 15 497 |
| Revaluation increments/(decrements) | 2 055 | (847) | 48 | 1 256 |
| **Balance at the end of financial year** | **6 459** | **10 246** | **48** | **16 753** |

| 2017 | Land | Buildings | Artwork | Total |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 |
| **Asset revaluation reserve** | | | | |
| Balance at the beginning of financial year | 4 081 | 10 808 | 0 | 14 889 |
| Revaluation increments/(decrements) | 323 | 285 | 0 | 608 |
| **Balance at the end of financial year** | **4 404** | **11 093** | **0** | **15 497** |

### (a) Nature and purpose of reserves

*Asset Revaluation Reserve*

The Asset revaluation reserve is used to record increments and decrements on the revaluation of non-financial assets, as described in Note 5.4.

## Note 9 Cash Flow Reconciliation

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

### 9.1 Cash and deposits

Cash and deposits includes the balance of the Special Deposits and Trust Fund Accounts held by Ambulance Tasmania, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| **Special Deposits and Trust Fund balance** | | |
| T510 Operating Account | 146 | 460 |
| **Total** | **146** | **460** |
| **Other cash held** | | |
| Other Cash equivalents not included above | 2 | 2 |
| **Total** | **2** | **2** |
| **Total cash and deposits** | **148** | **462** |

### 9.2 Reconciliation of Net Result to Net Cash from Operating Activities

| | 2018<br>$'000 | 2017<br>$'000 |
|---|---|---|
| Net result from transactions (net operating balance) | (3,384) | (5,787) |
| Depreciation and amortisation | 2,577 | 2,679 |
| Capital grants expense | (127) | 0 |
| WIP expensed | 0 | 1,439 |
| Doubtful debts | (672) | (363) |
| Net actuarial gains/(losses) of superannuation defined benefit plans | 3,402 | 7,678 |
| Decrease (increase) in Receivables | (174) | (136) |
| Decrease (increase) in Other assets | 145 | (134) |
| Decrease (increase) in Inventories | (228) | (144) |
| Increase (decrease) in Employee entitlements | 2,513 | 2,371 |
| Increase (decrease) in Superannuation | (3,268) | (6,520) |
| Increase (decrease) in Payables | 76 | 114 |
| Increase (decrease) in Other liabilities | 227 | (491) |
| **Net cash from/(used by) operating activities** | **1,087** | **706** |

## Note 10 Events Occurring After Balance Date

On 20 March 2018, the Government announced that effective from 1 July 2018, the Department of Health and the Department of Communities Tasmania will be established through the amalgamation of part of the DHHS and part of the Department of Premier and Cabinet. The restructure will result in the DHHS ceasing to exist on 30 June 2018.

DHHS Output Group 3, Statewide Services, of which Ambulance Tasmania is a part will become part of the new Department of Health.

## Note 11 Other Significant Accounting Policies and Judgements

### 11.1 Objectives and Funding

Ambulance Tasmania provides emergency ambulance, transport and care services, and a non-emergency patient transport service. The provision of ambulance services in rural communities relies on the strength and commitment of volunteer ambulance officers working in volunteer units, branch stations and independent services.

Ambulance Tasmania is predominantly funded through funds from the DHHS. In addition, Ambulance Tasmania provides services to fee paying, privately insured patients or patients who will receive compensation for these expenses due to the circumstances surrounding the injury.

### 11.2 Basis of Accounting

The Commissioner of Ambulance Tasmania has decided that as there are no users dependent on General Purpose Financial Statements, these Special Purpose Financial Statements have been prepared in order to meet the financial reporting obligations of Ambulance Tasmania and the Audit Act 2008.

These Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement requirements specified by Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1048 Interpretation and Application of Standards, AASB 1054 Australian Additional Disclosures, AASB 13 Fair Value Measurement, AASB 1004 Contributions and AASB 116 Property Plant and Equipment.

Compliance with the Australian Accounting Standards (AAS) may not result in compliance with International Financial Reporting Standards (IFRS), as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. Ambulance Tasmania is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

This Special Purpose Financial Report has reduced disclosure in terms of Financial Instruments and Superannuation Reporting.

The Special Purpose Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The Financial Statements have been prepared on a going concern. The continued existence of Ambulance Tasmania, undertaking its current activities, is dependant on Government Policy and continuing appropriations through the DHHS for Ambulance Tasmania's administration and activities.

### 11.3 Reporting Entity

The Financial Statements include all the controlled activities of Ambulance Tasmania. The Financial Statements consolidate material transactions and balances of Ambulance Tasmania.

### 11.4 Functional and Presentation Currency

These Financial Statements are presented in Australian dollars, which is Ambulance Tasmania's functional currency.

### 11.5 Changes in Accounting Policies

#### (a) Impact of new and revised Accounting Standards

In the current year, Ambulance Tasmania has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period. These include:

- 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107 – The objective of this Standard is to amend AASB 107 Statement of Cash Flows to require entities preparing statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This Standard applies to annual periods beginning on or after 1 January 2017. The impact is increased disclosure of financial activities in relation to cash flows and non-cash changes as shown at Note 9. There is no financial impact.
- 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-

**(b) Impact of new and revised Accounting Standards yet to be applied**

The following applicable Standards have been issued by the AASB and are yet to be applied:

- AASB 9 *Financial Instruments* and 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)* - the objective of these Standards is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant information to users of financial statements for their assessment of the amounts, timing, uncertainty of an entity's future cash flows, and to make amendments to various accounting standards as a consequence of the issuance of AASB 9. These standards apply to annual reporting periods beginning on or after 1 January 2018. There is no financial impact expected from the application of this revised standard. Ambulance Tasmania's current provisioning for bad debts is unlikely to be significantly different from the new forward looking 'expected loss' impairment model as our basis of provisioning is conservative; already taking into consideration forecast collection rates. Further, as equity investments are currently valued at fair value using quoted prices in active markets, there will be no change as a valuation of these financial assets.

- AASB 15 *Revenue from Contracts with Customers* – The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, an uncertainty of revenue and cash flows arising from a contract with a customer. In accordance with 2015-8 *Amendments to Australian Accounting Standards - Effective Date of AAS 15*, this Standard applies to annual reporting periods beginning on or after 1 January 2019. Where an entity applies the Standard to an earlier annual reporting period, it shall disclose that fact. There is no financial impact expected from the application of this revised standard. Ambulance Tasmania's major sources of income are from Government Appropriation for recurrent operations, works and services and capital grants. Current operating procedures ensure that revenue is recognised simultaneously that services have been delivered. This timing of revenue recognition is the same as the new standard. Review of other revenue sources confirms that there are no instances where revenue is recognised but the performance obligation under the contract has not been met.

- 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15* – The objective of this Standard is to make amendments to Australian Accounting Standards and Interpretations arising from the issuance of AASB 15 *Revenue from Contracts with Customers*. This Standard applies when AASB 15 is applied, except that the amendments to AASB 9 (December 2009) and AASB 9 (December 2010) apply to annual reporting periods beginning on or after 1 January 2018. This Standard shall be applied when AASB 15 is applied. There is no financial impact expected from the application of this revised standard as there is no financial impact expected from the implementation of AASB15.

- 2016-3 *Amendments to Australian Accounting Standards - Clarifications to AASB 15* - The objective of this Standard is to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. This Standard applies to annual periods beginning on or after 1 January 2018. The impact is enhanced disclosure in relation to revenue. There is no financial impact expected from the application of this revised standard.

- AASB 16 Leases – The objective of this Standard is to introduce a single lessee accounting model and require a lessee to recognise assets and liabilities. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The standard will result in most of Ambulance Tasmania's operating leases being brought onto the Statement of Financial Position and additional note disclosures. The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and required lease payments. A corresponding right to use assets will be recognised, which will be amortised over the term of the lease. There are limited exceptions relating to low-value assets and short-term leases with a term at commencement of less than 12 months. Operating lease costs will no longer be shown. The Statement of Comprehensive Income impact of the leases will be through amortisation and interest charges. Ambulance Tasmania's current operating lease costs are shown at note 3.3. In the Statement of Cash Flows lease payments will be shown as cash flows from financing activities instead of operating activities. Further information on Ambulance Tasmania's current operating lease position can be found at note 7.1. It should be noted that there will be no impact on Ambulance Tasmania's cash flow, however impacts on Ambulance Tasmania's statement of financial position and financial performance have not been completely quantified.

- AASB 1058 *Income of Not-for-Profit Entities* - The objective of this Standard is to establish principles for not-for-profit entities that apply to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives, and the receipt of volunteer services. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to income of not-for-profit entities. It should be noted that there will be no impact on Ambulance Tasmania's cash flow, statement of financial position and financial performance, with the exception of recording the contribution of volunteers and the corresponding labour expense which is estimated to be $7.4 million per annum.

- AASB 1059 Service Concession Arrangements: Grantors – The objective of this Standard is to prescribe the accounting for a service concession arrangement by a grantor that is a public sector entity. This Standard applies on or after 1 January 2019. The impact of this standard is enhanced disclosure in relation to service concession arrangements for grantors that are public sector entities. There is no financial impact expected from the application of this revised standard as Ambulance Tasmania is not involved in any service concession arrangements.

### 11.6 Foreign Currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

### 11.7 Comparative Figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards at Note 11.5.

Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

### 11.8 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. Amounts less than $500 are rounded to zero.

### 11.9 Departmental Taxation

Ambulance Tasmania is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

### 11.10 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of GST, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the ATO is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the ATO is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

Tasmanian Audit Office

**Independent Auditor's Report**

**To Members of Parliament**

**Report on the Audit of the Special Purpose Financial Report**

**Opinion**

I have audited the accompanying financial report, being a special purpose financial report of Ambulance Tasmania, which comprises the statement of financial position as at 30 June 2018 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements including a summary of significant accounting policies and other explanatory information and the certification by the Commissioner of Ambulance Tasmania.

In my opinion, the financial report presents fairly, in all material respects, the financial position of Ambulance Tasmania as at 30 June 2018, and of its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Section 17 of the *Audit Act 2008*.

**Basis for Opinion**

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Ambulance Tasmania in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



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**Emphasis of Matter - Basis of Accounting**

I draw attention to Note 11.2 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Ambulance Tasmania to meet the financial reporting requirements of the *Audit Act 2008*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

**Responsibilities of the Commissioner for the Financial Report**

The Commissioner is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Audit Act 2008* and for such internal control as determined necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Commissioner is responsible for assessing Ambulance Tasmania's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Ambulance Tasmania is to be dissolved by an Act of Parliament, or the Commissioner intends to cease operations, or has no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ambulance Tasmania's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner.
- Conclude on the appropriateness of the Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Ambulance Tasmania's



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ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Ambulance Tasmania to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Rod Whitehead
**Auditor-General**

**Tasmanian Audit Office**

28 September 2018
Hobart



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