



Annual report 2017–18

Victorian Department of Health and Human Services

The department proudly acknowledges Victoria's Aboriginal communities and their rich culture and pays respect to their Elders past and present.

We acknowledge Aboriginal people as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely.

We recognise and value the ongoing contribution of Aboriginal people and communities to Victorian life and how this enriches us.

We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

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In this document, 'Aboriginal' refers to both Aboriginal and Torres Strait Islander people. 'Indigenous' or 'Koori/Koorie' is retained when part of the title of a report, program or quotation.

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Responsible body's declaration

The Hon. Jill Hennessy MP

Minister for Health

Minister for Ambulance Services

Martin Foley MP

Minister for Housing, Disability and Ageing

Minister for Mental Health

Jenny Mikakos MP

Minister for Families and Children

Minister for Youth Affairs

The Hon. John Eren MP

Minister for Sport

The Hon. Natalie Hutchins MP

Minister for Women

Minister for Prevention of Family Violence

The Hon. Gavin Jennings MLC

Special Minister of State, in role as

responsible Minister for Family Safety Victoria

Dear ministers

In accordance with the *Financial Management Act 1994*, I am pleased to submit to you the Department of Health and Human Services annual report for the period 1 July 2017 to 30 June 2018.



Kym Peake

Secretary

Department of Health and Human Services

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Secretary's foreword



It has been a busy year for the Department of Health and Human Services, as we pursue our aspiration for all Victorians to be safe, healthy and able to lead a life they value.

Over the past twelve months we have focused our efforts on:

- > taking a more data driven approach to improving health and wellbeing outcomes
- > seizing opportunities to innovate across our portfolios, focusing on prevention, earlier intervention and more connected services
- > supporting community-led actions to tackle disadvantage and foster more inclusive and resilient communities
- > encouraging broader participation in sport, recreation and community life
- > advancing Aboriginal self-determination across all of our portfolios
- > stronger strategies around the prevention of family violence and violence against women with the aim of changing cultures that allow family violence to occur in the first place, while supporting the safety and recovery of victim survivors and strengthening perpetrator accountability and rehabilitation
- > embedding a culture of safety in all of the services we deliver, fund and regulate
- > expanding clinical trials and providing greater support to translate innovative research into optimal models of care
- > modernising our approach to regulation and emergency management, to better identify and mitigate emerging risks, keep communities informed, and protect Victorians from harm.

We recognise that the people who use our services are experts in their own lives. We are therefore on a journey to adopt new ways of working that give patients, clients and victim survivors a stronger voice in the design of services and in their own care.

We are also reconceiving the role we play in supporting community-led initiatives that deepen informal networks and maximise people's participation in social, cultural, economic and sport and recreation activities. This is because we recognise that individuals need a combination of evidence-informed services and community connections if they are to lead a life they value.

Our achievements

The achievements of the department are set out in more detail in this report. These achievements would not be possible without the efforts of hundreds of thousands of people who work across the health and human services sector. Every day, they continue to respond to the evolving priorities and needs of patients, clients and victim survivors.

Some of the highlights of the past twelve months include:

- > the passage of Australia's first Voluntary Assisted Dying legislation
- > record lows in waiting lists for elective surgery
- > a trial of a Medically Supervised Safe Injecting Room that is already saving lives
- > the roll-out of a new model of kinship care to better support children who cannot live safely at home, by helping them to have a consistent relationship with an adult who loves them
- > the transfer of the guardianship of 32 Aboriginal children to Aboriginal organisations to provide improved cultural safety
- > the transfer of ownership of 463 public housing properties to Aboriginal Housing Victoria
- > exceeding the 50 per cent target of representation of women on paid government boards
- > growth in female and child participation in sport and recreation.

New ways of working require us to be curious, caring and collaborative.

We need to **listen** to the people and communities we serve, as well as our staff and our partners so we can benefit from different perspectives and expertise.

We need to **lead**, but to also recognise that leadership takes many forms. This includes modelling quality and safety in our own services, being respectful of our partners and facilitating the leadership of others.

We need to continually **learn** and adapt as we test new evidence, new ideas and new ways of working.

Over the past year we have increased our investment in our own staff – recognising we need to do more to promote their health and wellbeing, to reinforce positive workforce cultures and to invest in internal systems, tools, capabilities and supports. Here too we are on a journey, with work underway to align professional development to key points in people's careers, to raise the profile of corporate professions in the department and to strengthen how we support staff through organisational changes. I am immensely grateful for the input of staff from across the department who have taken the time to provide considered feedback on how we can improve the experience of working at the Department of Health and Human Services.

Changes within the department

The last twelve months have also seen significant change in how the department looks, as well as important decisions on the functions it performs.

This includes clearly establishing the roles and responsibilities of three administrative offices: Family Safety Victoria, Safer Care Victoria and the Victorian Agency for Health Information. We also welcomed the announcement of Respect Victoria – Victoria's first ever dedicated Family Violence Prevention Agency.

These new agencies give me confidence to say that we now have much stronger capabilities and leadership in ensuring quality and safety in healthcare and in ending the scourge of family violence.

Over the past year we have also seen major shifts in our role in disability services.

The National Disability Insurance Scheme (NDIS) was born out of an understanding that people with a disability need more support – but just as importantly, they need and deserve

real choices about services and community supports that matter to them.

More than 42,204 Victorians across the state are now supported through the NDIS. While for many people this has been a positive experience, there are still too many people with a disability, especially those with more complex needs, for whom planning processes, crisis responses and utilisation of services are not working effectively. Interfaces between the NDIS and other mainstream services require ongoing improvement – based on the principles of collective responsibility.

For our part, we are well aware that there must be a strong and effective partnership between the Victorian Government, the National Disability Insurance Agency and the Commonwealth Department of Social Services to get the NDIS right – and we are working hard to make this happen.

We are deeply committed to supporting people with a disability, their families and carers, and our staff through the transition to the full scheme of the NDIS, including the transfer of departmental accommodation and respite services to non-government services.

We also recognise that, while our role will change as the NDIS reaches full scheme, our commitment to people with a disability will continue. We take very seriously our ongoing role in promoting social and economic participation and ensuring all of our services are inclusive.

Thank you

Finally, my sincere thanks to our Ministers and to the thousands of dedicated staff across the Department of Health and Human Services and all our partner agencies. The breadth and volume of our work is immense – and the outcomes we achieve influence millions of lives. It is a privilege to be part of the stewardship of such critical and wide-ranging services and supports. I look forward to the journey ahead as we strive to meet the diverse needs of Victoria's communities and advance the health and wellbeing of all Victorians.



Kym Peake
Secretary
Department of Health and Human Services

Introduction

Vision

To achieve the best health, wellbeing and safety of all Victorians so that they can live a life they value.

Our values

Our values underpin everything we do as we work together to enhance the wellbeing of Victorians. They guide our behaviour and work practices, and they influence how we interact with colleagues, partner organisations, clients, patients and other Victorians.



We are respectful



We have integrity



We collaborate



We care for people, families and communities



We are accountable



We are innovative

The values are available in full at [Our values](https://www.dhhs.vic.gov.au/our-values) <<https://www.dhhs.vic.gov.au/our-values>>.

Outcomes

Across the Victorian Government there is recognition that it is ineffective to simply report on the number of services that government departments and agencies provide. Rather, we need to understand how these actions are making a difference in people's lives.

Over the previous year, the department has sharpened its focus on patient, victim survivor and client outcomes as a basis for defining our accountabilities, informing strategic and investment planning, developing services, advising government and collaborating with our partners.

An outcomes-focused approach gives us a better understanding of what works, what does not and why. It also helps us to target our efforts more effectively to address disparities in access and outcomes for individuals and communities, and it provides intelligence to enable more choice for people using our services.

We measure our success against the following outcomes domains:

- > Victorians are healthy and well
- > Victorians are safe and secure
- > Victorians have the capabilities to participate
- > Victorians are connected to culture and community

We also measure how our service systems are functioning. Our system-level outcomes domain measures whether:

- > Victorian health and human services are person centred and sustainable

Each domain includes a number of outcomes, with associated key results. These are presented in the department's strategic plan, available on the [department's website](https://dhhs.vic.gov.au/publications/department-health-and-human-services-strategic-plan) <<https://dhhs.vic.gov.au/publications/department-health-and-human-services-strategic-plan>>.

Our outcomes framework provides the foundation for all portfolios and partner organisations to work together to continuously improve people's experience of our services, and their overall health and wellbeing.

We are progressively developing sources of data to enable better outcomes reporting.

Strategic directions

The department has four strategic directions, summarised below. These directions deliberately inter-relate, as evident in many of the initiatives and achievements described against each of our outcome domains in the year in review section of this report.



Person-centred services and care

Many factors influence a person's ability to experience a good life – family context, educational outcomes, housing, social support, work opportunities and workplaces, depth of social networks, gender, access to transport and recreational opportunities. Person-centred services and care consider all the influences on a person's health and wellbeing.

We recognise that people manage their own health and wellbeing the vast majority of the time, and they have the most expertise in their own lives. Involving people as partners in their own care is therefore critical to achieving better outcomes.

Consumers are also key partners in systematically improving the quality, safety and design of our services.

Good feedback loops on the experience and outcomes that matter most to clients, patients and victim survivors help us to improve policy settings and inform continuous quality improvement by individual service providers.

Over the past 12 months, the department and its agencies have created new mechanisms to enable consumer input into the design of models of care and care pathways, while also supporting consumers to take up opportunities to inform decisions about their own care. For example:

- > Safer Care Victoria has established new mechanisms for engagement with patients and clinicians, including the Victorian Clinical Council and the Patient and Family Council, and for recruitment of consumer representatives onto key governance and project bodies.
 - > Family Safety Victoria and other parts of the department have worked closely with the Victim Survivor Advisory Council, which has had extensive input into key family violence initiatives including the design of the new Orange Door Support and Safety Hubs.
 - > The Office of Prevention and Women's Equality (now known as the Office for Women) led work to change attitudes and behaviours that perpetrate violence and gender inequality.
- > The department has worked in partnership with VicHealth and health promotion agencies, and with local government and health practitioner organisations, to reduce individual risk factors that contribute to disease and injury – notably increase of obesity, immunisation, skin cancer, asthma management and abuse of prescription medicines.
 - > The department has also:
 - established new Aboriginal governance mechanisms to engage Aboriginal communities and community controlled organisations
 - partnered with Create Victoria to involve children who have experienced out-of-home care in the design and implementation of Roadmap for Reform initiatives
 - engaged residents of our disability-supported accommodation and respite services and their families on Victoria's transition to the National Disability Insurance Scheme
 - worked with public housing tenants on public housing renewal projects
 - engaged with people with lived experience of alcohol and drug and mental health services to improve these services.
 - > The Victorian Agency for Health Information and the department are expanding the collection of experience data and consumer-reported outcomes.
 - > The department and its agencies are putting more effort into building peer networks and community groups that complement information and advice provided by professionals to build literacy and confidence in Victoria's health and human services.



Local solutions

Where people live and spend their time affects their health and wellbeing.

The physical design of local communities, the availability of services close to home and opportunities for cultural, social and economic participation all contribute to good health and wellbeing. Strong community networks and access to informal supports are important in preventing loneliness and reducing vulnerability.

This strategic direction relates to the configuration and delivery models of services. It is also about complementing formal services with local initiatives to link people to informal supports and support their social, cultural and economic participation.

Service providers across a local area or region might share access to workforces that are in shortage. Technology might be used to enable access to services and specialist expertise close to home. Optimal models of care and care pathways might be tailored to work in a specific location.

Place-based approaches are particularly important where location itself is a clear risk factor – for example in creating adverse environmental health impacts or making it hard to access jobs and services.

Over the past 12 months, the department has advanced work to better authorise and support local solutions, including:

- > establishing statewide outcomes measures and service frameworks that provide sufficient flexibility for tailoring implementation to local circumstances
- > developing and sharing local area data, information and advice – including through Regional and Metropolitan Partnerships and other area partnerships, collaborations with other government agencies and better connecting with the places and networks people trust
- > testing methodologies and necessary supports to enable community-led actions to promote good health and increase social, economic and cultural participation
- > better connecting service and infrastructure planning across portfolios at a local level
- > empowering local service networks and community groups to take ideas for service improvement through to testing, implementation and scaling
- > strengthening self-determination of Aboriginal communities.

Local solutions acknowledge that the government alone does not have the answers – we need to work with others to make progress against our key results.



Earlier and more-connected support

This strategic direction is about supporting people when they first ask or are referred for help – rather than waiting until health or social problems become more serious and entrenched.

It is about breaking down the barriers in how care is provided within and across sectors – for example between primary, secondary and acute health services; between health, education and social services; between justice and social services; between paid staff and volunteers; and between specialists and generalists.

It involves clinicians and practitioners from different sectors working collaboratively together to integrate needs and risk assessments, reduce fragmentation of services and care, and better design service pathways to connect people to all the services they need. Better digital infrastructure to enable clinicians and practitioners to connect up service responses, while protecting personal information, is helping us to organise services and supports in ways that better fit with people's lives.

A key focus of this strategic direction is to support universal services to be more effective in identifying and responding to risk and vulnerability, and more actively link individuals and families to specialist services.

Over the past 12 months, we have progressed our work to increase access to earlier support, and map optimal service pathways, including through:

- > expanding the capacity of secondary prevention services
- > new legislation to authorise information sharing to support the safety and wellbeing of children and victim survivors of family violence, backed by practical technology developments
- > tools and systems to support earlier identification and risk assessment of family violence
- > progressing the development and roll-out of optimal cancer pathways and a conceptual framework for service pathways for vulnerable children and families.



Advancing quality, safety and innovation

The department is committed to continuously improving the quality and safety of all our services, and engaging with sector peaks, clinicians and practitioners, and research and academic sectors to build new evidence of what works.

Under this strategic direction, we are pursuing the goal of zero avoidable harm that the government committed to in response to *Targeting zero: the review of hospital safety and quality assurance in Victoria*.

We also maintain a focus on reducing risks faced by the community through our highly skilled health protection and emergency management and regulatory personnel.

Over the past 12 months, work has progressed on deepening a quality and safety culture and creating institutional capacity to support quality, safety and innovation across health and human services.

Key actions have included:

- > the establishment of Safer Care Victoria to support health services in achieving quality and safety improvements, incorporating Better Care Victoria to fund the testing and scaling of innovations
- > a new strategic partnership between Safer Care Victoria and the Institute for Healthcare Improvement to accelerate improvements
- > the establishment of the Victorian Agency for Health Information to provide greater access to health performance information to patients, carers, clinicians and health service administrators
- > the consolidation of departmental data analytics functions to build data linkage capabilities and business intelligence services for the department as a whole
- > the establishment of the Community Services Quality and Safety Office to develop a quality framework and support quality and practice improvement across human services
- > the development of academic and sector partnerships, for example:
 - the Outcomes, Practice and Evidence Network (OPEN), a shared network of practitioners, service providers, policy makers and researchers, is providing a stronger and more consistent delivery of evidence-informed approaches

- a partnership between the Royal Melbourne Institute of Technology and Northern Health is delivering innovative training solutions to support real-time requirements in the health sector
 - the Centre for Evaluation and Research is bringing together diverse experience and expertise from academic, policy and service delivery backgrounds to provide a clear evidence base for the department to deliver policy, programs and services for Victorians
 - a partnership between key Aboriginal research, evaluation and service delivery organisations, in consultation with Aboriginal communities, is developing Aboriginal-led research and evaluation capability.
- > the consolidation of health and human services regulatory functions to strengthen regulatory practice
- > a program of work to strengthen contract management capabilities across our portfolios
- > refreshing our state health emergency response plan, improved systems to support the detection of risks and enhanced public communications.

Leadership charter

The leadership charter outlines the behaviours staff and stakeholders can expect of the executive leadership group. It outlines the behaviours identified as most important to strengthen the department's leadership culture and position the department to deliver on its strategic directions. The charter is available at [DHHS leadership charter <https://dhhs.vic.gov.au/dhhs-leadership-charter-0>](https://dhhs.vic.gov.au/dhhs-leadership-charter-0).

Purpose and functions

The department has responsibility for developing and delivering policies, programs and services that support and enhance the wellbeing of all Victorians.

Some of these activities include housing, disability, family and child services and programs, public health services, public hospitals, health, mental health and aged care services, the prevention of family violence and violence against women, and sport and recreation supporting the community in metropolitan, rural and regional Victoria.

The department takes a broad view of the causes of ill health, the drivers of good health, the social and economic context in which people live, and the incidence and experience of vulnerability. This places people at the heart of policy making, service design and delivery.

Portfolio responsibilities

Health

The health system provides all Victorians with public services to address their health needs. It focuses on holistic care that addresses health conditions at the local level. The department contributes to system leadership, policy, advancing quality and safety, and governance responsibility for the management of the public health system. This includes responsibility for funding, performance monitoring and accountability, strategic asset management and system planning.

Ambulance services

Victorians deserve the highest quality ambulance services and they expect timely responses to emergencies. Ambulance services provide emergency and non-emergency ambulance services to contribute to integrated and accessible health and community services for all Victorians.

Housing

Having a safe, stable and secure home is essential for long-term health and wellbeing. A range of housing assistance is available to Victorians experiencing disadvantage, including long-term housing assistance in the form of public or community housing, private rental assistance and home ownership and renovation assistance. The department also works to reduce homelessness by increasing and improving the supply of crisis and long-term housing options in Victoria – particularly for those who need support to get their lives back on track.

Disability

The department works in partnership with people with a disability, their families and carers to provide support. One of the department's key priorities is managing the implementation of the National Disability Insurance Scheme (NDIS) and its interface with the health services system, child protection and housing. The NDIS is a profound change in the disability service delivery environment and Victoria is transitioning

to the full scheme over three financial years from 2016–17 to 2018–19.

Ageing

The Ageing portfolio addresses the increasing needs of Victoria's ageing population, with a focus on the participation of seniors, wellbeing and health promotion, and appropriate high-quality services that enable older Victorians to remain independent for as long as possible.

Mental health

Mental health services support Victorians experiencing or affected by mental health problems or substance misuse, as well as their families and carers. This portfolio is responsible for mental health and drugs policy, planning, strategy and programs that deliver prevention, early intervention, treatment and support.

Families and children

To ensure the safety and wellbeing of children and young people and families, the department funds a range of early intervention, statutory and support services. Support for vulnerable children and families is closely connected to other services to strengthen families and communities.

Youth affairs

The department aims to improve social and economic inclusion for young people experiencing social and economic disadvantage, and reconnect them with community, educational and employment pathways.

Sport

The department provides strategic leadership to the Victorian sport and recreation industry, promoting lifelong participation and increased diversity in sport and recreation, as well as strengthening the pathway for Victorian athletes.

The department manages the Victorian Government's major sports facilities, investing in state community facilities to maintain our reputation as the sporting capital of the nation.

Women

The department works to deliver on the vision that all Victorians live in a safe and equal society, have access to equal power, resources and opportunities, and are treated with dignity, respect and fairness.

Prevention of family violence

The department is working towards a Victoria free from family violence. Successful primary prevention of family violence and all forms of violence against women is a critical part of achieving this.

Special Minister of State, as responsible Minister for Family Safety Victoria

Family Safety Victoria was established in July 2017 to drive key elements of Victoria's family violence strategy and keep women, children and families safe, and to ensure children and young people grow up in families that can support their development, health and wellbeing needs.

Changes to the department

Effective from 1 July 2017, the Gender Equality and the Prevention of Family Violence Policy and Programs output and the Family Violence Service Delivery output were created within the department, with some functions transferred from the Department of Premier and Cabinet. No income has been recognised by the department in respect of the net assets received. The combined income and expenses for the two outputs is reported in the department's financial statements for the period 1 July 2017 to 30 June 2018.

The department's ministers



The Honourable Jill Hennessy MP

Minister for Health

Minister for Ambulance Services

The Honourable Jill Hennessy MP is the Victorian Minister for Health and Minister for Ambulance Services.

Minister Hennessy entered the Victorian Parliament as Member for Altona in 2010 and was Shadow Minister for Corrections, Crime Prevention, the Anti-Corruption Commission and Shadow Minister for Women between 2010 and 2013. She then served as Shadow Minister for Public Transport until the election of 2014.

Minister Hennessy holds a Master of Public and International Laws from Melbourne University and a Bachelor of Laws and Bachelor of Arts from Monash University. Prior to entering the Legislative Assembly, she specialised in industrial, employment and equal opportunity law.

She is passionate about creating a health system so that all Victorians – regardless of their circumstances or where they live – get the care they need, when they need it.

Having overseen major reforms to improve quality and safety in healthcare by establishing Safer Care Victoria and the Victorian Agency for Health Information, Minister Hennessy's ambitious reform agenda continues, delivering more ambulances more quickly and more elective surgeries done on time, according to the Victorian Health Services and Ambulance Victoria performance data for the second quarter of 2017–18.

Minister Hennessy has driven major upgrades to the Alfred, Sunshine, Ballarat, Bendigo and Shepparton hospitals, as well as the building of the Victorian Heart Hospital and the Joan Kirner Women's and Children's Hospital. The Regional Health Infrastructure Fund continues the upgrading of rural and regional hospitals across Victoria to give patients the care they need, close to home.

Minister Hennessy has also championed legislative reforms including Victoria's voluntary assisted dying laws, vaccination reforms and Safe Access Zones to protect women's right to medical privacy and dignity.



Martin Foley MP

**Minister for Housing, Disability and Ageing
Minister for Mental Health**

Martin Foley MP was elected to the Legislative Assembly in 2007. He has been the Minister for Housing, Disability and Ageing and the Minister for Mental Health in the Victorian Government since 4 December 2014.

Having previously worked in the public housing sector, community development and in protecting the rights of working people, Minister Foley is leading the Victorian Government's efforts to provide integrated care in areas of housing and homelessness, mental health and ageing to address disadvantage.

In this term of government, Minister Foley has presided over an investment of over \$1 billion in housing and homelessness support, and through Homes for Victorians has seen the establishment of over \$2.1 billion in innovative financial support to grow social housing.

Funding for mental health has increased by more than 180 per cent since 2014, with a record \$705 million in this year's budget alone for mental health and alcohol and other drug support. This includes operational funding for 89 new and existing mental health beds, and expanding our innovative suicide prevention programs to benefit more than 3,000 extra Victorians.

Minister Foley holds a BA (Hons) in History and Politics and a Master of Commerce (Hons).

Minister Foley is also the Minister for Equality and the Minister for Creative Industries.



Jenny Mikakos MP

**Minister for Families and Children
Minister for Youth Affairs**

Jenny Mikakos MP was elected to the Legislative Council in 1999. She has been the Minister for Families and Children and Minister for Youth Affairs in the Victorian Government since 4 December 2014, and the Minister for Early Childhood Education since 16 October 2017. She also has responsibility for youth justice in the Department of Justice and Regulation.

Minister Mikakos holds a Bachelor of Laws and a Bachelor of Arts from the University of Melbourne and practised as a lawyer prior to entering Parliament.

Minister Mikakos has led the transformation of Victoria's children and family services system through the Roadmap for Reform and the move from crisis response to prevention and early intervention. She has overseen the largest ever expansion of the child protection workforce in Victoria's history, delivering funding for 610 new child protection workers, a 43 per cent increase in the child protection workforce. Since 2015, investment for child and family services has increased by \$704 million, an increase of 69 per cent.

As Minister for Youth Affairs, Minister Mikakos has strengthened the government's engagement with young people who face disadvantage by investing in initiatives that support and empower them to reach their full potential. This has been underpinned by the development of the Youth Policy: Building Stronger Youth Engagement in Victoria and an investment of over \$80 million since 2015 to deliver programs that support youth engagement and participation in community and economic life.



The Honourable John Eren MP

Minister for Sport

The Honourable John Eren MP is the member for Lara. He was elected to the Legislative Council for Geelong Province in November 2002 and to the Legislative Assembly in November 2006. He has been the Minister for Sport in the Victorian Government since 4 December 2014.

He is also the Minister for Tourism and Major Events and Minister for Veterans, and is a former Chair of the Road Safety Committee of Parliament.

Minister Eren is passionate about sport and recreation and giving all Victorians equal opportunity to get involved, stay active, and play the sport they love.

He recognises that grassroots clubs are the heart of our communities – and they deserve modern and inclusive facilities, with room to grow.

He is proud to be a part of the success story of Victoria being the sporting and events capital of the world, and protecting Melbourne's title as the Ultimate Sports City.



The Honourable Natalie Hutchins MP

Minister for Women

Minister for the Prevention of Family Violence

The Honourable Natalie Hutchins MP is the Victorian Minister for the Prevention of Family Violence, Women, Industrial Relations and Aboriginal Affairs.

Minister Hutchins was elected to the Legislative Assembly in 2010, and quickly became the Shadow Minister for Ports, Freight and Logistics and the Shadow Minister for Industrial Relations. She represents the seat of Sydenham and has previously held the portfolio of Local Government.

She has always been a fierce advocate for gender equality, workers' rights and social justice. As a former union organiser, Minister Hutchins was the first and youngest woman to be elected Assistant Secretary of the Victorian Trades Hall Council.

She has championed affirmative action in the Australian Labor Party, which has seen the highest representation of female politicians to date.

Minister Hutchins is committed to ensuring all Victorians live in a safe and equal society, have access to equal power, resources and opportunities, and are treated with respect and fairness. She has overseen the establishment of Respect Victoria, Victoria's first dedicated prevention of family violence organisation.



The Honourable Gavin Jennings MLC

Special Minister of State, in role as responsible Minister for Family Safety Victoria

The Honourable Gavin Jennings MLC has been a Member of Parliament in Victoria, Australia since September 1999.

He is the current Special Minister of State with responsibility for government transparency, integrity and accountability, governance for long-term infrastructure planning, and public sector reforms, including the implementation of the Royal Commission into Family Violence report. He is also the Leader of the Government in the Legislative Council, Victoria's upper house of Parliament.

In previous governments, he has held a range of ministerial portfolios including Innovation, Environment and Climate Change, Community Services, Aboriginal Affairs and Aged Care, and served as Cabinet Secretary. He has also previously worked as a ministerial adviser, a union representative and as a social worker within the Aboriginal Health Service during the 1980s.

Minister Jennings has a strong interest in innovation and design, and finding ways to efficiently improve government services, especially for people who are vulnerable, through evidence, research and smart use of new technology.

Key achievements

Victorians are healthy and well



800+ defibrillators
for sporting clubs and facilities

Office for Women in Sport and Recreation
addressing gender inequality



100 additional
rehabilitation beds
for Victorians with drug
and alcohol problems



SafeScript real-time
prescription monitoring
system established

Victorians are safe and secure



The Orange Door new support
and safety hubs for people
experiencing
family violence



State health
emergency
response plan



Family violence portal to better
manage family
violence incidents and
strengthen the child
protection system

Respect Victoria



Office for Women

Family Safety Victoria

working collaboratively to achieve a
Victoria free from family violence

Real-time health emergency
management system
for a faster response to
large-scale emergencies



4 out of **5**

Victorians can now identify what family violence is and its causes
as a result of our **behaviour change campaigns**

Victorians have the capabilities to participate



Absolutely everyone: state disability plan 2017–2020 to better support people with a disability



Victorian health and human services **building authority** managing over \$23 billion in health, housing and sport infrastructure

Victorians are connected to culture and community



Aboriginal Children's Forum to drive safety and wellbeing of vulnerable Aboriginal children and young people



New model of **kinship care** for more flexible and consistent support to children who cannot live at home



Korin Korin Balit-Djak plan to improve Aboriginal health, wellbeing and safety

\$47.3 million

Wungurilwil Gappapduir: Aboriginal children and families agreement to reduce the number of Aboriginal children in out-of-home care

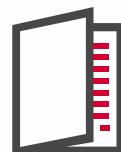
Victorian health and human services are person centred and sustainable

Supercare Pharmacies providing 24/7 healthcare options and advice for minor illnesses and injuries



Supported **66 per cent** of 'hard to contact' eligible clients **to access NDIS** in March–June 2018

Voluntary Assisted Dying Act 2017 offering Victorians greater control, compassion and support at the end of their lives



Year in review

Objectives

There are five objectives for the department published in the *Victorian Budget 2017–18*.

The five objectives map to our outcome domains. They are linked to our output initiatives for health and human services (programs, activities and services), and output indicators that measure how public funds have been applied. Over the next few years, these output indicators will be refined and more deliberately linked to the outcomes and key results for each outcome domain. This will provide clearer reporting of the program logic between inputs, outputs and outcomes.

This year in review section provides an overview of the department's key achievements in 2017–18 against each of the objectives and outcome domains.

Objective 1: Victorians are healthy and well

The main focus of this objective is to improve health and wellbeing and tackle health inequality. Helping Victorians live longer, healthier lives is a priority for government and individuals alike.

An effective healthcare system, and innovative specialist services that link up to meet the needs of patients, are crucial. This includes a continued focus on safe, effective and high-quality healthcare, providing a positive experience for patients and their families.

But our health and wellbeing is not determined by healthcare alone. Social and environmental conditions, and the behaviours that affect our health, combine to have a much bigger impact. That means Victorians, government, employers, organisations and communities need to work together to improve lifestyles and life circumstances.

Achieving improvements in this area requires new approaches to detecting ill health and promoting wellbeing, encouraging economic participation, and deepening people's cultural connections and informal networks, to better support them to realise their full range of capabilities.

It will take new approaches to changing behaviours and addressing the full range of risk factors for ill health earlier, including genetic, clinical, behavioural and social risks.

For young people, this approach is essential for improving long-term health and wellbeing – to ensure the best start in life.

For older Victorians, it is about supporting them to age well, increasing social participation, addressing disadvantage and, at the same time, making sure complex health conditions are managed well.

For some vulnerable Victorians, it means a greater emphasis on linking social services, healthcare and other supports.

Outcome 1.1: Victorians have good physical health

Sport and active recreation are important parts of the cultural, social and economic life of Victoria, providing opportunities for people across the state to participate in a wide range of activities. However, the Victorian population is changing rapidly, resulting in increasing demand for sport and active recreation programs and a need for improved infrastructure and opportunities. For example, Victoria's population is set to almost double in the next four decades. At the same time, our population is ageing and becoming more diverse, creating the need for a wider variety of sport and recreation options.

We also know that around 3.2 million Victorians do not currently meet the recommended level of weekly physical activity and significant sections of Victoria's population have substantially lower levels of participation in sport and active recreation – for example women participate in sport at half the rate of men. We are therefore working to create new opportunities for Victorians to get active.



Funding for community sports infrastructure

An additional \$60 million was made available in the 2018–19 State Budget for the Community Sports Infrastructure Fund (CSIF). This is in addition to existing programs, such as the Better Indoor Stadiums Program, Country Football Netball Program and the Inner City Netball Program.

Every \$1 million provided by government for community sport infrastructure and programs has resulted in a total investment of \$4 million. This includes critical infrastructure developed in partnership with councils, clubs and community groups.

These investments are making a difference.

The latest (2017) Ausplay data shows that:

- > 63 per cent of Victorians aged 15 and above now regularly participate in sport and recreation – an increase of three percentage points from 2016 to 2017
- > 76 per cent of our young people aged 0–14 participate in organised sport and recreation in 2017
- > the proportion of Victorian women and girls over 15 who exercised regularly grew by 8 per cent between 2016 and 2017.

This year, 136 grants from the CSIF have been approved across a range of categories. Examples include:

- > Greater Bendigo City Council received \$650,000 to construct a new pavilion and upgrade the hockey pitch at the Bendigo Regional Hockey Centre
- > South Gippsland Shire Council received \$100,000 to develop a new skate park in Korumburra
- > Hobsons Bay City Council received \$100,000 to upgrade the change facilities at PJ Lynch Reserve Pavilion to provide change facilities for women and girls.



Defibrillators for Victorian sporting clubs and facilities

The Defibrillators for Sporting Clubs and Facilities Program gives Victorian sports clubs the opportunity to deal with a medical emergency on and off the park. The program helps club members to boost their first aid skills, and means players and spectators suffering a sudden cardiac arrest can get the help they need until paramedics arrive.

The program has now committed to delivering 1,107 defibrillators, with more than 800 defibrillators already in Victorian clubs and venues.

- > The department is aware of two separate instances where a new defibrillator was used in an emergency to successfully revive a sudden cardiac arrest victim.
- > Clubs representing over 65 different sports have successfully applied to the program, with a large number of applications received from tennis, cricket, AFL, golf and soccer clubs and associations.

Sixty per cent of all successful applications are from rural and regional based organisations.

Defibs a lifesaver in Gellibrand

For John O'Dowd it was just another cycling session around the beautiful hills of the Otways ... until he hit Gellibrand. Then he hit the ground.

Fortunately, he collapsed right outside the Gellibrand General Store, where the Otway District's Football Netball Club keeps its defibrillator during the week.

The club got its equipment through the Victorian Government's Defibrillators for Sporting Clubs and Facilities Program, and store proprietor Maria Kozack was one of the people trained to use it by St John Ambulance.

Maria rushed out with the unit, and with the help of two tourists, managed to bring John back.

'I cannot thank the Otway Football Club, Maria Kozack, and the defibrillator grants program enough for providing the AED that saved my life,' said John O'Dowd.

Since 2016, the program has approved and is delivering more than 1,100 defibrillators to sport and recreation clubs.

Another defibrillator success story was when a 19-year old player collapsed during a match at Greenhills Reserve in Wallan. A passer-by provided CPR until the defibrillator at the ground was used to revive the young man.



Removing barriers for Aboriginal children and young people to get active

Many Aboriginal children and young people experience geographic and social barriers to accessing sport and recreation opportunities. With only 38 per cent of Aboriginal men and 23 per cent of Aboriginal women participating in sport and physical activity, focusing on providing opportunities for Aboriginal children and young people is a priority.

The Victorian Government has committed \$600,000 to fund four programs to remove barriers to young Aboriginal people getting active.

The funding will deliver:

- > four additional cultural and recreational camps for Aboriginal youth, with a particular focus on children in out-of-home care
- > more sporting clubs grants to address cost barriers to participation such as travel, uniforms and equipment for Aboriginal youth
- > a cultural education program for sporting clubs, with a particular focus on junior clubs, at four pilot sites
- > additional investment to build state sporting associations' cultural capacity.



Tackling gender inequality in sport and recreation

Australia's first Office for Women in Sport and Recreation (OWSR) was established, with Dr Bridie O'Donnell appointed as Head, in November 2017.

Key events for the office include:

- > eight regional forums in early 2018 to discuss priorities for women and girls in sport in regional areas. Over 180 sport and active recreation stakeholders participated
- > a 'Change Our Game networking lunch' in April 2018 with over 300 attendees from across the sector.
- > a 'Future for women on boards' forum in partnership with the Victorian Local Governance Association in June 2018. More than 150 representatives across sport and recreation, local government, education and the corporate sector attended. The Change Our Game program aims to increase participation and leadership opportunities for women and girls in sport and active recreation.

Female participation in sport and recreation is growing in Victoria. Between 2016 and 2017, there was an 8 per cent increase in the proportion of Victorian women and girls over 15 who exercised regularly. There is particularly strong growth in sports such as Australian Football League. In April 2018, there were 7,330 more female participants in the AFL than in April 2017.

Initiatives driving this increase include:

- > *Scholarships program* – 46 women received scholarships of up to \$10,000 each (totalling \$250,000) to support them to advance in leadership positions within the Victorian sport and active recreation sector.
- > *Community activation grants* – 22 community sporting organisations received grants up to \$5,000 each (totalling \$100,000) to support them to deliver events and forums that celebrate the role of women and girls and further gender equality at the local level.
- > *Workforce Development Program* – 19 organisations receiving up to \$50,000 each (total \$650,000 awarded over 17 grants) to increase their capacity and meet the needs of women and girls in leadership roles such as coaches, officials, team managers, administrators and board members.
- > *Gender Equality in Sport and Recreation Program* – in partnership with the Office of Prevention and Women's Equality, the program provided grants to organisations to deliver gender equality, cultural change initiatives in sport and recreation settings, which contribute to the prevention of violence against women.

Leadership, role modelling and showcasing achievement

The Champions program brings together influential leaders from eight organisations in the sport and active recreation sector to champion cultural change and generate leadership opportunities and experiences for women and girls. Each organisation has received \$20,000 to support them to implement gender equality action plans at their respective organisations.

The Ambassador program engages high profile influential women in sport and recreation as ambassadors to connect with the community and inspire and advocate for gender equality. Ambassadors were announced in April 2018.

The department's Change Our Game initiative is an ongoing online presence to raise profile, visibility and strengthen positive messaging across the sector.

Change Our Game Scholarship program

The Office for Women in Sport and Recreation is working to level the playing field for women and girls at every level of our sport and in recreation organisations and clubs.

In the last year, the office rolled out a range of Change Our Game initiatives to boost participation and create more leadership opportunities in sport for women.

Through consultation with the sporting sector it became clear that personal development opportunities for women working in sport do not come around all that often, and so the Change Our Game Scholarship program was developed.

The inaugural round of the program received more than 130 applications and delivered a \$250,000 investment, enabling a total of 46 women from across the sport and active recreation sector pursue their own identified professional development opportunities.

Shelley Nowlan, Commercial Administrator at Rugby Victoria was a scholarship recipient and opted to attend a two-day leadership summit:

'I had an amazing time at the summit and I met some incredible women who shared their inspiring stories. I am very grateful for the opportunity and allowing women such as myself to actively build upon their skill sets and gain valuable experience within the sector,' said Sally.

With new skills comes new confidence and we are working to change the game for women and girls across Victoria.

Policy and resource development

The Office for Women in Sport and Recreation worked with the infrastructure team from Sport and Recreation Victoria (SRV) to develop the *Female-friendly sports infrastructure guide*. This is a toolkit for sporting organisations, complete with recruitment guidelines, to help attract more women and girls to sports leadership roles.

Both bodies are also working to support State Sporting Associations to achieve a quota of 40 per cent female board members by July 2019 and are leveraging the over \$100 million investment in the 2018–19 State Budget to improve facilities and access for women and girls. To date, over 50 per cent of funded organisations have met the female board member target.



Strengthening place-based health promotion initiatives in the Latrobe Valley

The department is continuing to partner with local and statewide organisations, including the Latrobe Health Assembly, to drive an integrated, place-based approach to preventive health in the Latrobe Valley.

In May 2018, a highly respected local leader, Ms Jane Anderson, was appointed to the newly created position of Latrobe Health Advocate. The advocate's role is to lead efforts to improve the long-term health and wellbeing of the community, and her appointment delivers on a key recommendation from the re-opened Hazelwood Mine Fire Inquiry. The Advocate will work with community, government, businesses and the not-for-profit sector as well as the Latrobe Health Assembly, the Long-Term Health Study Ministerial Advisory Committee and other local stakeholders. She also has a critical role ensuring voices are heard and informing decisions about local health improvements.

Currently in the Latrobe Valley a range of programs and initiatives are underway, which are achieving positive results, including:

- > increased specialist services with the Latrobe Regional Hospital's purpose-built 'one stop shop' with clinical space and treatment rooms for up to 33 specialists
- > telehealth services have been expanded to include additional specialists, saving patients about 33,000 kilometres of travel since December 2016
- > a new dental prosthetics lab has opened in Churchill, creating 38 new jobs and generating a new high-value manufacturing industry in the Latrobe Valley
- > chronic disease services have been expanded with additional respiratory nurses, dieticians and exercise physiologists being recruited

- > initiatives to reduce the extensive dental treatment wait list in the Latrobe Valley, including a dental voucher program and fluoride varnish for preschool and school-aged children
- > smoking cessation support through comprehensive training and a redesigned care pathway that provides people with consistent quitting advice and help.

Aboriginal health

The Gathering Place provides a central place for the community to come together to learn, share and to celebrate cultural activity – and has now been in operation for one year. Many of the volunteers are young mums, which gives them the opportunity to learn and develop their skills by running reception and helping to organise activities.



Giving Aboriginal communities and leaders greater responsibility for the protection of Aboriginal children

In November 2017, the department implemented an Australian-first approach that empowers Aboriginal communities and leaders to support vulnerable children.

Section 18 of the *Children, Youth and Families Act 2005* enables the department's Secretary to authorise the principal officer of an Aboriginal agency to assume responsibility for the welfare of a child subject to a Children's Court protection order.

The approved Aboriginal Children in Aboriginal Care (Section 18) is an important and vital step for Aboriginal self-determination and self-management that will have a significant impact for Aboriginal children.

Implementation of Aboriginal Children in Aboriginal Care follows a successful pilot project through the Victorian Aboriginal Child Care Agency in the department's North Division. Building on that success, the Bendigo and District Aboriginal Co-operative is currently piloting this new approach in a rural context with a view to full implementation in late 2018.

As well as transferring full parental responsibility through Aboriginal Children in Aboriginal Care, the Government has committed to transfer case management for all Aboriginal children in out-of-home care from the department and CSOs to ACCOs by 2021. As at end of June 2018, 376 Aboriginal children (28 per cent) had been transferred.

The Gathering Place, Morwell

The Gathering Place in Morwell provides locals with a place to come together and connect through services and activities for and with families, children, youth and elders.

The Gathering Place aims to bring healing to the whole community through art, play, learning and practical help.

Ashleigh Dalton, local mum of three, launched the Koorie Youth Group in 2017 to provide a safe place for youth, help revive culture and build new connections.

The program has since grown, and there are now up to 50 kids and youth participating in weekly activities including drawing, painting, jewellery making, games – or simply spending time together.

Ashleigh also runs a special event each week such as a book week where kids can dress up as their favourite book character, or a paper-mache project where the youngsters work together to create decorations for The Gathering Place.

An important part of the Koorie Youth Group is the Boorun Boys dance group where the boys learn traditional dance and stories from Ashleigh's father William who used to dance when he was young. The Boorun Boys dance group regularly performs at local events, including the local NAIDOC Week festivities in Morwell.

The Koorie Youth Group has created a much stronger connection and pride of place and identity as part of the Koorie culture. Some of the boys have even taken up learning to play the didgeridoo, bringing traditional culture back to life.

Being an inclusive place for all, The Gathering Place recently opened the Koorie Youth Group to non-indigenous families – providing a space for shared learning and a greater understanding of traditional culture and heritage.

Aboriginal Children in Aboriginal Care (Section 18)

In 2014, Sophie was a participant in the Section 18 As If trial run by the Victorian Aboriginal Child Care Agency (VACCA). This pilot program meant that an Aboriginal agency – and its workers – were able to take on responsibility for Sophie's welfare.

Sophie had been in out-of-home care since the age of three. She was separated from her sister Merinda, who was also in out-of-home care but lived in a different foster home and attended a different school.

Working with Sophie and her family, VACCA was able to reunite Sophie with her mother in Queensland.

Sophie said things only got better from there, because she felt she was supported to be a strong young Aboriginal person. Merinda her sister said, 'Watching Sophie living with Mum and watching her evolve as a teenager ... I can see what a great opportunity it was for my sister to be able to build that relationship with our mum that we didn't have [growing up].'

Sophie is currently working at VACCA in an administration role.



Improving reproductive health for Victorians

The *Women's sexual and reproductive health key priorities 2017–2020* plan addresses health issues affecting women, their partners, children and families such as fertility management, reproductive choices, endometriosis, polycystic ovary syndrome, menopause and sexually transmissible infections. It is implementing initiatives to improve access to affordable, effective and safe contraception and termination of pregnancy, and better management of reproductive health issues.

The government has committed to eight new community-based women's sexual and reproductive health hubs, with four established in metropolitan Melbourne (cohealth and Peninsula Health) and regional Victoria (Bendigo Community Health Services and Ballarat Community Health). Training is being provided to a range of health professionals and a statewide women's reproductive health information phone line was established in March 2018 through Women's Health Victoria, focusing on contraception,

pregnancy options and sexual health. It is complemented by new and updated consumer information on the department's [Better Health Channel website](https://www.betterhealth.vic.gov.au/) <<https://www.betterhealth.vic.gov.au/>>.



Victorian Heart Hospital

The Premier and Minister for Health revealed new artist impressions of the world-class \$543 million Victorian Heart Hospital project in May 2018. The project will ensure all Victorian patients with heart disease can access the world's best cardiac care, by bringing together cardiovascular treatment, ground-breaking medical research and training under the one roof.

The new hospital will have 195 beds, with annual capacity for 2,000 cardiac surgeries, 13,500 cardiac laboratory procedures, 28,300 cardiac emergency presentations and 108,000 consultations. Cardiac patients in country Victoria will also have access to the hospital through the latest telehealth technology, removing the need to travel for specialist appointments.

Early construction works will begin in late 2018 and the project is expected to be completed in 2022.



Smoke-free outdoor dining and the regulation of e-cigarettes

From 1 August 2017, the *Tobacco Act 1987* bans smoking in outdoor dining areas.

The smoking ban in outdoor dining areas includes:

- > outdoor areas at restaurants, cafes, take-away shops and licensed premises where food is eaten, such as footpath dining and courtyards
- > outdoor areas at food fairs
- > certain outdoor areas at organised events where food is sold.

Smoke-free outdoor dining protects the community from secondhand smoke exposure in popular outdoor settings where food is eaten.

The Smoking Is Off the Menu campaign promoted awareness and understanding of the new laws, and ran from 1 June to October 2017.

Additionally, from 1 August 2017, the *Tobacco Act 1987* regulates e-cigarette products in the same manner as tobacco products. The reforms are a precautionary measure, as the long-term health effects of e-cigarette use are unknown. In particular, the reforms protect children and young

people from accessing and using e-cigarettes, and minimises their exposure to associated marketing.

Outcome 1.2: Victorians have good mental health

Almost half the Victorian population will directly experience a mental illness or disorder in their lifetime. The rest of us will have friends, family and work colleagues who have experienced a mental illness or mental health issues.

The Victorian Government is taking action to reduce suicide rates and provide better access to, and choice about, services for people with a mental illness.



Victorian suicide prevention framework 2016–25 and funding

The *Victorian suicide prevention framework 2016–25* takes a systems approach with the aim of halving Victoria's suicide rate by 2025.

Since the release of the framework, data published in 2017–18 shows a reduction in the number of suicides in Victoria.

Key initiatives delivered this year include:

The HOPE initiative

The Hospital Outreach Post-suicidal Engagement (HOPE) program offers three months of individually tailored assertive outreach support for people leaving hospital following a suicide attempt.

It is designed for people who do not meet the threshold for clinical mental health services and would generally be referred back to primary care. Six hospitals were funded to trial the HOPE initiative and they began offering these services between May 2017 and December 2017.

For example, the Eastern Health Maroondah Hospital HOPE program has provided psychosocial support for 40 people and their families, including clinical safety and wellbeing assessments.

It provides discharge follow-up by phone within 24 hours and face-to-face contact within 72 hours. The Northeast Health Wangaratta Hospital HOPE program has helped 43 individuals and their families.

Other trial locations include St Vincent's Hospital, which has supported 115 people and their families; Alfred Health which has helped 100 people and their families; Peninsula Health (Frankston), which has assisted 78 people and their families;

and Barwon Health (Geelong), which has supported 44 people and their families.

As at 30 June 2018, a total of more than 400 Victorians have been supported through the HOPE initiative.

Place-based suicide prevention trials

Place-based suicide prevention trials are being delivered through a partnership with, and coinvestment from, Primary Health Networks in 12 locations across Victoria. These include Mornington Peninsula/Frankston, Dandenong, Latrobe Valley, Bass Coast, Brimbank/Melton, Macedon Ranges, Whittlesea, Maroondah, Mildura, Benalla, Ballarat and the Great South Coast. The trials are supporting communities to work together to identify what is needed to prevent suicide, foster individual and community resilience and wellbeing, and strengthen the system to prevent suicide in an ongoing way.

Other initiatives under the framework

- > The Healthy Equal Youth program has been designed to improve mental health in young same-sex attracted and sex and gender diverse people.
- > Four demonstration projects are testing new service models for Aboriginal Victorians with moderate to severe mental illness, trauma and other complex health and social needs.
- > The electronic resource *Working with the suicidal patient* was developed to support emergency department doctors, nurses, and allied health professionals to assess and manage suicidal patients presenting to Victorian emergency departments. As at 30 June 2018, more than 65 emergency department staff have been trained in using the electronic resource.



Improving mental health outcomes for vulnerable individuals

The department is overseeing the government's investment of over \$11 million since 2017–18 to provide new service models for Aboriginal Victorians with moderate to severe mental illnesses and other complex health and social support needs, starting with four demonstration projects at: Ballarat and District Aboriginal Co-operative (in partnership with Ballarat Health), Mallee District Aboriginal Services (in partnership with Mildura Base Hospital and Mallee Family Care), Victorian Aboriginal Health Service (in partnership with St Vincent's

Health, Austin Health, North Western Mental Health) and Wathaurong Aboriginal Co-operative (in partnership with Barwon Health).

In other programs, 46 refugees have been referred to Oygen Youth Health – a world-leading youth mental health program based in Melbourne – and the Refugee Minor Program has worked with 158 young people.



Expanding and enhancing mental health services

Support for community mental health treatment

To meet clinical mental health demand, additional funding has been provided to:

- > expand perinatal emotional health programs to support new mothers experiencing depression
- > provide 62 acute and subacute mental health beds
- > boost, by approximately 75,000 hours, community care to meet demand on clinical services.

Services have also been increased in Melbourne's western corridor with more allied health staff to help inpatients on weekends, support to ensure Aboriginal Victorians receive culturally appropriate care and increased access to family violence expertise in clinical mental health services.

While demand for clinical and emergency services increased, the performance of community support services improved markedly compared to 2016–17.

In total, 1,279 community service hours were provided in 2017–18. This is 3.5 per cent higher than the 2017–18 target (1,236) and 30 per cent higher than the 2016–17 result (873 hours). This is due to the increased focus on community-based clinical care activity and also improved reporting across the sector.

Similarly, the number of registered community clients increased by 10 per cent to 72,100, compared to 64,679 in 2016–17. The number of discharged patients that participated in post-discharge community care rose to 87 per cent, compared to 78 per cent in 2016–17.

Forensic mental health

Six community mental health programs are operating in community health services, providing assessment and treatment for people on a community corrections order with conditions around mental health rehabilitation treatment.

The Mental Health Advice and Response Service facilitates pre-sentence referrals to mental health treatment and provides clinical advice to magistrates, including the preparation of pre-sentence assessment reports and court liaison. Additionally, mental health assessment, treatment and support services for young offenders in the justice system have also been enhanced.

Mental health workforce innovation grants

In 2017–18, \$100,000 was committed to support consumer and carer-led mental health workforce innovation projects, which aim to promote, support and develop the benefits of lived experience and peer work. Twenty-two submissions were received, which led to four funded consumer-led projects, four funded carer-led projects, and one funded project to support the lived experience workforce in the forensic mental health and justice system.

Centre for Mental Health Learning

The Centre for Mental Health Learning was established in early 2018. The centre will act as an umbrella organisation, helping to coordinate learning and development activities, practice support resources, research, increased collaboration and access to expertise. It will also help coordinate current mental health investments, consulting extensively with stakeholders.



Supporting communities with alcohol and other drug services

Each year, Victoria's alcohol and drug treatment system helps around 30,000 Victorians who are struggling with dependence on alcohol or other drugs. It also provides support to thousands of other family members, loved ones and young people grappling with the impact of alcohol or other drug misuse in their local communities.

Expanded treatment services for parents of children subject to family reunification order

In 2017–18, the Victorian Government allocated \$17 million over four years for up to 3,800 additional alcohol and other drug treatment services per year to help parents meet court requirements and reunify their families.

Clinicians have been employed across Victoria to provide timely and dedicated alcohol and other drug treatment to parents whose children are subject to a family reunification order, to maximise their chances of successfully completing treatment within the timeframe of the order.

The service is fully operational across the state, and there is strong collaboration occurring between key agencies. Service providers have already reported successful family reunifications through this initiative, with specific data becoming available in late 2018 once the new Victorian Alcohol and Drug Collection (new data specification) is implemented.

Ice Action Plan

The Victorian Government has invested more than \$180 million across its Ice Action Plan, including \$78.4 million in the 2017–18 State Budget. The department has continued to deliver a range of innovative alcohol and other drug services to people across the state.

Key achievements include:

- > the continued success of nine new alcohol and other drug treatment services providing therapeutic day rehabilitation services – as at May 2018, more than 850 courses of treatment have been delivered
- > strengthened focus on regional and outer metropolitan areas ensuring that services are reaching a number of priority local government areas
- > high levels of workforce engagement with a customised frontline worker and online ice training package, which as at 30 June 2018, had 11,291 national online registrations and, of these, 6,691 (59 per cent) were from Victoria.

As part of the Ice Action Plan, the Victorian Government committed \$500,000 over four years for grants to support grassroots community ice action groups in growth areas. Thirty-eight grants have been provided to local community groups, including health services, sporting clubs and local safety committees, over three rounds. In 2017, 13 projects were funded at a cost of \$124,379. Three of those projects were targeted at young people, while three had a focus on Aboriginal communities. The grants in 2017 supported a range of activities including social media campaigns, workshops, forums, music events and a short film.

Earlier access to alcohol and other drug services

Stage 3 of the Ice Action Plan provided \$6 million to enhance and expand phone and web-based alcohol and other drug (AOD) support services. This funding was put towards existing helpline services to provide information, support and referral for people using alcohol and other drugs, as well as

their families. Funded services included DirectLine, the Youth Drug and Alcohol Advice Services (YoDAA) and Family Drug Help.

Expanded support for people at risk of overdose

In response to growing demand, the 2017–18 State Budget provided funding for 960 new treatment places a year for people on community correction orders. This specialist support seeks to address the relationship between substance use and offending, helping clients get back on their feet and protecting the community as a whole.

Drug Rehabilitation Plan

The Drug Rehabilitation Plan announced in October 2017 supported an additional 100 residential rehabilitation beds to treat up to 400 extra people each year. This is on top of the four new residential rehabilitation facilities being established in the Grampians, Barwon, Gippsland and Hume regions.

Combined, this will more than double the number of residential rehabilitation beds in Victoria from 208 in 2014–15 to 450 when all facilities are fully operational – providing access to around 700 more people each year. Over 50 per cent of the additional residential rehabilitation beds are being delivered in rural and regional Victoria.

The Drug Rehabilitation Plan also supported the establishment of the AOD Pathways service, providing intensive support to individuals and families who have experienced difficulty in accessing treatment due to levels of complexity and multiple needs.

It also funds 20 scholarships for people with a bachelors degree who are currently working in the AOD sector to work towards a Master of Addiction Behaviours. This initiative encourages lifelong learning for AOD workers and recognises that the demands on leaders and senior clinicians in the sector requires further study. The plan also supported a new withdrawal and stabilisation model to support an extra 100 clients impacted by multiple life complexities each year.

Medically supervised injecting rooms

The Medically Supervised Injecting Room (MSIR) trial is part of a broader range of measures to keep communities safe and get people the help they need. The service has been established for an initial two-year period at North Richmond Community Health, which has operated the MSIR under license since 30 June 2018.

The objectives of the MSIR are to:

- > reduce overdose deaths and overdose harm
- > reduce ambulance attendances and hospital attendances related to overdose
- > provide a gateway to health and social services for people who inject drugs
- > reduce the number of discarded needles and syringes in nearby public places
- > improve public amenity for local residents and businesses
- > assist in reducing the spread of blood-borne diseases including HIV and hepatitis C.

Since opening, staff at the North Richmond facility have responded to more than 130 overdoses and are seeing up to 200 client visits a day, with many of them seeking advice for a range of health issues and referral for drug dependence treatment.

An independent review panel will examine data and evidence to see if the MSIR is meeting the objects of the legislation.

Outcome 1.3 Victorians act to protect and promote health

The Victorian Government wants all Victorians to enjoy the highest attainable standards of health, wellbeing, development and participation at every age. Many diseases can be prevented through a combination of vaccines, good hygiene, healthy eating, physical activity, safe practices, environments and strong protective measures. Recognising the influential role of social, cultural and economic forces, as well as biological and environmental factors on health and wellbeing, we consider the whole population and support community-led action wherever possible.

Victorians have one of the highest life expectancies in the world – but this is not shared by all. The link between poor health and poverty is clear. Those with the least resources suffer more from avoidable illness and reduced life expectancy, often across generations.

There are a number of challenges that need to be addressed. These include overweight and obesity, poor nutrition and hygiene, poor health literacy, physical inactivity and sedentary lifestyles, smoking, excess alcohol consumption, drug misuse, poor social connection and participation, poor mental health and violence. These factors contribute to the growing burden of chronic disease, which can lead to people living with illness, pain and restrictions in activity over

many years, and can reduce a person's ability to participate in the community.

Victorians also face threats from communicable diseases, particularly where highly contagious diseases such as measles are reappearing. Hazards in the environment, both natural and human created, include climate-related hazards like Ross River virus and epidemic thunderstorm asthma. While some of these threats can be predicted, many arrive unannounced.



Proactive health protection built on community engagement

Delivering on Victoria's cancer plan

Cancer screening and early detection

Cancer screening programs look for early signs of the disease or indications that a person is more likely to develop the disease in the future. In most cases early detection of cancer increases the chances of successful treatment, and detecting and treating precursors to cancer can prevent the cancer from developing at all. The department is responsible for overseeing the three national cancer screening programs in Victoria: breast cancer screening; cervical cancer screening; and bowel cancer screening.

Key outcomes include:

- > BreastScreen Victoria screened a record 260,722 women
- > supporting Victorian public health services to manage increased demand from the National Bowel Cancer Screening Program, introducing a new funding model and the Victorian Colonoscopy Clinical Categorisation Guidelines
- > Victoria's current median time to colonoscopy for patients with a positive test through the National Bowel Cancer Screening Program is 38 days – the best performing nationally
- > undertaking key equity projects including the statewide roll-out of self-collection cervical screening for under-screened women and improving cancer screening for people with disabilities
- > engaging with Primary Health Networks to drive improvements in screening participation
- > engaging with Aboriginal communities and the Aboriginal health sector to strengthen culturally safe cancer screening services.

Primary prevention

The department successfully rolled out the final phase of its shade grant program on time and within budget and implemented Summer Sunsmart – ‘UV. It all adds up’ – to educate Victorians on the danger of cumulative incidental sun exposure.

Outdoor dining areas have been smoke-free since August 2017.

Treatment

For professionals who work in cancer treatment, key initiatives for 2017–18 included funding for the Victorian Therapeutics Advisory Group to develop a chemotherapy audit tool. The department also supported Victoria’s first statewide Chemotherapy Quality and Safety forum in May 2018. More than 200 clinicians from across Victoria participated in this event, with many regional participants offered scholarships to subsidise their attendance.

Wellbeing and support

Key achievements in wellbeing and support for 2017–18 include:

- > The Victorian Cancer Survivorship program was expanded to diverse population groups and elderly frail consumers who experience persistently poorer outcomes. Funding of \$500,000 was allocated for this, and there are now 29 survivorship projects across Victoria.
- > Four Symptom and Urgent Review Clinics have been launched at a cost of \$440,000 to ensure patients undergoing chemotherapy have access to expert symptom management. This improves the patient’s care and reduces demand on emergency departments.
- > Two cancer pop-up shops were launched as a result of an innovative partnership between the Department of Health and Human Services, North Western Melbourne Primary Health Networks, Cancer Council Victoria and Improving and Promoting Community Health.
- > 80 per cent of cancer patients receiving active treatment in Victorian public hospitals have either a formal assessment or had a conversation about their supportive care needs.

Research

The Victorian Cancer Agency awarded 19 workforce grants to support Victoria’s next generation of world-leading researchers to continue the fight against cancer. This included five female researchers in the inaugural Early Career Health Services Research fellowships, as well as the inaugural recipient of the Victoria–USA Cancer Fellowship Exchange Program. As part of Victoria’s

Memorandum of Understanding with the National Cancer Institute, Dr David Goode from Peter MacCallum Cancer Centre will participate in a four-year mid-career research fellowship at the Fred Hutchinson Cancer Centre in Seattle.

In line with the goal in the Victorian cancer plan to achieve equitable cancer outcomes, the Victorian Government established a funding partnership with Cancer Council Victoria to support research on cancers with poor survival outcomes. Investments in low-survival cancer research will build the capacity of the Victorian research sector to grow the critical mass of researchers and, over time, drive improvements in survival.

Other screening programs

Screening for HIV: PrEP (pre-exposure prophylaxis) became available on the Pharmaceutical Benefits Scheme on 1 April 2018 for all individuals at medium to high risk of HIV. This means people at risk of HIV will be able to access PrEP through their regular GP for less than \$40 a month, and be screened for HIV and sexually transmissible infections every three months.

Previously, PrEP was available through the PrEPX study, which provided 4,258 Victorians at risk of HIV with access to PrEP between July 2016 and March 2018.

In February 2018, the Victorian Government provided an additional \$400,000 to ensure the seamless transition of PrEPX participants into usual care arrangements with their local doctor, and to develop a new system that improves access to HIV prevention tools across Victoria.

Other screening programs are also showing positive results:

- > Seven public hospitals began routine antenatal screening for family violence, which will continue to be rolled out in public antenatal care settings in 2018.
- > Rates of eligible newborns screened for hearing deficit before one month of age continue to be high at 98.6 per cent.
- > The numbers of people participating in newborn bloodspot or maternal serum screening (79,470) and people screened for prevention and early detection of health conditions such as pulmonary tuberculosis (1,993) have both improved since 2016–17.

Other primary prevention initiatives

The Victorian Government has continued to support VicHealth and its efforts to promote healthier lifestyles. The department is also implementing initiatives to encourage healthy eating, active living and preventable chronic diseases caused by obesity:

- > The Healthy Eating Advisory Service (HEAS) is helping to reduce the supply of unhealthy food and drink across public settings including early childhood, education and care services, schools, the food industry, hospitals and health services, sport and recreation facilities, and workplaces. In 2017–18, HEAS supported 367 early childhood services, 50 schools, and 268 workplaces (including 74 hospitals and health services and 52 sport and recreation centres) to rethink their food and drink offerings and provide healthier options.
- > Healthy Choices policy guidelines have been integrated into Sport and Recreation Victoria's funding criteria for community stadiums and swimming pools to support healthy food provision in key settings.
- > New Victorian laws on mandatory kilojoule labelling for fast-food outlets and large supermarkets came into effect on 1 May 2018.
- > Through the Achievement Program, the Cancer Council Victoria is working with 1,097 early childhood services (37 per cent of services), 570 schools (25 per cent of schools) and 929 workplaces (10 per cent of Victorian workers) to create healthier environments for children, young people and workers. To date, 332 education settings and 117 workplaces have been recognised as health promoting by the Victorian Government. In addition, an external review by the Global Obesity Centre at Deakin University found that the Achievement Program was being used in areas that had the greatest need and reaching vulnerable children and young people.
- > The Life! program is a lifestyle modification program that aims to reduce the incidence of type 2 diabetes and cardiovascular disease in at-risk adults in Victoria. Delivered as a group course or telephone health coaching, participants learn about healthy eating, physical activity and creating healthy habits. In 2017–18, 5,547 Victorians participated in the Life! program. Group course participants lost an average of 2.1 kg (measured) and reduced their risk of diabetes by 34 per cent, while participants of telephone health coaching

lost an average of 2.7 kg (self-reported) and reduced their risk of diabetes by 43 per cent.

- > In 2017–18, \$500,000 was provided for the Playground to Plate Grants Scheme, where 100 schools received a \$5,000 grant to establish, or enhance, infrastructure for running a kitchen garden program underpinned by the Stephanie Alexander Kitchen Garden Foundation's philosophy of pleasurable food education. The program is designed to help children form positive food habits. This scheme was open to Victorian Government primary schools in 12 metropolitan and 12 rural local government areas identified as those that could benefit the most from the additional assistance.
- > Funding of \$1 million over two years (2017–19) has been provided for the Healing Matters program that supports young people in out-of-home care to achieve their health and wellbeing goals.

Immunisation

Immunisation is the most successful public health intervention we have available to us, in terms of preventing disease, and is therefore a priority for the Victorian Government. During 2017–18, Victoria achieved its highest ever immunisation coverage rates for children entering primary school, with 95.3 per cent of children fully vaccinated (AIR State Coverage December 2017). Vaccination rates for Aboriginal and Torres Strait Islander children of primary school age also achieved a historic high of 97.6 per cent (AIR Aboriginal State Coverage March 2018) over the same period. The high overall vaccination rate means the state has reached the levels required for herd immunity against what were formerly prevalent diseases. Efforts to maintain those high coverage rates are ongoing.

Over this period, more than 1.65 million doses of influenza vaccine were distributed for key target groups, and a further 120,000 doses for healthcare workers. In the absence of a national program, the state government introduced a funded influenza vaccination program for children between six months and five years.

Immunisation

When Elyse was just five weeks old, she developed a high fever and became extremely lethargic. Then her parents found a spot on her chest they'd never seen before. They took her to the doctor and were immediately rushed to The Royal Children's Hospital where Elyse was put in isolation.

Elyse was diagnosed with chickenpox. For a five-week-old, chickenpox can be extremely serious.

The family had attended a function with primary-school-aged children just one week earlier. What they did not know then was that not all those children were fully immunised, and one of them was infectious with chickenpox.

Immunisation affects everyone in the community, and it is important to recognise that by protecting our own children, we are protecting the whole community.

Elyse's mum said, 'Seeing our little baby in isolation was terrible. As her parents, we thought of the worst-case scenario. Immunisation is so important to us because we never want to see any other family go through what we all went through. I'm so grateful Elyse has no long-term side effects, but we're the lucky ones.'

Immunising targeted populations

The Victorian Government also made the decision to continue its meningococcal ACWY program (a vaccine which protects against four of the major strains of the disease) for young people aged 15 and 16. For pregnant women and their partners, more than 100,000 doses of pertussis vaccine (whooping cough) were also funded as part of a statewide funded program. Several vaccine programs were also expanded to men who have sex with men. These included hepatitis A vaccine, meningococcal ACWY and human papillomavirus (HPV) vaccine. The HPV vaccine was distributed to approximately 800 clinics, with more than 10,000 doses distributed over this period. These programs provided access for targeted populations, who do not have access to funded meningococcal, hepatitis A and HPV vaccines under the National Immunisation Program.

Over the period of this report, the department implemented a new software program, currently being piloted to support vaccine providers to refer, track and follow up newly arrived refugees throughout the immunisation process, with the aim of ensuring catch-up schedules are completed. The purpose of this project is to assist immunisation providers to better reach groups who may not have had the same opportunities to access vaccines as the rest of the Victorian population.

More than 2,500 refugees have been tracked and followed up for immunisation as part of this project since September 2017. The software is set to expand to other populations, the first of which is vulnerable youth.

Health protection platform

The Health Protection Branch Data Analytics Platform was established in 2018 to provide better and broader access to data, and improve monitoring of public health risks. Once fully developed, this tool will provide a more data-driven approach to managing public health, helping to better inform and evaluate local public health responses.

2018 Winter Response Plan

The 2017 influenza season brought with it the highest recorded number of influenza notifications, with 48,196 reported cases, compared with 12,785 the previous year. In response, the Minister for Health convened a Flu Roundtable in September 2017 to discuss the current response and to plan for the 2018 season. This led to the development of a major public awareness campaign, promoting the benefits of influenza vaccination, including targeted materials for residential aged care services and GPs.

The Minister of Health also announced a state government-funded influenza immunisation program for children aged from six months up to five years. The influenza vaccination target for healthcare workers was also increased to 80 per cent.

To better prepare for the 2018 influenza season, health services across the state submitted winter plans to the department, aimed at mitigating the impact of winter illness. The Victorian Government supported this work with an additional \$50 million in funding for winter preparations at 16 of the largest health services.

Separately, the department implemented an improved health system monitoring process for more timely reports on the progression of the influenza season. In 2018, a sizable increase in the uptake of influenza vaccination led to more Victorians being vaccinated than ever before, and even resulted in an additional order being submitted for influenza vaccine in order to meet demand.

Real-time prescription monitoring – SafeScript

In the 2016–17 Budget, the Victorian Government committed \$29.5 million to implement SafeScript, a real-time prescription monitoring system, to reduce growing harms and deaths from high-risk prescription medicines. In 2017, 414 people died in Victoria from prescription medicine overdoses. The legislative framework for SafeScript was established through the *Drugs, Poisons and Controlled Substances Amendment (Real-Time Prescription Monitoring) Act 2017* in October 2017, with regulations established by June 2018. SafeScript is on track to commence in October 2018 with the initial focus in Western Victoria. A bespoke IT system has been developed to ensure it is fit-for-purpose for Victorian clinicians. This will be accompanied by a range of initiatives, including comprehensive training for clinicians, a public awareness campaign and additional counselling and support services for consumers.

Koori Maternity Services program provides culturally safe care

The Koori Maternity Services program provides culturally safe and responsive care, with about 75 per cent of Aboriginal women accessing Koori Maternity Services during their pregnancy. Strong and effective partnerships between Koori Maternity Services and public health services support good perinatal outcomes for Aboriginal women, babies and their families.

For example, the perinatal mortality rate for babies of Aboriginal mothers fell significantly from 21.2 per 1,000 births in 2007–09 to 13.6 per 1,000 births in 2013–15, and then to 9.0 in 2014–16. This compares to the rate for babies of non-Aboriginal mothers which was 9.1 per 1,000 births in 2014–16.

In addition, the rate of babies of Aboriginal mothers born with low birth weight has dropped to its lowest rate recorded, from 13.8 per cent in 2007–08 to 9.8 per cent in 2016.

New guidelines outlining the program's objectives and requirements – *Delivering culturally responsive and high-quality care* – were released in March 2017. The department is continuing to work closely with the 14 Koori Maternity Services located across Victoria with 11 services in Aboriginal community-controlled organisations and three within public health services.

Genomic sequencing helped doctors diagnose a very sick baby

Ollie was only hours old when he showed signs of a painful skin condition that left hospital staff baffled.

In a bid to find a cause for his skin condition, Ollie was signed up to a ground-breaking genomic sequencing program that analysed his DNA.

This genomic sequencing has helped doctors diagnose Ollie's condition faster to ensure he gets the medical care he needs.

And so, just before he turned one, Ollie was diagnosed with epidermolytic hyperkeratosis – a rare genetic skin condition which affects one in 250,000 children.

Ollie's parents have also undergone tests to determine whether they are carriers of the gene.

Thanks to the Victorian Government's \$33.3 million investment in genomic sequencing, Ollie is one of 488 Victorian children who have been given the chance to find the cause of their genetic illness or to access better treatments.

Victoria was the first state to invest in the cutting-edge testing, which has now been accessed by 2,000 Victorians with a rare or diagnosed illness.



Accelerating the translation of research into new drugs

The Victorian Government provided funding of \$1 million in 2017–18 to support a feasibility study for a National Drug Discovery Centre at the Walter and Eliza Hall Institute of Medical Research. This enabled the Walter and Eliza Hall Institute to further define the scope and develop a comprehensive business case for the establishment of a National Drug Discovery Centre.



Incident management

Following the world's largest epidemic thunderstorm asthma event, which occurred in Victoria in 2016, the department implemented a comprehensive program of work to be better able to predict and respond to similar large-scale events in the future. Central to preventing health impacts during any future epidemic thunderstorm asthma event, a thunderstorm asthma public health campaign and education programs were developed for the community and health professionals, along with expert clinical guidelines to identify and manage those at increased risk. The campaign and education programs have facilitated a renewed focus on the management of asthma and hay fever more generally. Both conditions are common in the Victorian community and optimising their control will bring overall health improvements, beyond thunderstorm asthma.

For example, there was a 282 per cent increase in asthma action plan downloads in Victoria in 2017, compared with 2016. Using this as an indicator for better asthma management, the National Asthma Council concluded that the public awareness of the need to have an up-to-date asthma action plan has significantly increased as a result of the public health campaign.

A real-time health emergency management system was also developed. This system was created so there would be greater situational awareness of surges of people at public hospital emergency departments. By March 2018, 38 of our public hospitals were on the system.

This complements work on Victoria's epidemic thunderstorm asthma forecasting system, which went live on 1 October 2017. The forecasting system provides people with daily forecasts – via the Victorian Government's VicEmergency platform – letting them know when there is a potential risk of an epidemic thunderstorm asthma event.



Increasing emergency management capacity

In late 2017, the department adjusted its emergency management operating model, establishing a new central structure, which was then supported by Operations Emergency Management Branches in each of the department's four divisions. This increased focus was strengthened further with the appointment of a Head of Communications for Emergency Management. A new state operations roster arrangement was put in place from 1 January 2018.

Improving our response to public health emergencies

On the evening of 21 November 2016, thousands of people developed breathing difficulties in a very short period of time. The event was unprecedented in size, severity and impact, and was the largest thunderstorm asthma incident of its type ever recorded in the world.

Health services were pushed to the limit with high spikes in calls to Triple Zero, ambulance call outs and the number of people presenting to emergency departments.

Tragically, this incident is thought to have contributed to 10 deaths, which the State Coroner is investigating.

The event also prompted significant reform in how future similar events can be managed – including the creation of a real-time hospital emergency monitoring system.

This system provides the department with real-time data on patient presentations to the state's 38 public hospitals and sends SMS and email alerts when the number of patients reaches a set threshold. The system is the first of its kind in Victoria.

The team has been awarded an Australian Information Industry iAward for the system.



Objective 1: indicator results

| | 2014–15 | 2015–16 | 2016–17 | 2017–18 |
|--|-------------|-------------|-------------|---------|
| Victorians have good physical health | | | | |
| Persons completing the Life! – Diabetes and Cardiovascular Disease Prevention program | 5,687 | 5,486 | 5,199 | 5,547 |
| Events facilitated: sports and recreation | 72 | 75 | 80 | 85 |
| Unplanned/unexpected readmission for acute myocardial infarction | 2.9% | 1.7% | 1.7% | 1.6% |
| Unplanned/unexpected readmission for heart failure | 9.3% | 9.4% | 9.4% | 9.0% |
| Unplanned/unexpected readmission for hip replacement | 2.8% | 3.1% | 2.5% | 3.4% |
| Unplanned/unexpected readmission for knee replacement | 5.0% | 5.0% | 5.0% | 6.3% |
| Unplanned/unexpected readmission for paediatric tonsillectomy and adenoidectomy | 2.3% | 2.3% | 2.2% | 2.5% |
| Source: Internal departmental data | | | | |
| | 2014 | 2015 | 2016 | 2017 |
| Proportion of adults who are overweight (self-reported) | 30.6% | 30.1% | 30.6% | * |
| Proportion of adults who are obese (self-reported) | 18.5% | 19.1% | 19.1% | * |
| Proportion of adults who were current smokers | 18.0% | 18.5% | 16.7% | * |
| Proportion of adults who smoked daily | 13.4 | 13.3 | 12.3 | * |
| Proportion of adults with doctor-diagnosed high blood pressure | 25.5% | 25.6% | 25.5% | * |
| Proportion of adults diagnosed with type 2 diabetes | 5.7% | 6.0% | 5.9% | * |
| Proportion of adults who are sufficiently physically active | 49.6% | 47.0% | 49.9% | * |
| Source: Victorian Population Health Survey (VPHS) | | | | |
| Victorians have good mental health | | | | |
| Number of area mental health services achieving or maintaining accreditation under the National Standards for Mental Health Services | 21 | 21 | 21 | 21 |
| Emergency patients admitted to a mental health bed within eight hours~ | 71.0% | 64.0% | 60.0% | 57.5% |
| Clients receiving community mental health support services | 11,918 | 12,354 | 11,337 | 9,765 |
| Source: Internal departmental data | | | | |
| | 2014 | 2015 | 2016 | 2017 |
| Proportion of adults who had been diagnosed with anxiety or depression | 23.5% | 24.2% | 24.5% | * |
| Proportion of adults with high / very high psychological distress | 15.4% | 17.3% | 14.8% | * |
| Rate of death from suicide | 10.8% | 10.6% | 9.9% | * |
| Source: External sources: VPHS; Australian Bureau of Statistics (ABS) | | | | |
| Victorians act to protect and promote health | | | | |
| Immunisation coverage: at school entry | 93.0% | 93.0% | 93.0% | 95.3% |
| Immunisation coverage: at two years of age | 90.0% | 91.0% | 92.0% | 91.0% |
| Percentage of Aboriginal children fully immunised at 60 months | New measure | New measure | New measure | 96.7% |
| Eligible newborns screened for hearing deficit before one month of age | 98.4% | 98.5% | 98.5% | 98.6% |
| Rate of <i>Staphylococcus aureus</i> bacteraemias (SAB) infections per 10,000 patient days | 0.7 | 0.7 | 0.7 | 0.8 |

| | 2014–15 | 2015–16 | 2016–17 | 2017–18 |
|--|---------|---------|---------|---------|
| Healthcare worker immunisation – influenza | 70.8% | 78.7% | 80.0% | 80.0% |
| Hospitals participating in Victorian Hospital Acquired Infection Surveillance System (VICNISS) | 100% | 100% | 100% | 100% |
| Rate of intensive care unit central line associated blood stream infections (CLABSI) per 1,000 device days | 0.9 | 0.7 | 1.0 | 0.8 |
| Hand hygiene compliance | 81.6% | 84.0% | 85.0% | 85.0% |
| Patient reported hospital cleanliness | ^ | ^ | ^ | 70.0% |
| Perinatal and child mortality reports received, reviewed and classified | ^ | ^ | ^ | 100% |
| Perinatal mortality rate per 1,000 of babies of Aboriginal mothers using rolling three-year average | ^ | ^ | ^ | 9.0 |
| Smoking cessation of Aboriginal mothers | ^ | ^ | 25.0% | 23.7% |

Source: Internal departmental data

* Data not available at date of publication

^ New measure

~ Results are decreasing over the years due to high level of demand as people are presenting directly to emergency departments needing an acute inpatient admission

The department is committed to measuring outcomes for all indicators set out in the Victorian Budget Papers. Candidate indicators and measures have been identified and provisionally mapped to this outcome, however, further work is needed to test and validate measures to ensure departmental initiatives and policies are reflected by the performance indicators. As the outcomes approaches in the department mature, reporting will be provided against outcome measures and will inform the reporting of performance indicators.

Objective 2: Victorians are safe and secure

The main focus of this objective is to improve the safety and security of Victorians and to tackle the causes of violence and abuse, including gender inequality.

A safe society is a basic requirement for all. The department, its agencies and its administrative offices act to change attitudes and behaviours that perpetuate violence and abuse. We want to stop cycles of family violence, child abuse and neglect and help children and adult victim survivors recover.

Alongside freedom from abuse, access to suitable and stable housing is an essential determinant of good health and wellbeing. It is a foundation upon which to attend to other risk factors, such as unemployment, household chaos, budgeting problems or substance use issues.

Improving levels of safety and security means we need to overcome the legacies of intergenerational trauma, dispossession, disadvantage and exclusion.

For children, consistent relationships with a trusted adult are critical to healthy development. Overreliance on child protection as the gateway of last resort to services and supports for children and families misses earlier opportunities to effect change and prevent harm. A broad range of health, education and social services help families to effect change and build their capabilities. Earlier support by these services is key to vulnerable children having the same health, early development and educational opportunities and status as the broader child population. On behalf of government, the department is leading work to embed this sharing of responsibility and to break intergenerational cycles of disadvantage.

As we have begun implementation of the recommendations of the Royal Commission into Family Violence, victim survivors and specialist family violence services have provided deep insights into the dynamics of family violence – and how to strengthen prevention and service responses. A much stronger emphasis is now placed on making it easier to access help. This means holding perpetrators in view and changing their behaviour, minimising disruption in the lives of victim survivors (adult and children) and supporting the restoration of mother-child bonds.

Our approaches to family violence, child protection, homelessness and social housing recognise that cultural identity and community networks offer protection, connection and healing.

Outcome 2.1: Victorians live free from abuse and violence

On behalf of government, the department is currently implementing several key strategies to improve Victorians' safety and security now – while also tackling longer-term societal drivers and impacts of inequality.



Ending family violence

Free from violence: Victoria's strategy to prevent family violence and all forms of violence against women

In January 2018, the Victorian Government released its first action plan under *Free from violence: Victoria's strategy to prevent family violence and all forms of violence against women*. One of these actions was to fund 21 innovative programs through the Free from Family Violence Fund. This includes a partnership between the Barwon Centre Against Sexual Assault and Barwon Adolescent Taskforce, which is working with young people to address the primary drivers of family violence.

Another program, run by the Grampians Pyrenees Primary Care Partnership, is working with people in farming communities to increase their awareness of gender inequality. A further grants program supports Aboriginal-specific innovation projects, including one through the Gunditjmara Aboriginal Cooperative to develop a culturally safe education program and resource kit.

The extensive Respect Women: Call It Out behaviour change campaign was also launched in March 2018. As a result of this and other government behaviour change campaigns, four out of five Victorians can identify what family violence is and its causes. From a research perspective, GEN VIC (the Victorian peak body for gender equity, women's health, and the prevention of violence against women) is delivering a research project around social media and online discussion forums to address sexism and gender-based abuse.

Respect Victoria

In March 2018, the Victorian Government announced its plan to establish a new family violence prevention agency – Respect Victoria. The legislation to establish this organisation as a statutory authority was introduced into Parliament on 20 June 2018 and interim arrangements are currently in place.

The organisation's mandate is to undertake research and deliver behaviour-change campaigns with the long-term objective of reducing the prevalence of family violence in all its forms.

Establishing Respect Victoria delivers on Recommendation 188 of the Royal Commission into Family Violence and on commitments in *Free from violence: Victoria's strategy to prevent family violence and all forms of violence against women*.

Safe and strong: a Victorian gender equality plan

Throughout 2017–18, the department has worked towards the implementation of *Safe and strong: a Victorian gender equality strategy*. This includes establishing a Ministerial Council on Women's Equality and a Gender Equality Deputy Secretaries Group across government. In collaboration with Industrial Relations Victoria, the department convened the Women@Work conference in March 2018 and it also coordinated the first all women's trade delegation to China, which was led by the Minister for Prevention of Family Violence and Women, in partnership with Trade Victoria.

Women's leadership

To support women in leadership roles, the department allocated 21 scholarships to emerging female leaders as part of the Joan Kirner Young and Emerging Women Leaders Program. A further 192 women were supported to further their understanding of and participation in board leadership roles. In 2017–18, another 20 women were inducted into the Victorian Honour Roll of Women, which was also the focus of a new alumni and ambassadors program, which is promoting gender equality and women's leadership.

Strengthening hospital responses to family violence

The Royal Commission into Family Violence recommended that the Victorian Government resource public hospitals to implement a whole-of-hospital model for responding to family violence (drawing on evaluated approaches from Victoria and elsewhere). In response, the 2017–18 State

Budget committed \$38.4 million to support implementation of the Strengthening Hospital Responses to Family Violence initiative over four years.

Health services have started work to address family violence through the sector-led initiative, providing a strong foundation for further reform work. To date, more than 4,000 doctors, nurses and hospital support staff have undertaken training to build their knowledge, skills and confidence to identify and respond to the warning signs of family violence. Training programs are still being offered in many areas and the number of staff participating is expected to grow significantly over the next 12 months. Further, 27 health services have been funded to implement the initiative and provide mentoring and support to the remaining 62 health services in a regional hub-and-spoke style implementation model.

Other key activities include:

- > The *Strengthening hospital responses to family violence toolkit* was updated to assist health care providers to align services with family violence reforms and facilitate early identification and intervention, including referral to Support and Safety Hubs. The toolkit will be made available from September 2018.
- > The Royal Commission identified that pregnancy can be a high-risk time for women, and the health system needs to recognise and take advantage of women's regular engagement with health professions during this time to build trust and offer help. Earlier identification and an effective first response (active referral and follow-up) will see more women, families and children provided with the services and support they need to prevent and reduce the impact of family violence.
- > Staged implementation of routine antenatal screening for family violence began in December 2017. Seven public hospitals have commenced routine screening and have been supported through interim practice guidance and a whole-of-hospital response to family violence training. The roll-out of routine antenatal screening will continue in 2018–19.



Family Safety Victoria-led reforms

Ending family violence: Victoria's Plan for change

Family Safety Victoria was established in July 2017 to drive key elements of Victoria's family violence strategy and coordinate support for families to help them care for children and young people.

Established as an Administrative Office connected to the department, Family Safety Victoria has led work to:

- > establish the first three support and safety hubs in Barwon, North East Melbourne and the Mallee. Known as The Orange Door, these services are a new way for women, children and young people who are experiencing family violence families or who need assistance with the care and wellbeing of children to access the services they need to be safe and supported
- > implement a stronger information sharing regime and risk assessment and management, supported by a Central Information Point (CIP) connecting police, the courts and services to keep victims safe
- > deliver a 10-Year Family Violence Industry Plan and house the new Centre for Workforce Excellence, to build workforce capacity and capability in partnership with the sector
- > building an understanding to embed responsiveness to diverse communities across the family violence reforms
- > lead engagement with sector, victim survivors, diverse communities and the Victorian community as a whole across all reforms and initiatives we deliver.

Family Safety Victoria is leading and overseeing the implementation of key reforms for workforces, specialist and universal, that intersect with family violence. This work is informed by *Building from strength: 10-year industry plan for family violence prevention and response*, which Family Safety Victoria released in December 2017, and which sets out a long-term vision for a workforce that is supported, valued, skilled and diverse. It outlines immediate priority actions that Family Safety Victoria is implementing to lay the groundwork for sustained and enduring change. As a starting point, Family Safety Victoria has trained more than 1,400 practitioners and managers in workforces that play a core role in assessing and managing family violence risk to use the Family Violence Information Sharing Scheme.

Support and Safety Hubs (The Orange Door)

Support and Safety Hubs – known as The Orange Door – are a new way for women, children and young people who are experiencing family violence to get help, as well as providing support to families who need support with the care, wellbeing and development of children or young people.

The first three Support and Safety Hubs opened in the following areas in May 2018:

- > Mallee (Mildura primary location)
- > Bayside Peninsula (Frankston primary location)
- > Barwon (Geelong primary location).

The North East Melbourne Orange Door commenced operations in July 2018, and the Inner Gippsland Orange Door will commence operations in the second half of 2018.

In 2017–18, more than 100 full-time equivalent staff members were recruited to Orange Door positions and completed The Orange Door induction training program.

Flexible support packages

The Victorian Government is investing in a comprehensive range of services and new approaches to support child and adult victims of family violence and hold perpetrators to account.

Through the flexible support initiative, more than 5,000 packages of up to \$10,000 were allocated to address victim survivor needs such as rent, home alarms, closed-circuit TV, clothing, beds, books, medication and education.

Therapeutic responses

We are trialling new therapeutic services across Victoria to benefit children and young people who are victims of family violence, and delivering ongoing counselling and support.

The 2017–18 State Budget provided \$100.1 million over four years, and \$30 million a year ongoing, for counselling and therapeutic support for victims of family violence and sexual assault. In recognising the need to improve the therapeutic supports available to children and young people who are victims of family violence, the Victorian Government has extended the funding available to 26 therapeutic demonstration projects that are trialling new therapeutic services across Victoria. This provides an opportunity for the projects to mature and will allow time to identify what works for children and young people recovering from family violence.

Caring Dads

Jamie, 53, was referred to the Caring Dads program after being removed from his family's home following physically assaulting his wife, the mother of his two young children.

Excusing his abusive parenting methods as 'old school', Jamie routinely used physical punishment on his children and locked them outside for hours at a time; on one occasion resulting in police intervention.

A major roadblock to behaviour change for Jamie was the intense blame and resentment he had towards his ex-wife about the consequences of his behaviour – including child protection involvement, limited supervised contact with his children, financial strain and unstable housing.

Caring Dads worked with Jamie and challenged his attitudes and behaviours, while also keeping the focus on the safety of his children and their mother at all times.

Caring Dads supported Jamie through a very challenging period in his life where, if unsupported, his use of violence was likely to increase.

Information sharing with relevant services helped inform ongoing risk assessment and case planning for the safety and wellbeing of the children and their mother.

Having completed the Caring Dads program, Jamie attends monthly booster sessions to maintain focus on the changes he wants to make.

Holding perpetrators to account

Perpetrators are also being held to account with a \$49.5 million commitment to increase access to perpetrator services, and to trial and evaluate broader interventions. We are also working to support families, with \$4.6 million allocated to the Caring Dads program, an intervention program targeting over 300 fathers who have – or may be at risk of – using violence.

Risk assessment and management

The Victorian Family Violence Risk Assessment and Risk Management Framework (now known as the Multi-Agency Risk Assessment and Management Framework or MARAM) is being redeveloped and embedded across the service system to deliver on Recommendations 1, 2 and 3

of the Royal Commission into Family Violence. The redevelopment of the framework will address the gaps identified by the Royal Commission. This includes a stronger focus on risk management and a greater recognition of the different forms of family violence and the people affected by it, including children, victim survivors from culturally and linguistically diverse communities, and the escalating risk a perpetrator can pose. Funding of \$30 million over two years for implementation of the MARAM was allocated in the 2017–18 State Budget. Additional funding from the \$43 million Child Information Sharing Reforms initiative will allow for further change management activities, aligning this reform with the Family Violence Information Sharing Scheme, and the redeveloped MARAM.

Extensive consultation is occurring with peak bodies, experts and academics, frontline users of the MARAM, service providers, victim survivors and people from diverse communities informing the redevelopment process. To date, more than 900 stakeholders have contributed through these consultations. MARAM is expected to commence in September 2018.

An integrated training package is being designed to cover MARAM and information sharing reforms. The first component of this is already being delivered. In all, more than 35,000 workers will be eligible for MARAM training, and it is expected that professional accredited units on MARAM will be available in 2019.

A new system of Tools for Risk Assessment and Management (TRAM) is currently being trialled in The Orange Door. Training has been delivered to The Orange Door practitioners and practice guidance on its use has been embedded in The Orange Door Integrated Practice Framework.

Information sharing

The Victorian Government has amended the *Family Violence Protection Act 2008* to establish the Family Violence Information Sharing Scheme in line with Recommendation 5 of the Royal Commission into Family Violence.

The scheme allows organisations working with victim survivors and perpetrators of family violence to access and share the information they need to assess and manage risk, keeping adults and children safe and holding perpetrators to account for their actions. The 2017–18 State Budget allocated \$11.6 million over four years for implementation of the Information Sharing Scheme, which began on 26 February 2018.

The scheme authorises an initial tranche of entities to share information. To assist these prescribed entities to correctly share information, legally binding ministerial guidelines have been issued and training has been delivered to more than 1,400 practitioners.

Child Information Sharing Scheme legislation

The Department of Health and Human Services has been working with the Department of Education and Training (DET) to develop the *Children Legislation Amendment (Information Sharing) Act 2018* (the Act), which received Royal Assent on 10 April 2018. The Act amends the *Child Wellbeing and Safety Act 2005* to create an information-sharing scheme so professionals can share information to promote children's safety and wellbeing. Extensive consultation has taken place across the education, health, human services, legal, family violence, Aboriginal service and justice sectors.

This legislation will complement the new Family Violence Information Sharing Scheme by allowing professionals to work together to respond to the full range of issues experienced by children and families. These two information sharing reforms will be implemented together from September 2018 for an initial group of professionals, including child and family services and maternal and child health nurses. A second phase of implementation will occur in 2020, when most education and health services will be included.

L17 Family Violence Portal

An electronic portal is assisting child protection practitioners and family violence services to receive, triage and manage family violence reports (L17s) received from Victoria Police. The L17 Family Violence Portal continues to be improved in line with the department's obligations related to the Royal Commission into Family Violence, requests by Victoria Police, new reporting solutions, and changes to services as The Orange Door (Support and Safety Hubs) open their doors. More than 20 Victoria Police sergeants with operational family violence responsibilities were on-boarded to the portal in late 2017 and Victoria Police expect to include family violence liaison officers in future.

Central Information Point

The Royal Commission into Family Violence recommended that a secure, colocated and multidisciplinary Central Information Point (CIP) be established to allow frontline workers to make more informed decisions about a person's safety much

faster. The CIP allows representatives from Victoria Police, Courts Services Victoria, the Department of Health and Human Services and the Department of Justice and Regulation to consolidate critical information about alleged perpetrators of family violence into a single report for frontline workers to inform family violence risk assessment and management decisions.

The Victorian Government invested \$89.5 million in 2017–18 to establish a secure statewide CIP, with the project running from 1 July 2017 to 30 June 2020. Stage 1 of the CIP project was delivered on time at the end of January 2018, including the recruitment of staff and the establishment of the technology platform to receive, collate and produce CIP reports. Between April 2018 and the end of the 2017–18 financial year, CIP provided over 200 CIP reports. As use continues, Family Safety Victoria will further develop and refine the CIP report and operating model in response to practitioner feedback, and develop a robust and considered business case for an ongoing and sustainable CIP.



Integrated model of care for responding to suspected elder abuse

From October 2017, the department began a trial of an integrated model of care for responding to suspected elder abuse. The integrated model was developed in response to the findings of the Royal Commission into Family Violence. It is based on a client-centred and family-inclusive framework, which offers therapeutic options to older people and supports maintenance of family relationships at the same time that abuse is addressed.

A staggered roll-out of the model occurred from October 2017 to May 2018 across trial sites at Melbourne Health, Monash Health, Latrobe Community Health Service, Peninsula Health and Western Health.

More than 4,300 professionals completed the online training module between July 2017 and June 2018, with 249 staff participating in workshops at three of the trial sites. This trial will be continued with additional funding allocated in the 2018–19 State Budget and an evaluation will take place to ensure the integrated model of care has the required impact.



Centre for Workforce Excellence and the 10-year industry plan

The Centre for Workforce Excellence was established as part of Family Safety Victoria in July 2017. Since its establishment, the centre has taken a leading role in initiatives that boost the capability of people working in primary prevention and family violence. It also focuses on supporting interdisciplinary learning about family violence across the social services, health, education and justice workforces, and researching and identifying core prevention and response skills and capabilities, while promoting best practice and contributing to the development of formal workforce training.

The centre delivered *Building from strength: 10-year industry plan for family violence prevention and response* in December 2017. Building from strength sets out a long-term vision for a workforce that is supported, valued, skilled and diverse. It outlines directions and immediate priority actions across four key focus areas: a system that works together; building prevention and response capability across the system; strengthening the specialist workforce; and workforce health and wellbeing.



Diverse communities and family violence

To support the inclusion of lesbian, gay, bisexual, trans, gender diverse and intersex (LGBTI) people in family violence services, the new LGBTI specialist service W/Respect (with respect) was established in July 2017 through a partnership between Drummond Street Services, Thorne Harbour Health (formerly Victorian AIDS Council), Switchboard Victoria and Transgender Victoria. The service delivers case management, counselling and recovery programs, as well as services for perpetrators. Additional funding was provided to W/Respect in May 2018 to create resources to help connect LGBTI people experiencing family violence with support.

To build capacity in the family violence sector, Family Safety Victoria has supported 19 family violence service providers to commence work towards Rainbow Tick accreditation, and all funded family service providers will undergo HOW2 LGBTI inclusivity training. Two training modules on LGBTI family violence have been funded, developed and trialled. A new LGBTI Inclusion Coordinator role hosted by Domestic Violence Victoria will provide additional capacity building support across the

sector. An LGBTI Homelessness and Family Violence position has also been created to build capacity in the homelessness sector. In addition, a faith-based family violence service provider network was established to strengthen inclusive services for LGBTI clients, chaired by the Commissioner for Gender and Sexuality.

Underpinning all these initiatives is a growing understanding of the lived experience of LGBTI people experiencing family violence led by a project with community members and service providers undertaken in April and May 2018.



Addressing family violence in Aboriginal communities

Family Safety Victoria has supported the Indigenous Family Violence Partnership Forum during 2017–18 to develop the *Aboriginal 10-year family violence agreement 2018–2028*, which will be released in early October 2018.

The new agreement builds on the strong foundations and progress made through *Strong culture, strong peoples, strong families: towards a safer future for Indigenous families and communities 10-year plan (2008–2018)*, and sets a vision and strategic priorities for addressing family violence during the next 10 years. It is built upon the principle of self-determination, and premised on an inclusive and strengths-based approach that recognises and respects the strengths of an individual and the knowledge gained through lived experience.

Work has also occurred with Aboriginal communities to codesign an Aboriginal-led family violence holistic healing approach. This project aims to ensure that Aboriginal people and communities across Victoria who are experiencing, or at risk of, family violence have access to Aboriginal-led and culturally safe and appropriate holistic healing responses. Aboriginal communities across the state have contributed their cultural knowledge and understanding of trauma and healing to inform and strengthen Aboriginal approaches to holistic healing, including through a series of codesign forums and workshops. The final approach is anticipated to be finalised by November 2018.



Improving crisis accommodation responses

Refuge redevelopment and 24/7 operating hours

The Royal Commission into Family Violence recommended phasing out communal refuges and replacing them with ‘core and cluster’ facilities that promote safety, are accessible to people with disabilities, and provide connections to community, school and work. The ‘core and cluster’ model will see a number of independent residential units with a central support facility built on one site. This format allows for greater privacy and independence for women and children, while still providing the support they need, including counselling and therapeutic support.

The 2017–18 State Budget provided \$83.1 million over four years to redevelop 13 communal refuges to the ‘core and cluster’ model, taking the total to 17 across the state. Two new Aboriginal refuges will be constructed in 2019–20 in line with the new model. The department has worked with service providers to locate sites in appropriate locations for the intended client group.

Long-term housing project

The Victorian Government allocated \$48 million to deliver 110 public housing homes by 30 June 2018 that are specifically intended for people affected by family violence. This number was exceeded in the 2017–18 financial year, with 122 new public housing homes delivered in areas of demand. A further 17 properties will be settled in the first quarter of 2018–19 financial year.

Private rental for victim survivors of family violence

The Private Rental Assistance program supports people who may be at risk of homelessness to access and sustain housing in the private rental market. This support is tailored to the needs of each person, which may include financial assistance to move into or remain living in private rental housing. Since 2016, the program has supported more than 4,500 people across the state to access and sustain private rental housing. Of these people, 1,376 were escaping family violence in the last 12 months.



Roadmap for Reform: strong families, safe children

During 2017–18, significant work was undertaken to codesign a new end-to-end framework for the child and family system. This aims to connect families to support earlier and establish more consistent and repeatable service pathways, as well as building evidence on the practice elements and service models that make the most difference. This has involved the better use of data, expanding departmental and community service capacity, testing and rigorously evaluating new ways of working and more clearly defining shared outcomes for all parts of the child and family service sector.

In partnership with 17 Aboriginal community-controlled organisations and 207 community service organisations, local government and other government departments, over 2017–18, the department has led implementation of budget initiatives to:

- > better connect children and families to informal supports within their community, and involve them in setting their own goals
- > connect families to early childhood, health and family support services the first time they seek or are referred for help
- > advance Aboriginal self-determination in the care of Aboriginal children
- > test innovative and evidence-based models of care, inclusive intensive supports to prevent children entering out-of-home care
- > better support foster and kinship carers and reduce reliance on residential and contingency placements
- > support children to recover from abuse and neglect and protect them from further exploitation
- > better support our first responders to child abuse and neglect – our child protection workforce.

A stronger focus on early intervention, prevention of risk, and evidence-based programs

A key focus of both the Roadmap for Reform and the new system framework is shifting the focus of the child and family system away from crisis interventions and towards early intervention, prevention and connecting vulnerable families to supports through universal services. In 2017–18, an additional \$29.2 million has been invested in Child FIRST and family services that aim to

promote the safety, stability and development of vulnerable children, young people and their families, by providing case work, interventions and practical support as well as linking families with other relevant services. Planning also commenced on the migration of Child FIRST into the Orange Door to enable family support and specialist family violence practitioners to work side-by-side and combine their expertise to improve responses to both women and children. This investment supports delivery of family services to over 1,200 additional families experiencing challenges while also expanding the range of supports available to offer more families more intensive assistance.

During 2017–18, the department has also worked with the child and family sector to commence testing a range of evidence-based programs to better protect children and keep them out of the child protection system. Five new programs have been established – SafeCare, Functional Family Therapy – Child Welfare, Family Foundations, Tuning into Kids and Teens, and Multisystemic Therapy (MST) Psych. Two leading projects by OzChild in Victoria’s south have also been extended. These programs will provide an evidence-based response to more than 300 families.

In addition, four organisations have received seeding grants to expand the range of evidence-based programs.

The trials will be evaluated, and the experiences and knowledge gathered through them shared with the community sector through the Outcomes, Practice and Evidence Network (OPEN) – led by the Centre for Excellence in Child and Family Welfare.



Social impact bonds – partnerships addressing disadvantage

The department is leading the implementation of Victoria’s social impact bonds pilot program. During the past financial year, the department has signed agreements to partner with consortia led by Anglicare and VincentCare for the Compass program and Sacred Heart Mission for the Journey to Social Inclusion program. Both programs will commence delivery in the second half of 2018–19.

Compass is a new program that will extend support to around 200 young people leaving care, including guaranteed housing, to help them transition to independent living. Journey to Social Inclusion is an existing program that has shown promising results

and will now be expanded to help around 180 people experiencing chronic homelessness to achieve a pathway to independence and improve their health and wellbeing.

The government committed to build on the initial success of the social impact bonds pilot by announcing the Partnerships Addressing Disadvantage initiative in June 2018.



New models of care for the reformed system which have a focus on therapeutic care

New model of kinship care

On 12 December 2017, the Minister for Families and Children announced a \$33.5 million investment for a new model of kinship care as a key plank of the Roadmap for Reform. Transition arrangements began in January 2018, with statewide roll-out of the model from March 2018. The model focuses on better and earlier identification of kinship carers; strengthened connections for Aboriginal children and young people with family, culture, community and reunification supports; and assistance to carers and children through improved assessments and increased ongoing and flexible support.

To support the move to the model, transition teams were established to identify and stabilise existing kinship placements through referrals to services and the allocation of \$5 million in flexible brokerage funds.

Components of the model include:

- > kinship teams made up of a total of 36 full-time equivalent workers located in each of the department’s 17 areas that are supporting the early identification of kinship networks and the provision of ongoing and flexible support to kinship carers
- > creation of the First Supports Program, which is delivered by Aboriginal community-controlled organisations (ACCOs) and community services organisations (CSOs). This includes a comprehensive assessment and identification of needs when a placement is expected to last for more than three months, as well as family services support and flexible funding of up to \$1,000
- > connection to community and culture for Aboriginal children through reunification support packages. The 39 packages, consisting of 200 hours of family services support, were allocated across two ACCOs. In addition the

Victorian Aboriginal Child Care Agency (VACCA), in partnership with the First Nations Legal Research Services and supported by the Koorie Heritage Trust, will establish a new Aboriginal kinship finding service to help identify kinship networks and support the reconnect of Aboriginal children with their extended family and community

> 300 case contracting targets allocated to CSOs for eligible kinship care placements.

The new kinship care model is supported by a comprehensive monitoring, evaluation and social investment approach which is designed to identify the extent to which the model is meeting its objectives and delivering positive outcomes for children, families and carers.

Kinship care: connection to culture and community

A child has been in the care of his great aunt for the past eight years. The carer does not drive, and relies on extended family and taxis to get around.

The child receives support from the local Aboriginal cooperative and from child protection. However, the carer was concerned they didn't have the financial means to provide everything for the child's development.

Through the new kinship care model, the carer has been able to connect the child with country and culture.

This is timely, as the child has begun asking about their language, culture, paternal family and land.

The carer has also been assisted with a laptop to help manage the child's school correspondence and with funding to do computer training.

Driving lessons have also been arranged, and the carer getting their driver licence will make a big difference to the lives of the whole family.

The first four months since the new model commenced are a promising start. Almost all the kinship teams are in place and staff have completed an intensive four-day induction program. For the first time, dedicated kinship care 1800 telephone numbers and email addresses directly connect kinship carers with kinship teams in each of the department's four operational divisions. Around 200 departmental and sector staff have

attended seven workshops across Victoria to learn more about the new model.

CSOs and ACCOs are delivering First Supports to newly established kinship placements. Two ACCOs, Mallee District Aboriginal Services and Bendigo and District Aboriginal Co-operative, have commenced work to reconnect and reunify Aboriginal children and young people in care with their families and communities.

Since commencing in March 2018, the new model has already:

- > helped to identify kinship networks and carers
- > provided better support and assistance to carers
- > strengthened community and cultural connections – especially for Aboriginal children.

Testing new placement prevention and innovative care models

Children and young people in residential care represent some of the most vulnerable children in Victoria. In line with the Roadmap for Reform directions and the new child and family system framework, we are transforming residential care to a time-limited intensive support response that focuses on early intervention to help children recover from the effects of trauma and neglect.

Over the past two financial years (2016–17 and 2017–18), the daily average number of children in residential care has trended down, with a 2 per cent reduction from 1 July 2016 to 30 June 2018.

To support the transformation of Victoria's residential care system, the department is testing new, innovative care models. These models seek to respond to the specific needs of children and young people, supporting them to heal from trauma and reach their development goals. We are also testing new programs that provide intensive supports to prevent children being placed into out-of-home care.

Rapid Response is a four-week intervention program for families that works to prevent children being placed in care. The program offers 12–15 hours per week of in-home intensive support focusing on assisting families to acquire critical skills and knowledge and to develop sustainable plans which effectively de-escalate and reduce risk to children.

Rapid Response program

Jane is a mother with a mild intellectual disability and the primary carer for two children – three-year-old Anna and eight-year-old David.

Jane was referred to Rapid Response because of concerns she could no longer meet the basic care needs of her children. Jane revealed to a Rapid Response worker that she had experienced family violence in her previous relationship and this had led to mental health issues. Due to this, Jane's management of the household had declined and she was unable to properly care for her children.

Rapid Response consulted with their disability team to see what approach would work best for Jane. The staff referred her to the Therapeutic Recovery for Adults and Kids program to help her manage any trauma from her family violence experience and worked closely with Jane to help her gain the skills to improve her home environment.

Jane wanted to take the initiative and worked hard to clean the house and improve its overall safety.

When her son David came home and saw his sparkling clean bedroom he burst into tears of happiness.

Thanks to Rapid Response's early intervention Jane's self-esteem and confidence grew and she felt less stressed. Her children started to listen to her more, and there was a clear improvement to safety in the home.

Four months later, Jane is meeting all the care needs for her family. Following Rapid Response's intervention, child protection no longer needs to work closely with Jane's family.

The evidence-based Treatment Foster Care Oregon professionalised foster care model aims to provide an alternative placement option to residential care. The model prepares children and young people to move to a lower intensity placement setting, such as ongoing foster or kinship care, or reunification with family where possible.

Keep Embracing Your Success is an intensive support service with an integrated mental health component. The model was designed in Victoria for young people who have experienced significant

trauma, and it is being tested as a potential alternative to the current residential care model.

The Keeping Connected model supports large sibling groups to remain together if placed in out-of-home care. For sibling groups who are unable to reside together, the model supports meaningful, ongoing contact between siblings.

Better assisting children in the statutory out-of-home care system

Targeted Care Packages support children and young people to access a suite of services and living arrangements designed to meet their individual needs. They are used to reunify children with their families. As at 30 June 2018, over 575 Targeted Care Packages have been allocated. This has assisted over 365 children and young people to transition out of residential care and prevented over 215 children and young people from entering residential care.

The 2017–18 State Budget provided funding for 100 additional Targeted Care Packages and 1,982 more out-of-home care placements. During 2017–18, the daily average number of children in out-of-home care was 10,305, compared with 9,446 in 2016–17.

Increased support for children and carers

Carer KaFE is a combined foster and kinship carer training strategy that has provided face-to-face and online training for 3,102 carers since April 2017. Permanent carers have been supported through a dedicated helpline, which has responded to over 2,200 inquiries.

To support carers in their day-to-day needs, flexible brokerage has been provided for permanent carers. This means providing more flexible funding to meet the extraordinary needs of children such as undertaking minor home renovations so siblings can stay together, paying for major general dental or orthodontics treatment where the child is not eligible for a public service, obtaining psychological support for a child, financing respite care to maintain placement stability and prevent placement breakdown, for additional recreational activities or for tutoring to assist with a child's development.

Foster carer attraction and retention

Between January 2016, when the foster carer attraction and retention campaign was developed, and 30 June 2018, more than 890 foster carers have welcomed their first child into their homes and community awareness has been raised, with over 4,900 enquiries received.

Responding to young people at risk of exploitation

Substantial work is underway to prevent and respond to the exploitation of young people. In July 2015, the Victorian Government endorsed the whole-of-government *Keeping children safe from sexual exploitation strategy* to strengthen Victoria's response to children at risk of, or experiencing, exploitation. A joint child protection and Victoria Police enhanced response model operates in five Victorian areas (Epping, Dandenong, Brimbank, Ballarat and Shepparton). The model includes forming a safe relationship with the child, collaboration with multidisciplinary teams, and incorporating disruption techniques through the use of intervention orders and harbouring notices against adults who seek to exploit children and young people.

Five sexual exploitation practice leaders have been employed by the department since 2015 to support the enhanced response model and to actively monitor all children known to child protection who are at risk of, or experiencing, exploitation.

The department is also investing in preventive measures. This includes committing \$373,000 over four years to Mackillop Family Services to engage a registered nurse to work with, and educate, young people in residential care about safe relationships. The funding also provides for support workers who respond to exploitation.



Supporting Aboriginal children and families

The VACCA Nugel program

Nugel is a Wurundjeri word meaning 'belong'. The Victorian Aboriginal Child Care Agency (VACCA) Nugel program is the first of its kind in Australia. Through the Aboriginal Children in Aboriginal Care (Section 18) program, implemented in November 2017, the department has transferred its case planning and case management for some Aboriginal children, on children's court protection orders, to VACCA. As at 30 June 2018, 32 children had been transferred to Aboriginal organisations.

Transferring case management to Aboriginal community-controlled organisations

The government has committed to transferring case management for all Aboriginal children in care from the department and mainstream organisations to ACCOs by 2021. As of June 2018, 28 per cent of Aboriginal children in care on contractible orders were case managed by an Aboriginal organisation.

New model for child protection cultural planning

Following legislative change that requires a cultural plan for every Aboriginal child in out-of-home care, in partnership with the Aboriginal sector, the department codesigned a new model for child protection cultural planning. The new model requires every plan to be endorsed by the Chief Executive Officer of an ACCO. Eighteen Aboriginal cultural planners were funded to support the development of plans and in the spirit of self-determination, the statewide program coordinator is based in an Aboriginal organisation. An online cultural information portal was also established to provide information for children, carers and practitioners.

Reducing the number of Aboriginal children in out-of-home care

Embedding the intent of Korin Korin Balit-Djak across the work of the department and advancing Aboriginal self-determination is also supported by the launch of *Wunguriwil Gapgapduir: Aboriginal Children and Families Agreement and strategic action plan* in April 2018.

Wunguriwil Gapgapduir, which means 'strong families' in Latji Latji, is a tripartite agreement between the Aboriginal community, Victorian Government and community service organisations. It outlines a strategic direction to reduce the number of Aboriginal children in out-of-home care. The *Wunguriwil Gapgapduir: Aboriginal Children and Families Agreement and strategic action plan* is a landmark partnership between the Aboriginal community, government and community services organisations to address the over-representation of Aboriginal children and young people in the child protection and out-of-home care systems, which has increased from 1,543 Aboriginal children in care in April 2016 to 1,855 in care in March 2018.

Implementation of Aboriginal Children in Aboriginal Care (Section 18) and transitioning case management for Aboriginal children to ACCOs is self-determination in action. Measures like these

will have a positive impact for Aboriginal children and families in child protection and care.

Local projects making a difference to Aboriginal children and families

In Wodonga, the department's East Division and Mungabareena Aboriginal Corporation have engaged the Victorian Aboriginal Child Care Agency to support Mungabareena workforce development and capacity building in supporting Aboriginal children in out-of-home care.

In Goulburn, the department's East Division and Rumbalara Aboriginal Co-operative have developed a carer readiness strategy to support the transition and funding of targets for Aboriginal children in out-of-home care to Rumbalara. By June 2018, 39 Aboriginal children had transitioned to Rumbalara.

Inner and outer eastern Melbourne and the Victorian Aboriginal Child Care Agency have worked together to support a smooth transition for the carers and children to the agency. By June 2018, 33 Aboriginal children had transitioned to VACCA, representing 42 per cent of contracted cases.



Workforce strategy for child and family services

The department has funded the Centre for Excellence in Child and Family Welfare to develop a *Child and family services industry plan 2018–21*. This identifies the support and actions required to address sector specific issues, challenges and reform implications in the short to medium term. This work is taking place in the context of the broader *Community services industry plan*, which will establish the 10-year vision for the community services sector.

The *Child protection workforce strategy 2017–2020*, developed by the department and launched on 30 January 2018, will help recruit, retain, develop and support Victoria's child protection workforce. The strategy makes it clear that child protection is a critical component of the department's ability to perform its statutory functions within a whole-of-system response.

As part of the strategy, the new Child Protection Wellbeing Support program is designed to strengthen the mental health of our child protection workforce and build a safe and secure workplace. The program is multifaceted and includes the Child Protection Health program; resilience training; and

a specialist support team providing practitioners with a proactive response following critical incidents. The Child Protection Health program was launched in July 2018.

Recruitment of child protection workers

Over the past three financial years, the Victorian Government has funded the employment of more than 600 full-time equivalent (FTE) child protection practitioners, with more than 450 FTE positions funded in the 2017–18 State Budget. As at 30 June 2018, there were 1,932.7 FTE child protection practitioners employed across the state.

A highly successful child protection attraction campaign was launched in December 2017 to attract an increased number of appropriately qualified professionals into the workforce. The campaign includes a new child protection recruitment website, improved recruitment processes and incentive packages aimed at attracting local, interstate and overseas practitioners into regional and remote areas.

Since January 2017, 64 overseas professionals and 63 interstate professionals have been appointed to child protection positions. Engaging interstate and overseas experienced practitioners adds depth to our workforce, alleviating demand and supporting our beginning practitioners.

Under the workforce strategy, child protection practitioners will continue to be recruited and skilled up in their specialised functions to address child protection allocation rates. Further improvements are anticipated when the full impacts of recent investments are realised, including the on-boarding of new recruits and the implementation of new management strategies.

Residential care workers

At the end of June 2018, more than 1,800 residential care workers had commenced training through TAFE to meet minimum qualification requirements – in line with the *Minimum qualification strategy for residential care workers in Victoria*. Training to meet minimum qualification requirements first became available through TAFE in February 2017.

Developing the Aboriginal workforce

The Aboriginal Workforce Development Initiative, with funding of \$17.7 million over four years from the Family Violence Industry Plan and the Department of Education and Training, has commenced across Victoria. It will enable

Aboriginal community-controlled organisations to develop their own workforce plans and build their workforce and organisational capacities. A sector-led Aboriginal Health and Human Services Workforce Strategy is also being developed, to set longer-term directions for building the Aboriginal workforce.



Developing the learning system

Menu of evidence-based practice and programs

The Menu of Evidence-informed Practices and Programs is a commitment of the government's Roadmap for Reform policy, and a critical element of the children and families learning system. The menu will provide up-to-date research evidence – a repository of 'what works' in the child and family system – supplying information to the sector on effectiveness and outcomes, implementation and delivery costs. This will enable better selection of interventions, improving outcomes for children and families experiencing vulnerability.

The *Menu framework report* and *Synthesis report* were released in May 2018. The *Menu framework report* provides guidance and recommendations for the development and maintenance of the menu and was developed through consultation with the sector and in collaboration with the Centre for Excellence in Child and Family Welfare.

Learning system grants

In 2017, the department released \$800,000 in learning system grants through the Centre for Excellence in Child and Family Welfare under the *Children and families research strategy 2017–19*.

Working in collaboration with the department, grants were awarded to 14 diverse sector-led research projects, ranging from the development and application of outcomes and practice frameworks to the documentation of local and promising early intervention initiatives. Four projects are led by, or conducted in partnership with, Aboriginal providers. These build evidence that working with Aboriginal children and families in a culturally-safe way leads to improved outcomes.

Two examples are:

- > The Njernda Aboriginal Corporation's Berrimba Child Care Centre and Early Years' Service (Berrimba) is using their learning system grant to document their unique early years model and build evidence of what works for Aboriginal children and families. Berrimba delivers services for Aboriginal children, their families and carers living in Echuca and surrounding areas, helping children to thrive and be ready to start school by providing a safe base, strong in culture for children and families. The grant has enabled Berrimba to identify strategies that achieve outcomes, develop culturally safe outcome measures and set up an evaluation plan to continue to gain valuable information on the impact of their work.
- > In south-east Victoria, Windermere is working with the Parenting Research Centre to transform their traditional case-management approach to one built on an evidence-informed coaching model. The new approach includes a continuous quality improvement system to support the adoption of new practice and data driven decision making by the Windermere team.

Outcomes, Practice and Evidence Network

Coordinated by the Centre for Excellence in Child and Family Welfare, the Outcomes, Practice and Evidence Network (OPEN) is a shared network of practitioners, service providers, policy makers and researchers that facilitate and build collaboration in generating, disseminating, translating and implementing evidence. This will enable stronger and more consistent delivery of evidence-informed approaches and improved outcomes for children and families using the service system.

The inaugural OPEN Research Symposium was held on 30 October 2017. The Symposium addressed research priority areas identified in the *Children and families research strategy 2017–2019*, including early intervention and prevention and effective service models and practice for Aboriginal children and families. OPEN's first learning forum, focusing on evaluation, was held in March 2018.



Developing outcomes tools and processes to enable consistent collection of client outcomes data across child and family services

Shared accountability for achieving better outcomes for vulnerable children and families is at the heart of the Roadmap for Reform strategy. We are working to translate the departmental outcomes framework into specific outcomes for children and families. As this work is progressed, the Family Services Outcomes Test is underway to trial new outcomes tools and processes, and develop insights for broader outcomes development.

Thirty family services agencies are now participating in the test, which will increase the department's capability to collect client outcomes data and understand the impact of our services.

The department invested \$350,000 to develop a bespoke IT platform called the Outcomes Tracking Information System as part of this project, and provided workforce training sessions for family services agencies participating in the Family Services Outcomes Test to support practitioners to collect and use outcomes information.

Outcome 2.2: Victorians have suitable and stable housing

Every Victorian deserves the safety and security of a home, which is why the Victorian Government has committed record funding as part of its Homes for Victorians Strategy. This includes more than \$1 billion allocated to housing and homelessness support and \$2.1 billion in financial backing to kick start new forms of social housing investment.

Homes for Victorians contains initiatives to increase social housing across Victoria; provide more housing and support for those Victorians who are homeless or at risk of homelessness; support the community housing sector, not-for-profit sector, financial institutions and government bodies to develop more social housing; and provide more housing for Victorians escaping family violence.



Delivering more social housing

Public Housing Renewal Program

The Public Housing Renewal Program will redevelop older public housing homes – replacing old, energy inefficient public housing homes with new environmentally designed, accessible homes that meet the current and future needs of tenants –

and create more social housing properties across metropolitan Melbourne and regional Victoria.

The department committed \$185 million to renew nine run-down walk-up public housing homes in Ascot Vale, Brighton, Brunswick West, Clifton Hill, Hawthorn, Heidelberg West, North Melbourne, Northcote and Prahran. Community consultation conducted with the local community and key stakeholders in Brighton, Brunswick West, Heidelberg West, North Melbourne and Northcote resulted in nearly 41,000 letters being sent, 146 engagement sessions with 4,135 community participants and 477 stakeholder participants. There were 824 home visits and 794 survey responses received.

Planning for the Brighton, Brunswick West, Heidelberg West, North Melbourne and Northcote sites was approved by the Minister for Planning in March 2018, after planning approval for the Prahran site was granted in December 2016 as part of the Prahran Masterplan. Tenants living in each estate received a legally binding deed confirming they can return to the estate once it is redeveloped and remain with the same tenancy conditions, paying only 25 per cent of their income in rent.

Other public housing redevelopments

During 2017 and 2018, the Victorian Government continued delivering more new public housing in redevelopments at Westmeadows, the Olympia Housing Initiative (Heidelberg West), Norlane and Stokes Penola.

The Westmeadows redevelopment of the former Mews Estate commenced in 2014 and is a joint venture between the Victorian Government and Frasers Property Group. The Victorian Government contributed \$160 million to the project. The redevelopment is delivering 144 new social housing homes, including 34 social housing homes for tenants over 55 years as well as 214 new private homes and a 90-bed aged-care facility owned and run by Baptcare, with priority access for public housing tenants from the local area.

The 10-year Olympia Housing redevelopment started in 2012 with a \$160 million contribution from the Victorian Government. The redevelopment will replace 600 old public housing homes with brand new public housing. Thirty-two homes were delivered over 2017–18, bringing the total new public housing homes delivered to date to 232.

The New Norlane redevelopment commenced in partnership with the three project partners, Hamlyn Homes, Porter Davis and Burbank Homes. A total

of 173 new public housing homes were delivered, with the last five public housing homes completed during 2017–18.

The Victorian Government committed \$24 million to the Stokes Penola project (the former Huttonham Estate) to deliver 68 new public housing homes. Construction began in September 2017 with completion of the first stage of homes expected in the final part of 2018.

Rooming house conversion program

The Victorian Government funded \$10 million to upgrade three existing rooming houses in Flemington, Ascot Vale and St Kilda from shared accommodation premises to studio apartments with their own kitchen and bathroom. The Elenara Rooming House, managed by St Kilda Community Housing has now been completed, with 30 self-contained studio apartments providing greater safety and security for residents. The conversion of the Flemington and Ascot Vale rooming houses is underway.

Aboriginal Housing Victoria stock transfer

In line with the Victorian Government's election commitment to advance Aboriginal self-determination, the Director of Housing has agreed to transfer 1,448 properties to Aboriginal Housing Victoria at 'nil consideration'. The transfers have been split up into three tranches, with the final tranche of 463 properties transferred on 28 June 2018 valued at approximately \$110 million.



Delivering the Social Housing Growth Fund initiative

The Victorian Government's \$1 billion Social Housing Growth Fund was announced as part of a record \$2.6 billion investment to address housing affordability and homelessness in Homes for Victorians. The Department of Treasury and Finance and the Department of Health and Human Services have consulted with the financial, community housing and not-for-profit sectors to ensure the fund meets market and community sector needs. This has resulted in the finalisation of a transaction design, as well as the supporting documentation and governance processes that will maximise the opportunities for the sector to deliver growth.

The Department of Health and Human Services, in collaboration with the Department of Treasury and Finance, will run the competitive funding process to encourage consortia interested in

developing innovative proposals to increase social housing supply.

Social Housing Investment Planning grants

In January 2018, the Victorian Government announced \$2 million in funding for the Social Housing Investment Grants (SHIP). The SHIP grants (of up to \$200,000 each) are for municipal councils to help increase the supply of land available for social housing projects. The aim is to encourage better collaboration between local government and community housing providers to deliver more social housing.

Interested councils were able to lodge submissions and 17 councils across Victoria were successful. Of those successful councils, three were rural and regional local government areas.



Building the capacity of the public housing workforce

Statewide housing symposium for frontline public housing staff

In early March 2018, more than 250 staff, including a majority of frontline housing staff, met at the Melbourne Cricket Ground to discuss key policy trends and the challenges facing the public housing workforce. Participants heard from the Department of Health and Human Services Secretary, Director of Housing, and a range of experts on major reforms, investments and change impacting the Victorian public housing sector. Other topics included working with clients with complex needs, family violence reforms and presenting to the Victorian Civil and Administrative Tribunal.

The forum highlighted the important role housing staff have in helping to keep vulnerable Victorians housed, and the new investments the department is making to support the workforce with the challenges ahead.



Transferring 4,000 Director of Housing properties to the community housing sector

The department is transferring tenancy and property management of public housing properties to registered community housing agencies. Consultation with the community housing sector and departmental staff has been completed to establish property selection principles for the 4,000 properties to be transferred. Preparation for tenant engagement has been undertaken, including

a Privacy Impact Assessment and a Charter of Human Rights assessment. Mechanisms for transfer and standards that agencies will be required to deliver have been developed. These outline how agency performance will be measured and what the review conditions will be.



Finalising accommodation for the homeless

In January 2018, the government released *Victoria's homelessness and rough sleeping action plan*, which provides a framework for reducing the incidence and impact of rough sleeping in Victoria. More than \$45 million in initiatives were announced as part of the action plan, including: \$19 million to establish assertive outreach teams to engage people who are homeless and connect them with support; \$4.8 million for modular accommodation and support for people sleeping rough; \$9 million for supportive housing teams to support people once they are housed; \$8.2 million for community sector projects that will build long-term housing for vulnerable people; and \$4.5 million dedicated to the reform of adult crisis accommodation centres to improve health, wellbeing and housing outcomes.

The government has committed over \$1 billion since March 2016 in additional housing and homelessness support. This includes:

- > \$109 million homelessness package to intervene early and provide targeted support to help get people back on their feet
- > \$152 million family violence housing blitz to improve accommodation for women and children escaping family violence
- > \$120 million to increase the supply of social housing
- > \$185 million to redevelop a number of rundown public housing estates
- > \$133 million for additional long-term housing, more rental assistance, improved crisis accommodation and better support for people fleeing family violence.

H3 Wyndham Alliance

Seeing his new home for the first time was an emotional moment for 45-year-old Kevin.*

Kevin had a history of alcohol and drug addiction, abuse and trauma, and had experienced homelessness for seven years. He frequently slept rough around the City of Wyndham in Melbourne's west until he met our H3 Wyndham Alliance staff.

Six months after first making contact, Kevin is now secure in his own flat and is addressing his health issues – including treating an injury from an accident many years ago.

Our workers have helped him with long-standing legal issues, supporting him in court where he was given a community corrections order. Without this support, a warrant for his arrest would have been issued and he could have faced incarceration.

Kevin is becoming more involved in his community, and cannot believe his luck having a nice unit to call home.

* Name has been changed



Objective 2: indicator results

| | 2014–15 | 2015–16 | 2016–17 | 2017–18 |
|---|-------------------|---------|-----------|-----------|
| Victorians live free from abuse and violence | | | | |
| Children and young people who were the subject of a substantiated report within 12 months of the closure of a previous substantiated report | 16.8% | 16.5% | 17.1% | 17.9% |
| Number of Child FIRST assessments and interventions | 13,576 | 15,190 | 20,016 | 22,310 |
| Daily average number of children in out-of-home care placements | 8,043 | 8,752 | 9,446 | 10,305 |
| Reports to child protection services about the wellbeing and safety of children | 91,348 | 106,909 | 110,987 | 115,641 |
| Number of family violence victims who receive a refuge response | ^ | ^ | ^ | 823 |
| Children and young people in out-of-home care who have had two or less placements in the past 12 months (not including placements at home) | 90.3% | 91.0% | 91.2% | 91.3% |
| Daily average number of children in out-of-home care placements | 8,043 | 8,752 | 9,446 | 10,305 |
| Reduce the number of children in out-of-home care who live in residential care | 438 | 438 | 441 | 407 |
| Proportion of Aboriginal children placed with relatives/kin, other Aboriginal carers or in Aboriginal residential care | 69.9% | 72.0% | 76.0% | 77.6% |
| Source: Internal government sources | | | | |
| | 2014 | 2015 | 2016 | 2017 |
| Percentage of departmental workforce who have experienced bullying in the past 12 months | No data collected | 22% | 24% | 22% |
| Source: People Matters Survey | | | | |
| Victorians have suitable and stable housing | | | | |
| Number of households assisted with long-term social housing (public, Aboriginal and community long-term tenancies at end of year) | 77,914 | 78,036 | 77,741 | 78,036 |
| Number of clients assisted to address and prevent homelessness | 100,000 | 105,287 | 108,574 | 118,141 |
| Number of households assisted with crisis/transitional accommodation | 9,004 | 8,989 | 8,939 | 8,843 |
| Number of clients assisted to address and prevent homelessness due to family violence | ^ | ^ | ^ | 57,136 |
| Percentage of clients with case plans in homelessness support programs with some, most or all of their case plan goals achieved | 90.0% | 92.0% | 90.0% | 91.8% |
| Average waiting time for public rental housing for those clients who have received priority access housing allocation | 9.5 mths | 10 mths | 10.4 mths | 10.5 mths |
| Average waiting time for public rental housing for clients who have received a priority access housing or priority transfer allocation due to family violence | ^ | ^ | ^ | 8.8 mths |
| Source: Internal government sources | | | | |

^ New measure

The department is committed to measuring outcomes for all indicators set out in the Victorian Budget Papers. Candidate indicators and measures have been identified and provisionally mapped to this outcome, however, further work is needed to test and validate measures to ensure departmental initiatives and policies are reflected by the performance indicators. As the outcomes approaches in the department mature, reporting will be provided against outcome measures and will inform the reporting of performance indicators.

Objective 3: Victorians have the capabilities to participate

This objective focuses on building people's capabilities to realise their full education and economic potential.

Work under this objective is particularly important for the future success of the state. Government needs to ensure future generations can enjoy a better quality of life. The department can play a key role in this by helping to unlock the social, educational and economic potential all Victorians, including those facing barriers to participation.

Work under this objective also recognises the important role the department has in contributing to Victoria's economic growth through the jobs our services and capital investments create, especially in the construction sector, and the industries and workforces that we support.

Outcome 3.1: Victorians participate in learning and education

Every individual, regardless of their circumstances, has abilities, skills and unique qualities. They can become better custodians of their future if encouraged, supported and adequately resourced. The department recognises the relationship between education and progress in economic participation – success in education increases employment prospects in later life and the ability to participate in the labour market. Consequently education plays a major role in a person's long-term health and quality of life.

People not participating in the labour market often suffer varying degrees of poverty. The department seeks to bring about improved quality of life through increased participation in learning, education, volunteering and employment and the achievement of financial stability. Success will require supporting people along all or parts of their life continuum ensuring the right foundations are established in early childhood. It also requires giving children opportunities to achieve in education, and preparing and supporting people to access meaningful employment opportunities.



Supporting Victorians with increased skills and training opportunities

The Victorian Government's Major Projects Skills Guarantee provides opportunities for Victorian apprentices, trainees and engineering cadets to work on some of the department's biggest building and infrastructure projects.

Under the Major Projects Skills Guarantee, all publicly funded works contracts valued at or over \$20 million are required to use Victorian apprentices, trainees or engineering cadets for at least 10 per cent of the total estimated labour hours. For the Department of Health and Human Services, this includes projects being delivered over 2017–18 such as the Goulburn Valley Health redevelopment and Casey Hospital Expansion project.



LOOKOUT operating model and information protocols

In partnership with schools and the Department of Health and Human Services, LOOKOUT education support centres focus on improving school attendance, engagement and educational achievement as well as providing professional development for school staff and making schools more inclusive for all students.

As an additional support to schools and students in out-of-home care, LOOKOUT has introduced Designated Teachers to Victorian schools. Designated Teachers work to better engage students in their education and help them meet their learning goals. To date, more than 1,500 Designated Teachers have been trained statewide.

LOOKOUT centres received funding in the 2017–18 State Budget to expand with an early-years pilot focusing on engaging very young children in early learning opportunities and supporting their transition to primary school.



Strong, timely notification of a child being placed in out-of-home care

A collaborative approach between the department and the Department of Education and Training (DET) is achieving the objectives of the Early Childhood Agreement for Children in Out-of-Home Care and the Out-of-Home Care Education Agreement. Both departments are collaborating to quickly identify and link children who are entering out-of-home care in with supports through maternal and child health services and kindergartens.



Promoting maternal and child health visits, kindergarten attendance and supporting school-aged children

Child protection practitioners are also issuing notification letters to connect key stakeholders across school settings, early learning, maternal

child health and child protection services to support the coordination of planning and care for children entering out-of-home care.

The department is currently working with the Department of Education and Training to review information-sharing arrangements to better monitor school enrolments and attendance for children in out-of-home care – as well as ensuring their timely access to health and care services.

Across the state, the department has also implemented a standardised process for notifying local government when a child enters out-of-home care. This helps local government staff members to assist child protection case managers in accessing appropriate early childhood services for children, including Early Start Kindergarten.

Outcome 3.2: Victorians participate in and contribute to the economy, and have financial security

The Victorian Government wants to ensure all people are included as our economy grows. Our efforts are focused on increasing participation in the economy, employment and education by those currently under-represented in the workforce or unable to access opportunities.

This is because all indicators, both here and overseas, show that access to regular and secure employment is one of the key drivers in ensuring families are financially secure.

But more than this, access to employment also supports life-long emotional and social wellbeing. When people can participate fully in their community, they feel part of something.

The department is committed to ensuring all Victorians – no matter their location, their ethnicity, sexual orientation or income level – have access to a good and fulfilling life – and a key part of this is paid employment.

Like other Victorians, people with disability and people experiencing mental health concerns can and want to work. However, unfortunately for many, these opportunities are simply not available. Despite our broader economic success, people with disability and people experiencing mental health concerns continue to face barriers and discrimination that leave them significantly under-represented in the workforce.

The government wants to maximise the potential of the National Disability Insurance Scheme (NDIS) to make sure people with a disability have a fair

chance to reach their potential, and to work, study and pursue business opportunities.

Together with implementing *Every opportunity: Victorian economic participation plan for people with disability 2018–2020*, the disability economic participation strategy, we are executing a strategy for improving economic and social participation of Victorians with mental illness. We are also addressing the economic dimensions of gender inequality. We are also supporting at-risk and disadvantaged Victorians to build economic participation and financial security by developing a financial inclusion strategy with Consumer Affairs Victoria and other government agencies to enhance the financial security of vulnerable Victorians.



Social procurement

Victoria's Social Procurement Framework (SPF) was launched on 26 April 2018. It will enable government to use its buying power to generate social value above and beyond the value of the goods, services or construction being procured by maximising social, economic and environmental benefits for all Victorians and opportunities for Victorian jobs. The SPF puts social and sustainable outcomes at the centre of government procurement.

As required by the SPF, the department has developed a draft Social Procurement Strategy which was endorsed by the department's Executive Board. The strategy reflects both goods and services and construction procurement across the department.

Social procurement will have the positive impact of building strong and resilient communities and facilitating the transformative role of employment in addressing disadvantage.

It will build on the existing experience in the department of using procurement to generate social benefit, an example of which is the successful Public Tenants Employment Program.

Work has commenced to facilitate implementation and capability development for staff and to streamline supplier engagement.



Creating jobs in the construction sector through major capital investments

Victoria is home to Australia's fastest-growing population, with an expected population of nearly 10 million by 2051. To cater for this growth, and support the health, wellbeing and economic

participation of Victorians, the Victorian Government is planning, designing and delivering new infrastructure and programs.

Established in July 2017, the Victorian Health and Human Services Building Authority manages a portfolio of over \$23 billion in health and human services assets, with nearly \$4 billion in the pipeline over the next five years. In health, there are new hospitals, aged care and mental health facilities across the state, as well as new and upgraded ambulance branches and investments in medical equipment. In housing, the department is investing in more public and social housing, so our most vulnerable Victorians have a safe and modern place to call home. And more people are being encouraged to stay healthy and active through increased access to upgraded community sporting facilities.

These are places that bolster investment, create jobs, improve and support wellbeing and help to ensure Victoria continues to be one of the most liveable places in the world, now and for generations to come.

Melbourne Park development

The Melbourne and Olympic Parks precinct is the cornerstone of Victoria's sport, entertainment and music culture. Planning and design for stage 3 of the Melbourne Park redevelopment has been underway since July 2017, with construction scheduled to begin in February 2019. This will enable the precinct to continue to stage significant events into the future.

The Melbourne Park redevelopment also secures the Australian Open in Victoria until 2036 and ensures that Melbourne Park remains a world-class sporting and entertainment precinct.

Kardinia Park Stadium Trust (Simonds Stadium)

Geelong's Kardinia Park Stadium is a major infrastructure project that provides economic, social and health benefits to the community. The stage 4 redevelopment has cemented Kardinia Park Stadium's position as Australia's preeminent regional sports stadium. However, there is more opportunity for improvement and the 2017–18 State Budget committed \$3.9 million for project development funding towards a business case and early planning work for a fifth stage of redevelopment. This work would lift the stadium capacity to approximately 40,000, allowing it to attract the very best events to Geelong. In the

process, it would support job creation and enhance the liveability of the region.

Ballarat Health Cardiovascular Services

Cardiovascular disease is the biggest killer of adults in Australia, and people who live outside capital cities are at much greater risk. People living in the Ballarat area have some of the highest rates of cardiovascular disease in Victoria.

The state government provided \$10 million in the 2015–16 State Budget for Ballarat Health Services to expand its cardiovascular services with a new cardiac catheterisation laboratory. The project was completed in September 2017, and means that more people living across western Victoria will receive urgent heart assessment, treatment and care closer to home.

Casey Hospital expansion

The Victorian Government committed \$106.3 million in the 2015–16 State Budget to expand Casey Hospital and, due to unprecedented demand for health services in the area, the government committed an additional \$28.61 million, bringing the total for this project to \$134.91 million.

The expansion includes 136 multiday inpatient beds, a new 12-bed intensive care unit, a new 12-bed day surgery unit, four more operating theatres, a redeveloped emergency department short-stay unit, a new central sterilising supply department, a bigger and better pharmacy, new kitchen facilities, 333 more car spaces and redeveloped café/retail areas.

Construction began in October 2017 and is estimated to create 92 new jobs, including 21 apprenticeships. The first stage is due for completion in late 2018 with the final stage to be completed in September 2019.

Joan Kirner Women's and Children's Hospital

The government has invested \$200 million in the new Joan Kirner Women and Children's Hospital, a facility that is vital to meet future demands from rapid population growth in Melbourne's west – especially for maternity and paediatric services. It is projected the number of births on site will exceed 7,000 a year by 2026.

The development reached another milestone in April 2018 with the 'topping out' of the new building. Scheduled to be completed in early 2019, the world-class hospital will include 32 paediatric beds, 64 obstetric beds, 10 pregnancy 'day stay' units, 39 special care nursery cots, an ultrasound unit

and a general X-ray room for children. In addition, 55 existing acute adult inpatient beds at Sunshine Hospital will also be refurbished.

Construction work on the Joan Kirner Hospital has seen 80 jobs created, as well as 12 new apprenticeships and four new traineeships. The government has also announced a \$29.6 million investment in developing a new emergency department next door at Sunshine Hospital. Once completed, the facility will have capacity to treat an extra 59,000 emergency patients each year.

Maroondah Breast Cancer Centre

Thousands more women in Melbourne's east now have easier access to lifesaving breast cancer screening and care with the new \$10 million Eastern Health Breast and Cancer Centre opening its doors.

Funded by the Victorian Government in the 2016–2017 State Budget, the Maroondah Breast Cancer Centre began construction in 2017 and was completed in February 2018. The modern facility brings together a range of services previously provided from different locations such as mammography, ultrasound, radiographers, medical image reading, allied health and clinical consulting services. It also features a group treatment room and women's wellness lounge. More than 25,000 extra women will be able to have quicker and more convenient access to the very best breast cancer treatment and supportive care services under one roof in Melbourne's east.

Moorabbin Hospital – medical imaging and outpatients expansion

The Victorian Government committed \$16.2 million in the 2015–16 State Budget to the refurbishment and expansion of the Moorabbin Hospital Medical Imaging and Outpatients centre. The refurbishment and expansion of the centre was officially opened by the Minister for Health in November 2017. The centre features state-of-the art cancer screening equipment and an extra 11 outpatient suites.

Ambulance services and equipment

The Victorian Government provided \$20 million in the 2015–16 State Budget to upgrade ambulance vehicles and equipment across the state, with particular emphasis on management of bariatric patients. By the end of 2017–18, five new purpose-built complex patient ambulance vehicles had been purchased and 632 existing ambulance vehicles had been retrofitted with specialist hydraulic stretchers and associated equipment. The project

was fast-tracked to more quickly realise the anticipated occupational health and safety benefits for paramedics.

Modernisation of metropolitan Melbourne public sector residential aged care

The Victorian Government is working with St Vincent's Health Melbourne to build a new 90-bed public aged care residential facility on the site of the current St George's Hospital in Kew. The 90-bed facility will provide residents with a comfortable environment, along with private rooms, garden outlooks and access to domestic style kitchens. The facility was made possible by an investment of \$57.6 million in the 2015–16 State Budget.

A building contractor was engaged in January 2018 with early works commencing in February 2018. Practical completion is scheduled for late 2019.



Implementing the economic participation plan as part of *Absolutely everyone: state disability plan 2017–20*

Every opportunity: Victorian economic participation plan for people with disability 2018–2020 was launched on 9 February 2018. Under this plan, people with disability have been better supported to participate in their communities, both personally and economically.

The department is leading this whole-of-government plan and has taken action to:

- > increase the capacity of disability advocacy organisations
- > create fully accessible public toilets and changing places
- > increase employment and participation of people with disability across the Victorian public sector.

More than 50 Victorians with disability were offered valuable leadership development and training opportunities including access to scholarships, open enrolment programs, role shadowing and mentoring through the Disability Leadership Program, in partnership with Leadership Victoria and the Disability Leadership Institute. The program concluded with a leadership forum designed by program participants in early May 2018.

In addition, the launch of the inaugural Public Health Services 2018 Workforce Training Grants Scheme, saw 10 training grants awarded to five health services across regional and

metropolitan Victoria to help build careers for 10 individuals with disability.

Another 34 jobseekers with disability were selected for the Victorian Government's JobsBank initiatives. This included nine people with intellectual disability. Several projects were funded through the NDIS Information, Linkages and Capacity Building scheme, which aims to build an employment focus into the NDIS. These projects – the Victorian Employer Enablement project, the WISE Ways to Work pilot, the Science, Technology, Engineering and Mathematics Labs and the Agriculture Labs – all work to assist people with disability access employment and meaningful work.



RISE at DHHS, supporting applicants with autism to join the public service

The RISE at DHHS program is the first Victorian program using a unique recruitment and assessment approach to encourage and support a team of jobseekers with autism to join the public service. Since August 2017, the program has employed seven people with autism on a two-year fixed term basis.

The program's main focus is to create a repeatable and sustainable employment approach for individuals on the autism spectrum. The goal is for individuals to successfully perform valued work and gain the skills and confidence required to be selected on merit for other roles within the department or other organisations.

The program will examine the impact on individuals and the impact of hiring people with autism on the workplace through a research study conducted by the Olga Tennison Autism Research Centre and La Trobe University. This study will be internationally published late 2018.



Pathways to employment in the department for victim survivors of family violence

The department offers a number of programs to provide pathways into employment. In 2018 we launched the first intake of a program to support survivors of family violence. The program aims to support the recovery and financial security of family violence victim survivors by providing development and employment opportunities. The first intake welcomed six women into the department's workforce.



Aboriginal Employment Strategy

Our Aboriginal Employment Strategy provides a range of opportunities to support the development of career pathways through secondary and tertiary scholarships, a department-specific graduate program for Aboriginal graduates and promoting career opportunities in Aboriginal media and through Aboriginal networks. The department increased Aboriginal representation from 173 staff (1.34 per cent) to 233 staff (1.65 per cent) in 2017–18.



Pathways to employment for new arrivals

Employment programs are offered through partnership with CareerSeekers and CareerTrackers, a non-profit social enterprise providing pathways into ongoing employment. CareerSeekers is a paid 12-week professional internship for asylum seekers and refugees. The department is the largest government employer of CareerSeeker interns in Australia, hosting eight interns per year, since the program launched in 2016. CareerTrackers offers a paid 12-week internship to Aboriginal university students during their summer and/or winter break with the aim of converting into full-time ongoing work at the completion of their degree. In 2017–18 the department hosted a total of 14 CareerTrackers in both generalist and child protection streams.



The Himilo Project

Based in West Heidelberg, the Himilo Community Support Group provided activities and support for the Somali Australian community to strengthen youth engagement, families and community resilience. Activities provided by Himilo developed youth leadership; connected young people to education, training and employment; supported the formation of play groups, homework clubs and sporting clubs; provided parental and family support; empowered women; and increased social and community participation for community members. Individual case management was also made available to community members when they required support across a range of issues.



Emergency relief payments

The department provides financial assistance to Victorians affected by emergencies. To improve the way it offers financial support, the Personal Hardship Assistance Program was streamlined and a new online IT system was introduced in June 2018.

This work acquitted a recommendation of the 2014 Hazelwood Mine Fire Inquiry Report, which required the state to improve its financial payments systems. Over 2017–18 there were 676 emergency relief payments totalling \$651,941 and 16 emergency re-establishment payments made valued at \$176,450.



Objective 3: indicator results

| | 2014–15 | 2015–16 | 2016–17 | 2017–18 |
|---|---------|---------|---------|---------|
| Victorians participate in learning and education | | | | |
| Clinical placement student days (medicine) | ^ | ^ | ^ | 393,807 |
| Clinical placements student days (nursing and midwifery) | ^ | ^ | ^ | 406,330 |
| Clinical placement student days (allied health) | ^ | ^ | ^ | 158,461 |
| Number of people trained in emergency response | 2,024 | 2,028 | 2,000 | 2,783 |
| Participants reporting development of transferrable skills that support education, training and vocational opportunities | 97% | 96% | 95% | * |
| Participation by young people in programs that provide opportunities to be involved in social and economic life in their communities~ | 264,292 | 292,391 | 286,572 | * |
| Source: Internal departmental data | | | | |
| Victorians participate in and contribute to the economy and have financial security | | | | |
| Funded postgraduate nursing and midwifery places at diploma and certificate level | 832 | 832 | 832 | 832 |
| Total funded FTE (early graduate) allied health positions in public system | 707 | 622 | 670 | 700 |
| Total funded FTE (early graduate) medical positions in public system | 1,432 | 1,476 | 1,525 | 1,525 |
| Total funded FTE (early graduate) nursing and midwifery positions in public system | 1,557 | 1,591 | 1,591 | 1,591 |
| Bond loans provided during the year | 12,252 | 11,761 | 11,584 | 9,321 |
| Source: Internal departmental data | | | | |

* Data not available at date of publication

^ New measure

~ The exceptionally high participation outcome for 2015–16 is due to the participation of young people in the FReeZa program, which was significantly in excess of targets and performance in previous years

The department is committed to measuring outcomes for all indicators set out in the Victorian Budget Papers. Candidate indicators and measures have been identified and provisionally mapped to this outcome, however, further work is needed to test and validate measures to ensure departmental initiatives and policies are reflected by the performance indicators. As the outcomes approaches in the department mature, reporting will be provided against outcome measures and will inform the reporting of performance indicators.

Objective 4: Victorians are connected to culture and community

The main focus of this objective is to build strong, resilient communities that feel safe and connected to culture and identity.

While services are vital, communities are different to services. Everyone lives within a community and needs the support of their community or social networks. Developing positive and supportive relationships within communities is an important affirmation of cultural identity and wellbeing that works to counter social and cultural isolation, which is closely associated with poor physical and social wellbeing.

The strength of communities and social networks is that they surround people 24/7, and the Victorian Government is providing funding to progress government acting as a vehicle for supporting families and communities to design services and supports that work for them.

Our lives are shaped by the context within which we live – our relationships, our neighbourhoods and the culture, journeys, histories and systems that affect community conditions.

By linking individuals and families to a community's resources – not just services, but also the resources that exist within every community and neighbourhood – we can ensure people feel safe and connected to their culture and identity.

Such place-based and community-centred approaches to advancing health and wellbeing are crucial. This recognises that accessing services closer to home, ensuring services are culturally responsive, and strengthening connections to communities, positively contributes to wellbeing.

For Aboriginal Victorians, achieving better outcomes for individuals, families and communities requires a strong commitment to advancing Aboriginal self-determination.

Outcome 4.1: Victorians are socially engaged and live in inclusive communities

Every year, thousands of migrants and people from refugee backgrounds arrive in Victoria. The number of newly settling refugees in Victoria is expected to increase further over coming years.

The earlier new arrivals, including migrants, refugees and people seeking asylum, feel included and connected to the community, and participate and contribute to everyday life in Victoria, the more likely they are to live healthy, fulfilling and happy lives in their new home.

The department has an important role to ensure newly arrived Victorians can access timely and appropriate health and community services. The earlier they are supported, the better their outcomes.

Refugees and people seeking asylum are some of the most vulnerable people in Victoria. The department is working to improve their health, wellbeing and settlement experiences by setting a clear strategic direction for how to best support their social engagement. This includes community initiatives that foster inclusion, participation and equality of opportunity, and working collaboratively with relevant agencies, academics, organisations, and culturally- and linguistically-diverse communities themselves to ensure services and programs are accessible, responsive, relevant and effective.



Improving refugee and asylum seeker health wellbeing and settlement outcomes

The *Victorian Refugee Health Network strategic plan 2017–20* has been finalised and will provide evidence-based ideas for strengthening our collective efforts to support newly arrived Victorians.



Specialist refugee health nurses referring more refugees to health services

To support people from refugee backgrounds, the 2017–18 State Budget provided \$2.95 million – part of an overall commitment of \$10.9 million over four years – for a range of initiatives and programs to support Syrian and Iraqi refugees settling in Victoria. As a result of this funding, in the first 12 months of the project (January–December 2017), specialist refugee health nurses delivered over 1,132 episodes of direct and indirect contact, as well as supporting referral pathways to health services and engaging with GP practices to build capacity and referral pathways into quality care.



Supporting refugee children

The department has also used part of the \$2.95 million to provide refugee children and young people from refugee backgrounds with important early intervention or care services so they can reach their full potential. As a result, from 2017, additional paediatric specialist outreach clinics have provided 434 consultations at a clinic in Craigieburn clinic and at The Royal Children's Hospital, with more than 90 per cent of children originating from Syria or Iraq.



Premier's urgent support package

In September 2017, the Premier announced a \$600,000 package of urgent support for people seeking asylum in Victoria who were transferred from Nauru and Manus Island for medical treatment and who as a result have lost Commonwealth housing, income and support services. The department is supporting implementation of this package through a group of non-government agencies, led by the Australian Red Cross. These agencies are working together to make sure all eligible people seeking asylum get the support they need and deserve. In addition to the support package for people seeking asylum, the department is working to ensure equitable access to state-funded services for this vulnerable group.



Supporting stronger connections to community

Having stronger connections to your community improves everyone's health and wellbeing. At a vulnerable time in their lives, it is important newly arrived refugees and other vulnerable Victorians don't feel isolated and unwanted.

Not being part of a community and not feeling welcome can lead to poor physical and mental health. To this end, the department has programs to support refugees and other vulnerable groups to feel a stronger connection to the community. These include:

Grants to boost social inclusion and participation

More than \$6 million has been provided in grants to support and boost participation among culturally diverse groups across Victoria. The Capacity Building and Participation Grants program boosts the participation, inclusion and contribution of priority groups – including regional residents,

refugees and people seeking asylum, young people, women and seniors. This is on top of \$1.2 million to build capacity and boost participation in African and Pacific Island communities. The program is designed to build the knowledge and skills of culturally diverse and faith-based communities across Victoria, helping more people participate and contribute to everyday life in Victoria.

Working with Myanmar community leaders

Myanmar community leaders were concerned that some young men in their community were at risk as a result of binge drinking. The department's East Division health team brought together health services, alcohol and drug workers, local pastors, homeless services and mental health services to develop a health promotion, risk reduction and treatment regime considerate of Burmese culture and traditions.

Engaging with the South Sudanese community

Five parenting programs were funded to support parents in the South Sudanese community in Melbourne's west, with more than 80 parents attending the programs.

The department worked with cohealth and the Australian Centre for Social Innovation to undertake a six-month codesign consultation process with the South Sudanese community. The purpose was to better understand issues and opportunities, strengthen trust and codevelop new approaches. One of four initiatives developed was Community Lab – a team of South Sudanese people who work with government and community to problem solve and share ideas in improving connections and outcomes for the community.

Komak – a community support group in South Melbourne

Komak operates in south-east Melbourne and supports Afghan communities in Dandenong and Casey. Komak delivered a range of activities to engage young people and strengthen families and community. Activities included building community leadership, particularly for young people and women; increasing the social participation of women; engaging fathers; and increasing cultural awareness. A youth leadership program was undertaken, and the Komak Awards recognised the achievements of Afghan students. The ThinkUKnow cyber awareness program was delivered in local schools. Komak also provided individualised support to community members on

a range of issues, including health, finances, immigration and social services.



Building stronger youth engagement particularly among vulnerable clients

The Victorian Youth Congress

The first Victorian Young Congress was established in 2017–18 following an extensive recruitment process. The Youth Congress advises ministers on issues that have been identified as priorities by young Victorians. At the first congress, 21 young people (aged 12 to 25) from across Victoria were inducted into the Youth Congress, including young Aboriginal people, young people from culturally diverse backgrounds, LGBTI young people, young people with a disability, and young people living in rural and regional Victoria, as well as metropolitan Melbourne.

In 2017–18 the Youth Congress considered the issue of mental health and focused on opportunities to improve access to mental health support, particularly focusing on young people from rural and regional areas, and from culturally and linguistically diverse backgrounds. The Youth Congress is also considering the impact of mental health stigma in workplaces on young people's wellbeing and their employment opportunities.

First Victorian Youth Week

Victorian Youth Week was held for the first time from Friday 13 April to Sunday 22 April 2018. Victorian Government funding of \$218,026 supported 108 organisations to stage more than 130 events for young people across Victoria. Funded organisations established local committees of young people to oversee the planning and implementation of events in their communities. Events included youth awards nights, art exhibitions, youth forums, workshops, movie nights, talent shows, music festivals and sport and recreation events including skate and BMX competitions and basketball tournaments. An estimated 28,315 young people attended Victorian Youth Week events, and nearly 2,400 young people were involved in planning the events.

Victorian Youth Summit

The Victorian Government's Youth Summit 2018 – Harmony through Diversity was held on 20 April 2018 during the first ever Victorian Youth Week. Hundreds of young people from across the state attended the summit to discuss social inclusion, diversity, visibility, representation

and harmony. The Youth Summit provided an opportunity for young people to participate in workshops, hear from inspiring speakers and share their ideas about how we can build harmony through diversity in Victoria.

Marram Nganyin Youth Mentoring Program

The Victorian Budget provided \$1.8 million over two financial years to fund the extension of the Aboriginal Youth Mentoring Program – Marram Nganyin (meaning 'we are strong'). Youth mentoring projects focus on social and emotional wellbeing, life skills, identity, culture, community connectedness, education, training and employment pathways and leadership.

Winda-Mara Aboriginal Corporation, Wayapa Wuurrk, Mallee District Aboriginal Services, Rumbalara Aboriginal Co-operative, Gippsland and East Gippsland Aboriginal Co-operative were funded to continue their youth mentoring programs in local communities. Each organisation is working with a minimum of 10 young people over a 12-month period and each has developed youth mentoring programs tailored to meet the needs of young people in their communities.

The Aboriginal Youth Mentoring Program also funds the Youth Affairs Council of Victoria and the Koorie Youth Council to provide overarching support to the organisations delivering the youth mentoring programs and to facilitate engagement with young Aboriginal people in the design and delivery of the programs.

Empower Youth

The Empower Youth program funds eight organisations to provide intensive, coordinated support to vulnerable young people in areas experiencing social and economic disadvantage, including: the City of Greater Geelong; Ballarat; Melton; Wyndham; Hume; Frankston; Latrobe Valley; Dandenong; and Casey.

Each organisation works with a minimum of 50 young people per year. Youth workers work closely with each young person to identify goals and actions in the areas of health and wellbeing, community participation, education and training, and pathways to employment. As at May 2018, over 400 young people and six families have engaged in the Empower Youth program. The 2018–19 State Budget provided a further \$2 million over four years to support new Empower Youth projects.

Engage!

A new round of grants for Engage! 2018–19 were awarded in December 2017, with 107 local government and community services organisations successful in receiving funding over three years. They will work with young people through the Engage! program on initiatives that enable young people to actively engage in civic, skill building and economic pathway activities. Around 40,000 young people are expected to participate in Engage! each year, getting involved in a diverse range of activities including mentoring, volunteering and leadership development.

Outcome 4.2: Victorians can safely identify and connect with their culture and identity

When we embrace, respect and celebrate our diversity, it makes our society stronger, healthier, happier and safer. We want all Victorians to have the same rights and opportunities, and to celebrate and connect with their culture and identity.



Advancing Aboriginal self-determination in health and human services

The department is supporting the realisation of a new 10-year plan that puts Aboriginal self-determination front and centre in all of Victoria's health and human services.

Korin Korin Balit-Djak

In October 2017, the government unveiled an ambitious new plan to revolutionise how Victoria's health and human services work with Aboriginal communities. *Korin Korin Balit-Djak: Aboriginal health, wellbeing and safety plan 2017–2027* puts Aboriginal self-determination front and centre in all of Victoria's health and human services. The plan set the framework for Aboriginal communities to lead the development and delivery of policies and services to Aboriginal Victorians, while government plays a supportive role.

Supporting the plan is the Aboriginal Governance and Accountability Framework that sets how the department engages with and works in partnership with Aboriginal communities. The plan will be reviewed every three years to respond to new and emerging issues. It has been developed in consultation with Aboriginal communities and experts.

In 2018, the department facilitated two Aboriginal Strategic Governance forums with Aboriginal organisations to embed Aboriginal community-led responses to Aboriginal health, wellbeing and safety concerns. The Divisional and Area Aboriginal Government Committees, which play a central role in capturing local Aboriginal perspectives, have held their first meetings. The department has also commissioned Aboriginal Housing Victoria to lead the development of the Aboriginal Housing and Homelessness Framework that will seek to improve housing outcomes for Aboriginal Victorians.

In early 2017, the government established the Aboriginal Children's Forum to bring together Aboriginal community leaders, and experts involved in the delivery of child protection and out-of-home care services for Aboriginal children and young people. It focuses government on ways to reduce the number of Aboriginal children and young people in out-of-home care, build the foundations for stronger and healthier Aboriginal families, and drive the momentum of government, Aboriginal communities and service providers.

Five key areas of focus in the *Korin Korin Balit-Djak* are: Aboriginal community leadership; prioritising Aboriginal culture and community; system reform across the health and human services sector; safe, secure, strong families and individuals; and physically, socially and emotionally healthy Aboriginal communities.

Key departmental activities in 2017–18 to implement *Korin Korin Balit-Djak* and advance self-determination include:

- > the transfer of housing stock from the department to Aboriginal Housing Victoria
- > gradually transitioning care and care management of Aboriginal children from government and non-Aboriginal organisations to ACCOs. Implementation of the Aboriginal Children in Aboriginal Care program has also continued, which involves ACCOs undertaking case planning and case management for children and young people subject to Children's Court protection orders
- > *Wungurilwil Gappapduir: Aboriginal Children and Families Agreement and strategic action plan* was signed and launched
- > the Aboriginal LGBTI retreat, *Nanyubak Yapaneyeput*, brought together Aboriginal LGBTI Victorians in an inclusive environment to share experiences, journeys and celebrate diversity.

Balit Murrup

Although many Aboriginal people living in Victoria enjoy excellent social and emotional wellbeing, many others do not. *Balit Murrup: Aboriginal social and emotional wellbeing framework* is part of the Victorian Government's commitment to providing a long-term vision to improve the social and emotional wellbeing and mental health outcomes for Aboriginal communities. Balit Murrup means 'strong spirit' in the Woi-wurring language and recognises that to reduce the growing mental health gap, we need new and different solutions to address what has been described as an entrenched mental health crisis. The vision of Balit Murrup is to support Victorian Aboriginal people, families and communities to achieve and sustain the highest attainable standard of social emotional wellbeing and mental health.

Balit Murrup aligns with *Korin Korin Balit-Djak: Aboriginal health, wellbeing and safety strategic plan 2017–2027*, which articulates a vision for self-determining Aboriginal communities supported by an integrated culturally responsive service system and *Victoria's 10-year mental health plan* (2015), which aims to support all Victorians to achieve their best mental health. Balit Murrup was developed with the shared knowledge and wisdom of leaders and experts in Aboriginal social and emotional wellbeing and mental illness, Aboriginal community-controlled organisations and other service providers.

Three initial initiatives have been funded:

- > improving mental health treatment outcomes for Aboriginal and Torres Strait Islander people with moderate to severe mental illness – focusing on reducing the impacts of unaddressed mental health conditions
- > further trials of suicide prevention initiatives to improve care following a suicide attempt and to help local communities prevent suicide
- > expanding the number of Aboriginal mental health and drug and alcohol positions.

The department will continue to work closely with Aboriginal organisations and communities to build on existing knowledge and best practice in order to implement a whole-of-government approach to Aboriginal social and emotional wellbeing that works.

Sparking interest in Indigenous wellbeing

From an upstairs office in Preston, an innovative Aboriginal business is using sport and active recreation to improve health and wellbeing outcomes across the community.

Spark Health is still in its first year, but it is already experiencing great success getting its Aboriginal clients active.

To support this work, Sport and Recreation Victoria ran an Indigenous games training session for Spark Health – refreshing facilitators on running Aboriginal games events, coaching on the events themselves, and finally presenting them with a traditional Indigenous games kit bag.

'Using sport as a way to communicate history is a great way of getting in, (and) helping people connect with our ancestors,' said Laura Thompson, Managing Director of Spark Health.

Using the skills and tools Sport and Recreation Victoria has provided, Spark Health organised a Totally Trad (Traditional Indigenous Games) Tournament that was held during NAIDOC week in July 2018.

The event combined the best of Aboriginal Games with other initiatives to create a celebration of Aboriginality and competition.

'It's about using Aboriginal people and games as ambassadors for health and wellbeing,' said Laura.



Building the Aboriginal health and human services workforce

The Aboriginal Workforce Development Initiative – a partnership between the Department of Health and Human Services and the Department of Education and Training – is supporting 331 Aboriginal people to undertake Vocational Education Training or a degree in social work and community service and in health, leadership, management and finance. Another 54 people are undertaking traineeships and 16 workforce planning and organisational development positions have been created. In addition, the 2018 Health Services Aboriginal Training Grants program is supporting 23 Aboriginal traineeships and employment opportunities.

The 2017–18 State Budget provided \$8.4 million to support a mental health traineeship program for Aboriginal people in mental health services and Aboriginal clinical and therapeutic positions in Aboriginal community-controlled health services. These initiatives have been designed to improve the workforce's ability to deliver culturally responsive and trauma-informed services that address the needs of Aboriginal Victorians. The Department of Health and Human Services and the Victorian Aboriginal Community Controlled Health Organisation are working together to deliver the initiatives in 2018–19.



Objective 4: indicator results

| | 2014–15 | 2015–16 | 2016–17 | 2017–18 |
|--|---------|---------|---------|---------|
| Victorians are socially engaged and live in inclusive communities | | | | |
| Participation by young people in programs that provide opportunities to be involved in social and economic life in their communities | 264,292 | 292,391 | 286,572 | * |
| Sport and recreation organisations undertaking programs or activities to enhance participation | 103 | 105 | 102 | 97 |
| Participation by young people in programs that support young people to be involved in decision making in their community | 2,743 | 2,890 | 2,569 | * |

Source: Internal departmental data

* Data not available at date of publication

The department is committed to measuring outcomes for all indicators set out in the Victorian Budget Papers. Candidate indicators and measures have been identified and provisionally mapped to this outcome, however, further work is needed to test and validate measures to ensure departmental initiatives and policies are reflected by the performance indicators. As the outcomes approaches in the department mature, reporting will be provided against outcome measures and will inform the reporting of performance indicators.

Objective 5: Victorian health and human services are person centred and sustainable

The main focus of this objective is to improve the safety, quality, efficiency and sustainability of our services as a key part of achieving outcomes for our patients and clients.

Ultimately, the performance of the department should be assessed by the outcomes it achieves for Victorian people, families and communities. In addition, the safety, quality, responsiveness, efficiency and equitable distribution of services are crucial determinants of these outcomes.

For this reason, work under this objective focuses on how our services are organised, delivered and measured. There is a focus on providing access that is appropriate, closer to home and equitable, on measuring performance and on working with our service delivery partners to continuously lift performance. This includes strengthening system design and planning to respond to changes in populations, settlement patterns and the services people will need in the future.

This objective also recognises that good outcomes for patients and clients require our service systems to be person centred and responsive to people's needs, including in how they access, choose and identify with our services.

Outcome 5.1: Services are appropriate and accessible in the right place at the right time

Placing people at the heart of our policy making, service design and service delivery is the best way to ensure all Victorians, regardless of their circumstances or where they live, achieve the best possible health and wellbeing outcomes.

Consulting and involving the community and community organisations in shaping our programs and policies helps us ensure our services are effective, caring and culturally appropriate.

To understand whether we are delivering on our vision, we always endeavour to understand the priorities and motivations of the people we serve and the impact of what we do.

Over the past year we have sharpened our focus on patient and client outcomes as the basis for designing sustainable health and wellbeing programs.

Supercare Pharmacy gave Neil the treatment he needed close to home

All it took was the slip of a spanner and Neil Yeomans' arm shot backwards, crushing his ulnar nerve.

Neil, 69, still remembers that hot pain like it was yesterday.

Thankfully surgery to take the pressure off the nerve and reposition it in the elbow went well. A week later the bandage was removed.

But every time Neil put his arm down, it rubbed on the wound.

It was evening, and Neil didn't think his problem was bad enough to call a doctor after hours. Still, he did not want to risk compromising the wound either. Thinking he could get a bandage to stop the rubbing, Neil and his wife visited their pharmacy.

Luckily Neil had arrived in one of Victoria's 20 Supercare Pharmacies, an initiative of the Victorian Government to help thousands more people get the healthcare and advice they need, round-the-clock and close to home. Supercare Pharmacies are open 24/7 and have a nurse on site from 6 pm –10 pm daily.

Neil told the nurse about his operation and she provided a large tube bandage to stop anything touching the wound. She also showed him how to manage the wound so that Neil could continue his recovery.



Supercare Pharmacies

The Victorian Government's Supercare Pharmacies initiative is helping thousands more people get the healthcare and advice they need, round-the-clock and close to home. Twenty Supercare Pharmacies are operating across the state – with six in regional Victoria – providing additional healthcare options for minor illnesses and injuries.

Since launching in 2017, hundreds of thousands of Victorians have visited a Supercare Pharmacy. At Supercare Pharmacies, a pharmacist is available around the clock, and a free nursing service is provided between 6 pm–10 pm for help with minor issues, such as mild temperatures, allergies, rashes, minor cuts and burns, strains and sprains, nausea and gastro. Other services available at these pharmacies include flu and whooping cough

immunisations, health screening, sexual health advice and referrals to other services.



New performance strategy to reduce variation in practice between key health services

The department has developed a three-year performance strategy to identify and address inappropriate variation in practice within key health services. The strategy will support services to set improvement goals in paediatric, renal, stroke, critical care, emergency and older persons and palliative clinical networks.

Key health services will be part of 19 priority improvement projects to:

- > reduce the incidence of high-impact, high-preventability complications
- > improve statewide performance on readmissions, complications, length of stay and mortality
- > reduce stillbirths, perinatal mortality and intrapartum brain injuries
- > improve patient experience.

The projects will offer a range of improvement programs including:

- > informing best practice for managing patients with hip fractures
- > standardising inotropes and vasopressors
- > foetal growth restriction clinician training to help reduce preventable stillbirths
- > implementing a sepsis bundle of care in emergency departments
- > reducing clinical variation in paediatric adenotonsillectomy (removal of adenoids and tonsils)
- > reducing unnecessary prescribing in infant reflux.

Performance dashboard pilot for maternity services

Each Victorian maternity service now has access to a local dashboard, allowing them to monitor their own data and clinical performance. By using clinically meaningful data, services can produce timely, regular reports to immediately identify, escalate and respond to performance issues or clinical concerns. Over the next year, the department's Maternity and Newborn Clinical Network will work with services to improve data integrity and interpretation.

Improved performance monitoring of health services

The Victorian Health Services Performance monitoring framework was revised and updated in 2017 to accommodate findings from the Review of Hospital Safety and Quality Assurance in Victoria (the *Targeting zero* review). The framework was updated to strengthen and improve the monitoring of health service performance in Victoria.

Outcome 5.2: Services are inclusive and respond to choice, culture, identity, circumstances and goals

Providing Victorians with choice over their own lives, treatment and care is the cornerstone of a high-quality, compassionate and fair health and human services system. The Victorian Government is committed to providing services to all Victorians that are inclusive and respond to choice, cultural identity, circumstances and goals.

To this end, Victorian Government reforms include giving Victorians more control, compassion and support at the end of their lives; developing better protections for Victorians unable to make decisions about their care; providing quality medicinal cannabis for critically ill Victorian patients; and helping Victorians with disability to transfer to the NDIS for greater choice and control over the services and decisions affecting their lives.



Voluntary Assisted Dying Act

In November 2017, the Victorian Parliament passed the *Voluntary Assisted Dying Act 2017* to give Victorians more control, compassion and support at the end of their lives. The legislation is now undergoing an 18-month implementation period to give health services time to plan and prepare for voluntary assisted dying, before it comes into effect in June 2019.

The department has established an implementation taskforce to coordinate, oversee and facilitate this work. The taskforce will oversee the development of community information and consumer guidelines, substance and dosage guidelines, a permit process, clinical guidelines, training program and models of care and protocols. A stakeholder engagement strategy is currently being reviewed by the taskforce.



Protecting people unable to make decisions about their care

The *Medical Treatment Planning and Decisions Act 2016* came into effect in March 2018. The Act places a greater emphasis on person-directed care and clarifies a health practitioner's obligations when treating people who do not have decision-making capacity. It ensures that people receive medical treatment that is consistent with their preferences and values and provides a single framework for health professionals to support good clinical practice. The department has prepared a suite of resources to inform individuals and medical practitioners about their rights and responsibilities under the Act, in collaboration with the Victorian Office of the Public Advocate and the Victorian Medical Treatment Planning and Decisions Act Implementation Working Group.



Enabling access to medicinal cannabis

The Victorian Government is committed to establishing a reliable, safe production pipeline for the supply of high-quality medicinal cannabis for Victorian patients. The Department of Economic Development, Jobs, Transport and Resources has cultivated cannabis strains suitable for treating children suffering from severe epilepsy and supported industry development in Victoria more broadly.

In March 2017, 29 critically ill children, who suffered from multiple daily seizures and were unable to wait for local products to become available, became the first in Victoria to legally access medicinal cannabis, using government-imported product from Canada ahead of local product becoming available.

Paediatric neurologists nominated children with the most severe symptoms of intractable epilepsy for the early access arrangements. A clinical panel then carefully considered which of those patients should be eligible against strict criteria set by the Independent Medical Advisory Committee on Medicinal Cannabis.

By June 2018, almost 150 Victorians had accessed imported medicinal cannabis products via state or Commonwealth access pathways. Of those, 114 applications requiring state approval were processed by the Office of Medicinal Cannabis. The Victorian Government has doubled the compassionate access scheme for children

with intractable epilepsy to 60 patients and further evaluations are underway.



Supporting the transition to the National Disability Insurance Scheme

Victoria is working to build an inclusive community where people with disability are supported and empowered to make choices and reach their potential. This includes rolling out the NDIS, which is a once-in-a-generation reform. The NDIS will mean better outcomes for people with disability who will have greater choice and control over the services they need and over the decisions affecting their lives.

The Victorian Government is committed to an NDIS that delivers high-quality services and is underpinned by the fair treatment of Victoria's valued disability workforce. The department has played a key role in supporting over 39,000 Victorians to transition to the NDIS by June 2018, and is assisting a further 66,000 people to join the NDIS by June 2019.

This support includes individual case management for people who have complex needs and are experiencing difficulties accessing the NDIS, with approximately 300 people assisted since April 2017.

A \$21 million Transition Support Package has supported people with disability, their families and carers, service providers and the workforce to transition to the NDIS. In 2017–18, 1,626 information sessions were delivered to over 23,804 people and service providers across the state. Targeted support has assisted 2,820 people with disability, their families and carers as well as 1,386 service providers needing assistance with transition.

In addition, government is acting to:

- > prepare Victoria's disability workforce for the NDIS by implementing the \$26 million *Keeping our sector strong: Victoria's workforce plan for the NDIS*
- > roll out a \$4 million NDIS Regional Readiness project and develop the Supervision and Delegation Framework for Allied Health Assistants.

The Victorian Government provided a further boost for the Victorian disability advocacy sector through the \$1.5 million Victorian Disability Advocacy Innovation fund. This is in addition to annual recurrent funding of \$3 million provided through

the Victorian Disability Advocacy Program to 24 organisations that directly supported 1,700 people in 2017–18.

Victoria has strengthened oversight of disability services, including through Victoria's first disability abuse prevention strategy *Dignity, respect and safer services: Victoria's disability abuse prevention strategy*, expanding the Disability Worker Exclusion Scheme and introducing a code of conduct for disability service workers.

Disability accommodation

As a specialist disability accommodation provider, the department oversaw the investment of \$10.9 million by the Victorian Government to upgrade over 800 properties. Works were completed in 543 properties in 2017–18.

To deliver greater choice and control for participants, the Victorian Government will transfer Supported Independent Living and Short-Term Accommodation Assistance to non-government service providers by October 2019. This will also support the expansion and diversity of the NDIS market.

Outcome 5.3: Services are efficient and sustainable

To ensure Victoria continues to provide high-quality and sustainable health and wellbeing services into the future, the department has developed a long-term design, service and infrastructure plan. The *Statewide design, service and infrastructure plan* for Victoria's health system was released in December 2017.

The statewide plan ensures that Victoria is investing in ways that bolster the state's capacity to deliver integrated systems of prevention and care – making it easier to reach out to people in their communities and their homes wherever possible to support better health and better care.

The statewide plan will also foster joined up planning across government and with communities including through metropolitan and regional partnerships to ensure the needs and priorities of local communities are responded to effectively.



Planning for the future

The statewide plan 2017–37 focuses on five priority areas to chart the path forward for Victoria's health system over the next 20 years. They are:

- > building a proactive system that promotes health and anticipates demand
- > creating a safety and quality-led system
- > integrating care across the health and social service system
- > strengthening regional and rural health services
- > investing in the future – the next generation of healthcare.

This long-term lens will look at:

- > increasing critical care capacity
- > improving access to elective surgery
- > meeting clinical services demand
- > meeting hospital services demand.

By setting a clear direction and priorities for design of our future health system, administrators and clinicians will be better supported to provide world class healthcare that meets growing and changing demand.



Meeting demand for ambulance services

Victoria's ambulance action plan: improving services, saving lives sets a clear agenda to ensure Ambulance Victoria stays a world-class emergency prehospital care and transport provider.

Ambulance Victoria is continuing to lead the implementation of the action plan, in consultation with an advisory group, including the department.

Ambulance performance improvement

In November 2016, the Victorian Government announced a \$500 million investment to improve ambulance response times by employing 450 more paramedics, buying new vehicles and building more stations across Victoria. The funding provided six Super Response Centres which are fully operational and recruitment to the first 12 Paramedic Community Support Coordinators.

In the April to June quarter 2018, Ambulance Victoria data showed 83.8 per cent of all Code 1 urgent ambulances arrived within 15 minutes, and on average ambulances arrived 11 minutes and 12 seconds after being called out – 38 seconds faster than the same quarter the previous year. This quarterly data represented the best statewide Code 1 ambulance response time on record.

Ambulance investment

The past year saw 13 new and redeveloped ambulance branches become operational, Australia's first Stroke Ambulance on the road,

a revised Clinical Response Model and the Response Time Rescue Fund continued to support initiatives to improve the health and wellbeing of Victoria's paramedics, including mental health and occupational violence training.

Ambulance Victoria has been working with paramedics to improve awareness and reporting of occupational violence incidents.

A public campaign to improve public awareness of saving Triple Zero for emergencies was expanded to increase awareness of other health services available for everyday health needs when Triple Zero may not be required. This included promoting the services of GPs, Victoria's 24/7 NURSE-ON-CALL service and pharmacists, as well as avenues such as the Better Health Channel.



Improving integrated and coordinated care between health and community services to support better outcomes

The best health and wellbeing services provide integrated and coordinated care between health and community services. The department is working with health services and the Commonwealth to better coordinate and integrate such care.

The department's HealthLinks Chronic Care trial with four health services is showing some early success using flexible funding arrangements to deliver a holistic range of health and social services. This approach has the potential to improve patient outcomes and reduce avoidable hospital admissions.

The department has signed a Bilateral Agreement between the Commonwealth and Victoria on Coordinated Care to build on the Commonwealth's Health Care Home model in primary care and other further reforms in areas including data collection and analysis, system integration, care coordination services, aged care integration, end of life care, mental health, multidisciplinary team care.

Bilateral reforms underway include:

- > a collaborative, integrated care model being trialled in south eastern Melbourne, led by Alfred, Monash and Peninsula Health services in collaboration with the Primary Health Network and Health Care Home practice
- > coordinated digital health and workforce capacity and capability reforms.



Protecting people in danger of hurting themselves and others through partnerships between agencies

The Victorian Fixated Threat Assessment Centre is a joint initiative between Victoria Police Counter Terrorism Command, the Department of Health and Human Services and the Victorian Institute of Forensic Mental Health (Forensicare). It provides an integrated policing and mental health response to people at very high risk of harm to others.

This service, which commenced in March 2018, is designed to combat terrorist and lone actor attacks through better identification and response to individuals who may threaten the safety of themselves and the public. As part of this response, the Victorian Fixated Threat Assessment Centre works closely with mental health and other services to ensure integrated treatment responses.



Building the skills and capacity of the health and human services workforce into the future

Our hard-working and dedicated health and human services workforce is front and centre to everything we do in ensuring Victorians have the very best care. Building the skills of this valued workforce and putting their safety first is vital to the quality and sustainability of health and human services for Victorians.

Putting the safety of health workers first

The department's strategy *Reducing occupational violence in Victorian hospitals* outlines the department's strategic objectives to prevent and reduce occupational violence and aggression in Victorian health services. It is based on a culture change approach, with strong themes of prevention, early intervention and post-incident response.

Key outcomes include the implementation of:

- > a framework to prevent and respond to occupational violence and aggression across all health services
- > new Code Grey Standards across all health services
- > phase 1 of the occupational violence and aggression Its never ok public awareness campaign
- > the occupational violence and aggression training evaluation framework and tool to assess the effectiveness of training.

Other key outcomes include the completion of an audit of security arrangements in health services, security personnel grants to 44 health service sites, the development of post-incident support training for managers, and occupational violence and aggression scenario-based training and funding for 16 behavioural assessment rooms in emergency departments.

Virtual reality training has been provided to health services staff to help reduce the risk of occupational violence through early identification of potential risk and strategies to manage incidents.

A plan to address sexual harassment in health services has also been released and a targeted bullying and harassment awareness campaign is in development.

Additional safety measures have been put in place to reduce and prevent violence in hospitals and mental health services through the Victorian Government's Health Service Violence Prevention Fund, which received a doubling of funding taking the total fund to \$40 million. The government allocated \$15 million of this \$40 million to 182 health services for capital infrastructure to improve safety and security in health services.

In February 2017, 30 rural hospitals and nine metropolitan hospitals, as well as 10 mental health services were allocated a total of \$7 million in the Fund's second round. The funding is for major safety and security, including additional CCTV, more personal duress devices and alarms, and new infrastructure such as security doors, windows and restricted access areas.

Around Victoria, healthcare organisations have implemented a range of strategies to reduce the incidence of violence and aggression because no matter the situation, aggression and violence against health workers is never okay.

Ballarat Health Services is taking a regional approach to violence and aggression training. A Management of Clinical Aggression trainer is offering Occupational Violence and Aggression training to staff across the region. Staff are now more confident in managing aggressive and violent behaviours. There have also been duress system upgrades, increased security and the most serious incidents now undergo critical incident reviews.

Northern Health is reducing aggression in the emergency department through a streaming model. Patients are now organised in streams relevant to the seriousness and nature of their injury. One of the changes is that patients wait where they can be

cared for, but they can also see that staff are busy and know they have not been forgotten. This has led to a significant decrease in aggression.

Occupational violence and aggression

Ninety-five per cent of our healthcare workers have experienced verbal or physical assault while doing their jobs caring for people and saving lives.

The Victorian Government's It's never OK: Violence and Aggression campaign – led by WorkSafe Victoria in partnership with the Department of Health and Human Services – has the theme: aggression and violence against healthcare workers is never OK.

Aggressive gestures or expressions such as eye rolling and sneering against healthcare workers are also acts of violence and aggression, and should not be tolerated.

Our dedicated healthcare workers love their jobs and want to keep caring for people, but they do not want to be yelled at, abused, sworn at or physically assaulted.

These workers put themselves in vulnerable positions on the frontline – and they deserve to feel safe and secure while going about their important work.

Building a skilled workforce

An important element of the *Statewide design, service and infrastructure plan 2017–37* is planning for the workforce we need today and tomorrow.

The department is also upskilling the residential care workforce to meet minimum qualifications requirements. These workers are in daily contact with some of our most vulnerable young people, who are unable to live at home, and are currently residing in out-of-home care. At the end of June 2018, more than 1,800 workers had commenced training through TAFE to meet minimum qualification requirements in line with the Minimum Qualification Strategy for Residential Care Workers in Victoria.

In addition, the department is developing a new model of care for secure welfare services, which builds on the reform work underway through *Roadmap for Reform: strong families, safe children* to improve therapeutic responses and outcomes for highly vulnerable children and young people in out-of-home care.

Outcome 5.4: Services are safe, high-quality and provide a positive experience

The expectation of every Victorian experiencing healthcare and human services is that they will get safe, high-quality care they need when they need it. But we also want individuals accessing those services to have a positive experience. The Victorian Government and the department have introduced a raft of initiatives and programs in the past year to ensure our health and wellbeing services keep getting better.

Victoria has key two agencies – Safer Care Victoria and the Victorian Agency for Health Information – to support health services to provide safe, high-quality care to patients every time, everywhere.



Safer Care Victoria

Safer Care Victoria is the state's healthcare quality and safety improvement agency. The agency works with patients and their families, clinicians and health services to monitor and improve the quality and safety of care delivered across our public health system. Its mission is outstanding healthcare for all Victorians, always, and its purpose is to enable all health services to deliver safe, high-quality care and experiences. The agency was created in response to the recommendations within the report, *Targeting zero: supporting the Victorian hospital system to eliminate avoidable harm and strengthen quality of care*. It has responsibility for oversight and improvement in the quality and safety of Victorian healthcare.

Better Care Victoria Innovation Fund

The Better Care Victoria Innovation Fund supports timely and appropriate access to the highest quality care for Victorians through the identification, scaling and embedding of innovative practice across the Victorian health system. Since 2016, the fund has supported 32 improvement and innovation projects with a total value of \$20 million.

Projects funded in 2017–18 include:

- > models of care for robotics in the North-East Region, led by Northeast Health Wangaratta
- > a Safe Haven Cafe for mental health consumers, led by St Vincent's Hospital
- > management and care of the jaundiced newborn at home, led by The Royal Women's Hospital.

The Better Care Victoria Innovation Fund has facilitated the scaling of successful innovation projects across the Victorian health sector. The Think Sepsis. Act Fast. innovation project resulted in significant improvements in mortality, length of stay, and intensive care unit admissions related to sepsis. In 2017–18, this clinical sepsis pathway was scaled to a further 11 health services.

The Choosing Wisely innovation project demonstrated statistically significant reductions in the volumes of coagulation studies and urine cultures being ordered. Based on these positive results, the Better Care Victoria Innovation Fund has supported the implementation of Choosing Wisely in another 11 health services, aiming to decrease variation in care for patients by reducing unnecessary tests and treatments.

The Better Care Victoria Innovation Fund is also supporting collaborative partnerships between regional, rural and metro health services. The Improving Emergency Access Partnership (the partnership) took a whole-of-health service approach to addressing constraints in patient flow impacting on the four-hour national emergency access target (NEAT) in emergency departments. From January to September 2017, 25,368 more patients who presented to the 11 hospitals participating in the partnership received care within the four-hour NEAT than the same period the previous year. In the same period, non-collaborative hospitals only saw an additional 4,473 more patients within the four-hour NEAT than the previous year.

The lessons learnt and experiences from the partnership have been shared more broadly across health services, encouraging the scale and spread of best practice. A community of practice has been established to ensure ongoing collaboration and sharing with the partnership partners and other stakeholders across partnership models.

The Patient Flow Partnership was officially launched in March 2018, aiming to improve access to emergency care through a focus on patient flow across the entire patient journey. Building on the work of the Improving Emergency Access Partnership, the Patient Flow Partnership has 15 participating health services across rural, regional and metropolitan Victoria. The 15 health services involved have identified 80 improvement initiatives which they aim to complete before the conclusion of the partnership.

A full list of funded projects is available on the [Better Care Victoria website](#) <<https://www.bettercare.vic.gov.au>>.

In the 2018–19 State Budget, the fund was allocated \$25 million for more innovation projects.

Victorian Clinical Council

In March 2017, the Victorian Clinical Council was established as a forum for the Department of Health and Human Services and Safer Care Victoria to obtain the collective advice of clinicians and consumers on strategic and systems level issues.

Safer Care Patient and Family Council

In September 2017, a Safer Care Patient and Family Council was established to help ensure the perspectives and needs of patients, their families and carers are represented in Safer Care Victoria's program planning, implementation and evaluation.



Embedding quality and safety governance throughout health services

In June 2017, Safer Care Victoria released the *Delivering high-quality healthcare: Victorian clinical governance framework* to help health services implement systems and processes to protect health quality and safety. In 2018–19, Safer Care Victoria will support health services to assess their clinical governance and identify gaps.

Clinical guidelines in priority areas

In the past year, Safer Care Victoria has continued to add to its online bank of clinical guidance, including:

- > 11 new topics in the *Maternity eHandbook*
- > three new topics in the *Neonatal eHandbook*
- > use of critical care medications (inotropes)
- > 13 new paediatric general practice HealthPathways for paediatric gastrointestinal and respiratory conditions (developed with the Victorian Primary Health Network Alliance and The Royal Children's Hospital).

Strengthening oversight of quality and safety across Victorian health services

In the past year, Safer Care Victoria has provided the department with expert analysis on quality and safety indicators, and specific advice on renal transplant, extracorporeal membrane oxygenation and cardiothoracic surgery. Further advice will be provided on maternity services and bariatric care.

System safety reviews

Over the past year, Safer Care Victoria has established its role and procedures in:

- > conducting system safety reviews of identified quality and safety issues
- > supporting health services through clinical services assessments to plan a sustainable and safe service.

This year, Safer Care Victoria conducted four system safety reviews into the quality and safety of health services, such as Cohuna District Hospital maternity services and Caulfield General Medical Centre's acquired brain injury unit.

Mortality and morbidity councils

Over the past year, Safer Care Victoria supported Victoria's independent consultative councils with their reporting requirements.

These were:

- > the Consultative Council on Obstetric and Paediatric Mortality and Morbidity (CCOPMM)
- > the Victorian Consultative Council on Anaesthetic Mortality and Morbidity (VCCAMM)
- > the Victorian Surgical Consultative Council (VSAC).



The Victorian Agency for Health Information

The Victorian Agency for Health Information was created in 2017 as part of Victorian Government reforms to overhaul quality and safety across Victoria's healthcare system. By analysing and sharing information across Victoria's healthcare system, the agency helps build an accurate picture of public and private hospital and health service performance. It produces regular reports for health services to monitor safety and performance by looking at data – such as rates of potentially preventable infections and readmissions. It also collects and reports on patients' experiences of Victoria's public health services and works with a range of stakeholders to produce reports on selected topics of interest to the public.

Keeping track of quality and safety

In July 2017, the Victorian Agency for Health Information published its first edition of *Inspire* for clinicians in health services and hospitals. It also published a quarterly report in response to *Targeting zero* recommendations to improve information flow around the health system.

It provides information to support culture change and drive improvements in quality and safety performance. Two special issues of *Inspire* featured:

- > sentinel events and mortality (September 2017)
- > mental health (June 2018).

The agency also developed a new health data integrity program to monitor and support improvement in the data reported by health services and developed a new incident and feedback reporting and management system, known as VHIMS Central. The system will be rolled out to small services, community health and small hospitals in 2018–19.



Community Services Quality and Safety Office

The Community Services Quality and Safety Office (the office) was established in December 2017 to strengthen the quality and safety of community services delivered, contracted and regulated by the department, in a systemic way. In the second half of 2017–18, the office focused on its establishment and the delivery of 15 workshops across the state to promote quality governance.

The office also developed its Quality Governance Framework. The framework outlines the roles and responsibilities involved in delivering on the objective of safe, effective, connected and person-centred services.

It identifies the systems of focus that are required to develop and maintain a high-performing organisation. The systems are organised into five domains of quality governance that are underpinned by continuous monitoring, evaluation and improvement:

- > leadership and culture
- > client and family partnerships
- > workforce
- > best practice
- > risk management.

The framework has been developed so services can scale, adapt and implement components to meet the needs and scope of their organisation. Each service should use it to review, design and continuously improve its own structures, systems and processes. It specifies that everyone, whether a volunteer, manager, CEO or member of a governing body, has a role to play in achieving the best possible experience and outcome for the people who use community services.

The office has developed its workplan, which includes the development of a client voice framework, developing eLearning resources for practitioners, Quality Governance toolkits and training for Boards and CEOs, and development of a suite of data measures for quality and safety across the community services system.



Supporting trans and gender diverse Victorians

In May 2018, the Victorian Government announced \$3.4 million to expand the Victorian health system's capacity to support trans and gender diverse people, and ensure they get the healthcare they need. The department is using this funding for additional training for healthcare staff across the state, and to establish two additional trans and gender diverse multidisciplinary clinics, to provide tailored support to the trans and gender diverse community across metropolitan Melbourne and regional Victoria. The Department of Premier and Cabinet will be leading on improving peer support services will also be established to make sure trans and gender diverse Victorians – and their families – have access to the support they need, when they need it.



Objective 5: indicator results

| | 2014–15 | 2015–16 | 2016–17 | 2017–18 |
|---|---------|---------|---------|---------|
| Services are appropriate and accessible in the right place, at the right time | | | | |
| Non-urgent (Category 3) elective surgery patients admitted within 365 days | 92.5% | 94.0% | 95.0% | 95.8% |
| Semi-urgent (Category 2) elective surgery patients admitted within 90 days | 75.8% | 77.0% | 81.0% | 80.7% |
| Urgent (Category 1) elective surgery patients admitted within 30 days | 100% | 100% | 100% | 100% |
| Percentage of (youth affairs) programs delivered within agreed timeframes | 99.9% | 98.5% | 100% | * |
| Emergency Category 1 treated immediately | 100% | 100% | 100% | 100% |
| Emergency patients treated within clinically recommended time to treatment | 75.0% | 74.3% | 73.4% | 72.6% |
| Source: Internal departmental data | | | | |
| Services are inclusive and respond to choice, culture, identity, circumstances and goals | | | | |
| Health Independence Program direct contacts | ^ | 1,487 | 1,511 | 1,559 |
| Patients treated in specialist outpatient clinics – unweighted | 1,708 | 1,729 | 1,718 | 1,784 |
| Postacute clients not readmitted to acute hospital | 92.0 | 93.0 | 93.0 | 93.6 |
| Health Independence Program clients contacted within three days of referral | ^ | 90.0 | 89.0 | 89.7 |
| Source: Internal departmental data | | | | |
| Services are efficient and sustainable | | | | |
| Major trauma patients transferred to a major trauma service | 91.0% | 91.0% | 85.0% | 90.4% |
| Proportion of clients whose support is commenced within departmental timelines | 94.2% | 93.3% | 92.0% | 93.8% |
| Source: Internal departmental data | | | | |
| Services are safe, high-quality and provide a positive experience | | | | |
| Public hospitals accredited | 100% | 100% | 100% | 100% |
| Patients reported hospital cleanliness | ^ | ^ | ^ | 70% |
| Source: Internal departmental data | | | | |
| Positive patient experience (VHES) | 91.7% | 91.4% | 92.0% | * |
| Discharge experience index (VHES) | 75.4% | 74.3% | 75.6% | * |
| Source: Victorian Health Experience Survey | | | | |

* Data not available at date of publication

^ New measure

The department is committed to measuring outcomes for all indicators set out in the Victorian Budget Papers. Candidate indicators and measures have been identified and provisionally mapped to this outcome, however, further work is needed to test and validate measures to ensure departmental initiatives and policies are reflected by the performance indicators. As the outcomes approaches in the department mature, reporting will be provided against outcome measures and will inform the reporting of performance indicators.

Performance reporting

Results in the tables below are coded according to:

- ✓ Performance target achieved or exceeded
- Performance target not achieved – within five per cent variance.
- Performance target not achieved – exceeds five per cent variance

An update will be provided on the department's annual report website when all actuals are available.

Acute Health Services

This output provides a range of timely and high-quality acute hospital inpatient, ambulatory, emergency, community-based and specialist services.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Admitted Services | | | | | |
| Quantity | | | | | |
| Palliative separations | number | 7,670 | 7,578 | -1.2 | ○ |
| Subacute care separations | number | 37,313 | 39,518 | 5.9 | ✓ |
| The result is higher than the target due to an increase in demand for acute inpatient services. | | | | | |
| Total separations – all hospitals | number ('000) | 1,855 | 1,880 | 1.4 | ✓ |
| Weighted Inlier Equivalent Separations (WIES) – all hospitals except small rural health services | number ('000) | 1,338 | 1,348 | 0.7 | ✓ |
| WIES funded emergency separations – all hospitals | number ('000) | 646 | 652 | 0.9 | ✓ |
| WIES funded separations – all hospitals except small rural health services | number ('000) | 1,672 | 1,710 | 2.3 | ✓ |
| Perinatal mortality rate per 1,000 of babies of Aboriginal mothers using rolling three-year average | rate | 13.6 | 9 | -33.8 | ✓ |
| The latest result reflects the three year period 2014–16 and is better than target due to the implementation of risk reduction strategies by health services. The mortality rate is the lowest in 16 years. This is a positive result. The 2015–17 triennium data will be available during December 2018. | | | | | |
| Quality | | | | | |
| Eligible newborns screened for hearing deficit before one month of age | per cent | 97 | 98.6 | 1.6 | ✓ |
| Preliminary result. Actual end-of-year results will be available at end of September 2018 after the receipt of consolidated data from the Victorian Infant Hearing Screening Program. | | | | | |
| Hand hygiene compliance | per cent | 80 | 85 | 6.3 | ✓ |
| The result is higher than the target due to successful maintenance of best practice approaches implemented to infection prevention including compliance with Hand Hygiene Australia hand washing protocols. This is a positive result. | | | | | |
| Healthcare worker immunisation – influenza | per cent | 75 | 80 | 6.7 | ✓ |
| The result is higher than the target due to more healthcare workers participating in the influenza immunisation program offered by the department. This a positive result. | | | | | |
| Hospitals participating in Victorian Hospital Acquired Infection Surveillance System (VICNISS) | per cent | 100 | 100 | 0.0 | ✓ |
| This performance measure is proposed to be discontinued in 2018–19 as it is a measure of data submission compliance and 100 per cent has continually been achieved. | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Intensive care unit central line associated blood stream infections (CLABSI) per 1,000 device days | rate | 1.5 | 0.8 | -46.7 | ✓ |
| Preliminary result. Actual end-of-year results will be available after receipt of health service submissions due mid-October 2018. The result is better than the target due to health services implementation of infection prevention protocols in intensive care units. This is a positive result. | | | | | |
| Major trauma patients transferred to a major trauma service | per cent | 85 | 90.4 | 6.4 | ✓ |
| Preliminary result. The higher-than-target expected outcome is due to higher number of major trauma patients being transferred to a major trauma service than targeted. This is a positive result. | | | | | |
| Actual end-of-year results will be available at end of December 2018 after the receipt of data from the Victorian State Trauma Registry. | | | | | |
| Perinatal and child mortality reports received, reviewed and classified | per cent | 95 | 100 | 5.3 | ✓ |
| The higher-than-target outcome is a positive result. | | | | | |
| Public hospitals accredited | per cent | 100 | 100 | 0.0 | ✓ |
| Patient reported hospital cleanliness | per cent | 70 | 70 | 0.0 | ✓ |
| Preliminary result. Actual end-of-year result is expected to be available mid-October 2018. | | | | | |
| <i>Staphylococcus aureus</i> bacteraemias (SAB) infections per 10,000 patient days | rate | 1 | 0.8 | -20.0 | ✓ |
| Preliminary result. Actual end-of-year results will be available after receipt of health service submissions due mid-October 2018. The result is better than the target due to the implementation of infection prevention protocols in intensive care units by health services. This is a positive result. | | | | | |
| Unplanned/unexpected readmission for acute myocardial infarction | per cent | 2.5 | 1.6 | -36.0 | ✓ |
| Preliminary result. Actual end-of-year results will be available after receipt of health service submissions due mid-October 2018. The result is better than the target due to effective discharge plans that ensure appropriate physical and social supports are available to the patients. This is a positive result. | | | | | |
| Unplanned/unexpected readmission for heart failure | per cent | 10.3 | 9 | -12.6 | ✓ |
| Preliminary result. Actual end-of-year results will be available after receipt of health service submissions due mid-October 2018. The result is better than the target due to effective discharge plans that ensure appropriate physical and social supports are available to the patients. This is a positive result. | | | | | |
| Unplanned/unexpected readmission for hip replacement | per cent | 2.5 | 3.4 | 36.0 | ■ |
| Preliminary result. Actual end-of-year results will be available after receipt of health service submissions due mid-October 2018. The result is higher than the target. Safer Care Victoria will commence work with health services in 2018–19 to identify the causes underlying unplanned readmissions of these patients. Health services are expected to develop improvements to reduce this rate as part of their work plans. | | | | | |
| Unplanned/unexpected readmission for knee replacement | per cent | 6 | 6.3 | 5.0 | ■ |
| Preliminary result. Actual end-of-year results will be available after receipt of health service submissions due mid-October 2018. The result is higher than the target. Health services with high rates of readmissions are expected to develop improvement strategies to reduce this rate as part of their work plans in 2018–19. | | | | | |
| Unplanned/unexpected readmission for paediatric tonsillectomy and adenoidectomy | per cent | 2.2 | 2.5 | 13.6 | ■ |
| Preliminary result. Actual end-of-year results will be available after receipt of health service submissions due mid-October 2018. The result is higher than the target. Safer Care Victoria will commence a statewide improvement program in 2018–19, led by the Victorian Paediatric Clinical Network, to reduce variation in tonsillitis care overall and unplanned readmissions. | | | | | |
| Timeliness | | | | | |
| Non-urgent (Category 3) elective surgery patients admitted within 365 days | per cent | 95 | 95.5 | 0.5 | ✓ |
| Semi-urgent (Category 2) elective surgery patients admitted within 90 days | per cent | 83 | 80.7 | -2.8 | ○ |
| Urgent (Category 1) elective surgery patients admitted within 30 days | per cent | 100 | 100 | 0.0 | ✓ |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Cost | | | | | |
| Total Output Cost | \$ million | 10,374.3 | 10,720.1 | 3.3 | |
| The actual result primarily reflects: higher than expected depreciation expense; additional Commonwealth National Health Reform revenue; additional government policy initiatives; additional cross-border revenue; and partially offset by lower than expected hospital own-source revenue. | | | | | |
| Non Admitted Services | | | | | |
| Quantity | | | | | |
| Completed postacute episodes | number | 44,700 | 52,815 | 18.2 | ✓ |
| The result is higher than the target due to increased use of community-based services to facilitate earlier supported discharge from hospital. This is a positive result. | | | | | |
| Health Independence Program direct contacts | number ('000) | 1,545 | 1,559 | 0.9 | ✓ |
| Patients treated in specialist outpatient clinics – unweighted | number ('000) | 1,786 | 1,785 | -0.1 | ○ |
| Quality | | | | | |
| Postacute clients not readmitted to acute hospital | per cent | 90 | 93.6 | 4.0 | ✓ |
| Timeliness | | | | | |
| Health Independence Program clients contacted within three days of referral | per cent | 85 | 89.7 | 5.5 | ✓ |
| The result is higher than the target due to the improvement in practice implemented. This is a positive result. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 1,843.9 | 1,696.0 | -8.0 | |
| The actual result primarily reflects: lower than expected Commonwealth revenue for highly specialised drugs; realignment of output budget related to National Health Reform funding; and partially offset by additional government policy initiatives. | | | | | |
| Emergency Services | | | | | |
| Quantity | | | | | |
| Emergency presentations | number ('000) | 1,764 | 1,793 | 1.6 | ✓ |
| Emergency patients who did not wait for treatment | per cent | 5 | 4.4 | -12.0 | ✓ |
| The lower-than-target outcome is a positive result. | | | | | |
| Emergency patients re-presenting to the emergency department within 48 hours of previous presentation | per cent | 6 | 6 | 0.0 | ✓ |
| Quality | | | | | |
| Patients' experience of emergency department care | per cent | 85 | 86 | 1.2 | ✓ |
| Timeliness | | | | | |
| Emergency Category 1 treated immediately | per cent | 100 | 100 | 0.0 | ✓ |
| Emergency patients treated within clinically recommended time to treatment | per cent | 80 | 72.6 | -9.3 | ■ |
| The lower-than-target result is due to increasing demand for emergency department services across the Victorian hospital system. Additional funding was provided during Q3 and Q4 to assist in meeting this increased demand. The department is working with Safer Care Victoria and the hospital system to implement strategies to further improve performance. | | | | | |
| Emergency patients with a length of stay of less than four hours | per cent | 75 | 69.2 | -7.7 | ■ |
| The lower-than-target result is due to higher number of emergency presentations and stable number of patients presenting for less urgent conditions (categories 4 and 5). | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-------------------|----------------|----------------|---------------|--------|
| Proportion of ambulance patient transfers within 40 minutes | per cent | 90 | 83.3 | -7.4 | ■ |
| The lower-than-target result is due to increasing demand for emergency department services across the Victorian hospital system which impacts on performance. Additional funding was provided during Q3 and Q4 to assist in meeting demand. The department is working with Safer Care Victoria and the hospital system to implement strategies to further improve performance. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 637.8 | 641.4 | 0.6 | |
| Acute Training and Development | | | | | |
| Quantity | | | | | |
| Clinical placement student days (medicine) | number | 385,000 | 393,807 | 2.3 | ✓ |
| Clinical placement student days (nursing and midwifery) | number | 385,000 | 406,330 | 5.5 | ✓ |
| The result is higher than the target due to the increase in number of nursing university students, leading to an increase in the number of clinical placement days. | | | | | |
| Clinical placement student days (allied health) | number | 160,000 | 158,461 | -1.0 | ○ |
| Number of filled rural generalist GP procedural positions | number | 15 | 15 | 0.0 | ✓ |
| Funded postgraduate nursing and midwifery places at diploma and certificate level | number | 832 | 832 | 0.0 | ✓ |
| Total funded FTE (early graduate) allied health positions in public system | number | 700 | 700 | 0.0 | ✓ |
| Total funded FTE (early graduate) medical positions in public system | number | 1,525 | 1,525 | 0.0 | ✓ |
| Total funded FTE (early graduate) nursing and midwifery positions in public system | number | 1,591 | 1,591 | 0.0 | ✓ |
| Quality | | | | | |
| Learner perception about their feeling of safety and wellbeing while undertaking their program of study at health services | per cent | 70 | 94 | 34.3 | ✓ |
| The higher outcome to target is a positive result, reflecting higher level of satisfaction. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 272.2 | 277.6 | 2.0 | |

Ageing, Aged and Home Care

This output encompasses leading and coordinating the whole-of-government policy on issues affecting our ageing community. It includes a range of in-home, specialist geriatric, residential care and community-based programs, such as Home and Community Care (HACC), that are targeted to older people, people with a disability, and their carers.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Seniors Programs and Participation | | | | | |
| Quantity | | | | | |
| New University of the Third Age (U3A) programs funded | number | 45–60 | 46 | 0.0 | ✓ |
| Seniors funded activities and programs: number approved | number | 140–160 | 159 | 0.0 | ✓ |
| Open rates for Seniors Card e-newsletters | per cent | 45 | 54 | 20.0 | ✓ |
| The result is higher than the target due to topics featured in the newsletters being of high interest to Seniors Card holders. | | | | | |
| Quality | | | | | |
| Eligible seniors in the seniors card program | per cent | 95 | 82 | -13.7 | ■ |
| The result is lower than the target due to smaller proportions than expected taking up the Seniors Business Discount Card, which does not include public transport discounts. | | | | | |
| Senior satisfaction with Victorian Seniors Festival events | per cent | 90 | 93 | 3.3 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 7.7 | 9.1 | 18.3 | |
| The actual result reflects additional trust fund expenditure not reflected in the 2017–18 State Budget | | | | | |
| Residential Aged Care | | | | | |
| Quantity | | | | | |
| Available bed days | days | 1,152,417 | 1,152,417 | 0.0 | ✓ |
| Quality | | | | | |
| Residential care services accredited | per cent | 100 | 100 | 0.0 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 382.7 | 342.2 | -10.6 | |
| The actual result primarily reflects lower than expected hospital own-source revenue. | | | | | |
| Aged Care Assessment | | | | | |
| Quantity | | | | | |
| Aged Care Assessments | number | 59,000 | 67,229 | 13.9 | ✓ |
| The result is higher than the target due to assessment numbers now including support plan reviews, which were introduced from 1 July 2017. This is a positive result. | | | | | |
| Timeliness | | | | | |
| Average waiting time (calendar days) from referral to assessment | days | 90 | 15 | -83.3 | ✓ |
| The lower-than-target result is due to incorrect target to the unit of measure reported. The correct target should have been 15 days, equating to 90 per cent. The 2018–19 target has been adjusted accordingly. | | | | | |
| Percentage of high, medium and low priority clients assessed within the appropriate time – community | per cent | 90 | 49 | -45.6 | ■ |
| The result is lower than the target due to a fourfold increased demand for reviews and the effect of changes to Home Care Packages on low-priority referrals. A number of improvement measures are in place to address these issues. | | | | | |
| This performance measure will be replaced with three new performance measures in 2018–19 to align with Commonwealth performance requirements. | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|------------------------|-----------------------|-----------------------|----------------------|---------------|
| Percentage of high, medium and low priority clients assessed within the appropriate time – hospital | per cent | 90 | 99 | 10.0 | ✓ |
| The result is higher than the target as more people in hospitals are assessed within the appropriate time. This is a positive result. | | | | | |
| This performance measure is proposed to be discontinued and replaced with three new performance measures in 2018–19. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 63.7 | 64.5 | 1.3 | |
| Aged Support Services | | | | | |
| Quantity | | | | | |
| Individuals provided with respite and support services | number | 8,254 | 8,757 | 6.1 | ○ |
| The result is higher than the target due to more clients accessing services, changes in patterns of use, and the subsequent mix of services required. | | | | | |
| Number of hours of respite and support services | number | 161,250 | 155,661 | -3.5 | ○ |
| Pension-level beds available in assisted supported residential services facilities | number | 1,876 | 1,816 | -3.2 | ○ |
| Pension-level supported residential services residents provided with service coordination and support/brokerage services | number | 775 | 775 | 0.0 | ✓ |
| Personal alert units allocated | number | 27,370 | 29,121 | 6.4 | ✓ |
| The variance between 2017–18 target and result is due to growth in allocation of personal alert units. The 2018–19 target has been adjusted accordingly. | | | | | |
| Victorian EyeCare Service (occasions of service) | number | 75,800 | 72,949 | -3.8 | ○ |
| Quality | | | | | |
| Funded research and service development projects for which satisfactory reports have been received | per cent | 100 | 100 | 0.0 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 104.8 | 103.5 | -1.2 | |
| The actual result reflects funding requested to be carried over into 2018–19. | | | | | |
| Home and Community Care Program for Younger People | | | | | |
| Quantity | | | | | |
| Home and Community Care for Younger People – number of clients receiving a service | number | 69,778 | 69,733 | -0.1 | ✓ |
| Home and Community Care for Younger People – hours of service delivery | number ('000) | 2,216 | 1,804 | -18.6 | ■ |
| The result is lower than target due to existing clients transitioning to the NDIS. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 230.4 | 253.0 | 9.8 | |
| The result reflects: increased National Partnership Agreement and Commonwealth revenue; higher than estimated depreciation expenditure; offset by higher than expected contribution to the Commonwealth for National Disability Insurance Scheme. | | | | | |

Ambulance Services

This output describes the units of activity for emergency and non-emergency ambulance services under the funding model introduced 1 July 2014, including a range of performance deliverables that measure the quality and timeliness of ambulance services expected over the period. The quality and timeliness measures identify expected clinical output measures and ambulance response times, which are important to ensure critically ill Victorians receive the care they need.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Ambulance Emergency Services | | | | | |
| Quantity | | | | | |
| Community service obligation emergency road and air transports | number | 231,851 | 248,170 | 7.0 | ✓ |
| The result is higher than the target due to increased demand. | | | | | |
| Statewide emergency air transports | number | 4,338 | 4,431 | 2.1 | ✓ |
| Statewide emergency road transports | number | 413,194 | 442,790 | 7.2 | ✓ |
| The result is higher than the target due to increased demand. | | | | | |
| Treatment without transport | number | 96,920 | 96,777 | -0.1 | ○ |
| Quality | | | | | |
| Audited cases attended by Community Emergency Response Teams (CERT) meeting clinical practice standards | per cent | 90 | 100 | 11.1 | ✓ |
| The higher-than-target outcome is a positive result. | | | | | |
| Audited cases statewide meeting clinical practice standards | per cent | 95 | 99.9 | 5.2 | ✓ |
| The higher-than-target outcome is a positive result. | | | | | |
| Proportion of adult patients suspected of having a stroke who were transported to a stroke unit with thrombolysis facilities within 60 minutes | per cent | 80 | 97.5 | 21.9 | ✓ |
| The higher-than-target outcome is a positive result. | | | | | |
| Proportion of adult VF/VT cardiac arrest patients with vital signs at hospital | per cent | 45 | 53.1 | 18.0 | ✓ |
| The higher-than-target outcome is a positive result. | | | | | |
| Proportion of patients experiencing severe cardiac or traumatic pain whose level of pain is reduced significantly | per cent | 90 | 90.8 | 0.9 | ✓ |
| Proportion of patients very satisfied or satisfied with overall services delivered by paramedics | per cent | 95 | 97.9 | 3.1 | ✓ |
| Timeliness | | | | | |
| CERT arrival occurs prior to ambulance | per cent | 85 | 75.7 | -10.9 | ■ |
| The result is lower than the target. New services and increased availability of emergency ambulances (as result of recent reforms) have contributed to the reduction in CERT first arrivals. This is considered a positive result as emergency ambulances are more frequently arriving first. | | | | | |
| This performance measure is proposed to be discontinued in 2018–19 as it no longer accurately reflects CERT performance. | | | | | |
| Proportion of emergency (Code 1) incidents responded to within 15 minutes – statewide | per cent | 85 | 81.8 | -3.8 | ○ |
| Proportion of emergency (Code 1) incidents responded to within 15 minutes in centres with more than 7,500 population | per cent | 90 | 87.2 | -3.1 | ○ |
| Cost | | | | | |
| Total Output Cost | \$ million | 890.9 | 901.0 | 1.1 | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-------------------|----------------|----------------|---------------|--------|
| Ambulance Non-Emergency Services | | | | | |
| Quantity | | | | | |
| Community service obligation non-emergency road and air transports | number | 185,539 | 205,855 | 10.9 | ✓ |
| The higher-than-target outcome is due to increased demand. | | | | | |
| Statewide non-emergency air transports | number | 2,546 | 2,233 | -12.3 | ■ |
| The higher-than-target outcome is due to lower demand for air services. Air activity is entirely demand driven. | | | | | |
| Statewide non-emergency road transports | number | 256,819 | 271,206 | 5.6 | ✓ |
| The higher-than-target outcome is due to increased demand. | | | | | |
| Quality | | | | | |
| Audited cases statewide meeting clinical practice standards | per cent | 95 | 100 | 5.3 | ✓ |
| The higher-than-target outcome is a positive result. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 137.8 | 130.0 | -5.7 | |
| The actual result reflects lower than expected own-source revenue for Ambulance Victoria. | | | | | |

Drug Services

This output includes programs and services aimed at promoting and protecting health by reducing death, disease and social harm caused by the use and misuse of licit and illicit drugs.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Drug Prevention and Control | | | | | |
| Quantity | | | | | |
| Number of phone contacts from family members seeking support | number | 14,300 | 10,590 | -25.9 | ■ |
| The lower-than-target outcome is primarily due to a decline in contacts from family members across all services in 2017–18. In response, the department is continuing to engage with the service provider that delivers these services to ensure that they are appropriately promoted. | | | | | |
| Needles and syringes provided through the Needle and Syringe Program | number ('000) | 8,800 | 9,504 | 8.0 | ✓ |
| The higher-than-target result reflects ongoing strong engagement with the program by clients. | | | | | |
| Number of telephone, email, website contacts and requests for information on alcohol and other drugs | number ('000) | 2,000 | 1,538 | -23.1 | ■ |
| The lower-than-target outcome is primarily due to the website redevelopment of the primary service provider leading to a significant reduction in contacts. The department is working with the provider to rectify the issue and will continue to monitor to ensure that the upward trend continues. | | | | | |
| Quality | | | | | |
| Pharmacotherapy permits processed within designated timeframe | per cent | 100 | 100 | 0.0 | ✓ |
| Timeliness | | | | | |
| Percentage of new licences and permits issued to health services or businesses for the manufacture, use or supply of drugs and poisons within six weeks following receipt of full information | per cent | 100 | 100 | 0.0 | ✓ |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Percentage of treatment permits for medical practitioners or nurse practitioners to prescribe Schedule 8 drugs assessed within four weeks | per cent | 75 | 100 | 33.3 | ✓ |
| The result is higher than the target due to improvements in processing. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 34.2 | 34.1 | -0.3 | |
| The actual result primarily reflects lower depreciation expenditure. | | | | | |
| Drug Treatment and Rehabilitation | | | | | |
| Quantity | | | | | |
| Clients on the pharmacotherapy program | number | 14,000 | 14,304 | 2.2 | ✓ |
| Commenced courses of treatment: community-based drug treatment services | number | 7,669 | 9,441 | 23.1 | ✓ |
| The result is higher than the target due to an ongoing increase in the delivery of a range of treatment types. This is a positive result. | | | | | |
| Commenced courses of treatment: residential-based drug treatment services | number | 6,313 | 6,692 | 6.0 | ✓ |
| The result is higher than the target due to ongoing strong demand for residential rehabilitation and withdrawal services. | | | | | |
| Number of Drug Treatment Activity Units (DTAUs) | number | 82,431 | 87,733 | 6.4 | ✓ |
| The result is higher than the target due to increased demand for the service. | | | | | |
| Number of new residential withdrawal clients | number | 2,262 | 2,165 | -4.3 | ■ |
| Residential bed days | number | 110,048 | 99,453 | -9.6 | ■ |
| The result is lower than the target due to changes to historical reporting practices by service providers and ongoing data derivation issues. This will be addressed as part of the forthcoming implementation of the Victorian Alcohol and Drug Collection, the new data specification for drug treatment and rehabilitation services. In the meantime, the department has identified the service providers with the highest reported underperformance, and is now engaging with those service providers to assist them to identify the causes of misreporting and rectify these. | | | | | |
| Quality | | | | | |
| Percentage of new clients to existing clients | per cent | 50 | 34.4 | -31.2 | ■ |
| The result is lower than the target due to the continuation of a long-term trend of increasing client complexity. This is due to more clients receiving multiple courses of treatment and having longer lengths of stay. In response, the department is delivering innovative models of care to respond to changing treatment needs. | | | | | |
| Percentage of residential rehabilitation courses of treatment greater than 65 days | per cent | 50 | 43 | -14.0 | ■ |
| The result is lower than the target due to several service providers operate delivery models with shorter courses of treatment. | | | | | |
| Successful courses of treatment (episodes of care): community-based drug treatment services | number | 6,665 | 8,539 | 28.1 | ✓ |
| The result is higher than the target, which reflects investment into community-based drug treatment services in recent years, particularly into youth services. This result is consistent with the 'Commenced courses of treatment: community-based drug treatment services' measure. | | | | | |
| Successful courses of treatment (episodes of care): residential-based drug treatment services | number | 5,869 | 6,213 | 5.9 | ✓ |
| The result is higher than the target due to ongoing strong demand for residential rehabilitation and withdrawal services, consistent with the 'Commenced courses of treatment: residential-based drug treatment services' measure. | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Trained alcohol and drug workers | per cent | 85 | 61.4 | –27.8 | ■ |
| The lower-than-target result is due to the limitation of current methodology of this measure to only include workforce with a formal qualification specialising in alcohol and drug studies or addiction medicine. The measure will be more meaningful to include other qualifications and informal education/professional development in alcohol and other drugs (AOD) related fields, for example those with a formal health science or behavioural science qualification or have completed AOD units of competency from the Community Services Training Package. | | | | | |
| The result is estimated based on the 2016–17 workforce survey. The survey is run every two years, therefore actual result will not be available until 2018–19 reporting. | | | | | |
| This measure will be replaced by a new performance measure 'Workers complying with Alcohol and Other Drug Minimum Qualification Strategy requirements' in 2018–19 to better reflect the minimum qualification requirement for the funded AOD sector. | | | | | |
| Timeliness | | | | | |
| Average working days between screening of client and commencement of community-based drug treatment | days | 3 | 0 | 0.0 | ✓ |
| The result is lower than the target due to ongoing strong demand for residential rehabilitation and withdrawal services, consistent with the 'Commenced courses of treatment: residential-based drug treatment services' measure. This is a positive result. | | | | | |
| Average working days between screening of client and commencement of residential-based drug treatment | number | 6 | 5 | –16.7 | ✓ |
| The result is lower than the target. This is a positive result. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 185.9 | 198.6 | 6.8 | |
| The actual result reflects additional government initiatives and higher Commonwealth National Health Reform revenue. | | | | | |

Mental Health

This output includes the provision of a range of inpatient, community-based residential and ambulatory services that target and support people with a mental illness and their families and carers, identifying mental illness early, and seek to reduce its impact through providing timely acute care services and appropriate longer-term accommodation and support for those living with a mental illness.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Clinical Care | | | | | |
| Quantity | | | | | |
| Clinical inpatient separations | | | | | |
| Clinical inpatient separations | number | 22,689 | 27,028 | 19.1 | ✓ |
| The higher result to target reflects ongoing demand for inpatient mental health treatment. | | | | | |
| Total community service hours | number ('000) | 1,236 | 1,281 | 3.6 | ✓ |
| New case index | per cent | 50 | 54 | 8.0 | ✓ |
| The outcome is higher than the target due to the recent increase in investment which has assisted in reaching new clients and also improved reporting across the sector. This is a positive result. | | | | | |
| Registered community clients | number | 64,000 | 71,550 | 11.8 | ✓ |
| The result is higher than the target due to the impact of recent increase in investment that has assisted in reaching new clients and improved reporting across the sector. This is a positive result. | | | | | |
| Residential bed days | number | 153,574 | 156,546 | 1.9 | ✓ |
| Subacute bed days | number | 182,427 | 185,175 | 1.5 | ✓ |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Quality | | | | | |
| Clients readmitted (unplanned) within 28 days | per cent | 14 | 13.7 | -2.1 | ○ |
| New client index | per cent | 45 | 46.2 | 2.7 | ✓ |
| Number of area mental health services achieving or maintaining accreditation under the National Standards for Mental Health Services | number | 21 | 21 | 0.0 | ✓ |
| Post-discharge community care | per cent | 80 | 87 | 8.8 | ✓ |
| The higher-than-target outcome is a positive result, following increased focus in community based clinical care activity and improved reporting across the sector. | | | | | |
| Pre-admission community care | per cent | 60 | 59.3 | -1.2 | ○ |
| Seclusions per 1,000 occupied bed days | number | 15 | 9.4 | -37.3 | ✓ |
| The lower-than-target outcome is a positive result. | | | | | |
| Timeliness | | | | | |
| Emergency patients admitted to a mental health bed within eight hours | per cent | 80 | 57.5 | -28.1 | ■ |
| The result is lower than the target due to high level of demand as people are presenting directly to emergency departments needing an acute inpatient admission. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 1,381.8 | 1,372.7 | -0.7 | |
| The result primarily reflects lower than estimated hospital own-source revenue; and realignment of output budget related to National Health Reform funding. | | | | | |
| Mental Health Community Support Services (MHCSS) | | | | | |
| Quantity | | | | | |
| Bed days | number | 79,500 | 82,329 | 3.6 | ✓ |
| The result is lower than the target, which reflects the impact of the National Disability Insurance Scheme. | | | | | |
| Client support units | number | 623,860 | 635,040 | 1.8 | ✓ |
| The result is lower than the target, which reflects the impact of the National Disability Insurance Scheme. | | | | | |
| Clients receiving community mental health support services | number | 11,550 | 9,765 | -15.5 | ■ |
| The result is lower than the target contributed by the transition to National Disability Insurance Scheme. | | | | | |
| Quality | | | | | |
| Proportion of major agencies accredited | per cent | 100 | 100 | 0.0 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 117.1 | 120.0 | 2.5 | |
| The result primarily reflects higher than expected contributions to the National Disability Insurance Scheme. | | | | | |

Primary, Community and Dental Health

This output, through the provision of a range of in-home, community-based, community, primary health and dental services promotes health and wellbeing and prevents the onset of more serious illnesses.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Community Healthcare | | | | | |
| Quantity | | | | | |
| Better Health Channel visits | number ('000) | 40,000 | 31,508 | -21.2 | ■ |
| The result is lower than the target. Action taken to improve technology and new content developed resulted in a 10 per cent rise in visits over the year. | | | | | |
| Number of referrals made using secure electronic referral systems | number | 250,000 | 90,000 | -64.0 | ■ |
| Preliminary result. The result is lower than the target due to the reduction in the number of electronic referrals made through the state system, following the introduction of additional referral portals associated with Commonwealth initiatives – My Aged Care and National Disability Insurance Scheme – that redirect the flow to the Commonwealth systems. | | | | | |
| Actual end-of-year result is expected to be available after receipt of submissions at end of October 2018. | | | | | |
| Primary Care Partnerships with reviewed and updated strategic plans | per cent | 100 | 100 | 0.0 | ✓ |
| Preliminary result. Actual end-of-year results is expected to be available after receipt of submissions at end of October 2018. | | | | | |
| Service delivery hours in community healthcare | number ('000) | 1,015 | 1,133 | 11.6 | ✓ |
| The result is higher than the target, reflecting the number of service delivery hours provided in community healthcare. This is a positive result. | | | | | |
| Quality | | | | | |
| Agencies with an Integrated Health Promotion plan that meets the stipulated planning requirements | per cent | 95 | 99 | 4.2 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 274.0 | 271.1 | -1.0 | |
| The actual result primarily reflects continued efficiencies being achieved in the delivery of this output | | | | | |
| Dental Services | | | | | |
| Quantity | | | | | |
| Persons treated | number | 332,150 | 386,373 | 16.3 | ✓ |
| The result is higher than the target, which is a positive result. | | | | | |
| Quality | | | | | |
| Ratio of emergency to general courses of dental care | ratio | 40:60 | 36:64 | 9.8 | ✓ |
| The result shows that more people have received general or routine care, rather than emergency treatment. This is a positive result. | | | | | |
| Timeliness | | | | | |
| Waiting time for dentures | number | 22 | 17.4 | -20.9 | ✓ |
| The result is lower than the target due to less waiting time for Victorians receiving dentures. This is a positive result. | | | | | |
| Waiting time for restorative dental care | number | 23 | 20.3 | -11.7 | ✓ |
| The result is lower than the target due to less waiting time for Victorians receiving restorative dental care. This is a positive result. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 226.1 | 236.3 | 4.5 | |
| The actual result primarily reflects: increased revenue for the Commonwealth National Partnership Agreement on Public Dental Services for Adults; funding requested to be carried over into 2018–19; partially offset by lower than expected depreciation expenditure. | | | | | |

Public Health

This output encompasses services and support, including screening for health conditions and safety inspections, that promote and protect the health and wellbeing of all Victorians. These services are delivered in partnership with key stakeholders and communities.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Health Protection | | | | | |
| Quantity | | | | | |
| Calls to food safety hotlines | number | 4,500 | 4,152 | -7.7 | ■ |
| The result is lower than the target. The number of calls to the food safety hotline varies from quarter to quarter. The 4,152 calls received to the hotline in 2017–18 is 8 per cent less than the estimated target, but comparable with the number of phone calls received in 2016–17 (4,213). This lower level of calls follows amendments in 2016–17 to both the hotline message and the food safety website. These amendments provide clearer information for the public and local government and also steer food complaints directly to local councils for investigation. | | | | | |
| Inspections of cooling towers | number | 1,250 | 1,538 | 23.0 | ✓ |
| The result is higher than the target. Inspection numbers reflected major efforts to successfully contain several outbreaks of Legionnaires' disease in highly populated areas. | | | | | |
| Inspections of radiation safety management licences | number | 480 | 481 | 0.2 | ✓ |
| Number of available HIV rapid-test trial appointments used | number | 2,688 | 2,875 | 7.0 | ✓ |
| The result is higher than the target due to continued service growth and growing community acceptability. | | | | | |
| Number of shade grants funded under the Community Shade Grant Program and the Schools Shade Grant Program | number | 320 | 393 | 22.8 | ✓ |
| The result is higher than the target due to an additional grant round added to 2017–18, which affected the previously set target for the year. The overall number of grants from 2016–17 to 2017–18 delivered under the entire program remains the same. | | | | | |
| This performance measure is proposed for discontinuation in 2018–19 as all available grants for the Community Shade Grant Program and the Schools Shade Grant Program have been allocated to successful applicants. The objectives of these programs have therefore been achieved. | | | | | |
| Women screened for breast cancer by BreastScreen Victoria | number | 260,000 | 260,722 | 0.3 | ✓ |
| Women screened for cervical cancer | number | 570,000 | 511,249 | -10.3 | ■ |
| The result is lower than the target due to the change in data collection methods, following the renewal of the National Cervical Screening Program that requires laboratories to report to the Commonwealth Government national register, instead of the Victorian Government. Approximately four months' worth of data was not collected during the changeover until the Victorian Government reinstated data collection in March 2018. Most data has been received, however there is still a lag in data reporting. | | | | | |
| Number of persons participating in newborn bloodspot or maternal serum screening | number | 80,000 | 78,657 | -1.7 | ○ |
| Persons screened for prevention and early detection of health conditions – pulmonary tuberculosis screening | number | 2,000 | 1,993 | -0.4 | ○ |
| Percentage of Aboriginal children fully immunised at 60 months | per cent | 95 | 96.7 | 1.8 | ✓ |
| Smoking cessation of Aboriginal mothers | per cent | 21.4 | 23.7 | 10.7 | ✓ |
| Preliminary result. The expected result is higher than the target due to Victorian health services providing high-quality perinatal care, including smoking cessation interventions. This is a positive result. Actual result is expected to be available in December 2018. | | | | | |
| Quality | | | | | |
| Calls to food safety hotlines that are answered | per cent | 97 | 99 | 2.1 | ✓ |
| Immunisation coverage: adolescent (year 7) students fully immunised for DTPa (diphtheria, tetanus and pertussis) | per cent | 90 | 89 | -1.1 | ○ |
| Immunisation coverage: at school entry | per cent | 95 | 95.3 | 0.3 | ✓ |
| Immunisation coverage: at two years of age | per cent | 95 | 91.0 | -4.2 | ○ |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Public Health emergency response calls dealt with within designated plans and procedure timelines | per cent | 100 | 100 | 0.0 | ✓ |
| Timeliness | | | | | |
| Average time taken from notification of a food complaint to commencement of appropriate action | number | 24 | 24 | 0.0 | ✓ |
| Infectious disease outbreaks responded to within 24 hours | per cent | 100 | 100 | 0.0 | ✓ |
| Participation rate of women in target age range screened for breast cancer | per cent | 54 | 54.4 | 0.7 | ✓ |
| Participation rate of women in target age range screened for cervical cancer | per cent | 62 | 58 | -6.5 | ■ |
| The result is lower than the target due to changes to the national cervical cancer screening program in increasing recommended screening interval from two years to five years and changing the target age range. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 252.5 | 237.0 | -6.1 | |
| The actual result primarily reflects funding requested to be carried over into 2018–19 for the Commonwealth National Partnership Agreement on Essential Vaccines. | | | | | |
| Health Advancement | | | | | |
| Quantity | | | | | |
| Persons completing the Life! – Diabetes and Cardiovascular Disease Prevention program | number | 5,616 | 5,547 | -1.2 | ○ |
| Workplaces and pubs and clubs complying with smoke-free environment laws | per cent | 99 | 99 | 0.0 | ✓ |
| Preliminary result based on interim Municipal Association of Victoria report about Local Government Tobacco Control Activities, covering July–December 2017 period. Actual result will be available in December 2018. | | | | | |
| Quality | | | | | |
| Local government authorities with municipal public health and wellbeing plans | per cent | 100 | 97 | -3.0 | ○ |
| Cost | | | | | |
| Total Output Cost | \$ million | 81.8 | 79.5 | -2.8 | |
| The actual result primarily reflects funding requested to be carried over into 2018–19. | | | | | |
| Public Health | | | | | |
| Quantity | | | | | |
| Number of people trained in emergency response | number | 2,000 | 2,783 | 39.2 | ✓ |
| The result is higher than the target due to increased training that occurred in 2017–18 as a result of thunderstorm asthma. | | | | | |
| Operational infrastructure support grants under management | number | 11 | 12 | 9.1 | ✓ |
| The result is higher than the target due to additional investment. | | | | | |
| Timeliness | | | | | |
| Practitioner medicinal cannabis authorisations processed within prescribed timeline | per cent | 95 | NA | NA | NA |
| No data available. Due to changes in Commonwealth regulatory settings, operations under the <i>Access to Medicinal Cannabis Act 2016</i> have not commenced, and no practitioner medicinal cannabis authorisations are required. | | | | | |
| This performance measure is proposed to be discontinued in 2018–19 as it is no longer relevant. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 64.9 | 63.3 | -2.4 | |
| The actual result primarily reflects lower than expected expenditure on public health programs. | | | | | |

Small Rural Services

This output includes a range of health and aged care services delivered in small rural towns. The funding and service delivery approach focuses on achieving a sustainable, flexible service mix that is responsive to local needs. Service providers include small rural hospitals, community health services, bush nursing centres, multipurpose services and public sector residential aged care services.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Small Rural Services – Acute Health | | | | | |
| Quantity | | | | | |
| Separations | number ('000) | 35.8 | 35.1 | -2.0 | ○ |
| Small rural weighted activity unit | number | 350,000 | 329,341 | -5.9 | ■ |
| Preliminary result. The expected outcome is lower than the target due to reporting issues. Improvements to submissions will be made in 2018–19. Actual end-of-year results will be available after finalisation of health service submissions in mid-October 2018. | | | | | |
| Quality | | | | | |
| Percentage of health services accredited | per cent | 100 | 100 | 0.0 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 340.5 | 343.1 | 0.8 | |
| Small Rural Services – Aged Care | | | | | |
| Quantity | | | | | |
| Small rural available bed days | number | 701,143 | 701,143 | 0.0 | ✓ |
| Quality | | | | | |
| Residential care services accredited | per cent | 100 | 100 | 0.0 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 186.5 | 195.0 | 4.6 | |
| The actual result reflects higher than estimated Commonwealth and hospital own-source revenue and higher than estimated depreciation expenditure. | | | | | |
| Small Rural Services – Home and Community Care Services | | | | | |
| Quantity | | | | | |
| Home and Community Care for Younger People – hours of service delivery | hours | 107,719 | 100,479 | -6.7 | ■ |
| The result is lower than target due to existing clients transitioning to the NDIS. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 11.8 | 5.6 | -52.2 | |
| The lower actual result reflects higher than expected contribution to the Commonwealth for the National Disability Insurance Scheme and lower than estimated third-party revenue. | | | | | |
| Small Rural Services – Primary Health | | | | | |
| Quantity | | | | | |
| Service delivery hours in community healthcare | number | 99,000 | 100,479 | 1.5 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 20.1 | 20.2 | 0.3 | |

Child Protection and Family Services

The Child Protection and Family Services output, through the funding and statutory child protection services, family support and parenting services, family violence and sexual assault services, adoption and placement care services and specialist support services, aims to ensure the safety and wellbeing of adolescents and children at risk of harm, abuse and neglect. This output aims to make a positive difference to Victorians experiencing disadvantage by providing excellent community services to meet clients' needs.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Child Protection and Family Services | | | | | |
| Quantity | | | | | |
| Daily average number of children in out-of-home care placements | number | 9,441 | 10,305 | 9.2 | ✓ |
| The result is higher than the target due to a number of factors, including increased community awareness of family violence and child abuse through recent royal commissions and population growth for children aged 0 to 17. The increased demand is consistent with historic trends. | | | | | |
| Number of Child FIRST assessments and interventions | number | 13,103 | 22,310 | 70.3 | ✓ |
| The result is higher than the target due to increasing demand for Child FIRST and family services. | | | | | |
| Number of children in kinship care whose placements are managed by community service organisations | number | 838 | 1,155 | 37.8 | ✓ |
| The result is higher than the target due to an increase in contracted kinship care as a result of the new kinship care model and transitioning Aboriginal children to ACCOs. This is a positive result. | | | | | |
| Number of children receiving an intensive support service | number | 1,400 | 1,468 | 4.9 | ✓ |
| Number of family services cases provided to Aboriginal families | number | 3,347 | 3,314 | -1.0 | ○ |
| Reports to Child Protection Services about the wellbeing and safety of children | number | 121,600 | 115,641 | -4.9 | ✓ |
| The result is lower than the target due to slower growth than historically has occurred as reforms to the intake system provide more appropriate referral pathways. This is a positive result. | | | | | |
| Total number of family services cases provided | number | 38,166 | 45,097 | 18.2 | ✓ |
| The result is higher than the target due to the continuing high demand for family services. | | | | | |
| Number of clients assisted by a Risk Assessment and Management panel | number | 860 | 642 | -25.3 | ■ |
| The result is lower than the target due to the large number of referrals appropriately managed without a Risk Assessment and Management Panel response (than previously forecasted). | | | | | |
| Number of children who receive a SABTS response | number | 1,150 | 1,102 | -4.2 | ○ |
| The lower result to target is due to the expanding eligibility criteria to allow for responses to young people aged 15–17 years and their families. Service performance is in part impacted by length of support. Providers are spending longer with individual clients and their families. | | | | | |
| Number of calls made to the statewide telephone helpline for men regarding family violence | number | 9,000 | 8,214 | -8.7 | ✓ |
| The lower result to target reflects Men Referral Service's (MRS) increased capacity to respond to more calls in a timely manner. By answering a greater number of calls, MRS has reduced its call abandonment rate, resulting in fewer people making multiple return calls to MRS. | | | | | |
| Quality | | | | | |
| Children and young people in out-of-home care who have had two or less placements in the past 12 months (not including placements at home) | per cent | 86 | 91.3 | 6.2 | ✓ |
| The result is higher than the target as it reflects more children and young people remaining in stable placements. This is a positive result. | | | | | |
| Children and young people who were the subject of a substantiated report within 12 months of the closure of a previous substantiated report | per cent | 17.5 | 17.9 | 2.3 | ○ |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|------------------------|---|-----------------------|----------------------|---------------|
| Children and young people who were the subject of an investigation which led to a decision not to substantiate, who were subsequently the subject of a substantiation within three months of case closure | per cent | 3 | 2.9 | -3.3 | ✓ |
| Organisations that have successfully completed a certification review (family and community services) | per cent | 95 | 100 | 5.3 | ✓ |
| | | The result is higher than the target as all eligible funded organisations successfully completed their required certification review. This is a positive result. | | | |
| Organisations that have successfully completed a certification review (specialist support and placement services) | per cent | 95 | 100 | 5.3 | ✓ |
| | | The result is higher than the target as all eligible funded organisations successfully completed their required certification review. This is a positive result. | | | |
| Proportion of Aboriginal children placed with relatives/kin, other Aboriginal carers or in Aboriginal residential care | per cent | 60 | 77.6 | 29.3 | ✓ |
| | | The result is higher than the target and reflects more Aboriginal children being placed with relatives/kin, other Aboriginal carers or in Aboriginal residential care. This is a positive result. | | | |
| Proportion of placements that are home-based care | per cent | 90 | 95.9 | 6.6 | ✓ |
| | | The result is higher than the target and reflects the prioritisation of placing children and young people in out-of-home care in home based care. This is a positive result. | | | |
| Timeliness | | | | | |
| Percentage of child protection investigations assessed as urgent, that were visited, or where attempts were made to visit, within two days of receipt of the report | per cent | 97 | 95.3 | -1.8 | ○ |
| Sexual assault support services clients receiving an initial response within five working days of referral | per cent | 95 | 97.7 | 2.82 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 1,364.2 | 1,397.3 | 2.4 | |
| | | The higher result primarily reflects: additional investment by government in the new model of kinship care; funding for civil claims; and funding to support families of the Latrobe Valley. | | | |

Housing Assistance

This output aims to make a positive difference for Victorians experiencing disadvantage by providing excellent housing and community services to meet clients' needs. It does this through the provision of homelessness services, crisis and transitional accommodation and long-term adequate, affordable and accessible housing assistance, coordinated with support services where required, home renovation assistance and the management of the home loan portfolio.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Housing Assistance | | | | | |
| Quantity | | | | | |
| Bond loans provided during the year | number | 12,000 | 9,321 | -22.3 | ■ |
| The result is lower than the target due to demand. The measure is influenced by market rental conditions. Any eligible person who requests a bond loan is provided one. | | | | | |
| Households assisted with housing establishment assistance during year | number | 36,000 | 36,000 | 0.0 | ✓ |
| Number of clients assisted to address and prevent homelessness | number | 118,400 | 118,141 | -0.2 | ○ |
| Number of households assisted with crisis/transitional accommodation | number | 9,000 | 8,843 | -1.7 | ○ |
| This performance measure will be replaced by a new measure 'Number of clients provided with accommodation' in 2018–19 to more accurately reflect government priorities to provide a broader range of accommodation to the homeless. | | | | | |
| Number of households assisted with long-term social housing (public, Aboriginal and community long-term tenancies at end of year) | number | 78,036 | 78,036 | 0.0 | ✓ |
| Preliminary result. The survey figures from which the measure is calculated (that is, community and Aboriginal housing dwellings and occupancy rates) are expected to be available in November 2018. | | | | | |
| Number of public housing dwellings upgraded during the year | number | 2,134 | 2,134 | 0.0 | ✓ |
| Total number of social housing dwellings | number | 86,809 | 86,813 | 0.0 | ✓ |
| Total social housing dwellings acquired during the year | number | 1,078 | 884 | -18.0 | ■ |
| The result is lower than the target due to the reliance upon additional leases in the private rental market. Affordability and availability of private rental leases has been challenging due to a lack of supply. The outstanding leases are to be delivered in 2018–19. | | | | | |
| Number of family violence victims who receive a refuge response | number | 595 | 823 | 38.3 | ✓ |
| The result is higher than the target due to shorter than expected lengths of stay in refuge by victim survivors of family violence. This has enabled more victim survivors to be placed in refuge. | | | | | |
| Number of nights of refuge accommodation provided to victims of family violence | number | 48,000 | 38,920 | -18.9 | ■ |
| The result is lower than the target due to shorter than expected lengths of stay in refuge by victim survivors of family violence. This has enabled more victim survivors to be placed in refuge. | | | | | |
| Number of calls made to the statewide 24/7 family violence victim/survivor crisis service | number | 75,000 | 104,705 | 39.6 | ✓ |
| The result is significantly higher than target due to increased call volumes. Data relies on input from one agency (Safe Steps) into Service Delivery Tracking system. | | | | | |
| Number of clients assisted to address and prevent homelessness due to family violence | number | 50,790 | 57,136 | 12.5 | ✓ |
| The result is higher than the target due to increased public awareness of family violence since the Royal Commission into Family Violence, which has driven demand for family violence services, additional government investment in family violence and homelessness services (includes after hours services, private rental assistance, and crisis accommodation). | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Quality | | | | | |
| Percentage of clients with case plans in homelessness support programs with some, most or all of their case plan goals achieved | per cent | 90 | 91.8 | 2.0 | ✓ |
| This measure is proposed to be discontinued in 2018–19 as it is no longer considered a valid or meaningful indicator of service quality or client outcomes. | | | | | |
| Social housing tenants satisfied with completed urgent maintenance works | per cent | 85 | 87.9 | 3.4 | ✓ |
| Social housing tenants satisfied with completed non-urgent maintenance works | number | 80 | 71.6 | -10.5 | ■ |
| The result is lower than the target due to the increased volume of calls requesting gas heater maintenance due to the department raising tenant awareness of the harmful effects of carbon dioxide emissions from open flued gas heaters. Additional contractors have been engaged and are working at full capacity to meet the increased demand. | | | | | |
| Timeliness | | | | | |
| Average waiting time for public rental housing for those clients who have received priority access housing allocation | months | 10.5 | 10.5 | 0.0 | ✓ |
| This measure is proposed to be discontinued in 2018–19 as it has been replaced by the 2018–19 performance measure 'Average waiting time for public rental housing for those clients who have received priority access housing allocation or a priority transfer'. | | | | | |
| Average waiting time for public rental housing for clients who have received priority access housing or priority transfer allocation due to family violence | number | 10.5 | 8.8 | -16.2 | ✓ |
| The result is lower than the target, reflecting the provision of priority access to applications due to family violence, resulting in a reduction of average wait times. This is a positive result. | | | | | |
| Proportion of clients where support to sustain housing tenure was unable to be provided or referred | per cent | 18 | 15.2 | -15.6 | ✓ |
| The result is lower than the target and reflects an over performance against the measure in the delivery of services to help clients sustain tenancies. This is a positive result. | | | | | |
| This performance measure is proposed to be discontinued in 2018–19 and replaced with performance measure 'Proportion of clients where support to sustain housing tenure was provided or referred'. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 583.0 | 580.5 | -0.4 | |
| The lower result primarily reflects the transfer of funding for the accessible and flexible support for victims of family violence initiative from Housing Assistance to Child Protection and Family Services. | | | | | |

Family Violence Service Delivery

This output leads and coordinates whole-of-government family violence policy, and implements and delivers the government's family violence reform agenda. This includes establishing and operating Support and Safety Hubs, implementing information sharing legislation, and delivery of risk assessment and management programs.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Family Violence Service Delivery | | | | | |
| Quantity | | | | | |
| Workers trained in the Family Violence Risk Assessment and Risk Management Framework | number | 10,000 | 4,210 | -57.9 | ■ |
| The variance reflects a change in commencement date for the Family Violence Risk Assessment and Risk Management Framework reforms to align with the roll out of the Child Information Sharing Scheme and minimise training obligations for frontline workers, which has also led to the re-phasing of timeframe for training programs. | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Support and Safety Hubs established | number | 5 | 3 | -40.0 | ■ |
| The result is lower than the target due to infrastructure complexities in North East Melbourne and planning issues in Inner Gippsland. Four of the five Support and Safety Hubs launch areas are now operational, with the North East Melbourne Hub commencing on 10 July 2018. | | | | | |
| Quality | | | | | |
| Satisfaction by workers with family violence training | per cent | 80 | 99.3 | 24.1 | ✓ |
| The result is higher than the target, reflecting high satisfaction. This is a positive result. | | | | | |
| Satisfaction of clients with Support and Safety Hub services | per cent | 80 | 80 | 0.0 | ✓ |
| Preliminary result. Base line data will be available for actuals in 2018–19 onwards. | | | | | |
| Timeliness | | | | | |
| Assessments completed within agreed timeframes | per cent | 80 | 0 | -100.0 | ■ |
| The result is lower than the target, which reflects how long it takes to establish an agreed timeframe for the completion of assessments within an integrated service delivery context. Family Safety Victoria is working with funded agencies to establish the timeframes for assessments to be completed that are applicable for family violence, perpetrator risk and child wellbeing assessments conducted by the integrated specialist teams within The Orange Door. Preliminary result, base line data will be available for actuals in 2018–19 onwards. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 107.5 | 77.5 | -27.9 | |
| The lower result primarily reflects funding requested to be carried over into 2018–19 for a number of key initiatives to implement the recommendations of the Royal Commission into Family Violence, including the 10-year industry plan, Support and Safety Hubs, and initiatives to address Aboriginal family violence. | | | | | |

Concessions to Pensioners and Beneficiaries

This output, through the development and coordination of the delivery of concessions and relief grants to eligible consumers and concession card holders, aims to make a positive difference for Victorians experiencing disadvantage by providing excellent community services to meet clients' needs.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Concessions to Pensioners and Beneficiaries | | | | | |
| Quantity | | | | | |
| Households receiving mains electricity concessions | number | 914,406 | 913,952 | 0.0 | ✓ |
| Preliminary result. This is pending finalisation of the 2017–18 data set. Eligibility for this concession has not changed. | | | | | |
| Households receiving mains gas concessions | number | 669,360 | 670,786 | 0.2 | ✓ |
| Preliminary result. This is pending finalisation of the 2017–18 data set. Eligibility for this concession has not changed. | | | | | |
| Households receiving non-mains energy concessions | number | 24,054 | 23,287 | -3.2 | ○ |
| Preliminary result. This is pending finalisation of the 2017–18 data set. Eligibility for this concession has not changed. | | | | | |
| Households receiving pensioner concessions for municipal rates and charges | number | 430,234 | 434,586 | 1.0 | ✓ |
| Preliminary result. This is pending finalisation of the 2017–18 data set. Eligibility for this concession has not changed. | | | | | |
| Households receiving water and sewerage concessions | number | 690,578 | 689,886 | -0.1 | ○ |
| Preliminary result. This is pending finalisation of the 2017–18 data set. Eligibility for this concession has not changed. | | | | | |
| Number of clients receiving trustee services | number | 14,600 | 14,960 | 2.5 | ✓ |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Quality | | | | | |
| Percentage of Community Services Agreement performance targets that have been achieved by State Trustees | per cent | 90 | 100 | 11.1 | ✓ |
| Preliminary result. This is pending finalisation of the 2017–18 data set. State Trustees performance is expected to fully meet all of the performance targets in its Community Services Agreement with the Minister for Families and Children. This result reflects the significant improvements State Trustees has made to client services. | | | | | |
| Percentage of customers satisfied with State Trustee Limited services | per cent | 75 | 79.9 | 6.5 | ✓ |
| State Trustees has made significant improvements to client services over the past several years, and has continued to innovate with products and services to meet the needs of its clients. This is a positive result. | | | | | |
| Timeliness | | | | | |
| Percentage of customer requests answered by State Trustees within the timelines set in the Community Service Agreement | per cent | 90 | 93.0 | 3.3 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 568.6 | 556.5 | -2.1 | |
| The lower result primarily reflects a lower than anticipated demand for utility concessions. | | | | | |

Disability Services

This output, through the provision of continuing care and support services for people with disabilities, their carers and their families, aims to make a positive difference for Victorians experiencing disadvantage and provide excellent community services to meet clients' needs.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Disability Services | | | | | |
| Quantity | | | | | |
| Clients accessing aids and equipment | | | | | |
| Clients accessing aids and equipment | number | 22,300 | 26,133 | 17.2 | ✓ |
| The higher-than-target result reflects higher demand for this program. | | | | | |
| Clients in residential institutions | number | 50 | 49 | -2.0 | ○ |
| Clients receiving case management services | number | 4,100 | 3,518 | -14.2 | ■ |
| The result is lower than the target due to the planned transfer of staff to 'first-offer' roles at the National Disability Insurance Agency, and the time taken to recruit and train interim staff hired on a short-term basis to deliver case management work. With more staff now having completed their training, performance is increasing as evidenced by the strong Q4 2017–18 result. | | | | | |
| Clients receiving individualised support | number | 12,600 | 12,955 | 2.8 | ✓ |
| Hours of community based respite | number | 760,300 | 771,949 | 1.5 | ✓ |
| Number of respite days | number | 80,600 | 78,213 | -3.0 | ○ |
| Quality | | | | | |
| Clients satisfied with the aids and equipment services system | per cent | 85 | 92 | 8.2 | ✓ |
| Clients who have had a comprehensive health status review | per cent | 90 | NA | NA | NA |
| No data available. | | | | | |
| Organisations that have successfully completed a certification review (accommodation supports) | per cent | 95 | 100 | 5.3 | ✓ |
| The result is higher than the target as all eligible funded organisations successfully completed their required certification review. This is a positive result. | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Organisations that have successfully completed a certification review (client services and capacity) | per cent | 95 | 100 | 5.3 | ✓ |
| The result is higher than the target as all eligible funded organisations successfully completed their required certification review. This is a positive result. | | | | | |
| Organisations that have successfully completed a certification review (individualised supports) | per cent | 95 | 100 | 5.3 | ✓ |
| The result is higher than the target as all eligible funded organisations successfully completed their required certification review. This is a positive result. | | | | | |
| Support plans reviewed at least once during each period of three years commencing from when the support plan was first prepared (accommodation supports) | per cent | 100 | NA | NA | NA |
| No data available. | | | | | |
| Support plans reviewed at least once during each period of three years commencing from when the support plans was first prepared (individualised supports) | per cent | 100 | 96.5 | -3.5 | ○ |
| The result is lower than the target due to the effect of clients transitioning to the NDIS. | | | | | |
| Support plans reviewed every 12 months for persons residing in residential institutions | per cent | 100 | NA | NA | NA |
| No data available. | | | | | |
| Timeliness | | | | | |
| Applications for aids and equipment acknowledged in writing within ten working days | per cent | 90 | 98.5 | 9.4 | ✓ |
| The result is higher than the target due to almost all applications have been acknowledged within the expected timeframe. | | | | | |
| Proportion of clients whose support is commenced within departmental timelines | per cent | 85 | 93.8 | 10.4 | ✓ |
| The result is higher than the target as more clients had their supports commenced within a 90-day period than was targeted. | | | | | |
| Support plans prepared within 60 days of the person commencing to regularly access the disability services (accommodation supports) | per cent | 100 | NA | NA | NA |
| No data available. | | | | | |
| Support plans prepared within 60 days of the person commencing to regularly access the disability services (individualised supports) | per cent | 100 | 87.5 | -12.5 | ■ |
| The result is lower than the target due to the inflow of urgent clients needing disability support. These clients have complex disability support needs and are more timely to prepare adequate support plans. | | | | | |
| Percentage of Supported Independent Living (SIL) services vacancies filled within 60 business days | per cent | 100 | 87.5 | -12.5 | ■ |
| The result is lower than the target reflecting the transition to new vacancy coordinator arrangements as required under NDIS. | | | | | |
| Percentage of Specialist Disability Accommodation (SDA) services vacancies filled within 60 business days | per cent | 100 | 68.8 | -31.2 | ■ |
| The result is lower than the target due to delays of the National Disability Insurance Agency in approving client SDA eligibility. There is a 97 per cent occupancy across state owned properties. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 1,347.7 | 1,493.4 | 10.8 | |
| The higher result primarily reflects Commonwealth funding received for older people in specialist disability services under the cross billing arrangements, and slower than planned phasing of existing clients into the National Disability Insurance Scheme. | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Victorian Contribution to National Disability Insurance Scheme | | | | | |
| Quantity | | | | | |
| National Disability Insurance Scheme participants | number | 50,697 | 36,148 | -28.7 | ■ |
| The result is lower than the target due to the slower than forecast transition of clients into the National Disability Insurance Scheme by the National Disability Insurance Agency. The department is working with the National Disability Insurance Agency on the development of a transition completion plan in 2018–19, and has established systems and processes supporting the expedition of state clients to transition to the National Disability Insurance Scheme. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 745.8 | 639.4 | -14.3 | |
| The lower result primarily reflects the slower than planned phasing of existing disability clients into the National Disability Insurance Scheme. | | | | | |

Empowering Individuals and Communities

This output is delivered through funded programs that support community participation including sport and recreation, neighbourhood houses, men's sheds, community support projects and programs for youth and people with a disability. Leadership is delivered for whole-of-government policy on sport and recreation, youth and disability that will create an environment that encourages equity and improves all aspects of life.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-----------------|----------------|----------------|---------------|--------|
| Community Participation | | | | | |
| Quantity | | | | | |
| Hours of coordination funding provided to neighbourhood houses | hours ('000) | 480,000 | 480,000 | 0.0 | ✓ |
| Timeliness | | | | | |
| Grants acquitted within the timeframe specified in the terms and conditions of the funding agreement | per cent | 90 | 100 | 11.1 | ✓ |
| The result is higher than the target as all grants were acquitted within the agreed timeframe. The 2017–18 target allows for non-acquittal of 10 per cent of grants in the agreed timeframe. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 42.4 | 48.8 | 15.2 | |
| The result primarily reflects additional government policy initiatives. | | | | | |
| Office for Disability | | | | | |
| Quantity | | | | | |
| Number of Disability Advocacy clients | number | 1,700 | 1,968 | 15.8 | ✓ |
| The number of disability advocacy clients has steadily increased. Part of this increased demand for advocacy is as a result of Victoria's transition to the National Disability Insurance Scheme and additional investment in the program. | | | | | |
| Timeliness | | | | | |
| Annual reporting against the state disability plan within agreed timeframes | number | 100 | 100 | 0.0 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 10.2 | 14.7 | 43.7 | |
| The result reflects additional government policy initiatives. | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Sport and Recreation | | | | | |
| Quantity | | | | | |
| Combat sports licences, registrations and permits issued | number | 600 | 480 | -20.0 | ■ |
| The result is lower than the target due to fewer applications for permits, licences and registrations. The number of applications is always variable and depends on demand from the industry. | | | | | |
| Community facility grants: number approved | number | 140 | 209 | 49.3 | ✓ |
| This result is higher than the target due to a larger than expected number of project approvals across the relevant programs. | | | | | |
| Events facilitated: sport and recreation | number | 70 | 85 | 21.4 | ✓ |
| The result is higher than the target due to higher than expected demand from eligible events. | | | | | |
| Number of projects in progress that relate to the planning and development of state level facilities | number | 9 | 15 | 66.7 | ✓ |
| The result is higher than the target due to government investment in additional projects. | | | | | |
| Number of sports with athletes on Victorian Institute of Sport (VIS) scholarships | number | 20 | 32 | 60.0 | ✓ |
| The result is higher than the target due to the large number of sports which have athletes who are eligible for individual scholarships. | | | | | |
| Sport and recreation organisations undertaking programs or activities to enhance participation | number | 90 | 97 | 7.8 | ✓ |
| The result is higher than the target due to the provision of support to additional organisations. | | | | | |
| Sporting club grants: number approved | number | 600 | 985 | 64.2 | ✓ |
| The result is higher than the target due to government investment in additional projects. | | | | | |
| Victorian Institute of Sport scholarship holders on national teams/squads | per cent | >55 | 75 | 36.4 | ✓ |
| The result is higher than the target due to the strong performance of the Victorian Institute of Sport in developing athletes for selection in national teams or squads. | | | | | |
| Quality | | | | | |
| Contract management of outdoor recreation camps meets agreed key performance indicators | per cent | >90 | 94 | 4.4 | ✓ |
| Timeliness | | | | | |
| Annual Community Sport and Recreation Awards held | date | Jun-18 | Mar-18 | NA | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 112.5 | 125.6 | 11.6 | |
| The actual result primarily reflects additional trust fund expenditure not reflected in the 2017–18 State Budget, and re-phasing of funding from 2018–19 into 2017–18. | | | | | |
| Youth Affairs | | | | | |
| Quantity | | | | | |
| Participation by young people in programs that provide opportunities to be involved in social and economic life in their communities | number | 235,000 | 235,000 | 0.0 | ✓ |
| Preliminary result. A wide range of programs with multi-year funding agreements contribute to the BP3 measures for Youth Affairs. These programs have different time periods for delivery and as such have different reporting timelines. Final figures cannot be provided and confirmed until all programs contributing to the measure have completed their reports by the end of September each year. | | | | | |
| Participation by young people in programs that support young people to be involved in decision making in their community | number | 2,300 | 2,300 | 0.0 | ✓ |
| Preliminary result. A wide range of programs with multi-year funding agreements contribute to the BP3 measures for Youth Affairs. These programs have different time periods for delivery and as such have different reporting timelines. Final figures cannot be provided and confirmed until all programs contributing to the measure have completed their reports by the end of September each year. | | | | | |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Quality | | | | | |
| Participants reporting development of transferrable skills that support education, training and vocational opportunities | per cent | 75 | 75 | 0.0 | ✓ |
| Preliminary result. A wide range of programs with multi-year funding agreements contribute to the BP3 measures for Youth Affairs. These programs have different time periods for delivery and as such have different reporting timelines. Final figures cannot be provided and confirmed until all programs contributing to the measure have completed their reports by the end of September each year. | | | | | |
| Timeliness | | | | | |
| Percentage of programs delivered within agreed timeframes | per cent | 90 | 90 | 0.0 | ✓ |
| Preliminary result. A wide range of programs with multi-year funding agreements contribute to the BP3 measures for Youth Affairs. These programs have different time periods for delivery and as such have different reporting timelines. Final figures cannot be provided and confirmed until all programs contributing to the measure have completed their reports by the end of September each year. | | | | | |
| Cost | | | | | |
| Total Output Cost | \$ million | 19.3 | 17.1 | -11.3 | |
| The actual result primary reflects re-phasing of funding from 2017–18 into 2018–19 in line with the delivery of government policy initiatives. | | | | | |

Gender equality and the prevention of family violence policy and programs

This output provides initiatives that support women and the prevention of family violence and supports the economic, social and civic participation and inclusion of all Victorians.

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|---|-----------------|----------------|----------------|---------------|--------|
| Gender equality and the prevention of family violence policy and programs | | | | | |
| Quantity | | | | | |
| Number of meetings, forums and events held for Women and the Prevention of Family Violence consultation/engagement with key stakeholders | number | 51 | 411 | 705.9 | ✓ |
| The result is higher than the target due to increased program activity and increased consultations reflecting ramp-up of program implementation. | | | | | |
| Number of women participating in funded programs, projects and events | number | 1,500 | 10,376 | 591.7 | ✓ |
| The result is higher than the target due to ramp-up of program implementation activities. | | | | | |
| Percentage of women in new appointments to paid public boards | per cent | 50 | 52 | 4.0 | ✓ |
| Quality | | | | | |
| Women and the Prevention of Family Violence service agreements and contracts deliver agreed outcomes for the prevention of family violence and the social and economic participation of women | per cent | 100 | 100 | 0.0 | ✓ |

| Performance measures | Unit of measure | 2017–18 target | 2017–18 actual | Variation (%) | Result |
|--|-------------------|----------------|----------------|---------------|--------|
| Timeliness | | | | | |
| Timely delivery of policy analysis and papers prepared | per cent | 100 | 100 | 0.0 | ✓ |
| Women and the Prevention of Family Violence projects and programs which support the prevention of family violence and the social and economic participation of women are delivered on time | per cent | 100 | 100 | 0.0 | ✓ |
| Cost | | | | | |
| Total Output Cost | \$ million | 32.2 | 26.5 | -17.8 | |
| The actual result primarily reflects funding requested to be carried over into 2018–19. | | | | | |

Finance and budgetary performance

Departmental five-year financial summary

| Five-year financial summary (\$ millions) | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|------------|------------|------------|------------|-----------|
| Income from government | 16,373.1 | 15,089.9 | 14,242.9 | 11,240.7 | 9,350.6 |
| Total income from transactions | 17,924.4 | 16,678.6 | 15,939.8 | 12,215.5 | 10,045.5 |
| Total expenses from transactions | (17,746.1) | (16,939.7) | (15,317.8) | (12,180.5) | (9,922.5) |
| Net result from transactions | 178.3 | (261.2) | 622.1 | 35.0 | 123.0 |
| Net result for the period | 181.7 | (266.3) | 601.5 | 3.0 | 137.2 |
| Net cash flow from operating activities | 361.9 | 315.1 | 255.3 | 74.4 | 120.3 |
| Total assets | 34,380.8 | 29,831.5 | 28,163.2 | 25,138.2 | 21,118.6 |
| Total liabilities | 1,968.3 | 1,795.5 | 1,542.3 | 1,602.0 | 447.0 |

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy.

This measure excludes the effects of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside the control of the department.

Departmental financial arrangements

The department's audited financial statements and the five-year summary exclude bodies within the department's portfolio that are not controlled by the department and are therefore not consolidated in the department's accounts.

To enable efficient production of financial information for smaller entities related to the department and to recognise the Director of Housing entity operating within the department's business structure, pursuant to s. 53(1) (b) of the *Financial Management Act 1994*, the Minister for Finance has granted approval for the Department of Health and Human Services to prepare financial statements incorporating the following entities which form part of the Department of Health and Human Services reporting entity:

- > Mental Health Tribunal
- > Commission for Children and Young People
- > the Director of Housing.

As a public non-financial corporation, the majority of income for the Director of Housing entity is derived from business operations primarily in the form of public housing rental, along with revenue provided by government through annual appropriation processes.

Detailed financial results for the Director of Housing are included in the Appendices of the annual report, following the department's audited financial statements.

Financial performance and business review

The details below relate to the department's consolidated financial statements including the entities outlined above.

In 2017–18, the department recorded a net gain from transactions of \$178.3 million. This gain is primarily related to \$285.1 million surplus in the department, partly offset by a \$106.8 million deficit in the Director of Housing entity.

The \$285.1 million surplus in the department is mainly a result of the funding mechanism for the capital program in health services. The department is required to book revenue to fully cover the depreciation expense related to assets that reside with health services. During the year, the department is only able to access and allocate depreciation equivalent funding to pass on to

health services to deliver the government's approved capital program. The depreciation-equivalent revenue that is not able to be allocated is booked as a receivable from the Victorian Government for application towards future capital program expenditure.

The \$106.8 million deficit in the Director of Housing entity is mainly due to the second tranche of the staged title transfer of properties owned by the Director of Housing to Aboriginal Housing Victoria. On 1 July 2017, 474 units located in the Hume and Loddon Mallee regions were transferred. The financial effect is a reduction of the Director's net assets on the balance sheet and an expense in the comprehensive operating statement for the amount of \$92.3 million.

Financial position – balance sheet

Total assets have increased by \$4.5 billion in 2017–18 compared with the previous year, mostly attributed to a \$4.1 billion interim land revaluation within Property, Plant and Equipment.

Cash flows

The overall cash and term deposits position at the end of the 2017–18 financial year is \$917.9 million surplus, which is an increase of \$115.8 million compared with the beginning of the year. The cash increase mainly reflects delays in Housing's proposed redevelopment projects into the 2018–19 financial year.

Governance

The department's senior executives at 30 June 2018

Kym Peake

Secretary

Kym Peake commenced as Secretary of the Victorian Department of Health and Human Services in November 2015. Kym has extensive experience in both state and Commonwealth Government, including as Deputy Secretary, Governance Policy and Coordination at the Victorian Department of Premier and Cabinet, Deputy Secretary, Higher Education and Skills Group at the Victorian Department of Education and Training and Executive Director, Productivity and Inclusion at the Department of Prime Minister and Cabinet.

Kym possesses an Executive Master of Public Administration, a Bachelor of Arts (Hons) and a Bachelor of Laws, all from the University of Melbourne.

Argiri Alisandratos

Deputy Secretary – Children and Families Reform

Argiri Alisandratos is the Deputy Secretary, Children and Families Reform. Argiri joined the department more than 25 years ago as a child protection practitioner. Having been in charge of service delivery, performance and quality improvements across southern eastern Victoria, Argiri is now leading the statewide design of the child and family services system reform, under the government's *Roadmap for Reform: strong families, safe children*.

The reform agenda will drive detailed design of critical system components and enablers required to deliver the service system changes envisioned in Roadmap for Reform.

Argiri is uniquely placed to drive the implementation of the Roadmap for Reform agenda, having extensive experience in senior leadership of policy and operations in the children and families portfolio.

Argiri has held a number of senior leadership roles within the department including: Deputy Secretary South Division, Chief Operations Transformation Officer, Director of the Southern Melbourne Area, Director of the Inner Gippsland Area, Assistant Director of Placement and Family Services in the Children, Youth and Families Division, and Manager of Community Services in the Loddon Mallee Region.

Christina Asquini

Deputy Secretary – Children, Families, Disability and Operations

Chris Asquini leads the Children, Families, Disability and Operations Division.

Working with four operational divisional Deputy Secretaries, Chris is responsible for the delivery of services and improved client outcomes across the state. The division has responsibility for child protection, family services and out-of-home care policy and program development. Chris oversees the translation of policy into operational service delivery to enable healthy, safe and strong communities by addressing the needs of Victorians across the continuum of health and human services. The division also supports the transition and transfer of services to the National Disability Insurance Scheme. In addition, it monitors and analyses statewide service delivery standards and performance.

Chris was previously the Deputy Secretary of East Division. She has led major social policy and service delivery reform initiatives, including the design and implementation of the Child Protection Operating Model. Chris has held executive positions in a number of portfolios, including roles as the Executive Director of Children, Youth and Families, and Director of Community and Individual Support in Disability Services.

Chris has a longstanding involvement in this portfolio, having started her career in child protection.

Terry Symonds

Deputy Secretary – Health and Wellbeing

Terry Symonds heads the Health and Wellbeing Division of the Department of Health and Human Services, Victoria, which is responsible for leadership of Victoria's primary prevention, secondary and tertiary healthcare system, including mental health, alcohol and drugs and aged care. The division supports better healthcare through its lead role in digital health and health and medical research.

The division supports the prevention of family violence and leads promotion of gender equality. Portfolio responsibilities also include advancing strategies that enable social and economic participation and opportunities for disadvantaged communities and diverse groups. The division also leads the department in progressing Aboriginal self-determination in the design and delivery of services.

Terry has more than 20 years' experience in the health and disability sectors in Victoria and Queensland, including in community development, hospital management, research and evaluation, strategy and performance monitoring. Terry holds a Masters in Health Studies from the University of Queensland and postgraduate qualifications in health promotion and prevention.

Nick Foa

Deputy Secretary – Housing, Infrastructure, Sport and Recreation

Nick Foa heads the Housing, Infrastructure and Sport and Recreation division, which is responsible for the stewardship of the state's health and human services infrastructure, and has program responsibilities in sport, recreation, housing and homelessness.

The division leads the department's infrastructure portfolio, through the Victorian Health and Human Services Building Authority, and the policy agenda for creating inclusive environments for participation in sport and recreation by all Victorians, through the Office for Women in Sport and Recreation. It builds critical relationships with other agencies and leveraging major sporting events to strengthen Victoria's visitor economy. Infrastructure services provided include asset management, planning, design, procurement and budgeting in order to deliver world-class health and housing

infrastructure to meet today's demand and longer-term growth.

Nick also holds the statutory role of the Director of Housing, which is responsible for the delivery of public housing and funding of housing and homelessness assistance throughout the state.

Nick has held senior positions across local and state government including Visit Victoria, Department of Economic Development, Jobs, Transport and Resources, Places Victoria and Victorian Municipalities Brimbank City Council, Maribyrnong Council and Maroondah Council. Nick has extensive experience in infrastructure delivery and asset management, and has a strong commitment to community engagement, sport and recreation, health and community services infrastructure delivery and homelessness service delivery. He holds a Master of Business Administration from Swinburne University of Technology.

Amity Durham

Deputy Secretary – Strategy and Planning

The Strategy and Planning division develops and drives cross-portfolio strategies and reforms that integrate approaches to health and human services, support evidence-based decision making to advance government priorities, and make progress towards departmental outcomes. The division is also responsible for strategic corporate functions such as data analysis and forecasting, corporate planning and budget, corporate performance and risk reporting, intergovernmental relations and communication and media.

Amity joined the department and has been in this role since October 2016. Amity was previously Executive Director, Family and Community Services and Service Innovation in the New South Wales Department of Premier and Cabinet. In that role Amity had responsibility for leading reforms across the New South Wales Government's social policy agenda, including in social housing, child protection and out-of-home care. She also led the New South Wales Behavioural Insights Unit and the Office of Social Impact Investment.

Amity has also previously held other senior executive roles in the New South Wales Government within central and line agencies. She has also been a Director in KPMG's

management consulting group, where she advised a range of social sector government agencies across Australia.

Amity has an academic background in social sciences and law, and holds an Executive Master's Degree in Public Administration.

Melissa Skilbeck

Deputy Secretary – Regulation, Health Protection and Emergency Management

Regulation, Health Protection and Emergency Management advances public health through the identification of risks and the use of social regulation to influence behaviours. It also develops regulatory frameworks for new services such as access to medicinal cannabis and real-time prescription monitoring. The division leads the department's responsibilities in emergency management, contributing to whole-of-government actions to build community resilience, and funds and supports social and human recovery in disaster-impacted communities.

Melissa Skilbeck was previously Deputy Secretary, Budget and Finance, at the Victorian Department of Treasury and Finance, and head of the Secretariat for the Independent Review of State Finances.

Melissa has consulted to Australian governments, regulators and government businesses on economic and social public policy and public administration as a director of the Allen Consulting Group and a partner in the economics and strategic advisory practice of Deloitte.

Carolyn De Gois

Deputy Secretary – Corporate Services

The Corporate Services Division provides integrated strategic, specialist advisory and operational services to the department and supports Ministers in their cabinet, parliamentary and other responsibilities. The division works to develop and improve key business systems, services and processes to support the department to deliver its policies, programs and services.

Carolyn De Gois is a proven international business and technology executive with a demonstrated track record of transformational leadership and successful organisational change. Prior to joining the department in February 2017, Carolyn held roles across a range of high-profile international organisations such as NBN, KPMG, IBM, BHP and ALCOA, both at a local and international level.

Carolyn holds a Master of Business Administration and a Bachelor of Science from Deakin University.

Sue Clifford APM

Chief Executive Officer – Family Safety Victoria

In June 2017, Sue Clifford APM was appointed as the first Chief Executive Officer of the newly established Family Safety Victoria, tasked with driving and delivering the Victorian Government's response to family violence.

Sue has extensive experience working with the individual communities, the sector and government to drive important changes that improve the safety of Victorians. This includes nearly three decades working with Victoria Police, including specialising in the areas of family violence, sexual assault and child abuse.

Sue comes to Family Safety Victoria from her most recent role as Commander of the Priority Communities Division at Victoria Police, which was established to engage more effectively and purposefully with diverse communities across Victoria.

Prior to this role, she spent five years working for the Australian Football League (AFL) as General Manager of People and Culture, leading core initiatives to effect change in the culture of those who work, play and support the AFL. Sue was responsible for the development and management of a number of programs that changed how the AFL community perceived Respect and Responsibility, Drugs and Anti-Doping and Gambling Alcohol. She was also Chair of the AFL's Vilification Committee.

She has an Executive Masters in Public Administration from Melbourne University and has studied at Harvard's Kennedy School of Government. Sue was recently awarded the Australian Police Medal in the 2017 Australia Day honours list.

**Professor Euan M Wallace AM
MBChB MD FRCOG FRANZCOG
FAHMS**

**Chief Executive Officer –
Safer Care Victoria**

Professor Euan Wallace AM is the inaugural Chief Executive Officer of Safer Care Victoria, Victoria's lead agency for quality and safety improvement in healthcare. Prior to his appointment to Safer Care Victoria, Euan was the Director of the Women's Health Program at Monash Health.

Euan is also the Carl Wood Professor and Head of Department of Obstetrics and Gynaecology at Monash University where he leads a perinatal medicine research group. His research interests are in foetal development, maternal health, stem cell biology and patient safety.

Dr Lance Emerson

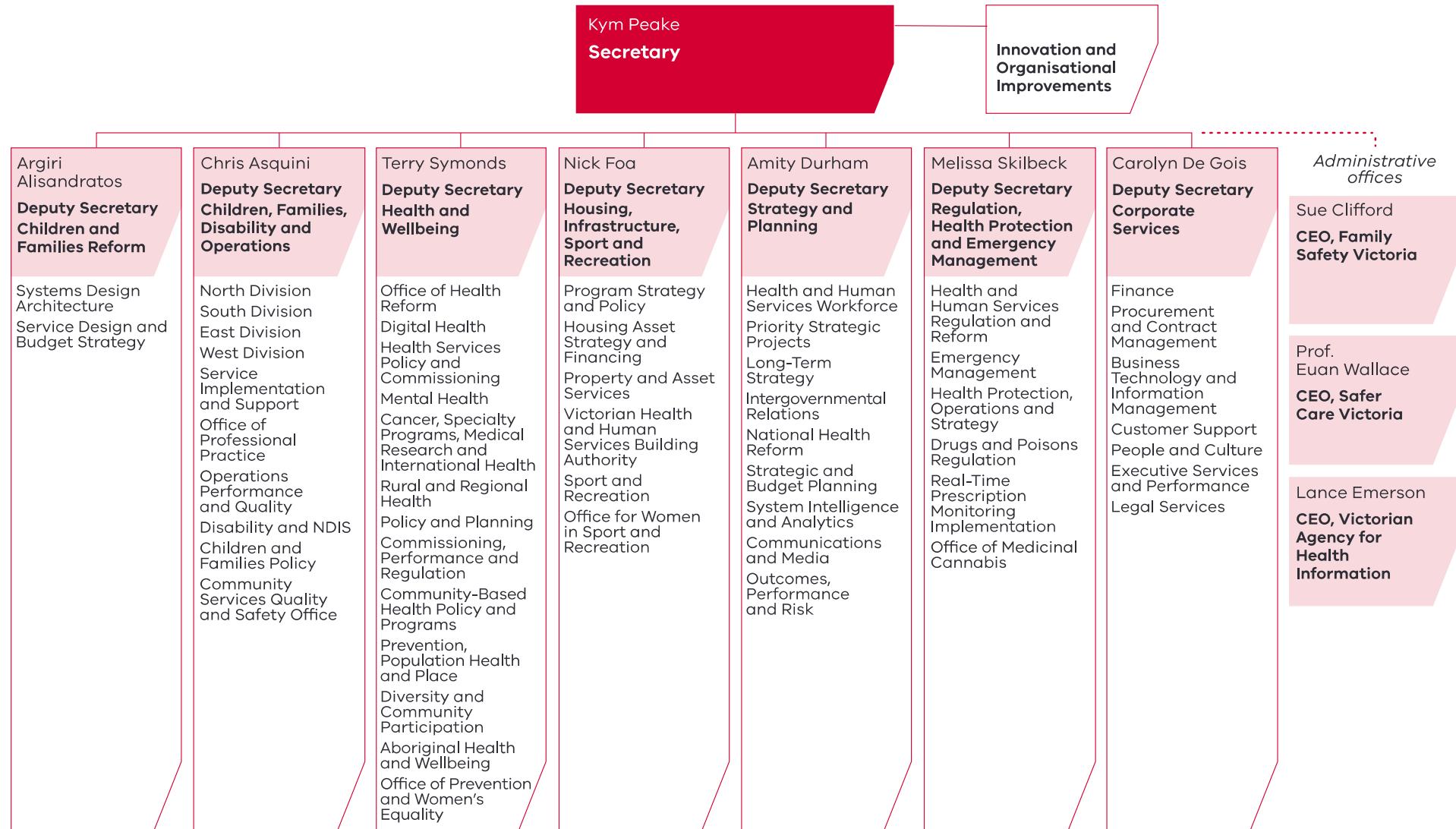
**Chief Executive Officer – Victorian
Agency for Health Information**

Dr Lance Emerson is the Chief Executive Officer of the Victorian Agency for Health Information (VAHI). Lance works with the VAHI team to drive improvements in safety and quality in Victorian health services through the provision of high-quality health service performance information.

Lance has a passion for development and maintenance of information systems to improve consumer care, and has a PhD in the use of clinical indicators to guide better care and improve health outcomes. He has extensive experience in running specialist health organisations, having most recently been CEO of the Pharmaceutical Society of Australia and prior to that, CEO of the Australian Research and Alliance for Children and Youth.

Organisation structure

As at 30 June 2018



Audit and Risk Management Committee membership and roles

The Audit and Risk Management Committee is an independent committee established in accordance with the *Financial Management Act 1994* and the Standing Directions of the Minister for Finance (2016).

The committee operates under an approved charter and has the following members:

- > Jo-Anne Stephenson, Chair (Independent appointee)
- > Helen Thornton (Independent appointee)
- > Pam White (Independent appointee)
- > Peter Matthey (Independent appointee)
- > Nick Foa (Deputy Secretary, Housing, Infrastructure, Sport and Recreation)
- > Amity Durham (Deputy Secretary, Strategy and Planning)
- > Paul Smith (Deputy Secretary, West Division).

The committee is integral to the department's approach to governance, ensuring that systems and processes for identifying and monitoring risks are operating as intended.

The committee's responsibilities cover the following areas:

- > annual financial statements
- > risk attestation
- > risk management and internal controls
- > fraud and corruption control
- > legislative and policy compliance
- > internal audit
- > external audit.

The department has contracted PwC to undertake internal audit services in a co-sourced arrangement with the department's Internal Audit Unit.

People

Public administration and employment principles

The department's values align with public sector values as detailed in the *Public Administration Act 2004*, and it is committed to applying merit and equity principles to all employment policies, programs and resources.

Employment and conduct principles

The department complies with the employment principles of the *Public Administration Act 2004* and continually updates policies and procedures to advance these principles.

The *Public Administration Act 2004* also details a set of values that apply to the broader public sector – the department's values are aligned with the public sector values and implemented throughout the department in many ways, including performance planning and employee recognition processes.

Our people

The Department of Health and Human Services brings together public servants from across government including health, human services, sport and recreation and medical research functions.

The department's people work across a range of fields including aged care, mental health, public health and prevention, sports and recreation, child protection, disability, housing support and youth justice. The corporate and executive support functions play an essential role across human resources, communications, information technology, finance and business services.

The Department of Health and Human Services strategic plan sets out the directions and priorities for service delivery.

People strategy 2020

The department's People Strategy 2020 is a key driver to enable the delivery of services we provide to the community. The strategy aims to ensure that the values culture and people initiatives of the department are clearly articulated and appropriate for the development of our workforce.

People Strategy 2020 is a three-year commitment in our investment in developing and supporting our people, the strategy commenced in July 2017 and outlines five core themes:

- > attract a diverse and high-performing workforce
- > inspire and grow the department's people
- > engage and retain the department's people
- > purposeful leadership
- > create a great people experience.

The strategy was recognised at the 10th annual IPAA Victorian Leadership in the Public Sector Awards as the winner of the People Development category.

During the first year of the strategy, a number of highlights have been delivered, including:

- > a program to support survivors of family violence to enter the workforce
- > development of a Child Protection Workforce Strategy
- > design of a people leader program to improve leadership capability to support a positive workplace culture
- > attainment of White Ribbon accreditation
- > launch of a new Disability Employment Strategy
- > introduction of an online safety reporting system, improving the process and timeframes for staff to report hazards and incidents in the workplace.

Recognising our employees

The department recognised its employees through its annual staff excellence awards, which acknowledged the achievements and significant work undertaken across the department.

There were 114 nominations received and 57 finalists shortlisted across seven categories:

- > Collaboration Award
- > Diversity and Inclusion Award
- > Innovation Award
- > People Management Award
- > Risk Management Award
- > Service Excellence Award
- > Young Achiever Award.

Building a stronger leadership culture

The department has continued to strengthen its leadership pipeline by:

- > collaborating with other government agencies and alliances to build executive capabilities through 360-degree feedback and targeted development programs
- > providing customised leadership and management development events to grow people management capabilities and a leadership culture across all levels of the department
- > continuing to embed the department's leadership charter in executive recruitment, orientation, talent management and performance planning
- > delivering around 158 leadership programs for professional staff working in frontline operations.

Our Executive Connect program took the department's executive cohorts to a number of health and human services host organisations for some experiential development. These organisations include Alzheimer's Australia, Ardoch Youth Foundation, East Grampians Health Service, Eastern Domestic Violence Service, Kyneton District Health Service, Latrobe Hospital, Mirabel Foundation, Monash Health, Peninsula Health, St Vincent's Hospital, Victorian Legal Aid, Wesley Mission and Western Health.

Capability development

Technology continues to shape the department's learning and development approaches, with 18 new online programs added to the Learning Management System. All of these new programs were designed to support compliance and/or client service capability development in staff across the state.

More than 11,266 staff participated in the department's extensive range of corporate and practice development programs. The department's top development investments aimed to grow capability in:

- > working with child protection; disability, and housing clients
- > compliance and business applications
- > core 'working in government' areas
- > leadership and management
- > diversity, including Aboriginal cultural competence.

The department has focused efforts to support the learning and development of its frontline workforce through the *Child protection workforce strategy 2017–20*, implementation of the Child Protection Learning and Development Review, and learning strategies to support transfer of disability accommodation and transition to the NDIS. This work has strengthened the department's focus on building capabilities to enable better support for children and families.

These capability-building efforts helped staff and leaders respond to change arising from the National Disability Insurance Scheme, as well as recommendations outlined in the Royal Commission into Family Violence, the Royal Commission into Abuse in Institutional Care, the Parliamentary Inquiry into Abuse in Disability Services, and other internal and external enquiries.

Child protection workforce strategy

The *Child protection workforce strategy 2017–2020* was launched in December 2017. It was developed to build and sustain the expertise, wellbeing and professional identity of the child protection workforce.

The strategy has five major priorities:

1. attracting and recruiting the best people
2. building a professional identity
3. growing and development our people
4. engaging and retaining our people
5. health, safety and wellbeing.

The strategy provides a single and consistent vision for growth and development of the child protection workforce.

Workforce inclusion policy

The department continues to attract the most capable people to build an exceptional, diverse and culturally safe workplace.

We are building a workforce that better reflects the communities we serve. We recognise and value the diverse skills and perspectives that people bring to the workplace because of their gender, age, language, cultural background, ethnicity, disability, religious belief, sexual orientation, educational level, socioeconomic background and family responsibilities.

The department received White Ribbon Accreditation for active steps in the workplace to stop violence against women.

In addition, the department continued partnering with CareerSeekers to provide mid-career asylum seekers and refugees with internships over 12 weeks. The experience enables new arrivals to gain a valuable understanding of Australian workplaces and directly contributes to improved employment outcomes.

The All Roles Flex policy continued to be implemented to support positive outcomes for staff wishing to utilise a range of flexible work options.

The department promotes a diverse calendar of events and significant dates to raise awareness of cultural and religious observances, and promotes inclusion and recognises diversity.

The department continued to deliver training that supports culturally appropriate policy and services, such as building Aboriginal cultural competency, unconscious bias training, LGBTI awareness

workshops and the Allies for Change program supporting LGBTI employees. The department is piloting a new e-learning program on cultural competency.

Disability employment strategy

The department launched the *Disability employment strategy 2018–2020* in May 2018.

The strategy will support increased opportunities for people with a disability to work in the department, with targets of six per cent employment by 2020 and 12 per cent employment by 2025.

In addition, the strategy provides a focus for the department to ensure staff who identify as having a disability are supported appropriately through reasonable adjustments in the recruitment process and in the work place.

The RISE pilot program continued to provide meaningful employment for individuals on the autism spectrum.

The Enablers Network, for people with a disability at work, continued inclusion of the needs, interests and concerns of employees with a disability to ensure fair and equitable outcomes.

The department continued the Stepping into Internship program for people living with disability. This program provides university students with valuable work experience, confidence, and a chance to bridge the gap between university and graduate opportunities.

The department also continued to work with the Australian Network on Disability on disability roundtable opportunities and to provide Disability confidence training.

The department is piloting the Get Skilled Access e-learning modules and commenced offering a six-week AUSLAN sign language program for work groups.

Aboriginal employment strategy

The department continued implementing the *Aboriginal employment strategy 2016–21* towards three critical outcomes by 2021:

- > a two per cent workforce target
- > a significant increase in Aboriginal staff in senior roles
- > progress the department's commitment to be a diverse, inclusive and culturally safe employer of choice for Aboriginal people.

The strategy was recognised at the 10th annual IPAA Victorian Leadership in the Public Sector Awards as the winner of the Indigenous Employment category.

The strategy continues to track well in its second year, with the percentage of Aboriginal employees at 1.6 per cent of the total workforce. The number of staff in senior roles tripled, and a range of initiatives were implemented to support the department as a culturally safe employer of choice for Aboriginal people.

Initiatives included allocating scholarships for secondary and tertiary students, CareerTrackers' 12-week internships for a generalist and child protection program, graduate program, mentoring and coaching for employees, and strengthening the Aboriginal Staff Network (ASN).

Work to boost the recruitment and retention of Aboriginal child protection practitioners and provide candidate care continued and resulted in exceeding our 2 per cent child protection workforce target.

Aboriginal Yarning Circles were trialled to provide culturally appropriate and safe employee supports for our Aboriginal and Torres Strait Islander child protection workforce.

The department's *Wirrigirri* reconciliation program continues to boost allies for Aboriginal inclusion and culturally safe workplaces.

Aboriginal Staff Network

The Aboriginal Staff Network (ASN) offers access to a supportive culturally safe community of practice. It is a place to share good practice and creative ideas, support each other through issues of concern, access opportunities for personal and professional development, and to provide input into the department's work, and its policies and processes, to ensure they are inclusive of Aboriginal people.

The ASN annual conference was held in Moama on Yorta Yorta country with record numbers in attendance and positive feedback about the culturally enriching program provided.

The department remains committed to self-determination and the ASN is an important channel for amplifying the Aboriginal and Torres Strait Islander voice.

LGBTI inclusion

The department's lesbian, gay, bisexual, trans, gender diverse and intersex (LGBTI) inclusion plan, launched in August 2017, sets out our approach on how we will work towards increasing LGBTI visibility and inclusion in the workplace.

For the second year the department achieved bronze accreditation from the Australian Workplace Equality Index for LGBTI inclusion.

The department has an active Pride Network and this year focused on expanding into operational work areas.

The Pride Network provides a forum for all departmental staff interested in, and supportive of, creating safe and inclusive workplaces for LGBTI employees. Part of a broader whole-of-Victorian-Government Pride Network, it offers a space for staff to promote positive LGBTI cultural awareness, sector-wide events, participate in professional development opportunities, and contribute to the LGBTI diversity work of the department.

Youth Employment Scheme and Youth Cadetship Scheme

The Youth Employment Scheme is a Victorian Government initiative that enables unemployed or otherwise disadvantaged young people aged 15 to 24 years old to enter the workforce and build sustainable careers through traineeships while attaining a qualification. The initiative strongly promotes opportunities for disadvantaged groups targeting long-term unemployed people, Aboriginal young people and people with a disability, particularly in rural and regional Victoria.

During 2017–18, the department engaged a total of 64 young people through the scheme; which included 24 placements in public hospitals. Eight of our YES trainees were Aboriginal people.

The Youth Cadetship Scheme (YCS) was established in 2017 and is a new pathway established for young people to begin a career in the public sector after they have graduated from a YES traineeship. Cadets are recruited on a two-year fixed-term contract at VPS-1 classification.

During 2017–18, the department engaged a total of 17 young people through the YCS, including two Aboriginal Youth Cadets.

Graduate recruitment

In 2017–18, the department engaged a total of five graduates from diverse academic backgrounds through the Victorian Public Service (VPS) Graduate Recruitment and Development Scheme (GRADS). Seven Aboriginal graduates recruited in 2017–18 through internal recruitment processes.

Graduates participating in the 12-month GRADS scheme complete three placements in the VPS to develop core skills and gain a broad experience of working in the government sector. They commence their ongoing roles within the department at the conclusion of the program.

Student placement program

The department offers students undertaking a tertiary qualification the opportunity to complete their fieldwork placement in health and human services as part of their course.

In 2017–18, 363 tertiary student placements were completed across child protection, Disability Accommodation Services, Client Outcomes and Service Improvement, Disability Client Services, Housing, Corporate Services, Health and Secure Welfare Services. The majority of placements were completed in child protection (277 placements).

Child Protection Vacation Employment Program

The Child Protection Vacation Employment Program (VAC) offers fixed-term paid employment of 12 weeks or 450 hours to eligible students studying a recognised degree in child protection. The 12-week rotation-based program enables VAC participants to receive a structured, quality learning experience while gaining hands-on work experience in child protection.

Participants who demonstrate the essential skills and attributes necessary for entry into a child protection practitioner role (CPP) may receive a conditional offer of employment for a CPP3 position subject to the successful completion of their recognised degree.

Based on the success of the 2016–17 VAC program in boosting the child protection workforce, the program was doubled in 2018, with another 80 students commencing a placement. Over the last two years, 44 of the 76 students who have completed the VAC program have subsequently been appointed to CPP positions.

Comparative workforce data

Full-time equivalent (FTE) staffing trends from 2014 to 2018 (ongoing and fixed term)

| June 2014 | June 2015 | June 2016 | June 2017 | June 2018 |
|-----------|-----------|-----------|-----------|-----------|
| 11,013 | 11,185 | 11,448 | 11,249 | 12,101 |

Summary of employment levels in June of 2017 and 2018

| | Ongoing employees | | | | Fixed-term and casual employees |
|-----------|------------------------|------------------------|------------------------|-------------|---------------------------------|
| | Employees (head count) | Full-time (head count) | Part-time (head count) | Ongoing FTE | FTE |
| June 2017 | 10,190 | 6,654 | 3,536 | 9,301 | 1,947 |
| June 2018 | 10,547 | 6,864 | 3,683 | 9,646 | 2,455 |

* Data excludes administrative offices created during the 2017–18 financial year, including Family Safety Victoria, Safer Care Victoria and the Victorian Agency for Health Information which is shown separately as at 30 June 2018.

Details of employment levels in June of 2017 and 2018

| | 2017 | | | 2018 | | |
|-----------------------|---------------|----------------|---------------------------------|---------------|----------------|---------------------------------|
| | Ongoing | Ongoing | Fixed-term and casual employees | Ongoing | Ongoing | Fixed-term and casual employees |
| | | | Employees (head count) | FTE | FTE | Employees (head count) |
| Gender | | | | | | |
| Female | 7,087 | 6,346.1 | 1,333 | 7,384 | 6,634.6 | 1,684.4 |
| Male | 3,103 | 2,955.2 | 614.2 | 3,163 | 3,011.3 | 770.2 |
| Self-described | n | n | n | n | n | n |
| Total | 10,190 | 9,301.3 | 1,947.2 | 10,547 | 9,645.9 | 2,454.6 |
| Age | | | | | | |
| 15–24 | 187 | 176 | 168.7 | 211 | 198.5 | 268.3 |
| 25–34 | 1,599 | 1,478.8 | 532.5 | 1,670 | 1,556 | 697.8 |
| 35–44 | 2,353 | 2,077.5 | 470.5 | 2,449 | 2,180.2 | 573.3 |
| 45–54 | 3,081 | 2,841 | 426.9 | 3,080 | 2,838.2 | 518.8 |
| 55–64 | 2,505 | 2,312 | 291.5 | 2,634 | 2,425.9 | 344.4 |
| 64+ | 465 | 416 | 57.1 | 503 | 447.1 | 52 |
| Total | 10,190 | 9,301.3 | 1,947.2 | 10,547 | 9,645.9 | 2,454.6 |
| Classification | | | | | | |
| VPS-1 | 1 | 0.2 | 4.1 | 1 | 0.2 | 14.4 |
| VPS-2 | 304 | 262.4 | 88.7 | 308 | 270 | 105 |
| VPS-3 | 526 | 495.5 | 117.9 | 530 | 498.1 | 149.7 |
| VPS-4 | 742 | 694.2 | 132.5 | 764 | 717.3 | 195.3 |
| VPS-5 | 1,314 | 1,227.7 | 218 | 1,326 | 1,240.2 | 321 |

| | 2017 | | | 2018 | | |
|------------------------------------|------------------------|----------------|---------------------------------|------------------------|----------------|---------------------------------|
| | Ongoing | Ongoing | Fixed-term and casual employees | Ongoing | Ongoing | Fixed-term and casual employees |
| | Employees (head count) | FTE | FTE | Employees (head count) | FTE | FTE |
| VPS-6 | 841 | 813 | 99.8 | 866 | 833 | 134.8 |
| SMA | 26 | 25.6 | 26.1 | 22 | 21.8 | 22.6 |
| Senior technical specialist | 16 | 15.6 | 6 | 13 | 12.6 | 10 |
| Allied health | 192 | 171.6 | 29.2 | 157 | 137.3 | 28.8 |
| Child protection practitioner | 1,451 | 1,359.3 | 216.5 | 1,688 | 1,585.4 | 347.3 |
| Children, youth and families | 177 | 159.2 | 26.4 | 188 | 169.3 | 63.9 |
| Disability development and support | 3,887 | 3,417 | 895.5 | 3,948 | 3,476.9 | 941.9 |
| Executives | 143 | 141.5 | 0 | 163 | 162.7 | 0 |
| Housing services | 459 | 415.9 | 55.5 | 464 | 420.9 | 81.5 |
| Other | 111 | 102.6 | 31 | 109 | 100.2 | 38.4 |
| Total | 10,190 | 9,301.3 | 1,947.2 | 10,547 | 9,645.9 | 2,454.6 |

June 2018 data includes FTE staff from the Commission for Children and Young People.

As part of the youth justice machinery of government changes in 2017, 222 FTE children, youth and families classified employees transferred to the Department of Justice and Regulation.

Headcount for executives in 2017 (143 total) includes 1 FTE for Safer Care Victoria.

June 2018 data excludes administrative offices created during the 2017–18 financial year, including Family Safety Victoria, Safer Care Victoria and the Victorian Agency for Health Information which are shown separately as at 30 June 2018.

Note: FTE figures may not sum to the total due to rounding.

Annualised total salary, by \$20 000 bands, for executives and other senior non-executive staff

| Income band (salary) | Executives | STS | PS | SMA | SRA | Other |
|----------------------|------------|-----|----|-----|-----|-------|
| < \$160,000 | | 1 | | | | |
| \$160,000–\$179,999 | 45 | 9 | | 12 | | |
| \$180,000–\$199,999 | 43 | 9 | | 10 | | |
| \$200,000–\$219,999 | 32 | 4 | | 10 | | |
| \$220,000–\$239,999 | 12 | | | 10 | | |
| \$240,000–\$259,999 | 7 | | | | | |
| \$260,000–\$279,999 | 5 | | | 1 | | |
| \$280,000–\$299,999 | 6 | | | | | |
| \$300,000–\$319,999 | 5 | | | | | |
| \$320,000–\$339,999 | | | 1 | | | |
| \$340,000–\$359,999 | 3 | | | 1 | | |
| \$360,000–\$379,999 | 4 | | | | | |
| \$380,000–\$399,999 | | | | | | |
| \$400,000–\$419,999 | | | | | | |

| Income band (salary) | Executives | STS | PS | SMA | SRA | Other |
|----------------------|------------|-----------|----|-----|-----------|-------|
| \$420,000–\$439,999 | | | | | | |
| \$440,000–\$459,999 | | | | | | |
| \$460,000–\$479,999 | | | | | | |
| \$520,000–\$539,999 | 1 | | | | | |
| Total | 163 | 23 | | | 45 | |

Salaries reported above are the full financial year, at a 1-FTE rate, and excludes superannuation.

Family Safety Victoria employment levels

Summary of employment levels in June of 2018

| | Ongoing employees | | | Fixed-term and casual employees | |
|-----------|-----------------------|-----------------------|-----------------------|---------------------------------|------|
| | Employees (headcount) | Full-time (headcount) | Part-time (headcount) | FTE | FTE |
| June 2018 | 133 | 94 | 39 | 123.2 | 80.8 |

Details of employment levels in June of 2018

| | 2018 | | |
|-----------------------------|------------------------|--------------|---------------------------------|
| | Ongoing | Ongoing | Fixed-term and casual employees |
| | Employees (head count) | FTE | FTE |
| Gender | | | |
| Female | 113 | 103.9 | 69.2 |
| Male | 20 | 19.3 | 11.6 |
| Self-described | n | n | n |
| Total | 133 | 123.2 | 80.8 |
| Age | | | |
| 15–24 | 1 | 1 | 5 |
| 25–34 | 30 | 28.5 | 29 |
| 35–44 | 56 | 49.8 | 27.9 |
| 45–54 | 34 | 32.2 | 14.1 |
| 55–64 | 10 | 9.7 | 4.8 |
| 64+ | 2 | 2 | 0 |
| Total | 133 | 123.2 | 80.8 |
| VPS | | | |
| VPS-2 | 2 | 2 | 1 |
| VPS-3 | 13 | 11.6 | 12.6 |
| VPS-4 | 13 | 12.4 | 13.9 |
| VPS-5 | 36 | 32.3 | 32.3 |
| VPS-6 | 31 | 29.5 | 18 |
| Senior technical specialist | 2 | 2 | 3 |

| | 2018 | | |
|-------------------------------|------------------------|--------------|---------------------------------|
| | Ongoing | Ongoing | Fixed-term and casual employees |
| | Employees (head count) | FTE | FTE |
| Child protection practitioner | 16 | 14.3 | 0 |
| Executives | 19 | 18.1 | 0 |
| Other | 1 | 1 | 0 |
| Total | 133 | 123.2 | 80.8 |

Data as at 30 June 2018.

Annualised total salary, by \$20 000 bands, for executives and other senior non-executive staff

| Income band (salary) | Executives | STS | PS | SMA | SRA | Other |
|----------------------|------------|----------|----|-----|-----|-------|
| < \$160,000 | 1 | 1 | | | | |
| \$160,000–\$179,999 | 5 | 3 | | | | |
| \$180,000–\$199,999 | 6 | | | | | |
| \$200,000–\$219,999 | 1 | 1 | | | | |
| \$220,000–\$239,999 | 2 | | | | | |
| \$240,000–\$259,999 | 2 | | | | | |
| \$260,000–\$279,999 | 1 | | | | | |
| \$280,000–\$299,999 | 1 | | | | | |
| Total | 19 | 5 | | | | |

Salaries reported above are the full financial year, at a 1-FTE rate, and excludes superannuation.

Safer Care Victoria employment levels

Summary of employment levels in June of 2018

| | Ongoing employees | | | Fixed-term and casual employees | |
|-----------|-----------------------|-----------------------|-----------------------|---------------------------------|------|
| | Employees (headcount) | Full-time (headcount) | Part-time (headcount) | FTE | FTE |
| June 2018 | 75 | 50 | 25 | 65.7 | 24.6 |

Details of employment levels in June of 2018

| | 2018 | | |
|----------------|------------------------|-------------|---------------------------------|
| | Ongoing | Ongoing | Fixed-term and casual employees |
| | Employees (head count) | FTE | FTE |
| Gender | | | |
| Female | 66 | 57.4 | 17.1 |
| Male | 9 | 8.3 | 7.5 |
| Self-described | n | n | n |
| Total | 75 | 65.7 | 24.6 |

2018

| | Ongoing Employees (head count) | Ongoing FTE | Fixed-term and casual employees FTE |
|--------------|--------------------------------------|----------------|---|
| Age | | | |
| 15–24 | 2 | 2 | 2 |
| 25–34 | 23 | 21.8 | 10.8 |
| 35–44 | 23 | 19.5 | 5.7 |
| 45–54 | 15 | 12.5 | 6.1 |
| 55–64 | 12 | 9.9 | 0 |
| 64+ | 0 | 0 | 0 |
| Total | 75 | 65.7 | 24.6 |
| VPS | | | |
| VPS-2 | 1 | 1 | 1 |
| VPS-3 | 5 | 4.6 | 0.8 |
| VPS-4 | 15 | 13 | 4 |
| VPS-5 | 31 | 26.5 | 13.6 |
| VPS-6 | 17 | 15.2 | 3.7 |
| SMA | 0 | 0 | 1.5 |
| Executives | 5 | 4.4 | 0 |
| Other | 1 | 1 | 0 |
| Total | 75 | 65.7 | 24.6 |

Data as at 30 June 2018.

Annualised total salary, by \$20 000 bands, for executives and other senior non-executive staff

| Income band (salary) | Executives | STS | PS | SMA | SRA | Other |
|----------------------|------------|-----|----|-----|-----|-------|
| < \$160,000 | | | | | | |
| \$160,000–\$179,999 | 1 | | | 1 | | |
| \$180,000–\$199,999 | 3 | | | | | |
| \$200,000–\$219,999 | | | | | | |
| \$220,000–\$239,999 | | | | | | |
| \$240,000–\$259,999 | | | | | | |
| \$260,000–\$279,999 | | | | | | |
| \$280,000–\$299,999 | | | | | | |
| \$300,000–\$319,999 | | | | | | |
| \$320,000–\$339,999 | | | | | | |
| \$340,000–\$359,999 | | | | | | |
| \$360,000–\$379,999 | | | | | | |
| \$380,000–\$399,999 | | | | 1 | | |
| \$400,000–\$419,999 | | | | | | |

| Income band (salary) | Executives | STS | PS | SMA | SRA | Other |
|----------------------|------------|-----|----|-----|----------|-------|
| \$420,000–\$439,999 | | | | | | |
| \$440,000–\$459,999 | | | | | | |
| \$460,000–\$479,999 | | | | | | |
| \$520,000–\$539,999 | 1 | | | | | |
| Total | 5 | | | | 2 | |

Victorian Agency for Health Information employment levels

Summary of employment levels in June of 2018

| | Ongoing employees | | | Fixed-term and casual employees | |
|-----------|-----------------------|-----------------------|-----------------------|---------------------------------|-----|
| | Employees (headcount) | Full-time (headcount) | Part-time (headcount) | FTE | FTE |
| June 2018 | 54 | 46 | 8 | 51.5 | 9.6 |

Details of employment levels in June of 2018

| | 2018 | | |
|-----------------------------|------------------------|-------------|---------------------------------|
| | Ongoing | Ongoing | Fixed-term and casual employees |
| | Employees (head count) | FTE | FTE |
| Gender | | | |
| Female | 31 | 29.3 | 6.6 |
| Male | 23 | 22.2 | 3 |
| Self-described | n | n | n |
| Total | 54 | 51.5 | 9.6 |
| Age | | | |
| 15–24 | 0 | 0 | 0 |
| 25–34 | 13 | 12.6 | 1 |
| 35–44 | 16 | 15.3 | 4 |
| 45–54 | 18 | 17.8 | 2.6 |
| 55–64 | 5 | 4.2 | 2 |
| 64+ | 2 | 1.6 | 0 |
| Total | 54 | 51.5 | 9.6 |
| VPS | | | |
| VPS-2 | 1 | 1 | 0 |
| VPS-3 | 3 | 3 | 0 |
| VPS-4 | 5 | 4.5 | 0 |
| VPS-5 | 23 | 21.4 | 5.6 |
| VPS-6 | 15 | 14.6 | 4 |
| Senior technical specialist | 1 | 1 | 0 |
| Executives | 6 | 6 | 0 |
| Total | 54 | 51.5 | 9.6 |

Data as at 30 June 2018.

Annualised total salary, by \$20 000 bands, for executives and other senior non-executive staff

| Income band (salary) | Executives | STS | PS | SMA | SRA | Other |
|----------------------|------------|-----|----------|-----|-----|-------|
| < \$160,000 | | | | | | |
| \$160,000–\$179,999 | | 1 | | | | |
| \$180,000–\$199,999 | 1 | | | | | |
| \$200,000–\$219,999 | 3 | | | | | |
| \$220,000–\$239,999 | 1 | | | | | |
| \$240,000–\$259,999 | | | | | | |
| \$260,000–\$279,999 | | | | | | |
| \$280,000–\$299,999 | | | | | | |
| \$300,000–\$319,999 | | | | | | |
| \$320,000–\$339,999 | | | | | | |
| \$340,000–\$359,999 | | | | | | |
| \$360,000–\$379,999 | | | | | | |
| \$380,000–\$399,999 | 1 | | | | | |
| Total | 6 | | 1 | | | |

Executive officer data

For a department, an executive officer (EO) is defined as a person employed as an executive under Part 3 of the *Public Administration Act 2004* (PAA). For a public body, an EO is defined as an executive under Part 3 of the PAA or a person to whom the Victorian Government's policy on executive remuneration in public entities applies. All figures reflect employment levels at the last full pay period in June of the current and corresponding previous reporting year.

The definition of an EO does not include a statutory office holder or an Accountable Officer.

The following tables disclose the EOs of the department, its administrative offices and its portfolio agencies for 30 June 2018:

- > Table 1 discloses the total numbers of EOs, broken down by gender.
- > Table 2 provides a reconciliation of executive numbers presented between the report of operations and Note 9.7 'Remuneration of executives' in the financial statements.
- > Table 3 provides the total executive numbers for all of the department's portfolio agencies.
- > Tables 1–3 also disclose the variations, denoted by 'var', between the current and previous reporting periods.

Table 1: Total number of EOs for the department, broken down by gender

| Class | All | | Women | | Men | | Self-described | |
|--------------|------------|-----------|------------|----------|-----------|-----------|----------------|----------|
| | No. | Var. | No. | Var. | No. | Var. | No. | Var. |
| Secretary | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| EO-1 | 4 | (1) | 2 | (1) | 2 | 0 | 0 | 0 |
| EO-2 | 62 | 3 | 35 | (1) | 27 | 4 | 0 | 0 |
| EO-3 | 96 | 19 | 65 | 10 | 31 | 9 | 0 | 0 |
| Total | 163 | 21 | 103 | 8 | 60 | 13 | 0 | 0 |

The increase in the number of executives is largely due to the implementation of significant government service delivery initiatives and policies including Aboriginal health and wellbeing, operational child protection, the newly established Health and Human Service Building Authority, preparations for the transfer of Disability Services and the filling of other existing vacancies throughout the reporting period.

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Note 9.7 in the financial statements lists the actual number of EO^s and the total remuneration paid to EO^s over the course of the reporting period. The financial statements note does not include the Accountable Officer, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left the department during the relevant reporting period. To assist readers, these two disclosures are reconciled below.

Table 2: Reconciliation of executive numbers for the department

| | 2018 | 2017 |
|--|------------|------------|
| Executives | 188 | 161 |
| Responsible body (Secretary) | 1 | 1 |
| Responsible body (Director of Housing) | 1 | 1 |
| Less separations | (26) | (21) |
| Leave without pay | (1) | 0 |
| Total executive numbers at 30 June 2018 | 163 | 142 |

Table 3: Total number of EO^s for Family Safety Victoria, broken down by gender

| Class | All | | Women | | Men | | Self-described | |
|--------------|-----------|-----------|-----------|-----------|----------|----------|----------------|----------|
| | No. | Var. | No. | Var. | No. | Var. | No. | Var. |
| EO-2 | 6 | 6 | 5 | 5 | 1 | 1 | 0 | 0 |
| EO-3 | 13 | 13 | 13 | 13 | 0 | 0 | 0 | 0 |
| Total | 19 | 19 | 18 | 18 | 1 | 1 | 0 | 0 |

Family Safety Victoria was established in July 2017 to support the government's commitment to providing better services to Victorians. The increase in number of executives is due to the creation and filling of positions over the reporting period.

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Note 9.7 in the financial statements lists the actual number of EO^s and the total remuneration paid to EO^s over the course of the reporting period. The financial statements note does not include the Accountable Officer, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left the department during the relevant reporting period. To assist readers, these two disclosures are reconciled below.

Table 4: Reconciliation of executive numbers for Family Safety Victoria

| | 2018 | 2017 |
|--|-----------|----------|
| Executives | 18 | 0 |
| Accountable Officer (Chief Executive Officer) | 1 | 0 |
| Less separations | 0 | 0 |
| Total executive numbers at 30 June 2018 | 19 | 0 |

Table 5: Total number of EOs for Safer Care Victoria, broken down by gender

| Class | All | | Women | | Men | | Self-described | |
|--------------|----------|----------|----------|----------|----------|----------|----------------|----------|
| | No. | Var. | No. | Var. | No. | Var. | No. | Var. |
| EO-1 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 |
| EO-3 | 4 | 4 | 4 | 4 | 0 | 0 | 0 | 0 |
| Total | 5 | 4 | 4 | 4 | 1 | 0 | 0 | 0 |

Safer Care Victoria was established in January 2017 to support the government's commitment to providing better services to Victorians. The increase in number of executives is due to the creation and filling of positions over the reporting period.

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Note 9.7 in the financial statements lists the actual number of EOs and the total remuneration paid to EOs over the course of the reporting period. The financial statements note does not include the Accountable Officer, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left the department during the relevant reporting period. To assist readers, these two disclosures are reconciled below.

Table 6: Reconciliation of executive numbers for Safer Care Victoria

| | 2018 | 2017 |
|--|----------|----------|
| Executives | 5 | 0 |
| Accountable Officer (Chief Executive Officer) | 1 | 1 |
| Less separations | (1) | 0 |
| Total executive numbers at 30 June 2018 | 5 | 1 |

Table 7: Total number of EOs for Victorian Agency for Health Information, broken down by gender

| Class | All | | Women | | Men | | Self-described | |
|--------------|----------|----------|----------|----------|----------|----------|----------------|----------|
| | No. | Var. | No. | Var. | No. | Var. | No. | Var. |
| EO-1 | 1 | 1 | 0 | 0 | 1 | 1 | 0 | 0 |
| EO-2 | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 0 |
| EO-3 | 4 | 4 | 1 | 1 | 3 | 3 | 0 | 0 |
| Total | 6 | 6 | 2 | 2 | 4 | 4 | 0 | 0 |

The Victorian Agency for Health Information was established in July 2017 to support the government's commitment to providing better services to Victorians. The increase in number of executives is due to the creation and filling of positions over the reporting period.

The number of executives in the report of operations is based on the number of executive positions that are occupied at the end of the financial year. Note 9.7 in the financial statements lists the actual number of EOs and the total remuneration paid to EOs over the course of the reporting period. The financial statements note does not include the Accountable Officer, nor does it distinguish between executive levels or disclose separations. Separations are executives who have left the department during the relevant reporting period. To assist readers, these two disclosures are reconciled below.

Table 8: Reconciliation of executive numbers for Victorian Agency for Health Information

| | 2018 | 2017 |
|--|-------------|-------------|
| Executives | 9 | 0 |
| Accountable Officer (Chief Executive Officer) | 1 | 0 |
| Less separations | (4) | 0 |
| Total executive numbers at 30 June 2018 | 6 | 0 |

Table 9: Number of executive officers for the department's portfolio agencies

| Organisation | 2017 | | | | 2018 | | | | Annual change | | | |
|-------------------------------------|--------|------|----------------|-------|--------|------|----------------|-------|---------------|------|----------------|-------|
| | Female | Male | Self-described | Total | Female | Male | Self-described | Total | Female | Male | Self-described | Total |
| Albury Wodonga Health | 2 | 2 | 0 | 4 | 3 | 2 | 0 | 5 | 1 | 0 | 0 | 1 |
| Alexandra District Health | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Alfred Health | 4 | 4 | 0 | 8 | 5 | 3 | 0 | 8 | 1 | -1 | 0 | 0 |
| Alpine Health | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Ambulance Victoria | 4 | 10 | 0 | 14 | 4 | 12 | 0 | 16 | 0 | 2 | 0 | 2 |
| Austin Health | 3 | 5 | 0 | 8 | 5 | 3 | 0 | 8 | 2 | -2 | 0 | 0 |
| Bairnsdale Regional Health Service | 3 | 2 | 0 | 5 | 6 | 0 | 0 | 6 | 3 | -2 | 0 | 1 |
| Ballarat General Cemeteries Trust | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Ballarat Health Services | 4 | 4 | 0 | 8 | 4 | 4 | 0 | 8 | 0 | 0 | 0 | 0 |
| Barwon Health | 5 | 2 | 0 | 7 | 6 | 2 | 0 | 8 | 1 | 0 | 0 | 1 |
| Bass Coast Health | 2 | 2 | 0 | 4 | 3 | 3 | 0 | 6 | 1 | 1 | 0 | 2 |
| Beaufort and Skipton Health Service | 1 | 0 | 0 | 1 | 1 | 0 | 1 | 2 | 0 | 0 | 1 | 1 |
| Beechworth Health Service | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Benalla Health | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Bendigo Health Care Group | 4 | 4 | 0 | 8 | 4 | 2 | 0 | 6 | 0 | -2 | 0 | -2 |
| Boort District Health | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| BreastScreen Victoria | 4 | 1 | 0 | 5 | 4 | 1 | 0 | 5 | 0 | 0 | 0 | 0 |
| Casterton Memorial Hospital | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Castlemaine Health | 1 | 0 | 0 | 1 | 1 | 1 | 0 | 2 | 0 | 1 | 0 | 1 |
| Central Gippsland Health Service | 2 | 3 | 0 | 5 | 3 | 3 | 0 | 6 | 1 | 0 | 0 | 1 |
| Cobram District Hospital | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | -1 | 0 | -1 |
| Cohuna District Hospital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Colac Area Health | 0 | 1 | 0 | 1 | 3 | 2 | 0 | 5 | 3 | 1 | 0 | 4 |

| Organisation | 2017 | | | | 2018 | | | | Annual change | | | |
|---|--------|------|----------------|-------|--------|------|----------------|-------|---------------|------|----------------|-------|
| | Female | Male | Self-described | Total | Female | Male | Self-described | Total | Female | Male | Self-described | Total |
| Corryong Health | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Dental Health Services Victoria | 3 | 1 | 0 | 4 | 3 | 3 | 0 | 6 | 0 | 2 | 0 | 2 |
| Djerriwarrh Health Services | 3 | 2 | 0 | 5 | 5 | 1 | 0 | 6 | 2 | -1 | 0 | 1 |
| East Grampians Health Service | 0 | 1 | 0 | 1 | 0 | 2 | 0 | 2 | 0 | 1 | 0 | 1 |
| East Wimmera Health Service | 1 | 1 | 0 | 2 | 0 | 1 | 0 | 1 | -1 | 0 | 0 | -1 |
| Eastern Health | 4 | 5 | 0 | 9 | 4 | 5 | 0 | 9 | 0 | 0 | 0 | 0 |
| Echuca Regional Health | 3 | 1 | 0 | 4 | 3 | 1 | 0 | 4 | 0 | 0 | 0 | 0 |
| Edenhope and District Memorial Hospital | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Geelong Cemeteries Trust | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Gippsland Southern Health Service | 0 | 2 | 0 | 2 | 0 | 2 | 0 | 2 | 0 | 0 | 0 | 0 |
| Goulburn Valley Health Services | 1 | 2 | 0 | 3 | 3 | 3 | 0 | 6 | 2 | 1 | 0 | 3 |
| Greater Metropolitan Cemeteries Trust | 2 | 2 | 0 | 4 | 4 | 3 | 0 | 7 | 2 | 1 | 0 | 3 |
| Health Purchasing Victoria | 4 | 2 | 0 | 6 | 2 | 4 | 0 | 6 | -2 | 2 | 0 | 0 |
| Heathcote Health | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Hepburn Health Service | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 2 | 2 | 0 | 0 | 2 |
| Hesse Rural Health Service | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Heywood Rural Health | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Inglewood and Districts Health Service | 0 | 1 | 0 | 1 | 1 | 0 | 0 | 1 | 1 | -1 | 0 | 0 |
| Kardinia Park Stadium Trust | 1 | 1 | 0 | 2 | 1 | 1 | 0 | 2 | 0 | 0 | 0 | 0 |
| Kerang District Health | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Kilmore and District Hospital | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Kooweeup Regional Health Service | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |

| Organisation | 2017 | | | | 2018 | | | | Annual change | | | |
|---|--------|------|----------------|-------|--------|------|----------------|-------|---------------|------|----------------|-------|
| | Female | Male | Self-described | Total | Female | Male | Self-described | Total | Female | Male | Self-described | Total |
| Kyabram and District Health Services | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Kyneton District Health Service | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Latrobe Regional Hospital | 2 | 2 | 0 | 4 | 2 | 4 | 0 | 6 | 0 | 2 | 0 | 2 |
| Lorne Community Hospital | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Maldon Hospital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mallee Track Health and Community Service | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Mansfield District Hospital | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Maryborough District Health Service | 0 | 1 | 0 | 1 | 1 | 1 | 0 | 2 | 1 | 0 | 0 | 1 |
| Melbourne and Olympic Parks Trust | 0 | 6 | 0 | 6 | 3 | 8 | 0 | 11 | 3 | 2 | 0 | 5 |
| Melbourne Health | 5 | 2 | 0 | 7 | 4 | 3 | 0 | 7 | -1 | 1 | 0 | 0 |
| Monash Health | 3 | 8 | 0 | 11 | 4 | 7 | 0 | 11 | 1 | -1 | 0 | 0 |
| Moyne Health Services | 0 | 0 | 0 | 0 | 4 | 1 | 0 | 5 | 4 | 1 | 0 | 5 |
| Nathalia District Hospital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Northeast Health Wangaratta | 2 | 2 | 0 | 4 | 2 | 2 | 0 | 4 | 0 | 0 | 0 | 0 |
| Northern Health | 8 | 2 | 0 | 10 | 8 | 8 | 0 | 16 | 0 | 6 | 0 | 6 |
| Numurkah District Health Service | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Omeo District Health | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Orbost Regional Health | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Otway Health & Community Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Peninsula Health | 4 | 4 | 0 | 8 | 3 | 4 | 0 | 7 | -1 | 0 | 0 | -1 |
| Peter MacCallum Cancer Centre | 7 | 0 | 0 | 7 | 7 | 2 | 0 | 9 | 0 | 2 | 0 | 2 |
| Portland District Health | 1 | 0 | 0 | 1 | 2 | 1 | 0 | 3 | 1 | 1 | 0 | 2 |

| Organisation | 2017 | | | | 2018 | | | | Annual change | | | |
|--|--------|------|----------------|-------|--------|------|----------------|-------|---------------|------|----------------|-------|
| | Female | Male | Self-described | Total | Female | Male | Self-described | Total | Female | Male | Self-described | Total |
| Queen Victoria Women's Centre Trust | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Remembrance Park Central Victoria | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Robinvale District Health Services | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Rochester and Elmore District Health Service | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Royal Children's Hospital | 3 | 5 | 0 | 8 | 3 | 3 | 0 | 6 | 0 | -2 | 0 | -2 |
| Royal Victorian Eye and Ear Hospital | 3 | 3 | 0 | 6 | 3 | 3 | 0 | 6 | 0 | 0 | 0 | 0 |
| Royal Women's Hospital | 6 | 2 | 0 | 8 | 5 | 2 | 0 | 7 | -1 | 0 | 0 | -1 |
| Rural Northwest Health | 1 | 0 | 0 | 1 | 0 | 1 | 0 | 1 | -1 | 1 | 0 | 0 |
| Seymour Health | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| South Gippsland Hospital | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| South West Healthcare | 2 | 5 | 0 | 7 | 3 | 4 | 0 | 7 | 1 | -1 | 0 | 0 |
| Southern Metropolitan Cemeteries Trust | 4 | 2 | 0 | 6 | 4 | 2 | 0 | 6 | 0 | 0 | 0 | 0 |
| State Sport Centres Trust | 1 | 4 | 0 | 5 | 2 | 3 | 0 | 5 | 1 | -1 | 0 | 0 |
| Stawell Regional Health | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | -1 | 0 | 0 | -1 |
| Swan Hill District Health | 1 | 3 | 0 | 4 | 1 | 3 | 0 | 4 | 0 | 0 | 0 | 0 |
| Tallangatta Health Service | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Terang and Mortlake Health Service | 2 | 0 | 0 | 2 | 1 | 0 | 0 | 1 | -1 | 0 | 0 | -1 |
| The Queen Elizabeth Centre | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Timboon and District Healthcare Service | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Tweddle Child and Family Health Service | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |

| Organisation | 2017 | | | | 2018 | | | | Annual change | | | |
|---|------------|------------|----------------|------------|------------|------------|----------------|------------|---------------|-----------|----------------|-----------|
| | Female | Male | Self-described | Total | Female | Male | Self-described | Total | Female | Male | Self-described | Total |
| Victorian Assisted Reproductive Treatment Authority | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Victorian Health Promotion Foundation | 3 | 2 | 0 | 5 | 4 | 2 | 0 | 6 | 1 | 0 | 0 | 1 |
| Victorian Institute of Forensic Mental Health | 0 | 4 | 0 | 4 | 0 | 5 | 0 | 5 | 0 | 1 | 0 | 1 |
| Victorian Institute of Sport | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Victorian Pharmacy Authority | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 |
| West Gippsland Healthcare Group | 1 | 2 | 0 | 3 | 1 | 2 | 0 | 3 | 0 | 0 | 0 | 0 |
| West Wimmera Health Service | 3 | 3 | 0 | 6 | 2 | 3 | 0 | 5 | -1 | 0 | 0 | -1 |
| Western District Health Service | 1 | 2 | 0 | 3 | 1 | 2 | 0 | 3 | 0 | 0 | 0 | 0 |
| Western Health | 16 | 11 | 0 | 27 | 16 | 8 | 0 | 24 | 0 | -3 | 0 | -3 |
| Wimmera Health Care Group | 1 | 3 | 0 | 4 | 2 | 4 | 0 | 6 | 1 | 1 | 0 | 2 |
| Yarram and District Health Service | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Yarrawonga Health | 1 | 0 | 0 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 |
| Yea and District Memorial Hospital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 164 | 156 | 0 | 320 | 190 | 169 | 1 | 360 | 26 | 13 | 1 | 40 |

For the purpose of this table, Executive Officers are defined as employees who have significant management responsibility AND receive a TRP of \$159,501 or more.

All figures reflect employment levels as at 30 June 2018 unless otherwise stated.

Excluded are those on leave without pay or absent on secondment, external contractors/consultants and temporary staff employed by employment agencies.

Upper Murray Health and Community Services changed name to Corryong Health during the 2017/18 reporting period.

Castlemaine Health and Maldon Hospital share the same Chief Executive Officer.

Goulburn Valley Health Services executives are shared among Nathalia District Hospital and Yea and District Memorial Hospital.

Queen Victoria Women's Centre Trust transferred under the department's portfolio effective July 2017.

Victorian Pharmacy Authority was not known to Victorian Public Sector Commission for collection until 2018 collections.

Health, safety and wellbeing

The department's commitment to health, safety and wellbeing is reflected in its *Health, safety and wellbeing strategy 2016–2020*. The strategy articulates the vision and plan for progressively improving leadership and management of health, safety and wellbeing in the department.

Improvement measures in 2017–18

In 2017–18, the department implemented and/or developed the following improvement measures:

- > deployment of a new electronic employee health and safety incident reporting system, eDINMAR, in all department office-based locations. This system is driving greater accountability and more timely follow up and resolution of reported hazards and risks
- > development of a psychological support program for child protection staff as part of the *Child protection workforce strategy 2017–2020*. The psychological support program will reduce psychological risks associated with child protection work roles and promote the wellbeing of the child protection workforce
- > development of a contemporary model for responding to critical incidents and trauma. This new model ensures support for staff in a timely and appropriate way and provides greater capacity for support through availability of psychological first aid training for managers and staff in all locations
- > establishment of a peer support network which provides informal and confidential support to employees experiencing difficulties in the workplace or at home. The peer support network enables access to a colleague who can provide advice and assistance in navigating pathways for support. Peer supporters receive specialised training on supporting staff experiencing bullying and inappropriate behaviour, family violence and mental health and wellbeing issues
- > development of a Wellbeing action plan aligned with the three pillars of the Mental health and wellbeing charter – promote positive mental wellbeing, protect from mental injury and illness, and address mental injury and illness
- > participation in the whole-of-government OHS improvement initiative led by WorkSafe, in partnership with unions and state government departments, to improve OHS performance in the public sector
- > leading and providing resources for the prevention of occupational violence working group under the whole-of-government OHS improvement initiative, which produced the following outputs that were endorsed for implementation in all departments:
 - Framework for preventing and managing occupational violence and aggression (OVA)
 - Guide for violence and aggression training in the Victorian public service
 - Mitigating occupational violence and aggression through the built environment: a resource guide for architects and designers
- > development and trialling of a Managing for team wellbeing training program as part of our commitment to provide mental health and wellbeing training for all managers and staff, to support implementation of the Victorian public sector Mental health and wellbeing charter. The training focuses on providing managers and supervisors with the skills to effectively support their staff and promote a positive working environment
- > coordination of events and activities in support of health and safety week and health and safety representatives including a statewide health and safety representative forum with the theme Mental health matters, attended by approximately 130 managers and staff and external stakeholders.

The department's performance against occupational health and safety management measures

| Measure | KPI | 2015–16 | 2016–17 | 2017–18 |
|---------------------------|---|----------|------------------|----------|
| Incidents and hazards | No. of incidents ¹ | 8,269 | 7,531 | 5,404 |
| | Rate per 100 FTE | 72.23 | 66.90 | 43.71 |
| Claims | No. of standard claims ² | 341 | 274 ³ | 274 |
| | Rate per 100 FTE | 2.977 | 2.433 | 2.216 |
| | No. of lost time claims | 185 | 149 | 157 |
| | Rate per 100 FTE | 1.615 | 1.323 | 1.267 |
| | No. of claims exceeding 13 weeks ⁴ | 79 | 76 | 85 |
| | Rate per 100 FTE | 0.690 | 0.675 | 0.688 |
| Fatalities | No. of fatalities | 0 | 0 | 0 |
| Claims costs ⁵ | Average cost per standard claim ⁶ | \$51,604 | \$65,062 | \$94,069 |

FTE: full-time equivalent; OHS: occupational health and safety.

- Figures for 2015–16 and 2016–17 are recorded incidents as at June 2018.
- Includes accepted, pending and rejected claims that met the standard claims threshold.
- Number and rate per 100 FTE for 2016–17 and 2017–18 excludes Youth Justice claims which were transferred to Department of Justice and Regulation.
- Data extracted with a six-month lag to allow for claims to reach 13 weeks compensation.
- Includes payments and estimated future costs.
- Data extracted with a three-month lag to allow for the claims estimate to develop to give an accurate picture of associated costs. Figures for 2015–16 and 2016–17 are recorded incidents as at June 2018.

| Measure | KPI | Performance |
|-----------------------|---------------------------------------|---|
| Management commitment | OHS policy statement and OHS criteria | <p>The department's health, safety and wellbeing accountabilities have been reviewed in 2017–18. Relevant accountabilities are included in all current executive performance plans and will be incorporated into the performance and development plans for employees at all levels in 2019.</p> <p>In 2017–18, the department supported and participated in the whole-of-government OHS committee structure, established in partnership with unions and WorkSafe, to lead and improve OHS performance in the public sector. The department's contribution included leading and providing resources to the working group established under this initiative on prevention of occupational violence in public sector workplaces.</p> <p>The department has continued to build and review a health and safety management system to meet compliance with national standard AS4801. Key elements developed or reviewed in 2017–18 include a risk management framework, occupational violence procedure and risk assessment guides, a workstation guide and checklist and a health and safety consultation and communication procedure and guides.</p> <p>The department's OHS Governance and Wellbeing Committees are leading proactive and preventive activity to protect and improve the mental and physical health, safety and wellbeing of staff.</p> <p>Workers compensation performance reports are provided to senior leaders on a monthly basis. Middle and senior managers have desktop access to health and safety performance reports through the department's corporate reporting tool.</p> |

| Measure | KPI | Performance |
|--------------------------------|--|---|
| Consultation and participation | Designated work group structures and issue resolution procedures | <p>The department has in place a comprehensive cascading health and safety consultation structure comprising committees at the area, divisional and statewide level which all meet quarterly. Committee meetings follow a coordinated schedule to ensure timely escalation and resolution of any identified issues.</p> <p>The department continues to maintain an extensive network of 498 designated work groups, with 404 health and safety representatives and 138 designated management representatives.</p> <p>The department has a model procedure for managers and employees to follow in resolving health and safety issues identified in department workplaces.</p> |
| Risk management | Regular internal audits conducted and issues identified and actioned | <p>The department implemented a new electronic employee health and safety incident reporting system (eDINMAR) in all office-based locations. This system is driving greater accountability and more timely follow up and resolution of reported hazards and risks.</p> <p>The department has comprehensive procedures and tools for assessing and managing key risks and for undertaking regular workplace inspections.</p> <p>WorkSafe made 140 visits to department workplaces and issued 10 improvement notices. There were three provisional improvement notices issued by health and safety representatives.</p> |
| Training | Managers, health and safety representatives and other staff trained | <p>The department developed and trialled a Managing for team wellbeing program to support implementation of the Mental health and wellbeing charter, with approximately 110 managers attending.</p> <p>All health and safety representatives elected in 2017–18 were encouraged and supported by the department to undertake the five-day health and safety representative training program.</p> <p>The department conducts an annual health and safety representative forum each October as a key activity during Health and Safety Month. There were approximately 130 participants at the 2017 forum.</p> <p>The department has established an internal Peer Support Network with volunteers participating in a four-day training program. There were 37 staff trained and inducted into the network during the year.</p> <p>Vicarious trauma workshops were conducted centrally and in operational divisions where requested or required to support managers and staff to minimise the impact of trauma on their wellbeing.</p> <p>Quarterly forums were conducted for internal health and safety and workers compensation professional staff including health and safety advisors, injury management coordinators and claims administrators.</p> |

Standard claims are those that have exceeded the employer excess (days or dollars) or are open claims that have been received but have no payments at the time of extraction and may be rejected.

A time-lost claim is one with one or more days compensation paid by the Victorian WorkCover Authority (that is, once the employer has paid the 10-day excess) at the time of extraction.

Thirteen-week claims are claims that involve 13 weeks or more of weekly benefits paid. The 13-week measure begins at day one (that is, employer excess and Victorian WorkCover Authority payments).

Disclosures

Local Jobs First – Victorian Industry Participation Policy

The *Victorian Industry Participation Policy Act 2003* requires departments and public sector bodies to report on the implementation of the Local Jobs First – Victorian Industry Participation Policy (Local Jobs First – VIPP). Departments and public sector bodies are required to apply the Local Jobs First – VIPP in all procurement activities valued at \$3 million or more in metropolitan Melbourne and for statewide projects, or \$1 million or more for procurement activities in regional Victoria.

During 2017–18, the department commenced 26 Local Jobs First – VIPP applicable procurements totalling \$596.68 million. Of those projects, six were located in regional Victoria, with a commitment of 88 per cent of local content, 18 in metropolitan Melbourne, with an average commitment of 91 per cent local content, and two projects were commenced that occurred statewide with an average commitment of 90 per cent.

The outcomes expected from the implementation of the Local Jobs First – VIPP to these projects where information was provided are as follows:

- > an average of 91 per cent of local content commitment was made
- > a total of 1,366 jobs (annualised employee equivalent (AEE)) were committed, including the creation of 199 new jobs and the retention of 1,167 existing jobs (AEE)
- > a total of 162 positions for apprentices/trainees were committed, including the creation of 55 new apprenticeships/traineeships, and the retention of the remaining 107 existing apprenticeships/traineeships.

During 2017–18, the department completed 20 Local Jobs First – VIPP applicable projects, collectively valued at about \$818.5 million. Of these projects, eight were located in regional Victoria, with an average commitment of 88 per cent local content, and 10 in metropolitan Melbourne representing 80 per cent of estimated local content. Two projects occurred statewide with an average commitment of 93 per cent local content.

The outcomes reported from the implementation of the policy where information was provided, were as follows:

- > an average of 87 per cent of local content outcome was recorded
- > a total of 546.5 (AEE) positions were created and 2,643 positions were retained
- > 101 new apprenticeships/traineeships were created and 166 existing apprenticeships/traineeships retained.

During 2017–18, 23 small- to medium-sized businesses prepared a VIPP Plan.

During 2017–18, 22 projects had the minimum formal weighting of 10 per cent applied for local content in the tender evaluation of the VIPP Plan or LIDP.

The department commenced 12 contracts with a total of 100 per cent estimated to be of local content for which a VIPP Plan or LIDP was not required, as the procurement activity was local by nature.

For design contracts or grants provided during 2017–18, a total of one interaction reference number was required, which entailed a conversation with the Industry Capability Network (Victoria) Ltd.

Department of Health and Human Services compliance with DataVic access policy

Consistent with the DataVic access policy issued by the Victorian Government in 2012, the information included in this annual report will be available in machine readable format at [Data.Vic <http://www.data.vic.gov.au>](http://www.data.vic.gov.au).

At the end of 2017–18, the department had over 1,300 datasets available on the Victorian Government Data Directory, some of which are new, and others that have been amended during the year.

Summarised data published by the department is available on a range of different websites, including:

- > for health – [health home](http://performance.health.vic.gov.au/Home.aspx) <<http://performance.health.vic.gov.au/Home.aspx>> and [health reporting](https://www2.health.vic.gov.au/about/reporting-planning-data) <<https://www2.health.vic.gov.au/about/reporting-planning-data>>
- > for [corporate and human services](https://dhhs.vic.gov.au/publications/reports-reviews-data) <<https://dhhs.vic.gov.au/publications/reports-reviews-data>>
- > an extract of [the department's information asset register](https://www.dhhs.vic.gov.au/department-health-and-human-services-information-asset-register-public) <<https://www.dhhs.vic.gov.au/department-health-and-human-services-information-asset-register-public>> which is progressively being populated.

The websites above include information about:

- > service provision (including health service performance)
- > public health indicators
- > infectious disease surveillance
- > birth and birth defects
- > alcohol and drug services
- > housing
- > vulnerable children
- > disability.

As well as summarised data, the department maintains a number of de-identified datasets that researchers can access. These detailed datasets, which adhere to strict privacy guidelines, contain a wealth of information to support better understanding of Victoria's health and human services.

They include the:

- > Victorian Admitted Episodes Dataset (VAED) which contains information about all patients admitted to Victorian hospitals
- > Victorian Emergency Minimum Dataset (VEMD) which contains information about emergency presentations at Victorian public hospitals
- > Elective Surgery Information System (ESIS) which contains information about elective surgery waiting list information from the major Victorian metropolitan and rural public hospitals
- > Perinatal Data Collection which contains information about mothers and babies born in Victoria

- > Alcohol and Drug Treatment Service Utilisation Data Collection which contains information about the clients and activity of government funded alcohol and drug treatment services
- > Victorian Mental Health Data Collection which contains information about inpatient, residential, and ambulatory community care provided by gazetted mental health facilities, and associated legal diagnostic and outcome measurement information
- > Victorian Integrated Non-Admitted Health (VINAH) dataset which contains information about the Family Choice Program, Hospital Admission Risk Program, Hospital Based Palliative Care Consultancy Team, Palliative Care, Postacute Care, Residential In-Reach, Specialist Clinics (Outpatients), Subacute Ambulatory Care Services, Transition Care Program, Victorian HIV Service and the Victorian Respiratory Support Service
- > Community Health Minimum Dataset which contains information about clients receiving government funded community health services
- > Dental Health Program Dataset which contains information about services provided by public dental agencies, including about clients, treatments, referrals, and waiting lists
- > Notifiable Infectious Diseases Data on conditions that must be reported to the department under the *Public Health and Wellbeing Act 2008*.

Researchers are able to request access to [linked de-identified data](https://www2.health.vic.gov.au/about/reporting-planning-data/the-centre-for-victorian-data-linkage/for-researchers) via the processes outlined at <<https://www2.health.vic.gov.au/about/reporting-planning-data/the-centre-for-victorian-data-linkage/for-researchers>>.

Victorian health and human services data is also made available by a number of agencies including:

- > [Cancer Council Victoria](http://www.cancervic.org.au/research/registry-statistics/statistics-data) <<http://www.cancervic.org.au/research/registry-statistics/statistics-data>>
- > [MyHospitals](http://www.myhospitals.gov.au) <<http://www.myhospitals.gov.au>>
- > [Australian Institute of Health and Welfare](http://www.aihw.gov.au/data) <<http://www.aihw.gov.au/data>>.

Business Technology and Information Management Committee

The Business Technology and Information Management (BTIM) subcommittee provides stewardship of the department's business technology and information management related matters, and oversees the coordinated, outcome-focused approach to strategy and policy, prioritisation and assurance across business technology and information management for the department.

The BTIM subcommittee's role includes:

- > overseeing and directing the department's overarching Business Technology and Information Management Strategy, and other associated strategies and frameworks, including managing information, digital, business intelligence, access and release, data integrity, enterprise architecture, and information security
- > authorising operational business technology and information management policies and standards to support the department's policy and program objectives and to ensure compliance
- > providing advice and recommendations to the Executive Board regarding prioritisation and authorisation of:
 - business technology and information management investments supporting key functions of health and human services and the department's strategic plan
 - deviation of the program of work from the endorsed strategy
 - projects and work to mitigate identified emerging key risks and issues related to business technology and information management
- > monitoring the delivery of the strategy and assure continuous improvement in the effectiveness and efficiency across the lifecycle.

The subcommittee comprises 12 members:

- > Deputy Secretary, Regulation, Health Protection and Emergency Management (Chair)
- > Director, Performance and Reporting, Operations

- > Chief Officer, Drugs and Poisons Regulation, Regulation, Health Protection and Emergency Management
- > Director Information System Reform, Family Safety Victoria
- > Director, Systems Intelligence and Analytics, Strategy and Planning
- > Director, Information Infrastructure Management and Standards, Victorian Agency for Health Information
- > Director, Child Protection, West Division, Operations
- > Chief Digital Health Officer, Health and Wellbeing Division
- > Corporate Services, East Division, Operations
- > Project Director, Innovation and Organisational Improvement
- > Deputy Secretary, Sport Infrastructure, International Engagement, and Director of Housing
- > Chief Information Officer, Corporate Services.

Protected Disclosure Act 2012

The purposes of the *Protected Disclosure Act 2012* are to encourage and facilitate disclosures of improper conduct by public officers, public bodies and other persons, and provide protection for persons who make a disclosure and persons who may suffer detrimental action in reprisal for those disclosures.

The department does not tolerate improper conduct by employees, or the taking of action in reprisal against those who disclose improper conduct. The department will support officers who disclose conduct involving the dishonest performance of public functions, knowingly or recklessly breaching public trust, misusing information obtained in an official capacity, substantially mismanaging public resources, or substantially risking public health, safety or the environment.

The department will take all reasonable steps to ensure that any person involved in a disclosure is not subjected to detrimental action. It will also afford natural justice to a person who is the subject of a disclosure.

| Disclosures under the <i>Protected Disclosure Act 2012</i> | 2016–17 number | 2017–18 number |
|--|-------------------|-------------------|
| The number of disclosures notified to the Independent Broad-based Anti-corruption Commission | 5 | 7 |

Reporting procedures

Disclosures of improper conduct or detrimental action by the department or its employees may be made to the following officers:

- > Protected Disclosure Coordinator
- > the discloser's manager or supervisor
- > the manager or supervisor of the person who is the subject of the disclosure
- > the Secretary
- > or by calling 1300 131 431 (toll free 24-hour answering service).

Alternatively, a person may make a disclosure of improper conduct or detrimental action by the department or its employees directly to the Independent Broad-based Anti-corruption Commission:

Independent Broad-based Anti-corruption Commission
Level 1, 459 Collins Street (North Tower)
Melbourne VIC 3000
Telephone: 03 9613 6222
Toll free: 1300 735 135

[Visit the website](#) <<http://www.ibac.vic.gov.au>> or [contact via email](#) <submit@ibac.vic.gov.au>.

Written guidelines outlining the system for reporting disclosures of improper conduct or detrimental action by the department, its officers or other persons, are available on the department's website and by emailing the [Protected Disclosure Coordinator](#) <protected.disclosure@dhhs.vic.gov.au>.

Building Act 1993

The department requires that appropriately qualified consultants and contractors are engaged for all proposed works on land controlled by the department or a health service agency, and that their work and services comply with current building standards. All such consultants and contractors are expected to have appropriate mechanisms in place to ensure compliance with the building and maintenance provisions of the *Building Act 1993*.

In relation to existing buildings, the Asset Maintenance Unit is responsible for mandatory testing of emergency and exit lighting and lift equipment in accordance with relevant standards,

monthly, quarterly and bi-annual inspection and preventive maintenance routine of mechanical services and monthly and annual fire service audits. These inspections then inform the works program which is delivered annually through existing maintenance contracts.

The department undertook 184 major works projects in 2017–18, was issued with three emergency orders, secured 326 building permits and 394 certificates of occupancy.

Compliance with the Carers Recognition Act 2012

The department has taken all practical measures to comply with its obligations under the Act. These include:

- > providing an updated information kit on the Act, *Supporting people in care relationships in Victoria*
- > promoting the principles of the Act to people in care relationships who receive the department's services and to the wider community, such as distributing printed material about the Act at community events or service points; providing links to state government resource materials on the department's website; providing digital and/or printed information about the Act to the department's partner organisations
- > ensuring the department's staff have an awareness and understanding of the care relationship principles set out in the Act by developing and implementing a staff awareness strategy about the principles in the Act and what they mean for staff; induction and training programs offered by the organisation include discussion of the Act and the statement of principles therein
- > considering the care relationships principles set out in the Act when setting policies and providing services. This is done by reviewing employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act; developing a satisfaction survey for distribution at assessment and review meetings between workers, carers and those receiving care.

National Competition Policy

Under the National Competition Policy (NCP), the guiding legislative principle is that legislation, including future legislative proposals, should not restrict competition unless it can be demonstrated that:

- > the benefits of the restriction to the community as a whole outweigh the costs
- > the objectives of the legislation can only be achieved by restricting competition.

The department continues to comply with the requirements of the NCP.

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair completion between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The department is working to ensure that Victoria fulfils its requirements on competitive neutrality reporting for technological-based businesses against the enhanced principles as required under the Competition Principles Agreement.

Details of consultancies

In 2017–18, there were 325 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2017–18 in relation to these consultancies is \$34,630,971 (excluding GST). Details of individual consultancies are outlined below.

Details of consultancies under \$10,000

In 2017–18, there were 28 consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000. The total expenditure incurred during 2017–18 in relation to these consultancies was \$130,448 (excluding GST).

Disclosure of major contracts

The department has disclosed, in accordance with the requirements of government policy and accompanying guidelines, all contracts greater than \$10 million in value entered into during the year ended 30 June 2018. Details of contracts that have been disclosed in the Victorian Government contracts publishing system can be viewed on the [procurement website](http://www.procurement.vic.gov.au) <<http://www.procurement.vic.gov.au>>.

Improving procurement practice

The department is undertaking a number of activities to reduce reliance on consultancies, including building internal capabilities and improvements to procurement processes.

During 2017–18 the department:

- > expanded the size of the Centre for Evaluation and Research to increase its capacity to deliver in-house program evaluations and research to inform policy development, and reduce the need to procure these services
- > invited tenders to establish Strategic Alliance in the health, community services and organisational improvement domains to leverage strategic consultancy relationships to support capability uplift of our people and transformational change of the department and our services, as well as to improve the quality of the strategic advice we receive
- > implemented arrangements to ensure that all consultant engagements are considered and approved by the Secretary.

Improvements to procurement processes are designed to ensure contracted solutions are competitive, use government and department panel contracts where appropriate, and undertake meaningful contract review processes to inform decisions on future engagements.

All of these improvements are driving value for money, with a focus on ensuring the department uses consultants and contracts appropriately and effectively.

Consultancies (valued at \$10,000 or greater)

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|---|--|---|--------------------------------------|-------------------------------------|
| Institute for Healthcare Improvement | Victorian patient safety program | \$7,461,352 | \$547,039 | \$6,914,312 |
| Deloitte Touche Tohmatsu | Financial and operating models, National Disability Insurance Scheme | \$4,738,508 | \$1,869,018 | \$2,195,854 |
| KPMG | Redevelop, family violence risk assessment and management framework | \$3,531,698 | \$786,920 | \$2,744,778 |
| KPMG | Data integrity audits, Victorian Admitted Episodes Dataset | \$2,943,112 | \$1,237,623 | \$1,705,489 |
| Australian Healthcare Associates Pty Ltd | Integrity audit, admitted patient, elective surgery and emergency department data | \$2,667,145 | \$10,000 | \$83,000 |
| Third Horizon Consulting Pty Ltd | Design, validate and implement planning, organisational redesign, phase 2 | \$2,122,490 | \$1,552,203 | Nil |
| CSIRO | Evaluation, HealthLinks – Chronic Care | \$1,667,387 | \$225,071 | \$920,238 |
| Cube Group Management Consulting | Operational planning and implementation, National Disability Insurance Scheme | \$1,463,280 | \$499,879 | \$30,325 |
| Eastern Health | Education, family and community drug training | \$1,354,223 | \$384,277 | \$386,218 |
| Australian Institute of Family Studies | Longitudinal study, leaving care | \$938,825 | \$128,944 | \$114,900 |
| Deloitte Touche Tohmatsu | Develop, detail design and roll-out plans, statewide enterprise master-patient index project | \$905,007 | \$633,780 | \$271,227 |
| Deloitte Touche Tohmatsu | Evaluate, Latrobe Valley actions framework (Hazelwood) | \$726,850 | \$151,760 | \$575,090 |
| Escient Pty Ltd | Change management services, Corporate Services organisational restructure | \$720,873 | \$546,322 | \$37,597 |
| Dimension Data Australia Pty Ltd | Review, Victorian Health Incident Management System | \$697,188 | \$548,116 | Nil |
| Melbourne East General Practice Network Ltd | Project management services, Victorian eReferral program | \$660,000 | \$197,100 | \$62,350 |
| KPMG | Strategic plan and evaluation framework, cemetery services | \$563,328 | \$303,116 | \$260,212 |
| Ernst & Young | Evaluate, family violence therapeutic interventions | \$552,750 | \$31,227 | \$521,523 |
| Deloitte Touche Tohmatsu | Review, cost mapping, business improvements | \$519,722 | \$519,720 | Nil |
| Dr Douglas George Travis | Advice, establishment of Safer Care Victoria | \$511,091 | \$167,333 | Nil |
| Deloitte Touche Tohmatsu | Develop, strategy requirements framework, major sporting stadia | \$500,711 | \$206,243 | Nil |
| RXP Services | Upgrade support, corporate reporting toolkit | \$493,050 | \$57,409 | Nil |
| Price Waterhouse Coopers | Review, patient waiting list | \$472,636 | \$138,076 | Nil |
| Third Horizon Consulting Pty Ltd | Modelling, options for future regional operations | \$443,853 | \$443,853 | Nil |
| University of Technology Sydney | Independent review, accreditation systems | \$406,701 | \$174,301 | Nil |
| Sax Institute | Evaluate, place-based suicide prevention trials | \$400,000 | \$209,478 | \$190,522 |
| Monash University | Review, family violence information sharing scheme | \$399,907 | \$68,724 | \$331,183 |
| ACIL Allen Consulting Pty Ltd | Evaluate, family violence housing assistance | \$393,765 | \$346,765 | Nil |
| Price Waterhouse Coopers | Business case, health and wellbeing hubs | \$377,139 | \$367,526 | \$9,613 |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|--|--|---|--------------------------------------|-------------------------------------|
| Cube Group Management Consulting | Review, state health emergency response arrangements | \$374,338 | \$65,166 | Nil |
| KPMG | Project, coordination of clinical trial management units | \$362,132 | \$90,533 | \$271,599 |
| KPMG | Study, design and costing, community services portable long service leave scheme | \$346,674 | \$346,869 | Nil |
| La Trobe University | Review, barriers to supporting behaviourally challenging residents | \$329,450 | \$293,505 | Nil |
| 360 Edge | Evaluate, therapeutic day rehabilitation | \$315,100 | \$115,300 | \$47,400 |
| KPMG | Develop, plan for alcohol and other drug treatment services | \$311,845 | \$85,232 | Nil |
| Deloitte Touche Tohmatsu | Demand management, Support and Safety Hubs | \$300,000 | \$117,708 | \$182,292 |
| Urbis Pty Ltd | Review, specialist family violence case management | \$297,341 | \$136,448 | \$160,893 |
| Protiviti Pty Ltd | Advisor, Concessions Audit Program | \$282,182 | \$113,388 | \$120,514 |
| Psych Health Australia Pty Ltd | Program services, multi-diagnosis disability learning | \$273,219 | \$65,254 | \$114,317 |
| KPMG | Review, suicide prevention assertive outreach trials | \$270,783 | \$270,783 | Nil |
| Oakton Services Pty Ltd | ICCMS future strategy | \$266,658 | \$110,003 | \$156,654 |
| Brain Injury Australia | Review, prevalence and interventions, acquired brain injury | \$263,500 | \$265,879 | Nil |
| Quantum Health Pty Ltd | Develop, clinical registry strategy | \$257,920 | \$220,440 | Nil |
| Healthconsult | Evaluate, integrated model of care trial, responding to suspected elder abuse | \$257,522 | \$103,009 | \$154,513 |
| Nous Group Pty Ltd | Review, Victorian public sector residential aged care model | \$256,364 | \$214,002 | Nil |
| Price Waterhouse Coopers Indigenous Consulting | Review, indigenous family violence regional action group | \$255,297 | \$143,518 | \$111,779 |
| Third Horizon Consulting Pty Ltd | Channel strategy | \$254,545 | \$116,531 | \$138,015 |
| KPMG | Business case, Footscray Hospital redevelopment project | \$251,818 | \$251,818 | Nil |
| Ernst & Young | Review, child protection learning and development program | \$250,000 | \$252,722 | Nil |
| Crondar Pty Ltd | Define progress measures, public health and wellbeing plan | \$248,053 | \$98,903 | Nil |
| CPT Global Australia Pty Ltd | Assurance review, ICT at health services | \$247,130 | \$241,040 | \$6,089 |
| Xavier Pacific Health | Heart Health Initiatives Project | \$245,455 | \$116,000 | \$60,455 |
| Deloitte Touche Tohmatsu | Develop operating model, emergency management response, relief and recovery | \$244,837 | \$72,637 | Nil |
| Deakin University | Evaluate, partnered pharmacy medication charting program | \$243,833 | \$24,384 | \$60,959 |
| ACIL Allen Consulting Pty Ltd | Evaluation, back pain assessment management service (phase 2) | \$238,580 | \$86,578 | Nil |
| Phoenix Australia Centre for Posttraumatic Mental Health | Develop, occupational violence and aggression post-incident guidance material | \$233,923 | \$175,984 | \$57,939 |
| Hivint | Support, implementation, protective data security standards | \$232,300 | \$94,499 | \$137,801 |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|--|---|---|--------------------------------------|-------------------------------------|
| KPMG | Evaluate, integration of care, chronic disease and mental health | \$230,506 | \$45,609 | \$184,898 |
| Customer Management Consulting | Project management and governance support, Victorian Authority for Health Information | \$226,373 | \$175,650 | \$7,291 |
| Changeworks Consulting | Develop change management strategy, Client Incident Management System | \$224,423 | \$115,925 | Nil |
| Monash University | Develop, health and safety monitoring system, health sector | \$219,854 | \$151,170 | Nil |
| Orima Research | The Orange Door website consumer segmentation and persona surveying | \$219,059 | \$52,361 | \$166,697 |
| Senversa | Review, housing maintenance (testing and analysis) | \$213,000 | \$52,858 | Nil |
| KPMG | Business cases community sporting facilities funding program | \$211,762 | \$210,054 | Nil |
| Aspex Consulting Pty Ltd | Data analysis, mental health services strategy | \$211,200 | \$211,200 | Nil |
| Ernst & Young | Advice, evaluation framework, housing interventions | \$207,657 | \$124,594 | Nil |
| Ludus Group | Lead consultant, stadia strategy | \$206,182 | \$68,773 | Nil |
| Dialog Information Technology | Business analysis support, multiple information technology projects | \$201,145 | \$114,263 | Nil |
| Ernst & Young | Review, Victorian Institute of Sport | \$200,925 | \$26,255 | Nil |
| Silverpod Productions | Develop, community awareness campaign, family violence | \$199,287 | \$89,091 | \$35,651 |
| Healthconsult | Evaluate, Pharmacist-Administered Vaccination Program | \$195,082 | \$58,984 | Nil |
| SGS Economics & Planning Pty Ltd | Model, long-term housing assistance demand and supply | \$192,875 | \$130,840 | \$62,036 |
| Price Waterhouse Coopers Indigenous Consulting | Implementation plan, prioritising funding to aboriginal organisations | \$188,538 | \$106,244 | \$82,294 |
| Deloitte Consulting Pty Ltd | Develop integration and interoperability strategy, between department, agencies and sector partners | \$187,170 | \$124,780 | Nil |
| Deloitte Touche Tohmatsu | Impact analysis, community services funding reform | \$181,285 | \$144,750 | \$36,535 |
| Cherub Consulting Group Pty Ltd | Transition services, health technology solutions | \$179,091 | \$102,346 | \$76,745 |
| SMS Management & Technology | Redevelop, business process, human capital management system | \$178,590 | \$178,590 | Nil |
| Deloitte Touche Tohmatsu | Develop, discussion paper of Rural Health Plan | \$178,184 | \$21,646 | Nil |
| University of New South Wales | Research, delivering better cardiac outcomes | \$178,182 | \$178,181 | Nil |
| KPMG | Evaluate, investment in pension-level residential services sector | \$176,520 | \$32,645 | Nil |
| Solomon Advisory | Economic analysis, mental health services strategy 2018–2023 | \$176,000 | \$176,000 | Nil |
| Synergistiq Pty Ltd | Evaluation, personal safety | \$174,048 | \$31,403 | Nil |
| KPMG | Develop better regulatory practice framework | \$172,913 | \$172,913 | Nil |
| Cube Group Management Consulting | Strategic service plan, Albury Wodonga Health | \$166,925 | \$79,925 | Nil |
| Studio Thick | Redesign, youth refuge service model | \$164,999 | \$84,153 | Nil |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|--|--|---|--------------------------------------|-------------------------------------|
| Biruu Pty Ltd | Identify, resources and capability, children and young people | \$161,325 | \$159,607 | Nil |
| Christopher William Brook | Advisory services, health systems | \$160,255 | \$27,736 | \$132,518 |
| Ernst & Young | Review, service provider, family violence services | \$154,545 | \$72,535 | \$82,010 |
| KPMG | Develop, interfaces, Support and Safety Hubs | \$153,653 | \$85,946 | \$67,706 |
| Australian Healthcare Associates Pty Ltd | Develop, inclusive health system guidelines | \$153,137 | \$150,437 | Nil |
| RU Enterprises Pty Ltd | Technical support, Personal Alert Victoria tender | \$150,802 | \$30,242 | Nil |
| Dandolo Partners | Review, health technology accelerator | \$150,000 | \$150,000 | Nil |
| Centre for Evidence and Implementation | Evaluate, family violence child protection partnership | \$149,850 | \$104,895 | \$44,955 |
| RMIT University | Develop, profile of family violence victims | \$149,600 | \$132,748 | Nil |
| Crondar Pty Ltd | Develop measures, Victorian cancer plan monitoring and evaluation framework | \$149,344 | \$67,082 | Nil |
| Price Waterhouse Coopers Indigenous Consulting | Review and develop options, health and wellbeing, Morwell | \$148,886 | \$44,665 | Nil |
| Raven Consulting Group | Develop, allied health career pathways | \$148,000 | \$138,000 | \$10,000 |
| Siggins Miller Consultants | Evaluate, Better Care Victoria | \$146,948 | \$137,613 | Nil |
| Aspex Consulting Pty Ltd | Review, community palliative care funding | \$145,968 | \$145,952 | Nil |
| Xavier Pacific Health | Develop, data liberalisation strategic approach | \$145,455 | \$136,647 | \$8,808 |
| Price Waterhouse Coopers | Review, portable long service leave fund, community sector | \$144,873 | \$139,481 | Nil |
| Ernst & Young | Redevelopment, forensic mental health bed-based services | \$144,687 | \$144,687 | Nil |
| Ernst & Young | Develop, framework, transforming health and human services workforce | \$144,268 | \$104,029 | Nil |
| KPMG | Develop service plan, Alfred Health | \$144,049 | \$110,092 | Nil |
| Ernst & Young | Develop, workforce strategy, child protection | \$142,011 | \$142,240 | Nil |
| Nous Group Pty Ltd | Develop, operating model, service agreement and management | \$141,900 | \$141,900 | Nil |
| Cube Group Management Consulting | Evaluate, training for assessing and responding to family violence | \$139,743 | \$139,743 | Nil |
| Cube Group Management Consulting | Review, Mental Health Professional Online Development project | \$138,900 | \$138,900 | Nil |
| Darcy Associates Consulting Services | Evaluation, Rural Community Intern Programs | \$138,627 | \$36,489 | \$45,092 |
| The Boston Consulting Group Pty Ltd | Review, value based health care | \$136,364 | \$136,364 | Nil |
| Deloitte Touche Tohmatsu | Review, Health Service Patient Experience program | \$136,348 | \$109,079 | \$27,270 |
| Deloitte Touche Tohmatsu | Review, rural and regional health service patient experience data needs | \$136,331 | \$109,065 | \$27,266 |
| Deloitte Touche Tohmatsu | Develop, finance operating model | \$136,275 | \$136,336 | Nil |
| Changesmith Consulting | Evaluate, Strengthening Seniors Inclusion and Participation in Local Communities project | \$136,136 | \$80,114 | Nil |
| The Australian Centre for Social Innovation | Design, sporting safety hubs, client experience | \$135,966 | \$82,150 | \$53,816 |
| KPMG | VHIMS Victorian Incident and Feedback dataset | \$135,856 | \$54,343 | \$81,514 |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|---|---|---|--------------------------------------|-------------------------------------|
| Applied Aged Care Solutions | Undertake study, resident complexity in public sector aged care | \$135,600 | \$40,680 | Nil |
| Deloitte Touche Tohmatsu | Undertake, Community and Social Services Futures Project | \$135,535 | \$13,900 | Nil |
| Deloitte Touche Tohmatsu | Develop, finance operating structure | \$135,493 | \$135,532 | Nil |
| Third Horizon Consulting Pty Ltd | Design support, Operations Division | \$135,404 | \$80,341 | Nil |
| Deloitte Touche Tohmatsu | Review, Victorian healthcare experience program | \$135,147 | \$135,147 | Nil |
| HDAA | Standards audit, managed services, West Division | \$134,839 | \$103,334 | \$31,505 |
| KPMG | Business case, family violence reform and governance | \$134,663 | \$134,663 | Nil |
| Sefton Management Consulting | Conditional funding and service agreement – Autism Plus. | \$134,545 | \$25,868 | \$108,677 |
| Deloitte Access Economics Pty Ltd | Modelling the value of unpaid work | \$134,402 | \$21,388 | \$113,015 |
| KPMG | Review, local harm reduction initiatives | \$133,514 | \$133,514 | Nil |
| Deloitte Touche Tohmatsu | Financial modelling and advice, medicinal cannabis and hardship scheme | \$133,306 | \$33,327 | Nil |
| Nous Group Pty Ltd | Deliver, establishment project, Family Safety Victoria | \$133,127 | \$133,127 | Nil |
| Nous Group Pty Ltd | Diagnostics, talent development and management framework | \$132,325 | \$132,325 | Nil |
| KPMG | Review, method for implementing CCYP reviews | \$132,259 | \$132,259 | Nil |
| Nous Group Pty Ltd | Develop, strategy, management of unallocated child protection cases | \$131,300 | \$43,800 | Nil |
| Deloitte Touche Tohmatsu | Support, NDIS disability justice planning program | \$130,036 | \$92,109 | Nil |
| The Australian Centre for Social Innovation | Crisis accommodation client voice | \$129,750 | \$17,527 | Nil |
| Ernst & Young | Review, high-performance athlete programs | \$129,128 | \$122,672 | Nil |
| Effective Change Pty Ltd | Flexible packages evaluation | \$128,450 | \$38,432 | Nil |
| KPMG | Map, family violence reform interdependencies | \$128,135 | \$110,909 | Nil |
| Cube Group Management Consulting | Develop mental health and community health strategic services plan, Albury Wodonga Health | \$127,600 | \$127,600 | Nil |
| Deloitte Touche Tohmatsu | Review, Children, Families, Disability and Operations prioritisation | \$125,435 | \$126,778 | Nil |
| KPMG | Review, hospital funding model | \$124,835 | \$39,315 | \$85,520 |
| Alex Cockram Consulting | Advice, mental health services strategy 2018–2023 | \$123,000 | \$96,000 | \$27,000 |
| Deloitte Touche Tohmatsu | Legislative impact assessment, real-time prescription monitoring | \$122,664 | \$56,936 | Nil |
| Escent Pty Ltd | Develop, strategic portfolio framework, ICT program | \$122,000 | \$122,541 | Nil |
| Federation University Australia | Develop, Latrobe Health innovation charter | \$120,168 | \$110,268 | Nil |
| Nous Group Pty Ltd | Develop, VAHI portal end user experience and business requirements | \$119,864 | \$116,364 | \$3,500 |
| Pitcher Partners | Evaluation, nursing and midwifery undergraduate pilot | \$119,818 | \$33,000 | Nil |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|---|---|---|--------------------------------------|-------------------------------------|
| Nous Group Pty Ltd | Design, improving congregate crisis supported accommodation | \$119,700 | \$15,350 | \$104,350 |
| Swinburne University of Technology | Pilot, social interventions in sport | \$118,478 | \$18,958 | \$99,521 |
| Deloitte Touche Tohmatsu | Review, fostering connections | \$118,307 | \$118,307 | Nil |
| Ernst & Young | Review, thunderstorm asthma program | \$118,131 | \$118,131 | Nil |
| KPMG | Develop, framework, Child Safe Standards regulatory compliance | \$116,380 | \$111,421 | Nil |
| Healthconsult | Develop and administer, Mental Health Workforce Innovation Grants Program | \$115,271 | \$80,050 | Nil |
| Nous Group Pty Ltd | Review, operating model and support change | \$113,564 | \$93,997 | Nil |
| Third Horizon Consulting Pty Ltd | Review, operating model and support change | \$111,647 | \$108,001 | Nil |
| KPMG | Review, interventions for people with multiple and complex needs | \$111,106 | \$112,651 | Nil |
| Anam Cara House Geelong Ltd | Identify options, improve respite services in Barwon South West | \$109,091 | \$72,727 | \$18,182 |
| Aspex Consulting Pty Ltd | Develop, strategic service plan, Rural City of Swan Hill | \$108,883 | \$34,798 | Nil |
| Nous Group Pty Ltd | Impact assessment, operations redesign | \$108,549 | \$108,549 | Nil |
| Healthconsult | Review, Victorian eye care service | \$107,280 | \$64,368 | \$42,912 |
| Ernst & Young | Project Assurance review, health service electronic medical records | \$106,073 | \$83,399 | \$22,674 |
| Pitcher Partners | Strategy, Metropolitan Melbourne food service | \$106,000 | \$78,590 | \$27,410 |
| Healthconsult | Review, Field Emergency Medical Officer Program | \$105,953 | \$63,571 | \$42,382 |
| Kim Koop | Review, monitoring of non-custodial supervision orders | \$105,455 | \$105,455 | Nil |
| Aspex Consulting Pty Ltd | Establish, advisor roles, family violence | \$104,286 | \$104,286 | Nil |
| Marsden Jacob Associates | Social and economic cost benefit analysis, value of sport to Victoria | \$104,218 | \$20,843 | Nil |
| Health and Community Consulting Group Pty Ltd | Review, chronic disease risk self-assessment tool | \$103,400 | \$100,974 | \$2,426 |
| Siggins Miller Consultants | Review, occupational violence and aggression training | \$103,158 | \$101,366 | Nil |
| HDAA | Standards audit, managed services in East Division | \$103,077 | \$72,155 | \$30,923 |
| The Friday Lab | Develop, 2017 workforce plan capability program | \$102,380 | \$101,827 | Nil |
| Aspex Consulting Pty Ltd | Develop, service plan, Central Goldfields Shire | \$100,995 | \$40,398 | Nil |
| Nous Group Pty Ltd | Develop, business case, flexible working arrangements | \$100,000 | \$100,000 | Nil |
| Victorian Cytology Service Inc | Technical advice, electronic laboratory reporting | \$100,000 | \$14,626 | \$85,374 |
| Acil Allen Consulting Pty Ltd | Review, Support and Safety Hubs | \$99,897 | \$99,743 | \$154 |
| KPMG | Process map, report production, VAHI | \$97,578 | \$97,578 | Nil |
| Lisa Delaney Consulting | Develop, model of care, child statewide mental health | \$97,500 | \$92,400 | Nil |
| Auckland University of Technology | Model of Care Practice Framework for Youth Justice Custodial Services | \$95,803 | \$31,934 | Nil |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|---|--|---|--------------------------------------|-------------------------------------|
| Larter Consulting Pty Ltd | Develop pilot and evaluate service planning, community health services | \$95,043 | \$78,240 | Nil |
| The Shannon Company | Creative development, Victorian Prevention Agency | \$94,825 | \$94,825 | Nil |
| The University of Melbourne | Develop, model for family violence practice, child protection | \$93,750 | \$93,750 | Nil |
| Loss Prevention Group of Australia | Review, public health services security | \$93,000 | \$93,000 | Nil |
| SMS Management & Technology | Review, disability worker exclusion scheme | \$91,950 | \$91,731 | Nil |
| Nous Group Pty Ltd | Marketing and communications, children and families reform | \$90,909 | \$58,125 | Nil |
| Dr Peter Cotton | Develop, child protection workforce mental health strategy | \$90,909 | \$29,712 | \$61,197 |
| Nous Group Pty Ltd | Strategy, stakeholder engagement, Victorian Agency for Health Information | \$90,510 | \$84,600 | \$5,910 |
| Deloitte Touche Tohmatsu | Review, visitors and independent third persons programs | \$90,413 | \$91,064 | Nil |
| La Trobe University | Rapid literature review and analysis, family violence and mental health | \$90,000 | \$60,000 | Nil |
| Grosvenor Management Consulting | Develop, strategic accommodation master plan | \$89,650 | \$67,313 | \$22,337 |
| Monash University | Review, men's behaviour change minimum standards | \$89,619 | \$14,688 | Nil |
| Don Valley Consulting | Strategic industrial relations advice, current health structures | \$89,545 | \$11,008 | \$38,538 |
| Siggins Miller Consultants | Review, clinical governance, disability service | \$89,273 | \$89,273 | Nil |
| IPSOS | Design, survey and collection methods, supported residential service | \$86,800 | \$86,800 | Nil |
| MetaPM Learning Pty Ltd | Develop, change and communication strategy, disability | \$86,160 | \$86,160 | Nil |
| Ernst & Young | Develop, change management and communication plan | \$85,000 | \$17,000 | Nil |
| Nous Group Pty Ltd | Develop, rolling plan and planning tool, Victorian Agency for Health Information | \$84,705 | \$84,250 | Nil |
| Centre for Evidence and Implementation | Develop, framework for evidence-based practices | \$84,442 | \$86,743 | Nil |
| I3 Partners | Strategy development, health data integrity | \$83,350 | \$83,350 | Nil |
| Acil Allen Consulting Pty Ltd | Evaluate, multiple and complex needs initiative panels | \$83,212 | \$84,344 | Nil |
| Kristine Battye Consulting Pty Ltd | Review, community health nurse in sexual assault program | \$83,134 | \$67,486 | \$15,647 |
| Ernst & Young | Review, IT resilience process improvement | \$82,537 | \$82,622 | Nil |
| Deakin University | Develop, online occupational violence training program | \$81,675 | \$81,675 | Nil |
| Cube Group Management Consulting | Business case, Albury Wodonga Health emergency department | \$81,635 | \$81,635 | Nil |
| Sustainable Health System Solutions Pty Ltd | Low-value care data analytics | \$80,827 | \$31,600 | \$49,227 |
| Cube Group Management Consulting | Business case, Latrobe regional hospital stage 2b | \$80,191 | \$80,191 | Nil |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|-------------------------------------|--|---|--------------------------------------|-------------------------------------|
| Cube Group Management Consulting | Business case, West Gippsland Healthcare Group | \$80,009 | \$80,009 | Nil |
| Ernst & Young | Business case, specialist disability accommodation funding | \$79,739 | \$79,739 | Nil |
| Due Diligence Consultants Pty Ltd | Due diligence reporting, Building Authority public private partnerships | \$79,070 | \$46,960 | \$32,110 |
| Nous Group Pty Ltd | Operation review, complaints management | \$78,809 | \$33,678 | Nil |
| Saward Dawson Chartered Accountants | Review, Accounting Services policies and procedures | \$77,273 | \$63,716 | Nil |
| Biruu Pty Ltd | Support, future years development program | \$77,000 | \$55,619 | Nil |
| ACIL Allen Consulting Pty Ltd | Review, community services outcomes metrics | \$75,645 | \$75,645 | Nil |
| Nous Group Pty Ltd | Develop, compliance framework, men's behaviour change | \$75,545 | \$22,994 | Nil |
| Get Skilled Access Pty Ltd | Pilot project, get skilled access | \$75,000 | \$75,000 | Nil |
| Nous Group Pty Ltd | Develop, statutory body governance framework | \$74,545 | \$48,941 | Nil |
| Nous Group Pty Ltd | Review, freedom of information business process | \$74,455 | \$74,346 | Nil |
| Third Horizon Consulting Pty Ltd | Project management office, establishment and delivery, organisational redesign | \$74,093 | \$74,091 | Nil |
| Cube Group Management Consulting | Research, health emergency public information and warnings | \$72,476 | \$72,476 | Nil |
| Deloitte Touche Tohmatsu | Develop, rental abatement arbitration, Kardinia Park stage 5 | \$72,240 | \$23,376 | \$48,864 |
| Nous Group Pty Ltd | Develop, governance, multiagency client coordination | \$72,000 | \$72,000 | Nil |
| Nucleus Consulting Group Pty Ltd | Service review, community service organisation | \$71,509 | \$73,637 | Nil |
| Nous Group Pty Ltd | Review, implementation of Chief Health Officer | \$70,750 | \$21,172 | Nil |
| Nous Group Pty Ltd | Cost–benefit analysis, centralised registration system, Food Act | \$68,909 | \$19,000 | Nil |
| Ernst & Young | Review, Bendigo Health digital medical records | \$68,877 | \$68,877 | Nil |
| Nous Group Pty Ltd | Advise and support, communications and media restructure | \$68,759 | \$14,474 | Nil |
| Cube Group Management Consulting | Review, Dandenong community support group pilot program | \$68,181 | \$67,594 | \$587 |
| Healthconsult | Evaluate, improving emergency access collaboration | \$68,126 | \$68,126 | Nil |
| Biruu Pty Ltd | Business case, State Sport Centres Trust | \$67,665 | \$67,665 | Nil |
| Aspex Consulting Pty Ltd | Develop, model of care, youth justice | \$66,927 | \$66,927 | Nil |
| Third Horizon Consulting Pty Ltd | Review, Office of Prevention and Women's Equality | \$65,476 | \$65,476 | Nil |
| Urbis Pty Ltd | Undertake 'As If' project, Bendigo and District Aboriginal Co-operative | \$65,240 | \$28,876 | Nil |
| Johnstaff Projects | Service plan, Koo Wee Rup health service | \$63,280 | \$63,280 | Nil |
| KPMG | Review, staff recognition | \$63,247 | \$64,840 | Nil |
| Third Horizon Consulting Pty Ltd | Develop, governance structure, organisational redesign | \$62,860 | \$62,818 | Nil |
| Marsden Jacob Associates | Evaluate, Significant Sporting Events program | \$62,000 | \$62,000 | Nil |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|---|---|---|--------------------------------------|-------------------------------------|
| Cube Group Management Consulting | Develop, master plan, reform projects, Royal Commission into Family Violence | \$62,000 | \$30,408 | Nil |
| KPMG | Project planning, Family Safety Victoria | \$61,265 | \$61,265 | Nil |
| Data Agility Pty Ltd | Develop supporting materials, community-based health streamlining pilot project | \$60,527 | \$48,527 | Nil |
| Paxton Partners | Operational review, Eastern Health | \$60,503 | \$60,246 | Nil |
| Nous Group Pty Ltd | Stakeholder consultation, development of gender equality legislation | \$60,264 | \$60,024 | Nil |
| Ernst & Young | Review, historical WorkCover assessments | \$60,060 | \$60,431 | Nil |
| SGS Economics & Planning Pty Ltd | Review, housing register | \$59,606 | \$12,583 | Nil |
| Paxton Partners | Review, funding and costing, acquired brain injury rehabilitation | \$59,037 | \$59,157 | Nil |
| Monash University | Research project, Partnering in Healthcare | \$58,432 | \$58,432 | Nil |
| Nous Group Pty Ltd | Develop, thematic framework | \$56,818 | \$57,920 | Nil |
| Jacobs Group Australia Pty Ltd | Planning for asset management accountability framework compliance | \$55,812 | \$37,475 | \$18,336 |
| The University of Melbourne | Develop, practice guidelines, working with suicidal patient | \$54,489 | \$22,615 | \$31,875 |
| SGS Economics & Planning Pty Ltd | Business case, Shooting Sports Facilities Program 2018–19 | \$52,687 | \$52,687 | Nil |
| Nous Group Pty Ltd | Review, efficacy of detection and apprehension systems, missing young people | \$50,555 | \$50,822 | Nil |
| Jacobs Group Australia Pty Ltd | Asset management accountability framework compliance | \$49,880 | \$49,880 | Nil |
| Australian Housing & Urban Research Institute – AHURI | Literature review, Director of Housing as a Social Landlord | \$49,681 | \$49,681 | Nil |
| Salinger Consulting Pty Ltd | Privacy impact assessment, transfer of public housing | \$48,200 | \$43,375 | \$4,825 |
| LW Corporate Services | Support, enterprise bargaining agreement | \$48,000 | \$48,035 | Nil |
| Jackie Moden Consulting | Service review, shared supported accommodation, Brimbank | \$48,000 | \$48,000 | Nil |
| Aither Pty Ltd | Review, Safe Drinking Water Act administration levy | \$47,034 | \$37,943 | Nil |
| Paxton Partners | Review, cost data and methodology, TAC | \$46,838 | \$23,457 | Nil |
| Centre for Excellence in Child and Family Welfare Inc | Develop support and materials, Loddon Children and Youth Area Partnership member agencies | \$46,780 | \$37,424 | Nil |
| Jackie Moden Consulting | Review, Salvation Army Westcare | \$46,250 | \$25,766 | Nil |
| M21 Advisory | Investment, social housing | \$46,200 | \$23,021 | \$11,682 |
| John Anderson Ward | Review of the Food Standards Code | \$45,585 | \$30,380 | \$4,559 |
| Saward Dawson Chartered Accountants | Document, financial and budgeting reporting, Housing | \$45,455 | \$40,855 | \$4,600 |
| Cube Group Management Consulting | Evaluate, Engage! 2015–17 program | \$45,440 | \$45,440 | Nil |
| SACS Consulting Pty Ltd | Performance modelling, forensic alcohol and drug workforce | \$45,315 | \$45,315 | Nil |
| Worklogic Pty Ltd | Independent facilitator, healthcare | \$45,248 | \$45,248 | Nil |
| Enviropax Pty Ltd | Develop, new Bendigo Hospital contract administration manual | \$45,000 | \$45,000 | Nil |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|--|---|---|--------------------------------------|-------------------------------------|
| Salinger Consulting Pty Ltd | Privacy impact assessment, phase 2 L17 family violence portal | \$45,000 | \$45,000 | Nil |
| Bevington Consulting Pty Ltd | Develop, change management framework, Health Incident Management System | \$44,982 | \$44,982 | Nil |
| Deloitte Touche Tohmatsu | Review, public housing tenants transfer | \$44,616 | \$44,616 | Nil |
| KPMG | Review, autism service | \$44,545 | \$44,545 | Nil |
| The University of Melbourne | Independent analysis, health data | \$43,636 | \$43,636 | Nil |
| Cube Group Management Consulting | Project manage, establishment of the family violence prevention agency | \$43,636 | \$43,636 | Nil |
| Communications Design & Management Pty Ltd | Strategy, department-wide cyber security | \$43,450 | \$43,704 | Nil |
| Michelle Harcourt | Specialised support, residential services quality improvement | \$42,955 | \$14,396 | Nil |
| Navigating Outcomes | Develop, data collection materials, community services | \$42,900 | \$18,622 | Nil |
| KPMG | Develop, clinical trial coordinating centres, hospitals | \$42,300 | \$42,300 | Nil |
| Cube Group Management Consulting | Review and map, matrix operating model, property and asset services | \$42,300 | \$34,864 | \$7,436 |
| Myriad International Consulting Services Pty Ltd | Develop, diversity and inclusion strategy agreement | \$41,500 | \$41,500 | Nil |
| La Trobe University | Report, China Australia healthcare policy | \$41,050 | \$41,050 | Nil |
| Deloitte Touche Tohmatsu | Reporting, NDIS workforce | \$40,909 | \$40,909 | Nil |
| Astrid Birgden Just Forensic | Develop, model of care, disability forensic assessment | \$40,530 | \$40,530 | Nil |
| Grant Thornton Australia Ltd | Review, hospital Chief Executive Officer personal expenses | \$39,945 | \$40,198 | Nil |
| Secmon1 Pty Ltd | Investigation and analysis, corporate | \$39,730 | \$39,730 | Nil |
| Jackie Moden Consulting | Service review, housing for the aged action group | \$39,345 | \$37,281 | Nil |
| NSW Health Pathology | Review, Victorian public health mosquito-borne disease control activities | \$39,182 | \$39,181 | Nil |
| Brotherhood of St Laurence | Undertake qualitative research, young people and families, chronic school absence | \$38,600 | \$24,964 | \$13,636 |
| Roy Morgan Research | Survey, medical staff work patterns | \$38,361 | \$38,389 | Nil |
| Nous Group Pty Ltd | Review, processes for briefings | \$38,182 | \$38,471 | Nil |
| PharmOut Pty Ltd | Risk assessment, product quality, patient safety and security medicinal cannabis | \$38,000 | \$38,000 | Nil |
| Nous Group Pty Ltd | Develop, work plan, child and family reform | \$37,205 | \$37,196 | Nil |
| Monash University | Literature review, potential health effects of perfluoroalkyl compounds | \$34,134 | \$16,254 | Nil |
| Jacobs Group Australia Pty Ltd | Security audit review, Disability Service | \$32,500 | \$11,095 | Nil |
| Astrid Birgden Just Forensic | Quality review, behaviour support service client files | \$31,900 | \$31,900 | Nil |
| Dr Shelley Bowen | Codesign, new place-based central highlands prevention platform | \$31,500 | \$31,553 | Nil |
| Price Waterhouse Coopers | Health check, sport and recreation grant management | \$31,473 | \$23,400 | Nil |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|---|---|---|--------------------------------------|-------------------------------------|
| Juliet Frizzell Consulting | Develop, Aboriginal alcohol and other drug and mental health mapping | \$30,400 | \$30,400 | Nil |
| Ernst & Young | Accreditation, integrated authority | \$30,273 | \$30,100 | Nil |
| KPMG | Strategic review, seniors information | \$30,182 | \$30,000 | Nil |
| KPMG | Document preparation, corporate services transformation narrative | \$30,001 | \$30,001 | Nil |
| Bainbridge Associates Pty Ltd | Independent assessment, pathways program privacy impact | \$30,000 | \$30,238 | Nil |
| Aerium | Review, child protection career advancement program | \$29,073 | \$25,490 | Nil |
| The University of Melbourne | Project, promoting consumer rights | \$27,273 | \$27,273 | Nil |
| Elizabeth Armitage | Review, administrative support, child protection, North | \$27,273 | \$18,153 | Nil |
| ACAD Services Pty Ltd | Independent advice, security monitoring centre | \$26,818 | \$20,000 | \$6,818 |
| Schroffel Renwick & Beeson | Review, vaccine distribution system | \$26,800 | \$14,000 | \$12,800 |
| FBG Group | Review of occupational violence training | \$25,000 | \$25,247 | Nil |
| Dench McClean Carlson Pty Ltd | Economic impact study, Colanda Residential Services | \$24,840 | \$24,840 | Nil |
| Bainbridge Associates Pty Ltd | Privacy compliance plan | \$24,750 | \$24,750 | Nil |
| Two Black Dogs | Develop, stakeholder engagement strategy, estates redevelopment | \$24,288 | \$13,464 | Nil |
| Health and Community Consulting Group Pty Ltd | Instrument design project, consumer and carer experience of heating survey | \$24,023 | \$10,909 | Nil |
| Converge International | Undertake workplace wellbeing assessment | \$23,050 | \$23,050 | Nil |
| Seamer Design Pty Ltd | Document design, Victorian Major Stadia Strategy | \$22,820 | \$22,784 | \$36 |
| Cube Group Management Consulting | Report, program work benefits, Family Safety Victoria | \$22,600 | \$11,300 | \$11,300 |
| Berry Street Victoria Incorporated | Develop, practice guide for supporting children and young people at risk of child sexual exploitation | \$21,900 | \$21,900 | Nil |
| Philanthropy Australia | Capacity building, engaging philanthropy | \$21,500 | \$21,500 | Nil |
| KPMG | Acquittal report, Housing Choices Australia and transfers | \$21,406 | \$21,406 | Nil |
| Market Solutions | Evaluation, student placement planning process 2017 | \$21,325 | \$21,325 | Nil |
| Midnightsky | Facilitated sessions, implementation advice, free from violence | \$20,750 | \$20,750 | Nil |
| Gaskin Research | Literature review, child protection risk assessment | \$19,982 | \$19,982 | Nil |
| Ernst & Young | Workshop, outcome-based investment approach | \$18,182 | \$18,458 | Nil |
| Peer Academy | Develop, codesign, contingency for unfunded disability placements, West | \$17,582 | \$17,735 | Nil |
| Career Education Association of Victoria | Resume template and guidelines improvement project, Philanthropy Australia | \$17,200 | \$17,200 | Nil |
| Converge International | Workplace wellbeing assessment | \$17,000 | \$17,000 | Nil |
| Deloitte Consulting Pty Ltd | Evaluation, Better Care Victoria Board | \$15,000 | \$15,000 | Nil |
| KPMG | Training, clinical governance | \$14,500 | \$14,646 | Nil |
| KPMG | Develop, regulators community of practice | \$12,963 | \$12,963 | Nil |

| Consultant | Purpose of consultancy | Total approved project fee excl. GST | Expenditure 2017–18 excl. GST | Future expenditure excl. GST |
|----------------------------------|---|---|--------------------------------------|-------------------------------------|
| Excellent Outcomes | Review, recruitment functions | \$12,730 | \$12,058 | Nil |
| RSD Audit Pty Ltd | Review, Loddon Indigenous Family Violence Regional Action Group | \$12,109 | \$11,334 | Nil |
| Cube Group Management Consulting | Develop, investment logic map, central information point, family violence | \$11,000 | \$11,000 | Nil |
| Open Advisory Pty Ltd | Review, service and infrastructure plans, metropolitan | \$10,750 | \$10,479 | Nil |

Details of government advertising expenditure for 2017–18 (campaigns with a media spend of \$100,000 or greater)

| Name of campaign | Campaign summary | Start/end date | Advertising (media) expenditure (excl. GST) | Creative and campaign development expenditure (excl. GST) | Research and evaluation expenditure (excl. GST) | Print and collateral expenditure (excl. GST) | Other campaign expenditure (excl. GST) | Total |
|---|---|----------------------------------|---|---|---|--|--|-------------|
| Respect Women: Call It Out | Targeting Victorian bystanders to intervene when they witness gender inequality and sexism – two of the main drivers of family violence | December 2017 – June 2018 | \$3,132,974 | \$1,201,067 | \$177,543 | N/A | \$913,696 | \$5,425,280 |
| Heat Health 2017–18 | Ensure the community understands the risks of extreme heat to their health and how to manage these risks appropriately | 10 December 2017 – 31 March 2018 | \$320,000 | \$45,000 | \$25,000 | \$60,000 | \$40,000 | \$490,000 |
| Epidemic Thunderstorm Asthma | This campaign was developed in response to recommendations identified in the Inspector-General of Emergency Management's <i>Review of response to the thunderstorm asthma event of 21–22 November 2016</i> | 1 September – 31 December 2017 | \$250,000 | \$100,000 | \$20,000 | – | – | \$370,000 |
| Childhood Immunisation – No Jab No Play | Increase awareness of the importance of immunisation and the introduction of No Jab No Play legislation | 15 October – 30 November 2017 | \$630,000 | \$30,000 | \$20,000 | – | \$20,000 | \$700,000 |
| Save Lives, Save 000 for Emergencies | To remind Victorians to save Triple Zero for emergencies and promote a range of other health services as options for non-life threatening situations | 21 January – 30 March 2018 | \$1,250,000 | \$525,000 | \$53,000 | – | – | \$1,828,000 |
| Seasonal Influenza | Prepare Victorians for the 2018 flu season by raising broad awareness of the risks of influenza, particularly among those most at risk of complications, and the protective steps available, including immunisation | 22 April – 30 June 2018 | \$740,000 | \$321,000 | \$17,000 | \$21,000 | \$45,000 | \$1,114,000 |

| Name of campaign | Campaign summary | Start/end date | Advertising (media) expenditure (excl. GST) | Creative and campaign development expenditure (excl. GST) | Research and evaluation expenditure (excl. GST) | Print and collateral expenditure (excl. GST) | Other campaign expenditure (excl. GST) | Total |
|------------------------------|---|---------------------------------|---|---|---|--|--|-------------|
| Kilojoules on the menu | This campaign supports the implementation of the <i>Food Amendment (Kilojoule Labelling Scheme and Other Matters) Act 2017</i> by raising awareness of kilojoule labelling and required daily intake and encouraging Victorians to make better informed, healthier food choices | 1 May – 30 June 2018 | \$162,194 | \$50,000 | \$36,363 | | | \$248,557 |
| Smoke-free outdoor dining | Campaign to support the introduction of smoke-free outdoor dining in Victoria from 1 August 2017 | 1 July – 17 December 2017 | \$460,000 | \$50,000 | – | \$600,000 | – | \$1,200,000 |
| Child protection recruitment | Encourage applications from diverse and qualified professionals for 450 new child protection roles, instil pride in the job among the current workforce and begin to change the community's thinking about child protection | 13 November 2017 – 30 June 2018 | \$350,000 | \$220,000 | \$53,000 | | | \$623,000 |
| Supercare | Raise awareness of the scale and scope of services offered by Supercare Pharmacies throughout Victoria | 1 July 2017 – 30 June 2018 | \$295,000 | \$70,000 | | | | \$365,000 |

Details of information and communication technology (ICT) expenditure

For the 2017–18 reporting period, the department had a total ICT expenditure of \$282,257,059 with the details shown below.

| | | | | (\$'000) |
|---|---|-------------------------|---------------------|----------|
| All operational ICT expenditure | ICT expenditure related to projects to create or enhance ICT capabilities | | | |
| Business as usual (BAU) ICT expenditure | Non-business as usual (BAU) ICT expenditure | Operational expenditure | Capital expenditure | |
| | (Total = operational expenditure and capital expenditure) | | | |
| (Total) | | | | |
| \$198,162 | \$84,094 | | | |

ICT expenditure refers to the department's costs in providing business-enabling ICT services within the current reporting period. It comprises business as usual (BAU) ICT expenditure and non-business as usual (non-BAU) ICT expenditure.

Non-BAU ICT expenditure relates to extending or enhancing the department's current ICT capabilities.

BAU ICT expenditure is all remaining ICT expenditure, which primarily relates to ongoing activities to operate and maintain the current ICT capability.

Freedom of information

The *Freedom of Information Act 1982* allows the public a right of access to documents held by the department. The object of the Act is to extend as far as possible the right of the community to access information held by the Victorian Government and other bodies subject to the Act.

The Act allows the department to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include: cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and documents relating to trade secrets.

From 1 September 2017, the Act has been amended to reduce the processing time for requests received from 45 to 30 days. In some cases, this time may be extended.

If an applicant is not satisfied with a decision made by the department, including a decision regarding whether the application fee is to be waived, the applicant has the right to seek a review by the Office of the Victorian Information Commissioner within 28 days of receiving a decision letter.

Making a request

Access to documents may be obtained through written request to the department's Freedom of Information unit, pursuant to section 17 of the Freedom of Information Act.

In summary, the requirements for making a request are:

- > It must be in writing.
- > It should provide such information concerning the document as is reasonably necessary to enable identification of the document.
- > It should be accompanied by the application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of the Department of Health and Human Services should be addressed to:

Freedom of Information unit
Department of Health and Human Services
GPO Box 4057
Melbourne VIC 3001

Requests and payment of the application fee can also be lodged online at [Freedom of information <www.foi.vic.gov.au>](http://www.foi.vic.gov.au).

Telephone enquiries can be made by calling 03 9096 8449.

Access charges for photocopying and search retrieval may also apply once the request has been finalised.

Further information

Further information regarding the operation and scope of *Freedom of Information Act 1982* can be obtained from the Act; regulations made under the Act; and on the [Victorian Government's freedom of information website](http://www.foi.vic.gov.au) <<http://www.foi.vic.gov.au>>.

Compliance

During 2017–18, the department received 1,918 freedom of information requests. Of these requests, 52 were from Members of Parliament, 18 were from the media and the remainder from the general public.

The department made 1,857 freedom of information decisions and processed 88 per cent of requests within the statutory time period. Of the requests finalised by the department, the majority were granted in part.

During 2017–18, 62 decisions were subject to review by the Office of the Victorian Information Commissioner and 10 appeals were made to the Victorian Civil and Administrative Tribunal.

Drugs Poisons and Controlled Substances Act 1981

Section 60S of the *Drugs, Poisons and Controlled Substances Act 1981* states that the Chief Commissioner must report on actions under this division, and must provide a report for inclusion in the annual report of operations under Part 7 of the *Financial Management Act 1994* a report for the financial year containing the following items:

(a) Number of searches without warrant under s. 60E

| | |
|---------------------------------|---|
| Persons under 18 years searched | 1 |
|---------------------------------|---|

(b) Number of searches of persons irrespective of age without warrant under s. 60F

| | |
|--------------------------------------|---|
| Persons searched irrespective of age | 7 |
|--------------------------------------|---|

(c) Number and type of volatile substances and items used to inhale a volatile substance seized as a result of conducting those searches*

| | |
|---|---|
| Aerosol paint | 1 |
| Solvent (glue) | 1 |
| Plastic bag (with paint) | 1 |
| Cooking oil | 1 |
| Gases (compressed air/CO ₂) | 1 |
| Deodorant | 2 |
| Other | |

More than one item can be seized per search. The number and type of volatile substances and related items seized are listed under question c only. This is to avoid duplication and potential for misinterpretation on the number of instances in which multiple items may be involved.

(d) Number and type of volatile substances and items used to inhale a volatile substance received by members of the police force when produced in accordance with a request under s. 60H(1)(b)

| | |
|-------------------------------|---|
| Number of substances produced | 2 |
|-------------------------------|---|

(e) Number and type of volatile substances and items used to inhale a volatile substance returned to persons under s. 60N

| | |
|---|--|
| Nil substances or items returned under s. 60N | |
|---|--|

(f) Number and type of volatile substances and items used to inhale a volatile substance disposed of or made safe under s. 60O

| | |
|-------------------------------|---|
| Number of substances disposed | 3 |
|-------------------------------|---|

(g) Number and type of volatile substances and items used to inhale a volatile substance forfeited to the Crown under s. 60P

| | |
|--------------------------------|---|
| Forfeited substances and items | 2 |
|--------------------------------|---|

(h) Number of persons apprehended and detained without warrant under s. 60L

| | |
|---|---|
| Persons (under 18 years) apprehended and detained | 1 |
|---|---|

| | |
|--|--|
| Persons (irrespective of age) apprehended and detained | |
|--|--|

| | |
|--|--|
| Total persons apprehended and detained | |
|--|--|

| | |
|------|--|
| Male | |
|------|--|

| | |
|--------|--|
| Female | |
|--------|--|

| | |
|------------|--|
| Indigenous | |
|------------|--|

| | |
|----------------|--|
| Non-Indigenous | |
|----------------|--|

Cemeteries and Crematoria Act 2003

In 2009 the *Cemeteries and Crematoria Act 2003* was amended to require Class A cemetery trusts to pay a levy. The levy is intended to assist in defraying the cost of administering the Act, make improvements to cemetery trust governance and administration, and to provide services to the community.

The levy is set at three per cent, or a rate determined by the Minister for Health up to a maximum of five per cent, of each Class A cemetery trust's gross earnings from the previous financial year. The following table details the amount paid as levy, the amount appropriated and the matters on which the appropriated money was expended.

| Collection of levy | 2017–18 |
|-------------------------------|--------------------|
| Metropolitan trusts | \$4,529,000 |
| Rural trusts | \$270,802 |
| Total amount collected | \$4,799,802 |

| Departmental expenditure (category) | 2017–18 |
|---|--------------------|
| Sector reform initiatives | \$0 |
| Governance support | \$1,413,083 |
| Sector grants | \$2,255,909 |
| Sector policy, development and coordination | \$471,028 |
| Insurance premiums and claims | \$1,513,713 |
| Total expenditure | \$5,653,733 |

Public Health and Wellbeing Act 2008

The *Public Health and Wellbeing Act 2008* (the Act) and the Public Health and Wellbeing Regulations 2009 came into effect on 1 January 2010.

The Act protects public health through the prevention and control of infectious diseases.

Under section 21 of the Act, the Chief Health Officer has a number of functions and powers. These include:

- > to develop and implement strategies to promote and protect public health and wellbeing
- > to provide advice to the Minister for Health or the Secretary on matters relating to public health and wellbeing
- > to publish on a biennial basis and make available in an accessible manner to members of the public a comprehensive report on public health and wellbeing in Victoria
- > to perform any other functions or exercise any powers specified under this Act or any other Act or under any regulations made under this or any other Act.

Under the Act, the Chief Health Officer is also empowered to make certain orders that may impact on individuals in order to protect the community from infectious diseases. These include orders to compel a person to be examined or tested for an infectious disease or to refrain from certain activities that may pose a serious risk to public health.

The limited circumstances in which these orders may be made are clearly set out in the legislation and there are extensive human rights protections including rights to internal and external review.

The following table reports the number of orders made, and reasons for making them, as outlined in section 143 of the Act.

Orders made by the Chief Health Officer from 1 July 2017 – 30 June 2018

| Section | Order type | Number | Reason |
|---------|--|--------|---|
| 113 | Examination and testing order | 0 | |
| 117 | Public health order | 2 | To eliminate or reduce the risk of a person causing a serious risk to public health |
| 118 | Extension of public health order | 0 | |
| 134 | Orders for tests if an incident has occurred | 0 | |

Ministerial Statements of Expectations

Ministerial Statements of Expectations for regulators aim to improve regulatory governance and performance. The statements articulate the Victorian Government's priorities and objectives for regulatory functions within each department. The department's regulatory functions to which the statements apply relate to areas such as drugs and poisons, food safety, tobacco control, safe drinking water and services provided, and registered under, the *Children, Youth and Families Act 2005* and the *Disability Act 2006*.

During 2017–18, new statements of expectations were issued to regulators within the department and to statutory authorities. Consistent with the *Statement of expectations framework for regulators*, these statements have replaced the 2016–17 statements, reflect the framework, and apply until 30 June 2019.

Statements of expectations and additional information are available on the department's website: [Ministerial Statements of Expectations <https://dhhs.vic.gov.au/ministerial-statements-expectations-regulators>](https://dhhs.vic.gov.au/ministerial-statements-expectations-regulators).

In relation to reporting requirements, the department will report on progress to achieve regulatory improvements on the department's website.

Human Services Standards

The Human Services Standards (gazetted as Department of Health and Human Services Standards) apply to the direct-client contact human services activities (children, youth and families, disability services, homelessness services, family violence and sexual assault services).

Compliance with the Standards is an obligation of the Service Agreement with the department, as well as a requirement of registration for organisations registered under the *Children, Youth and Families Act 2005* or the *Disability Act 2006*, or both.

The implementation of the Standards includes a range of quality assurance activities including self-assessment, independent review and external accreditation/certification.

To assure compliance with the Standards, service providers need to:

- > demonstrate compliance with the Standards and the governance and management standards of a department-endorsed independent review body
- > be independently reviewed by a department-endorsed independent review body once every three years
- > gain and maintain their accreditation/certification with their independent review body.

In some circumstances the department may exempt a service provider from independent review and instead require a self-assessment process be undertaken. A range of criteria is considered to determine whether the benefits of the review process outweigh the costs of the review.

Number of service providers

| Type | Number |
|--|--------|
| Organisations exempt from independent review and self-assessment | 31 |
| Organisations required to complete a self-assessment | 32 |
| Organisations required to undertake an independent review | 651 |

Includes organisations registered for National Disability Insurance Agency purposes.

Reviews completed 2017–18

| Type | Number |
|---|--------|
| Number of independent reviews successfully completed | 371 |
| Number of independent reviews not successfully completed or certification withdrawn | 0 |

Disability action plan

The *Disability Act 2006* requires Victorian agencies to develop a disability action plan to reduce barriers and enhance opportunities for people with a disability.

During 2017–18, the department progressed a number of initiatives in line with the Department of Human Services' *Delivering for all: access and equity framework 2013–17* and the Department of Health's *Working together: disability action plan* to assist in removing barriers for people with disability under four outcome areas. As these plans have expired, the department has been working closely

with staff, people with disability, and other stakeholders to develop a new *Disability Action Plan 2018–2020*.

Information on the new plan can be viewed on the [department's website](#):

<<https://www.dhhs.vic.gov.au/publications/disability-action-plan-2018-2020>>.

Reducing barriers to accessing goods, services and facilities

The department worked in partnership with Family Planning Victoria to develop a comprehensive, age and developmentally appropriate set of classroom materials to support teachers working with students with intellectual disability. The aim of the resource is to help schools plan, design and implement relationships and sexuality education. The resource acknowledges the right of students with intellectual disability to access information and to be supported to develop skills, so that they can make informed decisions about the relationships they engage in and their sexual and reproductive health throughout their lives.

Absolutely everyone: state disability plan 2017–2020 and the *National Disability Strategy 2010–2020* both state the importance of mainstream services and programs being responsive to the needs of people with disability. The Australian Institute of Health and Welfare developed and tested a standard methodology for mainstream health service providers to record a person's disability based on the International Classification of Functioning, Disability and Health. The Victorian Disability Advisory Council has formed a working group including department representatives to identify mainstream service types or sites that may be suitable for piloting the identifier.

Reducing barriers to persons with a disability obtaining and maintaining employment

The department's *Disability employment strategy 2018–2020* released in May 2018 has been developed as a framework for the department to ensure an inclusive and disability equitable workplace. This strengthens advancement opportunities for people with disability. The plan aims to position the department as a leader in the employment of people with disability, offering innovative career pathways and providing access to development and advancement opportunities.

This work complements commitments made in *Every opportunity: Victorian economic participation plan for people with disability 2018–2020*.

In December 2017, the department launched its Accessible applications for everyone policy and Accessible applications guidelines. The policy defines the minimum requirements for the accessibility of ICT applications for all departmental employees and other intended users of the software. It is intended to improve the accessibility of ICT software applications and to support an inclusive workplace.

In August 2017, the department introduced a program called 'RISE at DHHS to provide meaningful employment for up to seven people on the autism spectrum. Using a specialised three-week assessment method, the program targeted candidates with autism for records management roles. The program builds a workforce that better reflects the communities we serve and where those on the autism spectrum are truly valued for their unique skills. The program has been developed in partnership with the not-for-profit organisation Specialisterne Australia.

Promoting inclusion and participation in the community

The mainstream Disability Leadership Program (with Leadership Victoria and the Disability Leadership Institute) has offered places to 51 people with disability in a range of open enrolment and tailored leadership programs. Program participants designed and delivered a leadership forum in May 2018 which explored pathways and opportunities for participants to continue their leadership journey.

The department has funded the Self-Advocacy Resource Unit's Voice at the Table. This initiative has a focus on working with government and community organisations to change attitudes and perceptions about people with a cognitive disability in leadership positions. The initiative builds the capacity of people with cognitive disabilities to be on boards and committees and the capacity of organisations to include them.

Achieving tangible changes in attitudes and practices that discriminate against people with a disability

The Voice at the Table initiative was featured in the department's 2017 International Day of People with Disability celebrations along with the Enablers Network of staff with disability and Get Skilled Access. This event was part of a broader partnership between the department and Get Skilled Access to influence and change attitudes across the Victorian public service. Other partnership activities included three workshops delivered by Dylan Alcott OAM and Nick Morris OAM for senior executives and hiring managers across the Victorian public service. Get Skilled Access is an organisation committed to breaking down barriers and stigmas in order to normalise disability and enable inclusion. Following the workshops, Get Skilled Access initiated online training for 1,000 Victorian public service frontline staff and hiring managers.

Registered disability service providers and community service organisations

Registration under the *Disability Act 2006* and the *Children, Youth and Families Act 2005* is managed by the Department of Health and Human Services' Standards and Regulation team, which acts as an independent regulator within the department.

The launch of the National Disability Insurance Scheme has seen an agreement between the Commonwealth and the Victorian Government for the existing quality assurance and safeguards of the State of Victoria to remain in place during the launch, until a nationally consistent risk-based quality assurance approach is developed and its application commences. Some organisations providing services for the National Disability Insurance Agency are required to be registered with the department and operate in accordance with the Disability Act. This includes complying with the Human Services Standards (gazetted as the Department of Health and Human Services Standards) and where required, providing reports to the Disability Services Commissioner, Community Visitors, Office of the Public Advocate and the Senior Practitioner.

Register of disability service providers

Section 46 of the Disability Act requires the Secretary of the department to keep a register and make available for public inspection a list of disability service providers. Funded organisations that deliver disability services are required to be registered and comply with the Human Services Standards.

The register can be found on the [department's website](https://providers.dhhs.vic.gov.au/registration-requirements-disability-service-providers) <<https://providers.dhhs.vic.gov.au/registration-requirements-disability-service-providers>>.

Register of community services

The Children, Youth and Families Act provides a strong focus on the quality of services delivered to children, young people and families. Funded organisations that deliver family and out-of-home care services are required to be registered and comply with the Human Services Standards.

Section 54 of the Children, Youth and Families Act requires the Secretary of the department to keep a register of community services. Section 57 of the Act requires that the Secretary must make a copy of the register of community services available for inspection on the department's internet site.

The register can be found on the [department's website](https://providers.dhhs.vic.gov.au/register-community-services) <<https://providers.dhhs.vic.gov.au/register-community-services>>.

Registration activity

During 2017–18, the department refused to register a number of organisations on the grounds they were unable to demonstrate their capacity to meet the Human Services Standards. There was also a large number of National Disability Insurance Agency applications for initial registration outstanding as the organisations had not yet provided additional information as required. The following registration activities occurred.

| Registration type | New registrations processed 2017–18 | Renewals processed 2017–18 | Registrations lapsed/revoked 2017–18 | Total number registered at 30 June 2018 |
|---|-------------------------------------|----------------------------|--------------------------------------|---|
| Registration under the <i>Disability Act 2006</i> | 137 | 58 | 30 | 520 |
| Registration under the <i>Children, Youth and Families Act 2005</i> | 13 | 14 | 2 | 161 |

Report of the Commissioner for Senior Victorians

The Commissioner for Senior Victorians, Gerard Mansour, provides policy advice to the Victorian Government through the Minister for Housing, Disability and Ageing on key issues for senior Victorians such as prevention of elder abuse, end of life planning, multicultural and emerging communities, volunteering and carer needs.

There has been substantial community interest in the findings of the Commissioner's report *Ageing is everyone's business: a report on isolation and loneliness among senior Victorians* and the Victorian Government response.

The Commissioner has continued to lead the Strengthening Seniors Inclusion and Participation in Communities Project, part of the government's response to his report, chairing the project reference group, contributing to the final evaluation report and hosting a stakeholder forum on learnings from the seven funded projects.

In his role as Ambassador for Elder Abuse Prevention, the Commissioner has delivered presentations and conducted workshops to increase the awareness of older Victorians about elder abuse and that help is available; and to educate the wider community so they can identify abuse and take action. He presented at the 5th National Elder Abuse Conference in Sydney and was a panel member at the Institute of Public Administration Australia 2017 Public Sector Week event discussing the theme 'What Progress? 18 months after the Royal Commission into Family Violence.'

Together with the Parliamentary Secretary for Human Services, the Commissioner hosted a World Elder Abuse Awareness Day Breakfast and an Elder Abuse Prevention Forum in June 2018.

Following the successful launch of the booklet *Your voice: trust your choice – Tips for seniors making enduring powers of attorney*, the Commissioner has continued working with the Office of the Public Advocate and other relevant agencies to develop an associated

train-the-trainer initiative to build the capacity of community members to provide education sessions on making enduring powers of attorney.

During the 2017 Victorian Seniors Festival, the Commissioner undertook a series called Conversations with the Commissioner, meeting with seniors in Bendigo, Brimbank, Dandenong, Hamilton, Moonee Valley and Wangaratta municipalities to discuss maintaining independence as we age, staying connected and planning for the future.

The Commissioner was involved in public and community education activities including a total of 37 public forums and speaking engagements. Locations included Colac, Coburg, Diamond Creek, Footscray, Glen Waverley, Greensborough, Kyneton, Ringwood, Safety Beach, Sale, Torquay and Warrnambool.

He launched Alpine TeleChat, a new program in partnership with the Alpine Independent Aged Care Advocacy Service and the Australian Red Cross based in Bright and the new University of the Third Age in Myrtleford.

He chaired the selection panel for the Victorian Senior of the Year Awards and was a member of the selection panel for the 2017 Victorian Volunteer of the Year and the Australian Aged Care Quality Agency 2017 Better Practice Awards.

The Commissioner moderated the intersectionality session at the 2017 Australian Council of Social Service conference in partnership with Victorian Council of Social Service, was a panel member for a hypothetical session at the Rethinking Aged Care Better Practice Conference in New South Wales and chaired the Age-Friendliness and liveability in Victoria session at the 3rd Annual International Symposium on Ageing and Old-Age in Asia-Pacific held in Melbourne. The Commissioner also addressed the Certified Public Accountant Congress 2017, the University of the Third Age Victorian Biennial Conference and the Victorian And proud of it. Mother's Day Seniors Luncheon and participated by invitation in the Cranlana Program – Ageing and Society Symposium.

The Commissioner speaks regularly on Golden Days Radio. Topics in 2017–18 included the importance of immunisations as we age, planning to be in the right house at the right time, volunteering, organ donation, the *Medical Treatment Act 2018* and accessing support through My Aged Care. The Commissioner

has introduced listeners to the Victorian Public Advocate and the Victorian Men's Sheds Association and continued his conversations with the Victorian Gender and Sexuality Commissioner. He also appeared on ABC local radio.

In August 2017, the Commissioner launched his public Facebook account, to help educate the community on the broad range of issues affecting seniors, including elder abuse, and the important positive contribution made by seniors in society.

The Commissioner met with representatives from a broad range of organisations and services including the Australian Coalition to End Loneliness, Brotherhood of St Laurence, Better Hearing Australia, Vision Australia and Tandem, the peak body for Mental Health Carers in Victoria. He met with Aboriginal and Torres Strait elders from the Gippsland region and with members of the Victorian Committee for Aboriginal Aged Care and Disability.

The Commissioner contributed to the Occupational Therapy Australia project to scope current programs available in Victoria to support community mobility for older people and discussed passenger injuries on public transport with representatives of Transport Safety Victoria. He discussed senior Victorians interests regarding My Health Record with the General Manager of Strategy, Australian Digital Health Agency.

The Commissioner attended regular meetings to discuss matters relevant to the participation of seniors and the rights of older people with Victorian Commissioners including the Victorian Equal Opportunities and Human Rights Commissioner, Disability Services Commissioner, Chairperson of the Victorian Multicultural Commission, Victorian Treaty Advancement Commissioner, Gender and Sexuality Commissioner and the Victorian Public Advocate.

The Commissioner chairs the End of Life and Palliative Care Framework implementation group. He is a member of the Elder Abuse Advisory Group, Victoria Police Human Rights Strategic Advisory Committee and the Family Safety Victoria Diverse Communities and Intersectionality Working Group. He also meets regularly with the CEO of COTA Victoria, the Mental Health Complaints Commissioner and the Disability Commissioner to Commercial Passenger Vehicles Victoria.

Department of Health and Human Services Financial Management Compliance Attestation Statement

I, Kym Peake, as the Responsible Body, certify that the Department of Health and Human Services has complied with the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions except for the following material compliance deficiencies:

- > The department is not fully compliant with Direction 4.2.3 (Asset Management Accountability Framework) in relation to Operations and Maintenance. Plans are in place to remediate the material deficiencies by December 2018.

The department's risk management framework meets the requirements of the Victorian Government Risk Management Framework. However, there are opportunities to improve the consistent application of this framework across the department. Work will continue in this area to meet the full intent of Direction 3.7 (Victorian Government Risk Management Framework – Requirement 3.1.1).



Kym Peake
Secretary
Department of Health and Human Services

Environmental sustainability report

Environmental performance and impacts

In 2017–18, the department has continued to meet our commitment to improving environmental performance and managing climate change risks across the sector by integrating and mainstreaming environmental sustainability considerations across our operations.

The department has met all of the corporate environmental targets set for the period and continues to seek opportunities to innovate and improve our environmental performance.

Highlights for the period include:

- > engaging 1,500 homes to participate in the EnergySmart Public Housing Project and completing 800 energy efficiency upgrades to reduce energy costs and improve thermal comfort for tenants
- > funding and procuring 2.3 megawatts of solar panels at 11 Gippsland hospitals and aged care facilities, through the Greener Government Buildings program. Yarram Hospital also received funding to improve energy efficiency and install a geothermal hot water system. Combined, these projects will reduce annual carbon emissions by 3,500 tonnes and reduce hospital operating costs by nearly \$1 million per year
- > upgrading 142 public housing high-rise units with double glazed windows, thermally broken window frames, external wall insulation, weather stripping and self-sealing kitchen exhaust fans. These upgrades increased the NatHERs rating of the units from an average of 4.9 to an average of 5.5 stars, saving an estimated 193 tonnes of greenhouse gas emissions per year
- > commencing the development of a Department of Health and Human Services Climate Change Strategy, comprising an Emissions Reduction Plan and a pilot Adaptation Action Plan, in advance of legislative obligations commencing in 2020.

Elenara Rooming House Conversion

In April 2018, the department completed a significant upgrade to the graceful 110-year old Edwardian rooming house ‘Elenara’, in St Kilda. Subject to extensive heritage overlay and ecologically sustainable design requirements, the scope of the project was to refurbish the property to 30 self-contained studio apartments.

The development achieved an average 7-star NatHERS rating for each unit and a 70 per cent Built Environment Sustainability Scorecard, classifying the project as Environmentally Sustainable Design Excellence. The Built Environment Sustainability Scorecard calculated a 54 per cent reduction in greenhouse gas emissions compared with conventional building practice.

Environmentally sustainable design inclusions:

- > 12 kW solar photovoltaic system
- > LED downlights and high-efficiency light fittings
- > increased natural light
- > sustainable water systems
- > passive design for increased tenant comfort
- > double glazing
- > high-level insulation
- > sustainable and recyclable construction materials were used where possible.

Energy

The department is committed to reducing energy consumption across its operations and to assisting our clients to reduce their own energy use.

In 2017–18, the department met all five of the corporate targets set in the previous annual report. In addition to this, the department:

- > facilitated a \$7 million energy performance contract across Peninsula Health facilities. It is estimated that the project will reduce energy use by 23 per cent, water use by 3 per cent, utility costs by 14 per cent and carbon emissions by 21 per cent. The project includes the installation of a 13-kilowatt-hour battery at the Rosebud Community Centre; the first in a public health facility

- > continued works to deliver a second energy performance contract for public housing high-rise, which includes retrofitting lighting and boilers in selected buildings
- > released a tender for an energy performance contract across Northern Health facilities, with an allocation of \$5 million through the Greener Government Buildings program to implement the project
- > commissioned an audit and upgrade of the C-Bus building management system at 50 Lonsdale Street, Melbourne to rectify faults and improve energy efficiency
- > supported several building upgrades at 50 Lonsdale Street, Melbourne, including LED lighting upgrades in the car park, boiler and chiller optimisation works, and the implementation of a high-level interface to improve boiler management.

The 2018–19 environmental management system targets are to:

- > complete upgrades to 1,500 low-rise public housing properties under the Energy Smart Public Housing program and to commence evaluation of the project
- > install more than 5 megawatts of behind-the-meter solar on Victorian public hospitals
- > upgrade a further 296 public housing high-rise units to improved specifications, including double glazed windows, thermally broken window frames, external wall insulation, weather stripping and self-sealing kitchen exhaust fans.

Water

The department seeks to better understand water consumption across our facilities and operations and encourages our clients to improve their own water efficiency.

In 2017–18, the department installed pulse water meters and remote monitoring devices in two high-rise public housing towers, to improve our understanding of water volumes consumed. In addition to this:

- > the water recycling facility managed by the Melbourne Cricket Ground Trust recycled 158 million litres of Class A water, which is utilised in Yarra Park, Punt Road Oval and the Melbourne Cricket Ground
- > 50 Lonsdale Street achieved a NABERS Water efficiency rating of 3.5 stars.

The 2018–19 environmental management system target is to:

- > develop a monitoring program to utilise remote access pulse water meters that have been installed in public housing high-rise towers and to identify efficiency opportunities.

Procurement and paper

The department continues to integrate sustainability into its procurement activities, while seeking value for money outcomes in our business operations. We also continue to implement strategies to reduce the environmental impacts of printing and paper consumption.

In 2017–18, 98 per cent of all office copy paper purchased by the department contained 100 per cent recycled content. In addition to this:

- > over 100 multifunction devices were removed and replaced with more energy efficient machines
- > more than 80 per cent of the department's offices are now operating at 1 to 20 printer-to-computer ratios which is a 30 per cent efficiency improvement from 2016–17
- > Health Purchasing Victoria sought and received tenders for 2.8 megawatts of solar on behalf of 13 health services across the Barwon-South Western region, as part of the department's Regional Health Solar program
- > Sport and Recreation Victoria continued to encourage applications to the Infrastructure Program that result in energy and water efficiency improvements.

The 2018–19 environmental management system targets are to:

- > ensure that all Public Housing Renewal sites that are procured meet a minimum 5-star GreenStar rating and a minimum average 7-star NatHERS rating
- > work with Procurement Services to design a business case to reduce the purchase of disposable coffee cups at 50 Lonsdale Street, Melbourne
- > continue to work with Health Purchasing Victoria to identify sustainability risks and opportunities within the health system supply chain.

Waste

The department is committed to the effective management of waste to reduce operational costs and environmental impacts, as well as potential public health risks to our staff, our clients and the broader Victorian community.

In 2017–18, the department:

- > reported waste data from public hospitals and health services for the first time. It is estimated that 35,054 tonnes of waste was generated, of which 25 per cent was recycled, including cardboard, commingled, e-waste, mattresses, organics, PVC, packaging plastics, paper, polystyrene foam and sterilisation wraps
- > undertook a project in partnership with Sustainability Victoria to assess the opportunities for waste reduction within the public health sector and to deliver interventions to increase recovery and reduce waste generation. The project has been developed in collaboration with the Australian Nursing Midwifery Federation (Victorian Branch), Health Purchasing Victoria, the Environment Protection Authority, and select health services. The Victorian Government has committed \$500,000 to the project up until 2021 under the Victorian Waste Education Strategy
- > committed to the continuation of the Simply Cups coffee cup recycling program, diverting over 160,000 cups from landfill at 50 Lonsdale Street, Melbourne
- > over 57,000 kg of decommissioned information technology assets were collected from the department's offices and recycled through a dedicated e-waste provider.

The 2018–19 environmental management system targets are to:

- > design and implement interventions to increase resource recovery and reduce waste generation in the public health sector
- > research a soft plastics recycling trial at 50 Lonsdale Street, Melbourne.

Sustainable transport

The department continues to build a more sustainable fleet and to support initiatives that encourage staff to seek alternative modes of transportation.

In 2017–18, the department continued to implement the Efficient Fleet Procurement Policy, giving preference to fuel efficient and low-emission vehicles. In addition to this, the department:

- > reduced CO₂-e emissions from vehicles by 290 tonnes year-on-year
- > investigated the opportunity for shared myki cards however, this was not found to be a viable scheme owing to burdensome administrative processes and a low percentage of staff that would utilise the scheme
- > the Better Health Channel Cycling team completed the annual Murray to Moyne event, raising over \$6,500 for Victorian health organisations
- > encouraged staff to participate in regular Sunday bike rides, offered by the department's Bicycle Users Group
- > advocated to ensure that the end-of-trip showers at 50 Lonsdale Street, Melbourne are split 50/50 between male and female facilities.

The 2018–19 environmental management system targets are to:

- > identify sustainable transport opportunities in metropolitan public hospitals
- > expand public health reporting to include carbon emissions from metropolitan public health service fleet vehicles.

Climate change adaptation

The department is committed to driving mitigation and adaptation initiatives, and to proactively managing climate change risks for our clients, assets and services.

In 2017–18, the department:

- > commenced works to develop a pilot adaptation action plan in preparation for legislative requirements beginning in 2020
- > commenced a comprehensive climate risk assessment of public health infrastructure
- > participated in the whole-of-Victorian Government pilot adaptation action planning community of practice to share lessons from the pilot process
- > began work to develop an emissions inventory and reference case emissions model, to inform the development of actions to reduce emissions across the department's operations over the period 1 January 2021 to 31 December 2025

- > commenced a comprehensive climate change risk assessment of public housing
- > continued research to investigate the costs of climate change impacts on the social determinants of health and wellbeing.

The 2018–19 environmental management system targets are to:

- > implement and monitor the department's climate change strategy
- > contribute to whole-of-Victorian-Government emission reduction targets
- > commission a service for the ongoing climate change risk assessment of public housing infrastructure
- > complete a climate risk assessment of public hospital infrastructure.

Communications and behaviour change

The department promotes sustainable behaviour to all staff and aims to raise awareness and engagement in environmental issues to drive positive environmental outcomes.

In 2017–18 the department engaged with key health stakeholders to contribute to the development of an environmental sustainability strategy for the public healthcare system. In addition to this, the department:

- > undertook extensive engagement across branches, divisions, hospitals and health services to identify climate risks and to propose actions to address these risks, as part of the pilot adaptation action plan development
- > was represented on the Climate Change and Energy Inter-Departmental Committee to mainstream climate change considerations into government decision making
- > hosted the Sustainability in Healthcare Forum, which saw over 200 healthcare professionals gather to hear leaders from across Victoria's health system share their insights and learnings from global sustainability initiatives in healthcare
- > joined Global Green and Healthy Hospitals, an international network of hospitals, healthcare facilities, health systems and health organisations dedicated to reducing their environmental foot print and promoting public and environmental health. This enables the department to share achievements with,

- and learn from, health departments and services throughout the world
- > distributed three sustainability updates to share best practice key sustainability issues to the health sector
- > offered workshops and training to relevant staff for the integration of ecologically sustainable development into departmental standard build practices, including current rating tools such as GreenStar and NatHERS.

The 2018–19 environmental management system targets are to:

- > synthesise outcomes and mainstream learnings from projects completed in 2017–18 including the EnergySmart Public Housing Project, the All-Electric dwelling trial, best practice and internal case studies, Climate Change Strategy and the Study of Solar Opportunities for Public Housing Assets project
- > establish an environmental sustainability innovation and research program for public health services
- > investigate opportunities to embed climate change and sustainability in the department's Performance Management Framework for health services.

Environmental performance reporting

The following information has been prepared in accordance with Financial Reporting Direction (FRD) 24C and the Global Reporting Initiative (G4) environmental category.

The information relates to the department's impact on living and non-living natural systems, including land, air, water and ecosystems.

FRD24 requires that this report provide information relating to inputs (such as energy and water) and outputs (such as emissions and waste).

In addition, procurement, transport, product and service related impacts are taken into consideration, as are environmental compliance and expenditure.

G4 environmental aspects are partially reported. This includes the indicators for materials (EN1, EN2), energy (EN3, EN5), water (EN8), emissions (EN15, EN18), waste (EN23), products and services (EN27) and transport (EN30). All departmental cost figures include GST, except where otherwise noted.

In 2017–18, the environmental performance reporting data include property and assets utilised in the delivery of the department's core functions, including corporate offices; residential housing; and public hospitals and health services. This report includes disability accommodation clients' residential energy usage and shared base building energy and water in offices and public housing facilities. All figures have been forecast and adjusted to include the most up-to-date information. Where data was not available or estimated in 2016–17 but has since become available, the data has been adjusted to reflect best available figures representing the reported building portfolio as at 30 June 2017.

At 30 June 2018, the department provided its administrated services from 52 office locations across the state. In addition, the department operates from operational centres providing secure services and disability residential services. Public housing energy data is representative of community facilities, general lighting and bulk hot water equipment from high-rise, multi-apartment tower blocks, low-rise apartment blocks and general rental public housing stock. Water-use data is representative of the high-rise public housing locations under the environmental management system.

The public health service energy and water data represents a summation of data reported by Victoria's 86 public hospitals and health services, including Ambulance Victoria.

To continually improve public reporting the department reviews the number of public health facilities reporting energy and water data to the department on an ongoing basis. Increases in energy and water use may therefore be attributed to an increase in the number of facilities reporting, as well as an increase in service delivery. Data has not been externally verified. Bed days include occupied bed days (OBD) and public sector residential aged care bed days. The third quarter of 2017–18 aged-care bed-days was used as an estimate for April to June 2018 as actual data was not available at the time of printing.

Greenhouse gas emissions

| Total greenhouse gas emissions (tonnes CO ₂ -e) associated with: | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---|------------------|------------------|------------------|
| Public hospitals energy use | 826,235 | 849,925 | 834,438 |
| Housing services energy use | 70,528 | 70,009 | 64,438 |
| Office-based energy use | 18,686 | 17,543 | 16,235 |
| Public hospitals nitrous oxide | 17,559 | 15,496 | 16,321 |
| Vehicle fleet and air travel | 10,147 | 10,068 | 9,605 |
| Hospital emergency transport | 20,745 | 20,562 | 21,835 |
| Public hospital waste production | N/A | N/A | 35,993 |
| Paper and office-based waste production | 568 | 625 | 835 |
| Total | 964,468 | 984,228 | 999,700 |

Greenhouse gas conversion factors for energy are taken from the National Greenhouse Accounts Factors.

Greenhouse gas emissions from waste are calculated in accordance with Financial Reporting Directive 24C guidelines.

Greenhouse gas emissions from paper are calculated in accordance with Financial Reporting Directive 24C guidelines and EPA Victoria's Greenhouse Gas Inventory Management Plan.

Greenhouse gas emissions from air travel are provided by the supplier of Travel Management Services under the State Purchase Contract.

Staff and building reference data

| Description | Government-owned buildings | Leased buildings | Total |
|---------------------------------------|----------------------------|------------------|-----------------|
| Office-based FTE | 1,130.7 | 7,619.0 | 8,749.7 |
| Operational FTE | 3,706.2 | | 3,706.2 |
| Total FTE | | | 12,455.9 |
| Number of office-based sites | 16 | 36 | 52 |
| Number high-rise public housing sites | 44 | | 44 |
| Office-based area (m ²) | 14,748 | 122,267 | 137,015 |

Energy use

Office-based

| Description | 2015–16 estimate | 2015–16 estimate | 2016–17 estimate | 2016–17 estimate | 2017–18 estimate | 2017–18 estimate |
|--|-------------------|------------------|-------------------|------------------|-------------------|------------------|
| Total energy usage segmented by primary source | Megajoules | Cost (\$M) | Megajoules | Cost (\$M) | Megajoules | Cost (\$M) |
| Electricity | 57,193,815 | \$2.75 | 56,183,067 | \$2.74 | 50,613,492 | \$2.89 |
| Green power | 0 | \$0.00 | 0 | \$0.00 | 0 | \$0.00 |
| Natural gas | 14,224,207 | \$0.18 | 10,321,215 | \$0.13 | 17,654,216 | \$0.25 |
| Total | 71,418,022 | \$2.93 | 66,504,282 | \$2.87 | 68,267,708 | \$3.14 |

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|--|---------------------------|---------------------------|---------------------------|
| Total greenhouse gas emissions by primary source | Tonnes CO ₂ -e | Tonnes CO ₂ -e | Tonnes CO ₂ -e |
| Electricity | 17,953 | 17,011 | 15,325 |
| Natural gas | 733 | 532 | 910 |
| Total | 18,686 | 17,543 | 16,235 |

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---|------------------|------------------|------------------|
| Energy used per FTE (megajoules/FTE) | 9,608 | 8,714 | 7,802 |
| Energy intensity (megajoules/m ²) | 511 | 520 | 498 |
| Green power purchased | 0.0% | 0.0% | 0.0% |

Electricity data represents 98.7 per cent of office-based FTE and 98.5 per cent of total office area.

Green power relates to electricity use only.

Greenhouse gas emissions are based on scope 2 emissions from the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (Schedule 1).

Figures have been adjusted to include the most up-to-date data and incorporate improvements in calculation methodology. Figures may differ from those estimated for the same period in the *Department of Health and Human Services annual report 2016–17* as a result.

Decreases in estimated electricity use for 2017–18 reflect improvements in the accuracy of metering apportionment applied to office locations. Increases in estimated natural gas use reflect an increased number of office locations and greater data availability across the monitored portfolio.

Housing services

Electricity

| Description | 2015–16 estimate | 2015–16 estimate | 2016–17 estimate | 2016–17 estimate | 2017–18 estimate | 2017–18 estimate |
|--|--------------------|------------------|--------------------|------------------|--------------------|------------------|
| | Megajoules | Cost (\$M) | Megajoules | Cost (\$M) | Megajoules | Cost (\$M) |
| High-rise public housing electricity use | 55,501,262 | \$2.00 | 56,526,616 | \$2.29 | 53,791,189 | \$2.76 |
| Other public housing electricity use | 32,431,003 | \$2.34 | 34,519,371 | \$2.28 | 35,654,290 | \$2.30 |
| Disability housing electricity use | 39,762,360 | \$1.80 | 39,916,329 | \$1.72 | 41,331,951 | \$1.85 |
| Youth and family welfare electricity use | 1,547,894 | \$0.08 | 1,711,593 | \$0.09 | 1,801,481 | \$0.11 |
| Youth justice electricity use* | 15,604,030 | \$0.58 | 12,902,049 | \$0.48 | N/A | N/A |
| Total electricity | 144,846,549 | \$6.80 | 145,575,958 | \$6.87 | 132,578,911 | \$7.02 |

Gas

| Description | 2015–16 estimate | 2015–16 estimate | 2016–17 estimate | 2016–17 estimate | 2017–18 estimate | 2017–18 estimate |
|--|--------------------|------------------|--------------------|------------------|--------------------|------------------|
| Total energy usage segmented by primary source | Megajoules | Cost (\$M) | Megajoules | Cost (\$M) | Megajoules | Cost (\$M) |
| High-rise public housing natural gas use | 301,518,942 | \$2.76 | 324,026,830 | \$2.61 | 316,940,372 | \$2.89 |
| Other public housing natural gas use | 89,246,643 | \$1.20 | 88,733,047 | \$1.07 | 82,714,514 | \$1.05 |
| Disability housing natural gas use | 79,570,007 | \$1.22 | 79,554,158 | \$1.00 | 76,952,256 | \$1.02 |
| Youth and family welfare natural gas use | 1,795,928 | \$0.03 | 2,202,174 | \$0.04 | 2,031,709 | \$0.04 |
| Youth justice natural gas use* | 8,439,751 | \$0.08 | 4,673,204 | \$0.04 | N/A | N/A |
| Youth justice liquefied petroleum gas use* | 4,913,033 | \$0.07 | 1,860,742 | \$0.02 | N/A | N/A |
| Total gas | 485,484,304 | \$5.36 | 501,050,155 | \$4.78 | 478,638,852 | \$5.00 |

* Youth justice facilities have been transferred to another government department. 2016–17 Consumption figures have been reported to 31 March 2017.

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---------------------------------------|---------------------------|---------------------------|---------------------------|
| Total greenhouse gas emissions | Tonnes CO ₂ -e | Tonnes CO ₂ -e | Tonnes CO ₂ -e |
| Electricity | 45,466 | 44,077 | 39,774 |
| Natural gas | 24,764 | 25,819 | 24,664 |
| Liquefied petroleum gas | 298 | 113 | N/A |
| Total greenhouse gas emissions | 70,528 | 70,009 | 64,438 |

Human services property portfolio energy data combines electricity and gas from large operational locations, 44 high-rise housing facilities and other disability and social housing accommodation facilities.

Energy data represents 3,003 electricity meters and 946 gas-metered accounts. Reported housing portfolio electricity data includes a 28 per cent estimate and housing portfolio gas data includes a 43 per cent estimate due to some data being unavailable from energy retailers at the time of reporting. The percentage of estimated energy data has increased in 2017–18 due to changes in the data collection methodology.

Figures have been adjusted to include the most up-to-date data and incorporate improvements in calculation methodology. Figures may differ from those estimated for the same period in the *Department of Health and Human Services annual report 2016–17* as a result.

Greenhouse gas emissions are based on scope 2 emissions from the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (Schedule 1).

Public health services

| Description | 2015–16 estimate | 2015–16 estimate | 2016–17 estimate | 2016–17 estimate | 2017–18 estimate | 2017–18 estimate |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Total energy usage segmented by primary source | Terajoules | Cost (\$M) | Terajoules | Cost (\$M) | Terajoules | Cost (\$M) |
| Electricity | 2,275 | \$73.95 | 2,394 | \$75.32 | 2,366 | \$120.97 |
| Natural gas | 1,989 | \$15.05 | 2,181 | \$16.79 | 2,203 | \$19.60 |
| Co-generation steam | 641 | \$3.85 | 661 | \$4.01 | 666 | \$5.49 |
| LPG | 94 | \$1.97 | 103 | \$2.29 | 102 | \$2.20 |
| Diesel | 3 | \$0.05 | 1 | \$0.03 | 1 | \$0.02 |
| Total | 5,002 | \$94.87 | 5,340 | \$98.44 | 5,338 | \$148.28 |

| Description | 2015–16 | 2016–17 | 2017–18 |
|--|---------|---------|---------|
| Energy used per separation (gigajoules/separation) | 2.92 | 2.93 | 2.82 |
| Energy used per bed day (gigajoules/bed day) | 0.73 | 0.72 | 0.75 |
| Energy used per unit of floor space (gigajoules/m ²) | 1.51 | 1.53 | 1.55 |
| Greenhouse gas emissions per separation (tonnes CO ₂ -e/separation) | 0.49 | 0.48 | 0.44 |
| Greenhouse gas emissions per bed day (tonnes CO ₂ -e/bed day) | 0.12 | 0.12 | 0.12 |
| Greenhouse gas emissions per unit of floor space (tonnes CO ₂ -e/m ²) | 0.25 | 0.25 | 0.24 |

Public health services are GST-exempt organisations. Reported cost data for public health services is exclusive of GST. Public health greenhouse gas emission indicators include emissions associated with the use of nitrous oxide in public hospitals.

Reported energy usage includes a 9 per cent estimate due to some data being unavailable from energy retailers at the time of reporting.
1 terajoule equates to 1,000,000 megajoules and 1 gigajoule equates to 1,000 megajoules.

Water use

Office-based

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|--|------------------|------------------|------------------|
| Total water used (kilolitres) | 52,354 | 51,698 | 66,266 |
| Total water usage and sewage charge (dollars) | \$126,000 | \$127,000 | \$151,000 |
| Water used per FTE – leased offices (litres/FTE) | 8,546 | 8,395 | 8,316 |
| Water used per FTE – government-owned offices (litres/FTE) | 6,090 | 6,179 | 5,988 |
| Total water used per FTE (litres/FTE) | 7,043 | 6,774 | 7,574 |
| Water used per unit of office space (litres/m ²) | 502 | 407 | 484 |

Water data represents domestic water consumption at 33 administrative office location, representing 94 per cent of office-based FTE and 88 per cent of office-based area.

Increases in office-based water use are attributable to the shutdown of the onsite black-water treatment plant at 50 Lonsdale Street, and to increased data availability across the monitoring portfolio.

High-rise public housing

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---|------------------|------------------|------------------|
| Total water used (kilolitres) | 1,314,161 | 1,409,612 | 1,369,453 |
| Total water usage and sewage charge (dollars) | \$5,491,000 | \$5,939,000 | \$5,864,000 |

High-rise public housing water data represents water consumption at 44 public housing high rise sites under 31 accounts based on available data.

Other public housing

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---|------------------|------------------|------------------|
| Total water used (kilolitres) | 83,881 | 83,972 | 84,358 |
| Total water usage and sewage charge (dollars) | \$333,500 | \$336,000 | \$340,000 |

Other public housing water data represents domestic water consumption at 35 public housing sites based on available data.

Disability housing

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---|------------------|------------------|------------------|
| Total water used (kilolitres) | 76,882 | 56,339 | 62,845 |
| Total water usage and sewage charge (dollars) | \$301,000 | \$226,000 | \$267,000 |

Disability housing water data represents domestic water consumption at 15 properties including larger disability operational facilities.

Youth and family welfare

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---|------------------|------------------|------------------|
| Total water used (kilolitres) | 2,366 | 2,416 | 2,723 |
| Total water usage and sewage charge (dollars) | \$8,000 | \$9,000 | \$10,000 |

Youth and family welfare water data represents domestic water consumption at five properties.

Reported housing portfolio water data includes a 17 per cent estimate due to some data being unavailable from water authorities at the time of reporting. The percentage of water data which is estimated has increased in 2017–18 due to changes in the data collection methodology.

Figures have been adjusted to include the most up-to-date data and incorporate improvements in calculation methodology. Figures may differ from those estimated for the same period in the Department of Health and Human Services annual report 2016–17 as a result.

Public health services

| Description | 2015–16 | 2016–17 | 2017–18 |
|---|---------|---------|---------|
| Total water used (megalitres) | 4,359 | 4,309 | 4,292 |
| Total water usage charge (\$ million) | \$16.87 | \$17.14 | \$18.10 |
| Water used per separation (kilolitres/separation) | 2.54 | 2.37 | 2.27 |
| Water used per bed day (kilolitres/bed day) | 0.64 | 0.58 | 0.60 |
| Water used per unit of floor space (kilolitres/m ²) | 1.31 | 1.24 | 1.24 |

Public health services are GST-exempt organisations. Reported cost data for public health services is exclusive of GST.

Reported water usage includes a 17 per cent estimate due to some data being unavailable from water authorities at the time of reporting.

Waste production

Office based

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|--|------------------|------------------|------------------|
| Total units of waste disposed of by destination | | | |
| | Kilograms/year | Kilograms/year | Kilograms/year |
| Landfill | 180,949 | 199,502 | 254,743 |
| Recycling | 261,840 | 255,175 | 334,833 |
| Compost | 23,107 | 29,583 | 33,741 |
| Total | 465,896 | 484,260 | 623,317 |

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---|--------------------|--------------------|--------------------|
| Total units of waste disposed of per FTE by destination | Kilograms/FTE/year | Kilograms/FTE/year | Kilograms/FTE/year |
| Landfill | 24 | 27 | 29 |
| Recycling | 35 | 34 | 38 |
| Compost | 3 | 4 | 4 |
| Total | 62 | 65 | 71 |

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---|------------------|------------------|------------------|
| Recycling rate (per cent) | 61% | 59% | 59% |
| Greenhouse gas emissions associated with waste to landfill (tonnes of CO ₂ -e) | 235 | 243 | 427 |

Public health services

| Description | 2015–16 estimate | 2015–16 estimate | 2016–17 estimate | 2016–17 estimate | 2017–18 estimate | 2017–18 estimate |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Total units of waste disposed of by stream and associated carbon emissions | Tonnes | Cost (\$M) | Tonnes | Cost (\$M) | Tonnes | Cost (\$M) |
| Clinical and related waste | N/A | N/A | N/A | N/A | 5,029 | \$8.29 |
| Landfill | N/A | N/A | N/A | N/A | 25,118 | \$5.30 |
| Recycling | N/A | N/A | N/A | N/A | 8,144 | \$1.57 |
| Total | N/A | N/A | N/A | N/A | 38,291 | \$15.16 |

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---|------------------|------------------|------------------|
| Recycling rate (per cent) | N/A | N/A | 24% |
| Waste produced per patient treated (kilograms/PPT) | N/A | N/A | 3.55 |
| Greenhouse gas emissions associated with waste to landfill (tonnes of CO ₂ -e) | N/A | N/A | 35,993 |

Public health services are GST-exempt organisations. Reported cost data for public health services is exclusive of GST.

Clinical and related wastes include clinical, sharps, cytotoxic, pharmaceutical, chemical and anatomical waste streams.

Recycling includes batteries, cardboard, co-mingled, e-waste, fluorescent tubes, grease traps, mattresses, metals, mobile phones, organics, PVC, packaging films/plastics, paper, polystyrene, sterilization wrap, toner and printer cartridge and, wood.

Data for some recycling streams was unavailable at the time of printing, so figures reported may not represent the full extent of materials recycled.

Waste produced per patient treated is an aggregation of in-patient bed-days, aged care bed-days, separations and emergency department presentations.

Transportation

Vehicle fleet

| Description | Size of vehicle fleet as of 31 March 2018 | | | | | | |
|-------------------------------|---|-----------|------------|------------------------------|----------------------------|----------------------------|------------|
| Vehicle type | LPG | Dual fuel | Hybrid | 1–3 cylinder unleaded petrol | 4 cylinder unleaded petrol | 6 cylinder unleaded petrol | Diesel |
| Commercial | 3 | 0 | 0 | 7 | 3 | 0 | 18 |
| Executive | 0 | 0 | 3 | 0 | 37 | 54 | 18 |
| Passenger bus | 0 | 0 | 0 | 0 | 351 | 0 | 139 |
| Passenger car | 18 | 0 | 604 | 0 | 85 | 117 | 215 |
| Total (1,672 vehicles) | 21 | 0 | 607 | 7 | 476 | 171 | 390 |

| Description | Operational (per cent) | Executive (per cent) |
|------------------------------|---------------------------|-------------------------|
| LPG | 1.3 | 0.0 |
| Dual fuel | 0.0 | 0.0 |
| Hybrid | 35.6 | 0.7 |
| 1–3 cylinder unleaded petrol | 0.4 | 0.0 |
| 1–4 cylinder unleaded petrol | 26.3 | 2.2 |
| 6 cylinder unleaded petrol | 6.8 | 3.5 |
| Diesel | 22.1 | 1.3 |
| Total | 92.3 | 7.7 |

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|--------------------------|--------------------|--------------------|--------------------|
| Total energy consumption | Megajoules | Megajoules | Megajoules |
| LPG | 16,768,004 | 8,604,814 | 2,488,685 |
| Dual fuel | 0 | 0 | 0 |
| Hybrid | 20,229,511 | 26,322,030 | 29,020,551 |
| Unleaded petrol | 60,517,732 | 51,713,923 | 50,861,143 |
| Diesel | 31,624,548 | 35,718,356 | 35,125,363 |
| Total | 129,139,795 | 122,359,123 | 117,495,741 |

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|-------------------------------|-------------------|-------------------|-------------------|
| Total vehicle travel | Kilometres | Kilometres | Kilometres |
| LPG | 4,787,395 | 2,473,150 | 683,288 |
| Dual fuel | 0 | 0 | 0 |
| Hybrid | 9,547,954 | 12,607,787 | 13,362,360 |
| Unleaded petrol | 15,040,082 | 12,574,372 | 12,035,131 |
| Diesel | 8,291,883 | 9,815,661 | 9,634,247 |
| State government vehicle pool | 589,708 | 692,858 | 679,268 |
| Total | 38,257,022 | 38,163,828 | 36,394,294 |

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Total greenhouse gas emissions | Tonnes CO₂-e | Tonnes CO₂-e | Tonnes CO₂-e |
| LPG | 1,031 | 529 | 153 |
| Dual fuel | 0 | 0 | 0 |
| Hybrid | 1,410 | 1,835 | 2,023 |
| Unleaded petrol | 4,218 | 3,604 | 3,545 |
| Diesel | 2,230 | 2,518 | 2,476 |
| State government vehicle pool | 113 | 128 | 127 |
| Total | 9,002 | 8,614 | 8,324 |

| Description | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|--|--|--|--|
| Greenhouse gas emissions efficiency | Tonnes of CO₂-e per 1,000 kilometres | Tonnes of CO₂-e per 1,000 kilometres | Tonnes of CO₂-e per 1,000 kilometres |
| LPG | 0.251 | 0.214 | 0.224 |
| Dual fuel | N/A | N/A | N/A |
| Hybrid | 0.148 | 0.146 | 0.151 |
| Unleaded petrol | 0.28 | 0.287 | 0.295 |
| Diesel | 0.269 | 0.257 | 0.257 |
| State government vehicle pool | 0.177 | 0.185 | 0.187 |
| Total | 0.24 | 0.23 | 0.23 |

This data represents all operational FTE. Energy use, distance travelled and greenhouse gas emissions transport data is based on a 1 April to 31 March fringe benefit year.

Greenhouse gas emissions are based on National Greenhouse and Energy Reporting (Measurement) Determination 2008 (Schedule 1). All emission factors incorporate relevant oxidation factors (sourced from the Department of the Environment National Inventory Report).

Figures have been adjusted to include the most up-to-date data. Figures may differ from those estimated for the same period in the *Department of Health and Human Services annual report 2016–17* as a result.

Public health services

| Hospital emergency transport | 2016–17 estimate | 2016–17 estimate | 2017–18 estimate | 2017–18 estimate |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| Total fuel usage segmented by primary source | Fuel volume (kilolitres) | Emissions (Tonnes CO2-e) | Fuel volume (kilolitres) | Emissions (Tonnes CO2-e) |
| Gasoline – road vehicles | 471 | 1,089 | 496 | 1,148 |
| Diesel – road vehicles | 3,763 | 10,241 | 4,014 | 10,926 |
| LPG – road vehicles | 5 | 8 | 1 | 1 |
| Aviation fuel | 4,113 | 9,224 | 4,352 | 9,760 |
| Total | 8,352 | 20,562 | 8,863 | 21,835 |

Data includes road ambulance, air ambulance, emergency support and administrative vehicles and non-emergency patient transport managed by Ambulance Victoria.

Air travel

| Description | 2015–16 actual | 2016–17 actual | 2017–18 actual |
|---|----------------|----------------|----------------|
| Total distance travelled (kilometres) | 4,120,505 | 5,436,783 | 6,256,040 |
| Base fare cost (dollars) | 1,287,000 | 1,400,000 | 1,728,000 |
| Greenhouse gas emissions (tonnes of CO ₂ -e) | 1,145 | 1,454 | 1,281 |

This data represents all operational FTE.

Greenhouse gas emissions are provided by the supplier of Travel Management Services under the State Purchase Contract.

Commuter travel

Percentage of employees regularly using sustainable travel (public transport, cycling, walking, car-pooling or working from home) to commute

| | 2015–16 estimate | 2016–17 estimate | 2017–18 estimate |
|---------------------------|------------------|------------------|------------------|
| Central business district | 93% | 96% | 95% |
| Metropolitan | 56% | 55% | 48% |
| Regional/rural | 39% | 38% | 26% |
| Total | 79% | 84% | 80% |

Sustainable transport data was obtained from the department's travel survey conducted in April–May 2018. Results exclude responses from surveyed staff who were on leave or did not travel to work during the survey period.

Figures have been adjusted to include the most up-to-date data and incorporate improvements in calculation methodology. Figures may differ from those estimated for the same period in the *Department of Health and Human Services annual report 2016–17* as a result.

Procurement and paper

Procurement of office products and stationery with environmental considerations from departmental operations

| Percentage of purchases incorporating environmental considerations | 2015–16 actual | 2016–17 actual | 2017–18 actual |
|--|----------------|----------------|----------------|
| Furniture | 16% | 2% | 1% |
| Kitchen | 14% | 17% | 16% |
| Facilities solutions | 22% | 29% | 19% |
| Office products | 9% | 12% | 14% |
| Total | 11% | 14% | 12% |

Office products and stationery data is obtained from the department's state purchase contract. Environmental consideration is based on the supplier's Planet Friendly category criteria for procured products.

Results include: expenditure on office furniture; coffee and catering supplies; janitorial products; packaging; workplace safety supplies; educational supplies; computer hardware; office technology products; computer consumables; general office products; office filing and storage; office machines and electronics; office paper products; and writing instruments.

Paper use from departmental operations

| Description | 2015–16 actual | 2016–17 actual | 2017–18 actual |
|---|------------------|------------------|------------------|
| Total units of paper used – A4 equivalent (reams) | 103,378 | 108,012 | 110,762 |
| Units of paper used per FTE (reams/FTE) | 9.0 | 9.6 | 8.9 |
| Greenhouse gas emissions associated with paper use (tonnes of CO ₂ -e) | 333 | 382 | 408 |
| Total cost of paper used (dollars) | \$628,000 | \$636,000 | \$656,000 |

| Percentage recycled content copy paper purchased | 2015–16 actual | 2016–17 actual | 2017–18 actual |
|--|----------------|----------------|----------------|
| 75–100 per cent recycled | 52% | 91% | 98% |
| 50–74 per cent recycled | 44% | 0% | 0% |
| 0–49 per cent recycled | 4% | 9% | 2% |

Paper usage data provided by whole-of-Victorian-government supplier COS. Data represents all operational and office-based FTE.

Greenhouse gas emissions calculated according to EPA Victoria's Greenhouse Gas Inventory Management Plan.

Paper use from public health services

| Description | 2015–16 actual | 2016–17 actual | 2017–18 actual |
|---|----------------|----------------|----------------|
| Total units of paper used – A4 equivalent (reams) | 574,394 | 575,729 | 658,250 |
| Units of paper used per FTE (reams/FTE) | 6.73 | 6.48 | 7.37 |
| Total cost of paper used (dollars) | \$2.14 | \$1.75 | \$2.32 |

| Percentage recycled content copy paper purchased | 2015–16 actual | 2016–17 actual | 2017–18 actual |
|--|----------------|----------------|----------------|
| 75–100 per cent recycled | 0.4% | 1.3% | 0.6% |
| 50–74 per cent recycled | 0.3% | 2.1% | 0.8% |
| 0–49 per cent recycled | 99.3% | 96.6% | 98.6% |
| Certified fibre sourcing* | 43% | 98% | 98% |

Public health services are GST-exempt organisations. Reported cost data for public health services is exclusive of GST.

Paper data is sourced from the statewide stationery contract managed by Health Purchasing Victoria and apportioned by FTE to those health services which do not procure office paper through this contract. FTE is the full-time equivalent staff employed by a public health service as of 30 June for the financial year.

FTE figures for the 2016–17 financial year have been used as an estimate for the 2017–18 financial year as this data was not available at the time of reporting.

* Certified fibre sourcing means that the supplier and/or manufacturer has asserted that the fibre sourced for the paper meets either an International Forestry Management standard and has a chain-of-custody certification linking the product and fibre sourcing. Accepted certification schemes are the Forestry Stewardship Council, Australian Forestry Standard or other country-specific standards endorsed by the Programme for the Endorsement of Forest Certification.

National pollutant inventory

The Commonwealth National Pollutant Inventory (NPI) provides the community, industry and government with information on substances emitted to the air, land and water. The inventory tracks the amount, in kilograms, of substances emitted by organisations that trigger the reporting threshold. The table below is an aggregation of substances reported by Victorian public health services through the NPI.

| Description | 2014–15 | 2015–16 | 2016–17 |
|---|----------------------------------|----------------------------------|----------------------------------|
| Total units of national pollutant inventory substances emitted | Emissions (Kilograms) | Emissions (Kilograms) | Emissions (Kilograms) |
| Carbon monoxide | 60,411 | 55,895 | 66,299 |
| Oxides of nitrogen | 61,913 | 56,713 | 84,308 |
| Particulate matter (2.5 µm and 10 µm) | 5,439 | 10,284 | 12,227 |
| Total volatile organic compounds | 4,287 | 3,939 | 4,807 |
| Sulphur dioxide | 775 | 721 | 867 |
| Other substances* | 10 | 2.7 | 11 |

* Other substances includes: acetaldehyde, arsenic and compounds, benzene, beryllium and compounds, 1,3-butadiene (vinyl ethylene), cadmium and compounds, chromium (III) compounds, cobalt and compounds, copper and compounds, formaldehyde (methyl aldehyde) lead and compounds, magnesium oxide fume, manganese and compounds, mercury and compounds, nickel and compounds, polycyclic aromatic hydrocarbon, polychlorinated dioxins and furans (TEQ), selenium and compounds, toluene (methylbenzene), xylenes (individual or mixed isomers) and zinc and compounds.

2016–17 is the most recent data available from the National Pollutant Inventory at the date of this printing.

Department of Health and Human Services: Financial statements for the financial year ended 30 June 2018

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Responsible body's and Chief Finance Officer's declaration

The attached financial statements for the Department of Health and Human Services, including the Director of Housing, Mental Health Tribunal and the Commission for Children and Young People (the department) have been prepared in accordance with Direction 5.2 of the *Standing Directions of the Minister for Finance under the Financial Management Act 1994*, applicable financial reporting directions, Australian accounting standards including Interpretations and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the 'Comprehensive operating statement', 'Balance sheet', 'Statement of changes in equity', 'Cash flow statement' and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2018 and financial position of the department at 30 June 2018.

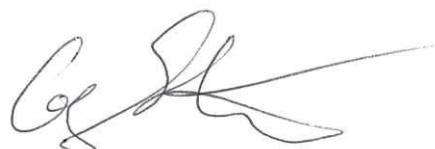
At the time of signing, we are not aware of any circumstance that would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 29 August 2018.



Kym Peake
Secretary
Department of Health and Human Services

Melbourne
29 August 2018



Greg Stenton
Chief Finance Officer
Department of Health and Human Services

Melbourne
29 August 2018

Independent auditor's report



Victorian Auditor-General's Office

Independent Auditor's Report

To the Secretary of the Department of Health and Human Services

| | |
|--|--|
| Opinion | I have audited the financial report of the Department of Health and Human Services (the department) which comprises the: |
| | <ul style="list-style-type: none">• balance sheet as at 30 June 2018• comprehensive operating statement for the year then ended• statement of changes in equity for the year then ended• cash flow statement for the year then ended• notes to the financial statements, including significant accounting policies• responsible body's and chief finance officer's declaration. |
| | In my opinion the financial report presents fairly, in all material respects, the financial position of the department as at 30 June 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards. |
| Basis for Opinion | I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report. My independence is established by the <i>Constitution Act 1975</i> . My staff and I are independent of the department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion. |
| Secretary's responsibilities for the financial report | The Secretary of the department is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i> , and for such internal control as the Secretary 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 Secretary is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so. |

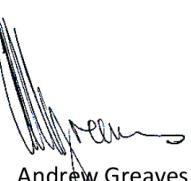
Auditor's responsibilities for the audit of the financial report As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is 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 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 report or, if such disclosures are inadequate, to modify my opinion. My conclusions are 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 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 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.

MELBOURNE
30 August 2018



Andrew Greaves
Auditor-General

Comprehensive operating statement for the financial year ended 30 June 2018

| | Note | 2018 \$M | 2017 \$M |
|--|----------|-----------------|-----------------|
| Income from transactions | | | |
| Output appropriations | 2.3 | 15,013.3 | 13,755.3 |
| Special appropriations | 2.3 | 1,359.8 | 1,334.6 |
| Interest income | 2.4.1 | 10.0 | 8.9 |
| Rental income and income from services | 2.4.2 | 487.0 | 480.9 |
| Grants and other income transfers | 2.4.3 | 991.0 | 871.5 |
| Fair value of assets and services received free of charge or for nominal consideration | 2.4.4 | 3.5 | 136.6 |
| Other income | 2.4.5 | 59.8 | 90.9 |
| Total income from transactions | | 17,924.4 | 16,678.6 |
| Expenses from transactions | | | |
| Employee expenses | 3.1.1(a) | 1,325.9 | 1,260.3 |
| Depreciation and amortisation | 5.1.1 | 265.8 | 269.8 |
| Interest expense | 7.1.2 | 4.2 | 1.1 |
| Maintenance | | 188.2 | 192.2 |
| Grants and other expense transfers | 3.1.2 | 13,905.6 | 13,163.2 |
| Capital asset charge | 3.1.3 | 1,201.4 | 1,116.7 |
| Fair value of assets and services provided free of charge or for nominal consideration | 3.1.4 | 93.7 | 209.6 |
| Other operating expenses | 3.1.5 | 568.3 | 528.4 |
| Other property management expenses | 3.1.6 | 193.2 | 198.4 |
| Total expenses from transactions | | 17,746.1 | 16,939.7 |
| Net result from transactions (net operating balance) | | 178.3 | (261.2) |
| Other economic flows included in net result | | | |
| Net gain/(loss) on non-financial assets ⁽ⁱ⁾ | 9.2(a) | 13.6 | (6.0) |
| Net gain/(loss) on financial instruments ⁽ⁱⁱ⁾ | 9.2(b) | 1.8 | 1.5 |
| Other gains/(losses) from other economic flows | 9.2(c) | (12.0) | (0.6) |
| Total other economic flows included in net result | | 3.4 | (5.1) |
| Net result | | 181.7 | (266.3) |
| Other economic flows – other comprehensive income | | | |
| Items that will not be reclassified to net result | | | |
| Changes in physical asset revaluation surplus | 9.4 | 4,059.6 | 1,997.0 |
| Remeasurement of superannuation defined benefit plans | 3.1.1(b) | (0.3) | 0.9 |
| Total other economic flows – other comprehensive income | | 4,059.3 | 1,997.9 |
| Comprehensive result | | 4,241.0 | 1,731.6 |

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

Notes:

- (i) 'Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.
- (ii) 'Net gain/(loss) on financial instruments' includes bad and doubtful debts from other economic flows, unrealised and realised gains/(losses) from revaluations, impairments and reversals of impairment, and gains/(losses) from disposals of financial instruments, except when these are taken through the financial assets available for sale revaluation surplus.

Balance sheet as at 30 June 2018

| | Note | 2018 \$M | 2017 \$M |
|---|----------|-----------------|-----------------|
| Assets | | | |
| Financial assets | | | |
| Cash and deposits | 7.3 | 383.2 | 383.7 |
| Receivables | 6.1 | 2,984.5 | 2,693.1 |
| Loans | 6.2 | 105.7 | 80.7 |
| Short-term investments – term deposits | 5.4 | 534.8 | 418.5 |
| Total financial assets | | 4,008.1 | 3,575.9 |
| Non-financial assets | | | |
| Non-financial physical assets classified as held for sale | 9.3 | 31.7 | 3.8 |
| Property, plant and equipment | 5.1 | 30,199.3 | 26,138.7 |
| Intangible assets | 5.2 | 76.6 | 64.1 |
| Investments accounted for using the equity method | 5.3 | 35.0 | 35.0 |
| Prepayments | 6.3 | 30.1 | 14.1 |
| Total non-financial assets | | 30,372.6 | 26,255.7 |
| Total assets | | 34,380.8 | 29,831.5 |
| Liabilities | | | |
| Payables | 6.4 | 1,322.7 | 1,208.6 |
| Borrowings | 7.1 | 135.1 | 106.5 |
| Employee related provisions | 3.1.1(b) | 423.2 | 395.4 |
| Other provisions | 6.5 | 87.3 | 85.1 |
| Total liabilities | | 1,968.3 | 1,795.5 |
| Net assets | | 32,412.5 | 28,036.0 |
| Equity | | | |
| Accumulated surplus/(deficit) | | 1,613.2 | 1,431.8 |
| Physical asset revaluation surplus | 9.4 | 8,601.7 | 4,542.1 |
| Contributed capital | | 22,197.5 | 22,062.0 |
| Net worth | | 32,412.5 | 28,036.0 |

The balance sheet should be read in conjunction with the notes to the financial statements.

Statement of changes in equity for the financial year ended 30 June 2018

| | Note | Physical asset revaluation reserve \$M | Accumulated surplus/(deficit) \$M | Contributed capital \$M | Total \$M |
|---|----------|---|--------------------------------------|----------------------------|-----------------|
| Balance at 1 July 2016 | | 2,545.1 | 1,697.2 | 22,378.5 | 26,620.9 |
| Net result for the year | | – | (266.3) | – | (266.3) |
| Remeasurement of superannuation defined benefit plans | | – | 0.9 | – | 0.9 |
| Changes in physical asset revaluation surplus | | 1,997.0 | – | – | 1,997.0 |
| Administrative restructure – net assets transferred | | – | – | (218.2) | (218.2) |
| Capital contribution by Victorian State Government | | – | – | 187.8 | 187.8 |
| Capital contributions to Health agencies | | – | – | (109.7) | (109.7) |
| Net capital contributed from asset transfers | | – | – | (176.4) | (176.4) |
| Balance at 30 June 2017 | | 4,542.1 | 1,431.8 | 22,062.0 | 28,036.0 |
| Net result for the year | | – | 181.7 | – | 181.7 |
| Remeasurement of superannuation defined benefit plans | 3.1.1(b) | – | (0.3) | – | (0.3) |
| Changes in physical asset revaluation surplus | 9.4 | 4,059.6 | – | – | 4,059.6 |
| Administrative restructure – net assets received | 4.3 | – | – | 5.3 | 5.3 |
| Capital contribution by Victorian State Government | | – | – | 269.9 | 269.9 |
| Capital contributed from asset transfers | | – | – | – | – |
| Capital contributions to Health agencies | | – | – | (137.5) | (137.5) |
| Capital transferred to administered entity | | – | – | (2.2) | (2.2) |
| Balance at 30 June 2018 | | 8,601.7 | 1,613.2 | 22,197.5 | 32,412.5 |

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

Cash flow statement for the financial year ended 30 June 2018

| | Note | 2018 \$M | 2017 \$M |
|--|-------|-------------------|-------------------|
| Cash flows from operating activities | | | |
| Receipts | | | |
| Receipts of output appropriations | | 14,699.9 | 13,783.1 |
| Receipts of special appropriations | | 1,359.8 | 1,334.6 |
| Receipts of funds from other authorities | | 1,033.0 | 940.3 |
| Rent received | | 473.4 | 465.1 |
| User charges received – rental properties | | 4.9 | 5.0 |
| Interest received | | 9.5 | 8.8 |
| Other receipts | | 47.8 | 20.2 |
| GST recovered from Australian Taxation Office ⁽ⁱ⁾ | | 518.4 | 523.3 |
| Total receipts | | 18,146.7 | 17,080.2 |
| Payments | | | |
| Payments of grants and other expense transfers | | (14,295.2) | (13,437.8) |
| Payments for employee benefits | | (1,298.3) | (1,250.1) |
| Payments for supplies and services | | (605.6) | (558.6) |
| Interest and other costs of finance paid | | (2.5) | (4.6) |
| Capital asset charge payments | | (1,201.4) | (1,116.7) |
| Maintenance | | (188.7) | (197.1) |
| Other property management expenses | | (192.9) | (200.2) |
| Total payments | | (17,784.8) | (16,765.1) |
| Net cash flows from/(used in) operating activities | 7.3.1 | 361.9 | 315.1 |
| Cash flows from investing activities | | | |
| Proceeds from the sale of non-financial assets | | 113.9 | 150.7 |
| Purchase of short-term investments – term deposits | | (116.3) | (71.6) |
| Client loans repaid | | 10.2 | 8.4 |
| Payment for non-financial assets | | (496.8) | (321.6) |
| Client loans granted | | (38.6) | (6.3) |
| Net cash flows from/(used in) investing activities | | (527.6) | (240.5) |
| Cash flows from financing activities | | | |
| Advances received | | 22.0 | 6.2 |
| Owner contributions by Victorian Government – appropriation for capital expenditure purposes | | 274.8 | 187.8 |
| Payments of capital contributions | | (138.2) | (112.2) |
| Repayment of finance leases and borrowings | | 6.6 | (3.7) |
| Net cash flows from/(used in) financing activities | | 165.1 | 78.2 |
| Net increase/(decrease) in cash and deposits | | (0.5) | 152.8 |
| Cash and deposits at beginning of financial year | | 383.7 | 230.8 |
| Cash and deposits at the end of the financial year | 7.3 | 383.2 | 383.7 |

The cash flow statement should be read in conjunction with the notes to the financial statements.

Note:

(i) Goods and services tax (GST) recovered/paid from the Australian Taxation Office is presented on a net basis.

Notes to and forming part of the financial statements for the financial year ended 30 June 2018

1. About this report

The Department of Health and Human Services (the department) is a government department of the State of Victoria, established pursuant to an order made by the Premier under the *Administrative Arrangements Act (No. 202) 2009*. It is an administrative agency acting on behalf of the Crown.

Its principal address is:

Department of Health and Human Services
50 Lonsdale Street
Melbourne VIC 3000

A description of the nature of its operations and its principal activities is included in the report of operations which does not form part of these financial statements.

Basis of preparation

These financial statements are presented in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of *AASB 1004 Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the department.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfer of net liabilities arising from administrative restructurings are treated as distribution to owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effect on the financial statements and estimates, relate to:

- > the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 8.3.2)
- > superannuation expense (refer to Note 3.1.1(b))
- > assumptions for employee benefit provisions based on the likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 3.1.1(b))
- > liability for outstanding insurance claims (refer to Note 6.5).

These financial statements cover the Department of Health and Human Services as an individual reporting entity and include all controlled activities of the department.

The following entities have been consolidated into the department's financial statements pursuant to a determination made by the Minister for Finance under section 53(1) (b) of the *Financial Management Act 1994*. These entities are reported in aggregate and are not controlled by the department:

- > Mental Health Tribunal
- > Commission for Children and Young People
- > the Director of Housing.

Where control of an entity is obtained during the financial year, its results are included in the comprehensive operating statement from the date on which control commenced. Where control ceases during the financial year, the entity's results are included for that part of the period in which control existed. Where entities adopt dissimilar accounting policies and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

In preparing consolidated financial statements for the department, all material transactions and balances between consolidated entities are eliminated.

All amounts in the financial statements have been rounded to the nearest \$1,000,000 unless otherwise stated.

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable AASs which include Interpretations issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 Whole-of-Government and General Government Sector Financial Reporting.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

These annual financial statements were authorised for issue by the Secretary of the Department of Health and Human Services on 29 August 2018.

2. Funding delivery of our services

Introduction

The department's overall objective is to develop and deliver policies, programs and services that support and enhance the wellbeing of all Victorians.

To enable the department to fulfil its objective and provide outputs as described in Section 4, it receives income (predominantly accrual based parliamentary appropriations). The department also receives income from the supply of services and tenancy agreements.

Structure

- 2.1 Summary of income that funds the delivery of our services
- 2.2 Appropriations
- 2.3 Summary of compliance with annual parliamentary and special appropriations
- 2.4 Income from transactions
 - 2.4.1 Interest income
 - 2.4.2 Rental income and income from services
 - 2.4.3 Grants and other income transfers
 - 2.4.4 Fair value of assets and services received free of charge or for nominal consideration
 - 2.4.5 Other income
- 2.5 Annotated income agreements

2.1 Summary of income that funds the delivery of our services

| | Note | 2018 \$M | 2017 \$M |
|--|-------|-----------------|-----------------|
| Output appropriations | 2.3 | 15,013.3 | 13,755.3 |
| Special appropriations | 2.3 | 1,359.8 | 1,334.6 |
| Interest income | 2.4.1 | 10.0 | 8.9 |
| Rental income and income from services | 2.4.2 | 487.0 | 480.9 |
| Grants and other income transfers | 2.4.3 | 991.0 | 871.5 |
| Fair value of assets and services received free of charge or for nominal consideration | 2.4.4 | 3.5 | 136.6 |
| Other income | 2.4.5 | 59.8 | 90.9 |
| Total income from transactions | | 17,924.4 | 16,678.6 |

Income is recognised to the extent it is probable the economic benefits will flow to the department and the income can be reliably measured at fair value. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes. All amounts of income over which the department does not have control are disclosed as administered income (see Note 4.2).

2.2 Appropriations

Once annual parliamentary appropriations are applied by the Treasurer, they become controlled by the department and are recognised as income when applied to the purposes defined under the relevant Appropriations Act.

Output appropriations: Income from the outputs the department provides to the government is recognised when those outputs have been delivered and the relevant Minister has certified delivery of those outputs in accordance with specified performance criteria.

Special appropriations: Under sections 3.6.11, 4.4.11, 4.6.8, 5.4.6, and 6A.4.4(1) of the *Gambling Regulation Act No. 114* of 2003, and section 114 of the *Casino Control Act No. 47* of 1991, income related to the Hospital and Charities Fund and Mental Health Fund is recognised when the amounts appropriated for that purpose are due and payable by the department. The department also receives special appropriations for various purposes approved under section 10 of the *Financial Management Act 1994*.

2.3 Summary of compliance with annual parliamentary and special appropriations

The following table discloses the details of the various annual parliamentary appropriations received by the department for the year.

In accordance with accrual output-based management procedures 'provision of outputs' and 'additions to net assets' are disclosed as 'controlled' activities of the department. Administered transactions are those that are undertaken on behalf of the state over which the department has no control or discretion (refer to Note 4.2).

| | Appropriation Act | | | Financial Management Act 1994 | | | | Total parliamentary authority \$M | Appropriation applied \$M | Variance \$M | | | |
|--------------------------------------|--------------------------|----------------------------|------------------|-------------------------------|---------------------|----------------|-------------------------|-----------------------------------|---------------------------|--------------|--|--|--|
| | Annual appropriation \$M | Advance from Treasurer \$M | Section 3(2) \$M | Section 29 (i) \$M | Section 30 (ii) \$M | Section 32 \$M | Section 35 advances \$M | | | | | | |
| 2018 | | | | | | | | | | | | | |
| Controlled | | | | | | | | | | | | | |
| Provision of outputs | 14,086.5 | 458.3 | — | 664.1 | 36.7 | 108.8 | — | 15,354.4 | 15,013.3 | 341.1 (iii) | | | |
| Additions to net assets | 450.9 | 19.9 | — | 8.2 | (36.7) | 0.6 | — | 443.0 | 255.3 | 187.7 (iv) | | | |
| Administered | | | | | | | | | | | | | |
| Payments made on behalf of the state | 61.0 | — | — | — | — | — | — | 61.0 | 60.3 | 0.7 (v) | | | |
| Total | 14,598.4 | 478.2 | — | 672.3 | — | 109.5 | — | 15,858.4 | 15,328.9 | 529.5 | | | |
| 2017 | | | | | | | | | | | | | |
| Controlled | | | | | | | | | | | | | |
| Provision of outputs | 12,810.7 | 452.5 | — | 576.5 | 15.6 | 198.5 | — | 14,053.8 | 13,755.3 | 298.5 (vi) | | | |
| Additions to net assets | 247.3 | 69.3 | — | 17.2 | (15.6) | — | — | 318.2 | 175.8 | 142.4 (vii) | | | |
| Administered | | | | | | | | | | | | | |
| Payments made on behalf of the state | 0.9 | — | — | — | — | — | — | 0.9 | 0.1 | 0.7 (viii) | | | |
| Total | 13,058.8 | 521.9 | — | 593.7 | — | 198.5 | — | 14,372.9 | 13,931.2 | 441.6 | | | |

Notes:

- (i) Refer to Note 2.5 for further detail.
- (ii) Transfer from the additions to net assets authority to appropriation for provision of outputs mainly relates to capital projects that are delivered via non portfolio agencies and result in output appropriation costs to the Department of Health and Human Services.
- (iii) The provision of outputs variance of \$341.1 million comprises \$70 million relating to funding for services and projects that will be sought in 2018–19, and \$271.1 million relating to output appropriation authority not applied in 2017–18.
- (iv) The additions to net assets variance of \$187.7 million comprises \$2.1 million relating to funding for capital projects that will be delivered in 2018–19 and outyears and \$185.6 million relating to appropriation authority not applied in 2017–18.
- (v) The payments made on behalf of the state variance of \$0.7 million relates to Anzac Day Proceeds Trust fund.
- (vi) The provision of outputs variance of \$298.5 million comprises \$186.7 million relating to funding for services and projects that were sought in 2017–18, and \$111.8 million relating to output appropriation authority not applied in 2016–17.
- (vii) The additions to net assets variance of \$142.4 million comprises \$9.4 million relating to funding for capital projects that were to be delivered in 2017–18 and outyears and \$133.1 million relating to appropriation authority not applied in 2016–17.
- (viii) The payments made on behalf of the State variance of \$0.7 million relates to Anzac Day Proceeds Trust fund.

The following table discloses the details of compliance with special appropriations:

| Authority | Purpose | Appropriation applied | |
|--|---|-----------------------|----------------|
| | | 2018 \$M | 2017 \$M |
| Section 4.4.11 and 4.6.8 of the <i>Gambling Regulation Act No. 114 of 2003</i> | Contribution to the Hospitals and Charities fund | 53.6 | 55.7 |
| Section 5.4.6 of the <i>Gambling Regulation Act No. 114 of 2003</i> | Contribution to the Hospitals and Charities fund and Mental Health Fund | 408.1 | 422.7 |
| Section 114 of the <i>Casino Control Act No. 47 of 1991</i> | Contribution to the Hospitals and Charities fund | 17.5 | 16.1 |
| Section 3.6.11 of the <i>Gambling Regulation Act No. 114 of 2003</i> | Contribution to the Hospitals and Charities fund | 871.1 | 832.9 |
| Section 6A.4.4(1) of the <i>Gambling Regulation Act No. 114 of 2003</i> | Contribution to the Hospitals and Charities fund | 5.6 | 5.6 |
| Section 10 of the <i>Financial Management Act 1994</i> | Access to various Commonwealth grants – provision of outputs | 3.9 | 1.5 |
| Total special appropriations – Provision of outputs | | 1,359.8 | 1,334.6 |
| Section 10 of the <i>Financial Management Act 1994</i> | Access to various Commonwealth grants – ATNAB | 14.6 | 12.0 |
| Total special appropriations – Additions to net assets | | 14.6 | 12.0 |
| Total special appropriations | | 1,374.4 | 1,346.6 |

2.4 Income from transactions

2.4.1 Interest income

| | 2018 \$M | 2017 \$M |
|--|-------------|-------------|
| Interest from financial assets: | | |
| – Interest on short-term deposits | 9.2 | 8.0 |
| – Interest from loans | 0.8 | 0.8 |
| Total interest | 10.0 | 8.9 |

Interest income includes interest received on bank term deposits and other investments. Interest income is recognised using the accruals method which allocates the interest over the relevant period.

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported either as part of income from other economic flows in the net result or as unrealised gains or losses taken directly to equity, forming part of the total change in net worth in the comprehensive result.

2.4.2 Rental income and income from services

| | 2018 \$M | 2017 \$M |
|---|--------------|--------------|
| Rental income raised | 973.2 | 952.8 |
| Rental rebates | (484.1) | (470.1) |
| Rental subsidies – welfare organisations | (9.4) | (9.2) |
| Shared Home Ownership Scheme – rent raised | 2.0 | 2.1 |
| Total net rent receivable | 481.8 | 475.7 |
| Total user charges – rental properties | 4.9 | 5.0 |
| Rendering of services | 0.4 | 0.3 |
| Total rental income and income from services | 487.0 | 480.9 |

Rental income arising from tenancy operating agreements is recognised on a straight-line basis over the terms of the ongoing agreements. This is subject to annual review. Rental rebates or subsidies provided to tenants are recognised on a straight-line basis over the term of the agreements. These are subject to bi-annual review.

Operating leases – lessors

The Department of Health and Human Services provides rental accommodation for a range of clients. These are public rental units that are owned and operated by the Director of Housing which have week-to-week tenancy agreements.

These agreements are subject to the Residential Tenancy Act provisions which allow termination of a lease under certain circumstances, accordingly the future revenue streams from the lease agreements are not required to be reported under AASB 117.

Income from the **supply of services** is recognised by reference to the stage of completion basis. The income is recognised when:

- the amount of the income, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the department.

Under the stage of completion method, income is recognised by reference to labour hours supplied or to labour hours supplied as a percentage of total services to be performed in each annual reporting period.

2.4.3 Grants and other income transfers

| | 2018 \$M | 2017 \$M |
|---|--------------|--------------|
| Department of Treasury and Finance | 91.0 | 51.0 |
| Department of Education and Training | 19.2 | 11.9 |
| Department of Economic Development, Jobs, Transport and Resources | 28.3 | 27.0 |
| Department of Environment, Land, Water and Planning | 5.1 | 7.3 |
| Department of Justice and Regulation | 17.4 | 28.4 |
| Department of Premier and Cabinet | 27.0 | 10.7 |
| Other state departments | 6.2 | 15.6 |
| Court Services Victoria | 3.0 | – |
| Commonwealth Government | 785.8 | 710.8 |
| Melbourne and Olympic Parks Trust | 6.1 | 6.0 |
| Other public bodies | 2.0 | 2.6 |
| Total grants and other income transfers | 991.0 | 871.5 |

Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to the department without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For non-reciprocal grants, the department recognises revenue when the grant is receivable or received.

Some grants are reciprocal in nature (goods or services of an equal value provided by the recipient of the grant to the provider). The department recognises income when it has satisfied its performance obligations under the terms of the grant.

2.4.4 Fair value of assets and services received free of charge or for nominal consideration

| | 2018 \$M | 2017 \$M |
|---|-------------|--------------|
| Land received at fair value | – | 6.5 |
| Buildings received at fair value | 0.2 | 127.1 |
| Plant and equipment received at fair value | 1.2 | 2.7 |
| Other assets received free of charge | 1.0 | – |
| Resources received free of charge | 1.1 | 0.2 |
| Total fair value of assets and services received free of charge or for nominal consideration | 3.5 | 136.6 |

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when control is obtained over them, irrespective of whether these contributions are subject to restrictions or conditions over their use, unless received from another government department or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such a transfer is recognised at its carrying value.

Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not received as a donation.

2.4.5 Other income

| | 2018 \$M | 2017 \$M |
|---------------------------|-------------|-------------|
| State trust accounts | 41.5 | 40.8 |
| Interstate patients | 13.9 | 44.9 |
| Other | 4.4 | 5.2 |
| Total other income | 59.8 | 90.9 |

Other income includes income received from departmental controlled trust funds and is recognised when the department gains control over the funds.

It also includes income received from treasury trusts and from services provided to interstate patients. Other income from services provided to interstate patients is recognised as per agreements for cost reimbursements established between the states on a state-by-state basis.

Where payment is received before services are provided, it is recorded as income in advance in the balance sheet and then recognised as revenue when the service is provided.

2.5 Annotated income agreements

The department is permitted under section 29 of the *Financial Management Act 1994* to have certain income annotated to the annual appropriation. The income which forms part of a section 29 agreement is recognised by the department and the receipts paid into the consolidated fund as an administered item. At the point of income recognition, section 29 provides for an equivalent amount to be added to the annual appropriation.

The following is a listing of annotated income agreements under section 29 of the *Financial Management Act 1994* approved by the Treasurer:

| | 2018 \$M | 2017 \$M |
|--|--------------|--------------|
| User charges, or sales of goods and services | | |
| Albury Wodonga Health (Capital) | 1.5 | 2.0 |
| Albury Wodonga Health (Output) | 105.1 | 102.3 |
| Community Residential Units Accommodation charges includes full Board and Lodging Model (Output) | 27.7 | 27.3 |
| Department of Veteran Affairs Hospital Services (Output) | 95.1 | 115.8 |
| Health Technology Services (Output) | 5.6 | 7.1 |
| Revenue for Services Provided for the National Disability Insurance Agency (Output) | 12.9 | 8.9 |
| Seniors Card Directory Advertising (Output) | 0.6 | 0.4 |
| Seniors Festival Advertising and Sponsorship (Output) | 0.2 | 0.1 |
| viCPlace (Output) | – | 0.2 |
| Transport Accident Commission Agreement (Output) | 90.8 | 75.1 |
| | 339.6 | 339.2 |
| Asset sales | | |
| Proceeds from sale of land and buildings (Capital) | 0.9 | 3.1 |
| | 0.9 | 3.1 |
| Commonwealth Specific Purpose Payments | | |
| National Partnership Agreements | | |
| Adult Public Dental Services (Output) | 33.6 | 19.2 |
| Albury-Wodonga Cardiac Catheterisation Laboratory (Capital) | 0.5 | 3.0 |
| Encouraging More Clinical Trials in Australia (Output) | 0.4 | – |
| Essential Vaccines (Output) | 12.2 | 32.7 |
| Expansion of the BreastScreen Australia Program (Output) | – | 4.3 |
| Health and Hospitals Fund – Albury-Wodonga Regional Cancer Centre (Capital) | 1.1 | – |
| Health and Hospitals Fund – Barwon Integrated Regional Cancer Service, Geelong (Capital) | – | 4.7 |
| Health and Hospitals Fund – Kerang District Hospital Redevelopment (Capital) | – | 4.4 |
| Health and Hospitals Fund – Leongatha Integrated Primary Care Centre (Capital) | 2.3 | – |
| Health Services – National Bowel Cancer Screening Program (Output) | 1.5 | 1.1 |
| Health Services – OzFoodNet (Output) | 0.5 | – |
| Health Services – Vaccine-Preventable Diseases Surveillance Program (Output) | 0.2 | 0.2 |
| Health Services – Victorian Cytology Service (Output) | 10.2 | 9.8 |
| Homes for the Homeless – Homelessness (Output) | 23.2 | 22.8 |
| Improving Local Access to Health Care on Phillip Island (Capital) | 2.0 | – |
| Pay Equity for the Social and Community Services Sector (Output) | 92.5 | – |
| Specialist Disability Services for over 65s (Output) | 74.0 | 71.5 |
| Other | | |
| Aged Care Assessment (Output) | 30.8 | 29.6 |
| Home Support Program (Output) | 0.9 | 3.4 |
| Regional Assessment Services (Output) | 34.0 | 34.0 |
| Human Quarantine Services (Output) | 0.1 | 0.1 |
| National Reform Agenda for Organ and Tissue Donation (Output) | 9.5 | 8.1 |
| National Youth Week (Output) | – | 0.1 |
| Unattached Refugee Children (Output) | 1.4 | 1.4 |
| Women's Safety Measures – Keeping Women Safe in Their Homes (Output) | 1.0 | 0.9 |
| Women's Safety Measures – Local Support Coordinator (Output) | 0.2 | 0.2 |
| | 331.8 | 251.4 |
| Total annotated income agreements | 672.3 | 593.7 |

3. The cost of delivering services

Introduction

This section provides an account of the expenses incurred by the department in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded. Section 4 discloses aggregated information in relation to the income and expenses by output.

Structure

- 3.1 Expenses incurred in delivery of services
 - 3.1.1 Employee benefits
 - 3.1.2 Grants and other expense transfers
 - 3.1.3 Capital asset charge
 - 3.1.4 Fair value of assets and services provided free of charge or for nominal consideration
 - 3.1.5 Other operating expenses
 - 3.1.6 Other property management expenses

3.1 Expenses incurred in delivery of services

| | Note | 2018 \$M | 2017 \$M |
|--|-------|-----------------|-----------------|
| Employee expenses | 3.1.1 | 1,325.9 | 1,260.3 |
| Grants and other expense transfers | 3.1.2 | 13,905.6 | 13,163.2 |
| Capital asset charge | 3.1.3 | 1,201.4 | 1,116.7 |
| Maintenance | | 188.2 | 192.2 |
| Fair value of assets and services provided free of charge or for nominal consideration | 3.1.4 | 93.7 | 209.6 |
| Other operating expenses | 3.1.5 | 568.3 | 528.4 |
| Other property management expenses | 3.1.6 | 193.2 | 198.4 |
| Total expenses incurred in delivery of services | | 17,476.2 | 16,668.8 |

3.1.1 Employee benefits

3.1.1 (a) Employee benefits – comprehensive operating statement

| | 2018 \$M | 2017 \$M |
|---|----------------|----------------|
| Defined contribution superannuation expense | 87.9 | 81.0 |
| Defined benefit superannuation expense | 13.1 | 13.9 |
| Termination benefits | 2.4 | 0.9 |
| Salaries and wages, annual leave and long service leave | 1,222.6 | 1,164.5 |
| Total employee expenses | 1,325.9 | 1,260.3 |

Employee expenses include all costs related to employment including salaries and wages, leave entitlements, fringe benefits tax, redundancy payments, payroll tax and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. Excluding former employees of the Director of Housing, the department does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the state as the sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the department is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

3.1.1 (b) Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

| | 2018 \$M | 2017 \$M |
|---|--------------|--------------|
| Current provisions: | | |
| Salaries and wages | 20.4 | 15.6 |
| Annual leave | | |
| Unconditional and expected to be settled within 12 months | 72.7 | 67.0 |
| Unconditional and expected to be settled after 12 months | 33.0 | 31.6 |
| Maternity leave | | |
| Unconditional and expected to be settled within 12 months | 6.2 | 6.2 |
| Long service leave | | |
| Unconditional and expected to be settled within 12 months | 19.3 | 21.0 |
| Unconditional and expected to be settled after 12 months | 162.5 | 146.7 |
| Superannuation | | |
| Unconditional and expected to be settled within 12 months | 2.8 | 2.9 |
| Provisions for on-costs | | |
| Unconditional and expected to be settled within 12 months | 16.0 | 16.1 |
| Unconditional and expected to be settled after 12 months | 34.1 | 32.3 |
| Total current provisions for employee benefits | 367.0 | 339.3 |
| Non-current provisions: | | |
| Conditional long service leave entitlements | 21.3 | 19.8 |
| Superannuation | 31.1 | 32.7 |
| Provisions for on-costs | 3.7 | 3.6 |
| Total non-current provisions for employee benefits | 56.2 | 56.0 |
| Total provisions for employee benefits | 423.2 | 395.4 |

Reconciliation of movement in on-cost provision

| | 2018 \$M |
|---|-------------|
| Opening balance | 50.9 |
| Additional provisions recognised | 3.3 |
| Unwind of discount and effect of changes in the discount rate | (0.3) |
| Reduction due to transfer out | – |
| Closing balance | 53.9 |
| Current | 50.2 |
| Non-current | 3.7 |

Wages and salaries, annual leave and sick leave: Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the provisions for employee benefits as 'current liabilities', because the state does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages is recognised in the balance sheet at remuneration rates which are current at the reporting date. As the department expects the liabilities to be wholly settled within 12 months of the reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the department does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Any gain or loss following the revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

Unconditional LSL is disclosed as a current liability; even where the department does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at present value because the department does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Superannuation

The department reports a liability for unfunded superannuation in respect of former employees of the Director of Housing for the shortfall of superannuation benefits paid to former housing staff who retired or resigned on or before 14 December 1987 or were employed by the Director of Housing as at 14 December 1987 and retired or resigned prior to or on 30 June 1994.

This liability represents the shortfall between the total net assets of the superannuation fund at 30 June 2018 and the total benefits that members have accrued up to that date, determined by an actuarial assessment. Information relating to the fund based on the latest actuarial assessment for 30 June 2018 is set out below. The amount expensed in respect of unfunded superannuation represents the contributions made by the department to the superannuation fund, adjusted by the movement in the liability or asset.

| | 2018 \$M | 2017 \$M |
|--|-------------|-------------|
| Reconciliation of the superannuation liability in the balance sheet | | |
| Defined benefit obligation | 33.9 | 35.6 |
| Net liability/(asset) | 33.9 | 35.6 |
| Total obligation and liability in the balance sheet | 33.9 | 35.6 |
| Represented by: | | |
| Current liability | 2.8 | 2.9 |
| Non-current liability | 31.1 | 32.7 |
| Total liability | 33.9 | 35.6 |
| Principal actuarial assumptions | | |
| Discount rate | 2.9% | 2.8% |
| Expected return on plan assets | 7.0% | 7.0% |
| Expected rate of salary increase | 3.3% | 3.4% |
| Inflation | 1.8% | 1.9% |

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each asset class and allowing for the correlations of the investment returns between asset classes. The returns used for each asset class are net of investment tax (where applicable) and investment fees.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Movements in the present value of the defined benefit obligations in the current period were as follows:

| | 2018 \$M | 2017 \$M |
|--|-------------|-------------|
| Opening balance of defined benefit obligation | 35.6 | 38.4 |
| Interest cost | 1.0 | 1.0 |
| Actuarial losses/(gains) | 0.3 | (0.9) |
| Benefits paid | (2.9) | (3.0) |
| Closing balance of defined benefit obligation | 33.9 | 35.6 |

Reconciliation of opening and closing balances of the fair value of plan assets

Movements in the present value of the plan assets in the current period were as follows:

| | 2018 \$M | 2017 \$M |
|---|-------------|-------------|
| Contributions from the employer | 2.9 | 3.0 |
| Benefits paid | (2.9) | (3.0) |
| Closing balance of plan assets | - | - |
| Superannuation expense recognised in the comprehensive operating statement | | |
| Interest cost | 1.0 | 1.0 |
| Actuarial losses/(gains) | 0.3 | (0.9) |
| Total expense recognised in respect of defined benefit plans | 1.2 | 0.1 |

Net actuarial gains or losses reflect the change in superannuation liability that arises due to differences between the assumptions used to calculate the superannuation expense from transactions and actual outcomes. The effect of any change in actuarial assumptions during the period is also included. Net actuarial gains or losses are recognised in the period in which they occur.

3.1.1 (c) Superannuation contributions

Employees of the department are entitled to receive superannuation benefits and the department contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provide benefits based on years of service and final average salary.

As noted before, other than former employees of the Director of Housing, the defined benefit liability is recognised in the Department of Treasury and Finance as an administered liability. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the department.

| | Paid contribution for the year | | Contribution outstanding at year end | |
|-----------------------------------|-----------------------------------|-------------|---|-------------|
| | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M |
| Defined benefit plans | | | | |
| State superannuation fund | 10.8 | 9.2 | – | 3.0 |
| Other | 0.6 | 0.4 | – | 1.4 |
| Defined contribution plans | | | | |
| VicSuper | 61.1 | 58.9 | – | – |
| Other | 28.4 | 22.1 | – | – |
| Total | 100.9 | 90.6 | – | 4.4 |

3.1.2 Grants and other expense transfers

| | 2018 \$M | 2017 \$M |
|---|----------------|----------------|
| State contributions to the Administrator of the Victoria Health Funding Pool | 4,853.1 | 4,272.4 |
| Public hospitals | | |
| Melbourne Health | 297.5 | 224.8 |
| Monash Health | 295.1 | 349.3 |
| Peter MacCallum Cancer Centre | 260.2 | 179.0 |
| Eastern Health | 200.6 | 178.0 |
| Alfred Health | 179.2 | 170.3 |
| The Royal Children's Hospital | 175.9 | 179.3 |
| Austin Health | 149.4 | 113.5 |
| Western Health | 148.3 | 75.9 |
| Albury Wodonga Health | 141.0 | 130.9 |
| Bendigo Health | 131.6 | 678.3 |
| Barwon Health | 120.3 | 111.1 |
| Ballarat Health Services | 102.3 | 109.3 |
| Peninsula Health | 97.0 | 92.1 |
| Goulburn Valley Health | 71.7 | 47.6 |
| Latrobe Regional Hospital | 60.8 | 92.1 |
| The Royal Women's Hospital | 56.4 | 49.2 |
| The Royal Victorian Eye and Ear Hospital | 46.3 | 27.2 |
| Northern Health | 44.6 | 58.1 |
| South West Healthcare | 32.9 | 32.5 |
| Other public hospitals with payments totalling less than \$30 million | 508.8 | 473.1 |
| | 7,972.8 | 7,643.9 |
| Denominational hospitals | | |
| St Vincent's Hospital Melbourne Limited | 104.6 | 109.4 |
| Mercy Hospitals Victoria Limited | 51.2 | 42.3 |
| Other denominational hospitals with payments totalling less than \$30 million | 9.8 | 8.2 |
| | 165.5 | 159.8 |
| Ambulance services | | |
| Ambulance Victoria | 733.8 | 710.8 |
| | 733.8 | 710.8 |

| | 2018 \$M | 2017 \$M |
|--|-----------------|-----------------|
| Other state government agencies | | |
| Dental Health Services Victoria | 193.1 | 176.9 |
| Victorian Institute of Forensic Mental Health | 71.7 | 52.4 |
| Victorian Health Promotion Foundation | 39.4 | 38.4 |
| Victorian Managed Insurance Authority | 47.2 | 27.4 |
| Other state government agencies with payments totalling less than \$30 million | 53.7 | 65.6 |
| | 405.2 | 360.7 |
| Local councils | | |
| Casey City Council | 8.2 | 5.9 |
| City of Kingston | 6.3 | 5.2 |
| City of Greater Geelong | 5.5 | 5.1 |
| Other local councils with payments totalling less than \$5 million | 140.4 | 139.9 |
| | 160.3 | 156.2 |
| Commonwealth Government | | |
| National Blood Authority | 100.9 | 93.4 |
| Department of Health and Ageing | 63.0 | 111.8 |
| Other Commonwealth with payments totalling less than \$30 million | 20.8 | 59.6 |
| | 184.8 | 264.7 |
| Non-government agencies and individuals | | |
| Wesley Mission Victoria | 146.9 | 42.4 |
| Anglicare Victoria | 107.5 | 88.9 |
| Salvation Army Property Trust | 94.1 | 84.7 |
| Berry Street Victoria Incorporated | 90.6 | 79.2 |
| Moira Inc | 69.0 | 69.7 |
| Yooralla | 67.6 | 77.6 |
| Mackillop Family Services Limited | 62.7 | 52.8 |
| Scope Vic Ltd | 56.4 | 66.7 |
| BreastScreen Victoria Inc | 47.9 | 43.3 |
| Victorian Aboriginal Child Care Agency | 42.0 | 29.3 |
| Launch Housing Limited | 40.4 | 49.7 |
| cohealth Ltd | 40.2 | 39.9 |
| Melbourne City Mission Inc | 38.9 | 37.7 |
| Eastern Access Community Health Inc | 38.0 | 38.3 |
| Australian Community Support Organisation | 30.7 | 31.4 |
| Client/Assistance Payments | 708.7 | 677.4 |
| Other non-government agencies with payments totalling less than \$30 million | 2,601.5 | 2,358.3 |
| | 4,283.1 | 3,867.2 |
| Total grants and other expense transfers | 13,905.6 | 13,163.2 |

Transactions in which the department provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant and other expense transfers'. Grants can either be operating or capital in nature.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as grants, subsidies and other transfer payments to public and denominational hospitals, other state government agencies, local councils and non-government agencies and individuals and the state contribution to the National Health Funding Pool.

State funds in the National Health Funding Pool are paid to health agencies for Activity Based Funding initiatives. There are, however, a range of grant payments that remain out of scope for National Health Reform, such as aged care subsidies, home and community care payments and community-based drug and alcohol services that continue to be paid directly to health agencies.

3.1.3 Capital asset charge

| | 2018 \$M | 2017 \$M |
|----------------------|-------------|-------------|
| Capital asset charge | 1,201.4 | 1,116.7 |

A **capital asset charge** is a charge levied on the written down value of controlled non-current physical assets in a department's balance sheet. It aims to attribute to the department outputs, a cost of capital used in service delivery. Imposing this charge provides incentives for the department to identify and dispose of underutilised or surplus non-current physical assets.

The capital asset charge is calculated on the budgeted carrying amount of applicable non-financial physical assets.

3.1.4 Fair value of assets and services provided free of charge or for nominal consideration

| | 2018 \$M | 2017 \$M |
|---|-------------|--------------|
| Land at fair value ⁽ⁱ⁾ | 36.6 | 146.0 |
| Buildings at fair value ⁽ⁱⁱ⁾ | 55.8 | 63.4 |
| Resources given free of charge | 1.3 | 0.2 |
| Total fair value of assets and services provided free of charge or for nominal consideration | 93.7 | 209.6 |

Note:

(i) Figures include the transfer of Director of Housing owned land of \$36.6 million in 2018 (2017: \$145 million) to Aboriginal Housing Victoria.

(ii) Figures include the transfer of Director of Housing owned buildings of \$55.7 million in 2018 (2017: \$60.1 million) to Aboriginal Housing Victoria.

Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the recipient obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions. The exception to this would be when the resource is received from another government department (or agency) as a consequence of a restructuring of administrative arrangements, in which case such a transfer will be recognised at its carrying value in the transferring department or agency.

Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

3.1.5 Other operating expenses

| | 2018 \$M | 2017 \$M |
|--|--------------|--------------|
| Accommodation and property services | 75.9 | 71.1 |
| Administrative costs | 271.8 | 219.1 |
| Information, communications and technology costs | 148.5 | 123.6 |
| Medicines and drugs / pharmacy supplies | 13.8 | 49.6 |
| Direct care operating costs | 58.3 | 65.0 |
| Total other operating expenses | 568.3 | 528.4 |

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. It also includes bad debts expense from transactions that are mutually agreed.

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

3.1.6 Other property management expenses

| | 2018 \$M | 2017 \$M |
|---|--------------|--------------|
| Rates to local authorities | 116.5 | 113.7 |
| Rental property lease expenses | 11.7 | 12.2 |
| Tenant utilities and other expenses | 65.0 | 72.5 |
| Total other property management expenses | 193.2 | 198.4 |

Other property management expenses generally includes all costs and incidental expenses associated with the management of properties. The bulk of these expenses are rates and utilities.

Home finance operating costs, which were previously reported as a separate line item, is now included in tenant utilities and other expenses.

4. Disaggregated financial information by output

Introduction

The Department of Health and Human Services is predominantly funded by accrual-based parliamentary appropriations for the provision of outputs. This section provides a description of the departmental outputs delivered during the year ended 30 June 2018 along with the objectives of those outputs.

This section disaggregates revenue and expenses that enables the delivery of services (described in Section 2) by output and records the allocation of expenses incurred (described in Section 3) also by output, which form part of controlled balances of the department.

It also provides information on items administered in connection with these outputs.

Judgement is required in allocating income and expenditure to specific outputs. For the period under review there were no amounts unallocated.

The distinction between controlled and administered items is drawn based on whether the department has the ability to deploy the resources in question for its own benefit (controlled items) or whether it does so on behalf of the state (administered). The department remains accountable for transactions involving administered items, but it does not recognise these items in its financial statements.

Structure

- 4.1 Departmental outputs
 - 4.1.1 Descriptions and objectives
 - 4.1.2 Controlled income and expenses
- 4.2 Administered (non-controlled) items
 - 4.2.1 Administered income and expenses
 - 4.2.2 Administered assets and liabilities
- 4.3 Restructuring of administrative arrangements

4.1 Departmental outputs

4.1.1 Departmental outputs – Descriptions and objectives

Output group 1: Acute Health Services

Acute Health Services outputs include a range of timely and high-quality acute hospital inpatient, ambulatory, emergency, community-based and specialist services.

Output group 2: Ambulance Services

Ambulance Services outputs include emergency and non-emergency ambulance services.

Output group 3: Mental Health

Mental Health outputs include a range of inpatient, community-based residential and ambulatory services which treat and support people with a mental illness and their families and carers.

Output group 4: Ageing, Aged and Home Care

Ageing, Aged and Home Care outputs encompass leading and coordinating the whole-of-government policy on issues affecting our ageing community. It includes a range of in home, specialist geriatric, residential care and community-based programs, such as Home and Community Care (HACC), that are targeted to older people, people with a disability, and their carers.

Output group 5: Primary, Community and Dental Health

Primary, Community and Dental Health outputs include a range of in home, community based, community, primary health and dental services designed to promote health and wellbeing and prevent the onset of more serious illnesses.

Output group 6: Small Rural Services

Small Rural Services includes a range of health and aged care services delivered in small rural towns. The funding and service delivery approach focuses on achieving a sustainable, flexible service mix that is responsive to local needs. Service providers include small rural hospitals, community health services, bush nursing centres, multipurpose services and public sector residential aged care services.

Output group 7: Public Health

Public Health outputs encompass services and support, including screening for health conditions and safety inspections that promote and protect the health and wellbeing of all Victorians.

Output group 8: Drug Services

Drug Services outputs include programs and services aimed at promoting and protecting health by reducing death, disease and social harm caused by the use and misuse of licit and illicit drugs.

Output group 9: Disability Services

Disability Services outputs include provision of continuing care and support services for people with disabilities, their carers and their families, and aims to make a positive difference for Victorians experiencing disadvantage.

Output group 10: Child Protection and Family Services

Child Protection and Family Services outputs fund statutory child protection services, family support and parenting services, family violence and sexual assault services, adoption and placement care services and specialist support services to ensure the safety and wellbeing of adolescents and children at risk of harm, abuse and neglect.

Output group 11: Youth Services and Youth Justice

Youth Services and Youth Justice outputs fund a range of services including the provision of advice to courts, community-based and custodial supervision and youth services.

Output group 12: Concessions to Pensioners and Beneficiaries

Concessions to Pensioners and Beneficiaries outputs include the development and coordination of the delivery of concessions and relief grants to eligible consumers and concession card holders.

Output group 13: Empowering Individuals and Communities

Empowering Individuals and Communities outputs fund programs that support community participation including Neighbourhood Houses, Men's Sheds, community support projects and community sport and recreation and programs for youth and people with a disability.

Output group 14: Gender Equality and the Prevention of Family Violence Policy and Programs

Gender Equality and the Prevention of Family Violence Policy and Programs outputs provide initiatives that support women and the prevention of family violence and support the economic, social and civic participation and inclusion of all Victorians.

Output group 15: Family Violence Service Delivery

Family Violence Service Delivery outputs lead and coordinate whole-of-government family violence policy, and implement and deliver the Government's family violence reform agenda.

Output group 16: Housing Assistance

Housing Assistance outputs include the provision of homelessness services, crisis and transitional accommodation and long-term adequate, affordable and accessible housing assistance, coordinated with support services where required, home renovation assistance and the management of the home loan portfolio.

Output group 17: Shared Services

Shared services reflect the range of corporate services that the department provides to the Department of Education and Training. Further details on objectives of each output can be found in Budget Paper No. 3 Service Delivery.

Changes in outputs

The Gender Equality and the Prevention of Family Violence Policy and Programs output and the Family Violence Service Delivery output were transferred from the Department of Premier and Cabinet as a consequence of machinery of government changes announced on 20 June 2017. However, accounts and reports for these outputs for the purpose of the *Financial Management Act 1994* (FMA) were kept and provided from 1 July 2017 as per the Victoria Government Gazette No. 1362 G25 2017. Expenses and income attributable to the transferred outputs for the reporting period are disclosed in Note 4.3 'Restructuring of the administrative arrangements'.

4.1.2 Departmental outputs – Controlled income and expenses

| Output group ⁽ⁱ⁾ 2018 | 1 \$M | 2 \$M | 3 \$M | 4 \$M | 5 \$M | 6 \$M | 7 \$M | 8 \$M | 9 \$M | 10 \$M | 11 \$M | 12 \$M | 13 \$M | 14 \$M | 15 \$M | 16 \$M | 17 \$M | Total ⁽ⁱⁱ⁾ \$M |
|--|----------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|-----------|--------------|--------------|--------------|-------------|----------------|--------------|------------------------------|
| Income from transactions | | | | | | | | | | | | | | | | | | |
| Output appropriations | | | | | | | | | | | | | | | | | | |
| Output appropriations | 6,822.6 | 689.1 | 833.9 | 525.8 | 427.1 | 328.4 | 267.0 | 128.6 | 2,041.0 | 1,373.7 | — | 717.4 | 182.0 | 25.8 | 70.5 | 580.5 | — | 15,013.3 |
| Special appropriations | 1,078.5 | 61.9 | 44.8 | 26.3 | 51.5 | 9.4 | 14.8 | 8.2 | 63.9 | — | — | 0.5 | — | — | — | — | — | 1,359.8 |
| Interest income | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 10.0 | — | 10.0 |
| Rental income and income from services | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 486.3 | 0.7 | 487.0 |
| Grants and other income transfers | 240.7 | 1.2 | 371.7 | 0.7 | 0.4 | 87.4 | 129.0 | 87.7 | 4.7 | 17.6 | — | — | 14.3 | — | 19.2 | 24.8 | 2.1 | 1,001.6 |
| Other income | 36.6 | 0.3 | 2.6 | 2.6 | 0.9 | 1.0 | 1.8 | 0.5 | 6.5 | 2.0 | — | — | 0.6 | — | — | 4.4 | — | 59.8 |
| Fair value of assets and services received free of charge or for nominal consideration | 2.1 | — | — | — | — | — | — | — | 0.3 | — | — | — | — | — | — | 1.1 | — | 3.5 |
| Total income from transactions | 8,180.4 | 752.6 | 1,253.0 | 555.4 | 480.0 | 426.2 | 412.4 | 225.1 | 2,116.5 | 1,393.3 | — | — | 197.4 | 25.8 | 89.7 | 1,107.1 | 2.8 | 17,935.1 |
| Expenses from transactions | | | | | | | | | | | | | | | | | | |
| Employee expenses | | | | | | | | | | | | | | | | | | |
| Employee expenses | 114.0 | 1.6 | 31.5 | 8.2 | 15.4 | 6.5 | 51.1 | 10.6 | 578.9 | 343.4 | — | 8.2 | 18.1 | 4.0 | 22.2 | 110.6 | 1.7 | 1,325.9 |
| Depreciation and amortisation | 10.1 | — | 9.1 | 0.7 | 3.2 | (0.1) | 1.1 | 0.2 | 18.0 | 12.8 | — | — | 1.0 | — | 0.3 | 208.8 | 0.5 | 265.8 |
| Interest expense | 3.3 | — | — | — | — | — | — | — | 0.3 | 0.5 | — | — | — | — | — | — | — | 4.2 |
| Maintenance | 0.2 | — | 0.1 | — | — | — | — | — | 17.3 | 4.4 | — | — | — | — | 0.1 | 166.1 | — | 188.2 |
| Fair value of assets and services provided free of charge or for nominal consideration | — | — | — | — | — | — | — | — | 0.4 | 0.9 | — | — | — | — | — | 92.4 | — | 93.7 |
| Other operating expenses | 153.8 | 3.5 | 15.2 | 17.3 | 8.7 | 3.3 | 55.8 | 9.2 | 107.2 | 111.5 | — | 4.1 | 8.8 | 9.1 | 17.2 | 42.9 | 0.8 | 568.5 |
| Grants and other transfers | 6,812.2 | 716.9 | 1,118.9 | 413.3 | 432.1 | 341.0 | 269.8 | 209.6 | 1,371.4 | 904.9 | — | 705.0 | 171.0 | 13.3 | 36.9 | 399.9 | — | 13,916.1 |
| Capital asset charge | 926.6 | 23.8 | 73.7 | 53.3 | 26.4 | 35.8 | 2.5 | 2.6 | 39.3 | 14.6 | — | — | 1.7 | — | 1.0 | — | — | 1,201.4 |
| Other property management expenses | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 193.2 | — | 193.2 |
| Total expenses from transactions | 8,020.2 | 745.8 | 1,248.5 | 492.8 | 485.8 | 386.5 | 380.2 | 232.4 | 2,132.7 | 1,392.9 | — | 717.4 | 200.6 | 26.5 | 77.5 | 1,213.9 | 3.0 | 17,756.8 |
| Net result from transactions (net operating balance) | 160.2 | 6.8 | 4.5 | 62.7 | (5.9) | 39.7 | 32.2 | (7.3) | (16.2) | 0.3 | — | — | (3.2) | (0.7) | 12.2 | (106.8) | (0.2) | 178.3 |
| Other economic flows included in net result | | | | | | | | | | | | | | | | | | |
| Net gain/(loss) on non-financial assets | | | | | | | | | | | | | | | | | | |
| Net gain/(loss) on non-financial assets | (0.4) | — | — | — | — | — | — | — | 0.8 | 0.7 | — | — | — | — | — | 12.5 | — | 13.6 |
| Net gain/(loss) on financial instruments | | | | | | | | | | | | | | | | | | |
| Net gain/(loss) on financial instruments | 1.2 | — | 0.2 | 0.2 | 0.1 | 0.1 | — | — | — | — | — | — | — | — | — | — | — | 1.8 |
| Other gains/(losses) from other economic flows | | | | | | | | | | | | | | | | | | |
| Other gains/(losses) from other economic flows | (3.2) | 0.1 | 0.6 | 0.5 | 0.2 | 0.2 | 0.2 | 0.1 | (1.3) | (2.1) | — | (0.4) | — | — | (7.1) | — | (12.0) | |
| Total other economic flows included in net result | (2.4) | 0.1 | 0.8 | 0.7 | 0.3 | 0.3 | 0.3 | 0.2 | (0.5) | (1.5) | — | (0.4) | — | — | — | 5.4 | — | 3.4 |
| Net result | 157.8 | 6.9 | 5.3 | 63.4 | (5.6) | 40.0 | 32.5 | (7.1) | (16.7) | (1.2) | — | (0.3) | (3.2) | (0.7) | 12.2 | (101.4) | (0.2) | 181.7 |

Notes:

(i) Refer to Note 4.1.1 for output definitions.

(ii) Total amount may not agree with Comprehensive Operating Statement due to eliminations.

| Output group ⁽ⁱ⁾ 2017 | 1 \$M | 2 \$M | 3 \$M | 4 \$M | 5 \$M | 6 \$M | 7 \$M | 8 \$M | 9 \$M | 10 \$M | 11 \$M | 12 \$M | 13 \$M | 14 \$M | 15 \$M | 16 \$M | 17 \$M | Total ⁽ⁱⁱ⁾ \$M |
|--|----------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|--------------|--------------|--------------|-----------|-----------|----------------|------------|------------------------------|
| Income from transactions | | | | | | | | | | | | | | | | | | |
| Output appropriations | 6,143.9 | 596.0 | 809.0 | 522.0 | 421.3 | 303.8 | 273.7 | 142.5 | 1,931.9 | 1,160.7 | 108.7 | 693.5 | 158.9 | — | — | 489.5 | — | 13,755.3 |
| Special appropriations | 1,062.9 | 59.2 | 42.8 | 25.2 | 49.2 | 9.0 | 14.0 | 7.8 | 63.9 | — | — | — | — | — | 0.4 | — | 1,334.5 | |
| Interest income | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 8.9 | — | 8.9 | |
| Rental income and income from services | — | — | — | — | — | — | — | — | — | — | — | — | — | — | 479.9 | 1.0 | 480.9 | |
| Grants and other income transfers | 224.1 | — | 328.6 | 1.4 | 7.0 | 85.7 | 128.9 | 45.8 | 4.6 | 12.2 | 0.2 | — | 20.0 | — | — | 30.5 | 2.5 | 889.2 |
| Other income | 64.5 | 0.4 | 1.8 | 0.9 | 0.6 | 1.2 | 1.0 | — | 8.1 | 2.5 | 1.4 | — | 0.8 | — | — | 5.2 | — | 90.9 |
| Fair value of assets and services received free of charge or for nominal consideration | — | — | — | — | — | — | — | — | 0.2 | — | — | — | 135.7 | — | — | 0.7 | — | 136.6 |
| Total income from transactions | 7,495.4 | 655.6 | 1,182.2 | 549.4 | 478.2 | 399.6 | 417.7 | 196.2 | 2,008.6 | 1,175.4 | 110.3 | 693.5 | 315.4 | — | — | 1,015.1 | 3.5 | 16,696.3 |
| Expenses from transactions | | | | | | | | | | | | | | | | | | |
| Employee Expenses | 106.3 | 2.6 | 28.6 | 19.3 | 13.0 | 7.7 | 45.2 | 9.6 | 552.6 | 294.8 | 55.0 | 6.6 | 16.1 | — | — | 101.9 | 1.1 | 1,260.3 |
| Depreciation and amortisation | 8.6 | — | 9.1 | 2.1 | 3.6 | — | 1.2 | 0.1 | 18.7 | 9.7 | 3.5 | — | 0.6 | — | — | 212.3 | 0.3 | 269.9 |
| Interest expense | 0.2 | — | — | — | — | — | — | — | 0.4 | 0.5 | — | — | — | — | — | — | — | 1.1 |
| Maintenance | 0.3 | — | 0.1 | 0.1 | — | — | — | — | 10.8 | 4.4 | 5.1 | — | — | — | — | 171.4 | — | 192.2 |
| Fair value of assets and services provided free of charge or for nominal consideration | — | — | — | 0.3 | — | — | — | — | 0.2 | — | — | — | — | — | — | 209.1 | — | 209.6 |
| Other operating expenses | 121.4 | 1.5 | 11.4 | 13.0 | 6.8 | 3.1 | 76.9 | 8.2 | 114.4 | 94.6 | 18.0 | 3.4 | 7.4 | — | — | 46.6 | 1.4 | 528.4 |
| Grants and other transfers | 6,653.4 | 632.1 | 1,042.5 | 408.5 | 412.6 | 320.1 | 235.8 | 176.0 | 1,274.0 | 750.0 | 18.8 | 683.4 | 143.4 | — | — | 430.2 | — | 13,180.8 |
| Capital asset charge | 843.5 | 19.6 | 67.9 | 50.8 | 26.4 | 35.8 | 2.5 | 2.3 | 38.0 | 14.4 | 7.9 | — | 7.7 | — | — | — | — | 1,116.7 |
| Other property management expenses | — | — | — | — | — | — | — | — | — | 0.1 | 0.4 | — | — | — | — | 197.9 | — | 198.4 |
| Total expenses from transactions | 7,733.7 | 655.8 | 1,159.6 | 494.1 | 462.4 | 366.7 | 361.6 | 196.2 | 2,009.1 | 1,168.5 | 108.7 | 693.4 | 175.2 | — | — | 1,369.4 | 2.9 | 16,957.4 |
| Net result from transactions (net operating balance) | (238.3) | (0.2) | 22.5 | 55.4 | 15.7 | 32.9 | 56.2 | (0.1) | (0.4) | 7.1 | 1.6 | — | 140.2 | — | — | (354.3) | 0.7 | (261.1) |
| Other economic flows included in net result | | | | | | | | | | | | | | | | | | |
| Net gain/(loss) on non-financial assets | — | — | — | — | (0.3) | — | 0.1 | — | (2.0) | 0.3 | — | — | — | — | — | (4.1) | — | (6.0) |
| Net gain/(loss) on financial instruments | 1.0 | — | 0.1 | 0.1 | 0.1 | 0.1 | — | — | 0.1 | — | — | — | — | — | — | — | — | 1.5 |
| Other gains/(losses) from other economic flows | 5.3 | 0.2 | 0.8 | 0.4 | 0.3 | 0.5 | 0.3 | 0.1 | 2.3 | (0.5) | 0.4 | — | 0.1 | — | — | (10.8) | — | (0.6) |
| Total other economic flows included in net result | 6.3 | 0.2 | 0.9 | 0.5 | 0.1 | 0.5 | 0.4 | 0.1 | 0.4 | (0.2) | 0.4 | — | 0.1 | — | — | (14.9) | — | (5.1) |
| Net result | (232.0) | — | 23.4 | 55.9 | 15.8 | 33.4 | 56.6 | — | — | 6.9 | 2.0 | — | 140.3 | — | — | (369.2) | 0.7 | (266.2) |

Notes:

(i) Refer to Note 4.1.1 for output definitions.

(ii) Total amount may not agree with Comprehensive Operating Statement due to eliminations.

4.2.1 Administered income and expenses

Administered income includes taxes, fees and fines and the proceeds from the sale of administered surplus land and buildings. Administered expenses includes payments made on behalf of the state and payments into the consolidated fund. Administered assets include government income earned but yet to be collected. Administered liabilities include government expenses incurred but yet to be paid. Except as otherwise disclosed, administered resources are accounted for on an accrual basis using same accounting policies adopted for recognition of the departmental items in the financial statements. Both the controlled department financial statements and these administered items are consolidated into the financial statements of the state.

The department does not gain control over assets arising from taxes, fines and regulatory fees, consequently no income is recognised in the department's financial statements. The department collects these amounts on behalf of the state. Accordingly, the amounts are disclosed as income in the schedule of Administered Items.

| Output group ⁽ⁱ⁾⁽ⁱⁱ⁾ | 1 2018 | 2 \$M | 3 \$M | 4 \$M | 5 \$M | 6 \$M | 7 \$M | 8 \$M | 9 \$M | 10 \$M | 11 \$M | 12 \$M | 13 \$M | 14 \$M | 15 \$M | 16 \$M | 17 \$M | Total \$M |
|--|----------------|----------|--------------|--------------|------------|--------------|--------------|-------------|--------------|--------------|-----------|------------|------------|-----------|-----------|-----------|-----------|-----------------|
| Administered income from transactions | | | | | | | | | | | | | | | | | | |
| Commonwealth contribution to the national health reform | 4,183.8 | – | 519.5 | – | 0.6 | 109.6 | 99.8 | 12.3 | – | – | – | – | – | – | – | – | – | 4,925.6 |
| State contribution to the national health reform | 4,698.3 | – | 154.7 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 4,853.1 |
| State contribution to the National Disability Insurance Agency | – | – | – | – | – | – | – | – | 425.3 | – | – | – | – | – | – | – | – | 425.3 |
| Commonwealth grants | 9.5 | – | – | 65.7 | – | – | 0.2 | – | – | 2.5 | – | – | – | – | – | – | – | 77.9 |
| Sales of goods and services | 275.5 | – | 10.0 | 1.4 | 3.6 | 7.2 | – | 0.6 | 41.5 | 0.1 | – | – | 0.1 | – | – | – | – | 340.1 |
| Appropriations – payments made on behalf of the state | – | – | – | 60.2 | – | – | – | – | – | – | – | – | 0.1 | – | – | – | – | 60.3 |
| Interest income | 0.8 | – | – | – | – | – | – | – | 0.2 | – | – | – | – | – | – | – | – | 1.0 |
| Fees | – | – | – | – | – | – | 10.0 | 0.6 | – | – | – | – | – | – | – | – | – | 10.6 |
| Grants and other income transfers | 58.1 | – | 2.0 | – | 0.3 | – | – | – | 58.1 | – | – | 0.4 | – | – | – | – | – | 118.9 |
| Other | 0.4 | – | 0.1 | – | – | – | 0.2 | – | 9.4 | 0.9 | – | 0.8 | 0.3 | – | – | – | – | 12.2 |
| Fair value of assets and services received free of charge or for nominal consideration | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Total administered income from transactions | 9,226.4 | – | 686.4 | 127.3 | 4.6 | 116.8 | 110.2 | 13.6 | 534.5 | 3.5 | – | 1.2 | 0.6 | – | – | – | – | 10,825.0 |
| Administered expenses from transactions | | | | | | | | | | | | | | | | | | |
| Grants and other expense transfers | 8,696.5 | – | 350.4 | 60.2 | – | – | – | – | 447.6 | – | – | 0.4 | 0.4 | – | – | – | – | 9,555.5 |
| Employee expenses | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Other operating expenses | 0.4 | – | 0.1 | – | – | – | 0.2 | – | 0.3 | 0.5 | – | – | 0.1 | – | – | – | – | 1.7 |
| Payments into the consolidated fund | 301.5 | – | 12.0 | 67.1 | 3.9 | 7.2 | 10.2 | 1.2 | 46.0 | 3.9 | – | 0.8 | 0.1 | – | – | – | – | 453.9 |
| Payment to the departmental controlled entity | 239.6 | – | 323.8 | – | 0.6 | 109.6 | 99.8 | 12.3 | – | – | – | – | – | – | – | – | – | 785.8 |
| Fair value of assets and services provided free of charge or for nominal consideration | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Total administered expenses from transactions | 9,238.0 | – | 686.4 | 127.3 | 4.6 | 116.8 | 110.2 | 13.6 | 493.9 | 4.4 | – | 1.2 | 0.5 | – | – | – | – | 10,796.9 |
| Total administered net result from transactions | (11.6) | – | – | – | – | – | – | – | 40.6 | (0.9) | – | – | – | – | – | – | – | 28.1 |

| Output group ⁽ⁱ⁾⁽ⁱⁱ⁾ 2018 | 1 \$M | 2 \$M | 3 \$M | 4 \$M | 5 \$M | 6 \$M | 7 \$M | 8 \$M | 9 \$M | 10 \$M | 11 \$M | 12 \$M | 13 \$M | 14 \$M | 15 \$M | 16 \$M | 17 \$M | Total \$M |
|---|---------------|----------|----------|----------|----------|----------|----------|----------|--------------|--------------|-----------|-----------|-----------|-----------|-----------|-----------|--------------|--------------|
| Administered other economic flows included in net result | | | | | | | | | | | | | | | | | | |
| Net gain/(loss) on non-financial assets | | | | | | | | | | | | | | | | | | |
| (0.2) | – | – | – | – | – | – | – | – | (0.3) | (0.1) | – | – | – | – | – | – | (0.6) | |
| Other gains/(losses) from other economic flows | – | – | – | – | – | – | – | – | (0.1) | – | – | – | – | – | – | – | (0.2) | |
| Total administered other economic flows | (0.2) | – | (0.4) | (0.1) | – | – | – | – | – | – | (0.7) | |
| Administered net result | (11.7) | – | 40.2 | (1.0) | – | – | – | – | – | – | 27.4 | |

Notes:

(i) Refer to Note 4.1.1 for output group definitions.

(ii) Output group 17: Shared Services is not applicable for administered activities.

| Output group ⁽ⁱ⁾⁽ⁱⁱ⁾ 2017 | 1 \$M | 2 \$M | 3 \$M | 4 \$M | 5 \$M | 6 \$M | 7 \$M | 8 \$M | 9 \$M | 10 \$M | 11 \$M | 12 \$M | 13 \$M | 14 \$M | 15 \$M | 16 \$M | 17 \$M | Total \$M |
|--|----------------|----------|--------------|-------------|-------------|--------------|-------------|-------------|--------------|------------|-----------|------------|------------|-----------|-----------|-----------|----------------|--------------|
| Administered income from transactions | | | | | | | | | | | | | | | | | | |
| Commonwealth contribution to the national health reform | | | | | | | | | | | | | | | | | | |
| 4,062.1 | – | 453.8 | – | 9.5 | 102.2 | 46.8 | 47.8 | – | – | – | – | – | – | – | – | – | 4,722.1 | |
| State contribution to the national health reform | 4,102.8 | – | 169.5 | – | – | – | – | – | – | – | – | – | – | – | – | – | 4,272.4 | |
| State contribution to the National Disability Insurance Agency | – | – | – | – | – | – | – | – | 120.5 | – | – | – | – | – | – | – | 120.5 | |
| Commonwealth grants | 8.1 | – | – | 67.5 | – | – | 0.1 | – | – | 2.5 | – | – | 0.1 | – | – | – | 78.2 | |
| Sales of goods and services | 281.6 | – | 14.2 | 1.6 | 3.6 | – | – | 0.6 | 37.3 | – | – | – | 0.1 | – | – | – | 339.0 | |
| Appropriations – payments made on behalf of the state | – | – | – | – | – | – | – | – | – | – | – | – | 0.1 | – | – | – | 0.1 | |
| Interest income | 1.1 | – | – | – | – | – | – | – | (0.1) | – | – | – | – | – | – | – | 1.0 | |
| Fees | – | – | – | – | – | – | 8.9 | 0.6 | – | – | – | – | – | – | – | – | 9.5 | |
| Grants and other income transfers | 46.1 | – | – | – | 3.3 | – | – | – | 26.2 | 0.1 | – | 0.6 | – | – | – | – | 76.3 | |
| Other | 21.3 | – | 0.1 | – | – | 0.2 | – | 0.3 | 0.3 | – | 0.4 | 0.3 | – | – | – | – | 23.0 | |
| Fair value of assets and services received free of charge or for nominal consideration | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | |
| Total administered income from transactions | 8,523.2 | – | 637.6 | 69.1 | 16.3 | 102.2 | 55.9 | 49.0 | 184.2 | 2.9 | – | 1.0 | 0.6 | – | – | – | 9,642.1 | |

| Output group ⁽ⁱ⁾⁽ⁱⁱ⁾ 2017 | 1 \$M | 2 \$M | 3 \$M | 4 \$M | 5 \$M | 6 \$M | 7 \$M | 8 \$M | 9 \$M | 10 \$M | 11 \$M | 12 \$M | 13 \$M | 14 \$M | 15 \$M | 16 \$M | 17 \$M | Total \$M |
|---|----------------|----------|--------------|---------------|--------------|--------------|--------------|-------------|--------------|--------------|-----------|------------|------------|-----------|-----------|-----------|----------------|--------------|
| Administered expenses from transactions | | | | | | | | | | | | | | | | | | |
| Grants and other expense transfers | 7,995.9 | – | 331.8 | – | – | – | – | – | 145.9 | – | – | 0.6 | 0.1 | – | – | – | 8,474.2 | |
| Employee expenses | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | |
| Other operating expenses | 0.3 | – | 0.1 | – | – | – | 0.2 | – | 0.3 | 0.4 | – | – | 0.1 | – | – | – | 1.4 | |
| Payments into the consolidated fund | 308.6 | – | 14.5 | 71.4 | 6.9 | – | 9.6 | 1.2 | 40.3 | 3.0 | – | 0.4 | 0.2 | – | – | – | 456.0 | |
| Payment to the departmental controlled entity | 213.1 | – | 291.5 | – | 9.5 | 102.2 | 46.8 | 47.8 | – | – | – | – | – | – | – | – | 710.8 | |
| Fair value of assets and services provided free of charge or for nominal consideration | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | |
| Total administered expenses from transactions | 8,517.9 | – | 637.8 | 71.4 | 16.3 | 102.2 | 56.6 | 49.0 | 186.5 | 3.4 | – | 1.0 | 0.3 | – | – | – | 9,642.3 | |
| Total administered net result from transactions | 5.3 | – | (0.2) | (2.3) | – | – | (0.6) | – | (2.3) | (0.4) | – | – | 0.3 | – | – | – | (0.2) | |
| Administered other economic flows included in net result | | | | | | | | | | | | | | | | | | |
| Net gain/(loss) on non-financial assets and liabilities | – | – | 0.2 | (26.5) | (1.5) | – | 0.6 | – | 2.4 | 0.4 | – | – | – | – | – | – | (24.3) | |
| Share of net profits/(losses) of associates and joint venture entities, excluding dividends | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | |
| Other gains/(losses) from other economic flows | – | – | – | (0.4) | – | – | – | – | (0.3) | – | – | – | – | – | – | – | (0.7) | |
| Total administered other economic flows | – | – | 0.2 | (26.9) | (1.5) | – | 0.6 | – | 2.2 | 0.4 | – | – | – | – | – | – | (25.0) | |
| Administered net result | 5.3 | – | – | (29.2) | (1.5) | – | – | – | (0.1) | (0.1) | – | – | 0.3 | – | – | – | (25.3) | |

Notes:

(i) Refer to Note 4.1.1 for output group definitions.

(ii) Output group 17: Shared Services is not applicable for administered activities.

4.2.1 Administered income and expenses (cont.)

| | 2018 \$M | 2017 \$M |
|--|----------------|----------------|
| (b) Grants and other expense transfers | | |
| Public hospitals | | |
| Monash Health | 1,215.4 | 1,112.0 |
| Alfred Health | 711.9 | 666.0 |
| Eastern Health | 690.0 | 641.8 |
| Melbourne Health | 632.2 | 578.2 |
| Western Health | 600.8 | 563.6 |
| Austin Health | 578.4 | 540.4 |
| Barwon Health | 434.3 | 396.6 |
| Northern Health | 430.3 | 369.6 |
| St Vincent's Hospital (Melbourne) Limited | 411.7 | 372.8 |
| The Royal Children's Hospital | 410.2 | 372.2 |
| Peninsula Health | 408.0 | 386.1 |
| Mercy Hospitals Victoria Limited | 290.4 | 263.2 |
| Bendigo Health | 242.6 | 214.7 |
| Ballarat Health Services | 231.8 | 216.4 |
| The Royal Women's Hospital | 195.5 | 192.4 |
| Latrobe Regional Hospital | 171.9 | 147.1 |
| Goulburn Valley Health | 151.5 | 136.0 |
| Peter MacCallum Cancer Centre | 126.5 | 116.0 |
| South West Healthcare | 111.4 | 102.2 |
| Albury Wodonga Health | 103.0 | 99.6 |
| Northeast Health Wangaratta | 92.9 | 86.7 |
| Ramsay Health Care Limited | 88.5 | 87.9 |
| The Royal Victorian Eye and Ear Hospital | 83.0 | 81.7 |
| West Gippsland Health Care Group | 68.6 | 62.6 |
| Bairnsdale Regional Health Service | 56.9 | 50.9 |
| Central Gippsland Health Service | 53.9 | 49.7 |
| Wimmera Health Care Group | 53.3 | 49.8 |
| Echuca Regional Health | 47.4 | 40.3 |
| Djerriwarrh Health Services | 43.2 | 41.5 |
| Bass Coast Health | 43.1 | 36.4 |
| Western District Health Service | 37.1 | 34.0 |
| Swan Hill District Health | 32.9 | 31.6 |
| Other public hospitals with payment totalling less than \$30 million | 188.7 | 178.5 |
| | 9,037.3 | 8,318.5 |
| Commonwealth Government | | |
| National Disability Insurance Agency | 507.8 | 145.9 |
| Other | | |
| Cross Border payment to NSW Health | 9.6 | 9.2 |
| Other organisations with payment totalling less than \$10 million | 0.8 | 0.6 |
| Total Grants and other expense transfers | 9,555.5 | 8,474.2 |

4.2.2 Administered assets and liabilities

| | 2018 \$M | 2017 \$M |
|--|--------------|-------------|
| Administered assets | | |
| Financial assets | | |
| Trust funds | 11.7 | 4.3 |
| Receivables | 103.4 | 41.3 |
| Loans | 3.3 | 3.3 |
| Future service potential ⁽ⁱ⁾ | — | 3.7 |
| Total administered assets | 118.5 | 52.6 |
| Administered liabilities | | |
| Financial liabilities | | |
| Building redevelopment ⁽ⁱ⁾ | — | 3.7 |
| Amounts payable to the consolidated fund | 40.5 | 12.8 |
| Payables | 62.9 | 28.5 |
| Other | 15.0 | 7.6 |
| Total administered liabilities | 118.5 | 52.6 |
| Total administered net assets | — | — |

Note:

- (i) On behalf of the Department of Treasury and Finance, the department administers funding provided under a Health Service Agreement for building redevelopment at St Vincent's Hospital. The amount was fully paid off during 2017–18.

4.3 Restructuring of administrative arrangements

In June 2017, the Victorian Government issued an administrative order restructuring some of its activities via machinery of government changes, taking effect from 1 July 2017. As part of the machinery of government restructure, the department (as transferee) received the Gender Equality and the Prevention of Family Violence Policy and Programs output and the Family Violence Service Delivery output from the Department of Premier and Cabinet (as transferor).

The combined income and expenses for the family violence functions are reported for the period 1 July 2017 to 30 June 2018.

The net assets assumed by the department for the Gender Equality and the Prevention of Family Violence Policy and Programs output and the Family Violence Service Delivery output as a result of the administrative restructure is recognised in the balance sheet at the carrying amount of those assets in the transferor's (Department of Premier and Cabinet) balance sheet immediately before the transfer.

The net asset transfers were treated as a contribution of capital by the state. No income has been recognised by the department in respect of the net asset transferred from the Department of Premier and Cabinet.

| | 2018 Transfer in: Output – Gender Equality and the Prevention of Family Violence Policy and Programs \$M | 2018 Transfer in: Output – Family Violence Service Delivery \$M | 2018 Transfer in: Total \$M |
|--|---|---|--------------------------------------|
| Assets | | | |
| Cash and deposits | 2.0 | 3.0 | 5.0 |
| Receivables | 0.5 | 1.7 | 2.2 |
| Property, plant and equipment | — | 0.4 | 0.4 |
| Liabilities | | | |
| Borrowings | — | 0.1 | 0.1 |
| Payables | 0.1 | 0.2 | 0.3 |
| Employee related provisions | 0.4 | 1.5 | 1.9 |
| Net assets recognised//(transferred) | 2.0 | 3.3 | 5.3 |
| Net capital contribution from the Crown | 2.0 | 3.3 | 5.3 |

5. Key assets available to support output delivery

Introduction

The Department of Health and Human Services controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to the department to be utilised for delivery of those outputs.

Structure

- 5.1 Property, plant and equipment
 - 5.1.1 Depreciation and amortisation
 - 5.1.2 Carrying values by purpose groups
 - 5.1.3 Reconciliation of movements in carrying values
- 5.2 Intangible assets
- 5.3 Investments accounted for using the equity method
 - 5.3.1 Details of joint venture
- 5.4 Short term investments – term deposits

5.1 Total property, plant and equipment

| | Gross carrying amount | | Accumulated depreciation | | Net carrying amount | |
|---|-----------------------|-----------------|--------------------------|----------------|---------------------|-----------------|
| | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M |
| Land at fair value | 20,811.1 | 16,839.6 | – | – | 20,811.1 | 16,839.6 |
| Buildings at fair value | 9,819.5 | 9,650.5 | (828.5) | (605.2) | 8,991.0 | 9,045.3 |
| Plant, equipment and vehicles at fair value | 96.4 | 91.1 | (31.6) | (33.1) | 64.8 | 58.0 |
| Assets under construction at cost | 332.5 | 195.9 | – | – | 332.5 | 195.9 |
| Net carrying amount | 31,059.4 | 26,777.1 | (860.1) | (638.3) | 30,199.3 | 26,138.8 |

Initial recognition

Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal consideration, the cost is the asset's fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

The initial cost of non-financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Also noted that certain assets are acquired under finance leases, which may form part of a service concession arrangement (public private partnership).

Subsequent measurement

Property, plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category.

Non-specialised land and non-specialised buildings are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Specialised land and specialised buildings: The market approach is used for specialised land, although it may be adjusted for a community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants.

For the majority of the department's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciation.

Vehicles are valued using the current replacement cost method. The department acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the department who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for **plant and equipment** is determined using the current replacement cost method.

Refer to Note 8.3 for additional information on fair value determination of property, plant and equipment.

5.1.1 Depreciation and amortisation

Charge for the period

| | 2018 \$M | 2017 \$M |
|---|--------------|--------------|
| Buildings | 227.6 | 231.5 |
| Health and Welfare | 27.5 | 29.4 |
| Public Administration | 1.0 | 0.6 |
| Youth Justice | – | 2.6 |
| Housing | 199.1 | 198.9 |
| Plant, equipment and vehicles | 4.9 | 4.4 |
| Health and Welfare | 4.2 | 4.0 |
| Housing | 0.7 | 0.4 |
| Intangible assets | 21.3 | 21.2 |
| Health and Welfare | 10.7 | 6.4 |
| Housing | 10.5 | 14.8 |
| Motor vehicles under finance lease | 13.5 | 14.6 |
| Health and Welfare | 13.5 | 14.6 |
| Aggregate depreciation and amortisation allocated | 267.2 | 271.7 |
| Less depreciation and amortisation capitalised to carrying amount of other assets during the year | (1.5) | (1.8) |
| Total depreciation and amortisation | 265.8 | 269.8 |

All buildings, plant, equipment, vehicles and other non-current physical assets that have finite useful lives are depreciated. The exceptions to this rule include items under operating leases, assets held for sale and land.

Depreciation is calculated on a straight line basis at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

| Asset class | Useful life |
|-------------------------------|---------------|
| Buildings | 5 to 60 years |
| Plant, equipment and vehicles | 3 to 10 years |
| Intangible assets | 4 to 8 years |

Estimated useful lives remain unchanged since June 2017.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

5.1.2 Carrying values by ‘purpose groups’⁽ⁱ⁾

| Nature based classification | Health and Welfare | | Housing | | Public Administration | | Total | |
|--|--------------------|----------------|-----------------|-----------------|-----------------------|-------------|-----------------|-----------------|
| | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M |
| Land at fair value | | | | | | | | |
| Rental property | — | — | 19,649.3 | 15,979.5 | — | — | 19,649.3 | 15,979.5 |
| Community services | 1,156.1 | 853.3 | — | — | 9.5 | 8.8 | 1,165.5 | 862.1 |
| <i>Less allowance for Shared Home Ownership Scheme equity conversion</i> | — | — | (3.8) | (2.0) | — | — | (3.8) | (2.0) |
| Total land at fair value | 1,156.1 | 853.3 | 19,645.5 | 15,977.5 | 9.5 | 8.8 | 20,811.1 | 16,839.6 |
| Buildings at fair value | | | | | | | | |
| Rental property | — | — | 8,891.3 | 8,856.5 | — | — | 8,891.3 | 8,856.5 |
| Other property – regional offices | — | — | 3.5 | 3.5 | — | — | 3.5 | 3.5 |
| Community services | 901.9 | 769.5 | — | — | 24.8 | 24.8 | 926.7 | 794.3 |
| <i>Less accumulated depreciation</i> | (145.3) | (117.9) | (682.3) | (487.3) | (1.0) | — | (828.5) | (605.2) |
| <i>Less allowance for Shared Home Ownership Scheme equity conversion</i> | — | — | (1.9) | (3.8) | — | — | (1.9) | (3.8) |
| Total buildings at fair value | 756.6 | 651.6 | 8,210.6 | 8,368.8 | 23.8 | 24.8 | 8,991.0 | 9,045.2 |
| Plant, equipment and vehicles at fair value | | | | | | | | |
| Plant, equipment and vehicles | 46.1 | 46.0 | 2.3 | 2.3 | — | — | 48.3 | 48.3 |
| <i>Less accumulated depreciation</i> | (31.2) | (33.2) | (1.4) | (0.7) | — | — | (32.6) | (33.9) |
| | 14.8 | 12.8 | 0.9 | 1.6 | — | — | 15.7 | 14.4 |
| Motor vehicles under finance lease | 48.0 | 42.8 | — | — | — | — | 48.0 | 42.8 |
| <i>Less accumulated depreciation</i> | 1.0 | 0.8 | — | — | — | — | 1.0 | 0.8 |
| | 49.1 | 43.6 | — | — | — | — | 49.1 | 43.6 |
| Total plant, equipment and vehicles at fair value | 63.9 | 56.4 | 0.9 | 1.6 | — | — | 64.8 | 58.0 |
| Assets under construction at cost | | | | | | | | |
| Rental property | — | — | 282.1 | 139.3 | — | — | 282.1 | 139.3 |
| Other property | 49.5 | 56.0 | 0.8 | 0.6 | — | — | 50.3 | 56.6 |
| Total assets under construction at cost | 49.5 | 56.0 | 282.9 | 139.9 | — | — | 332.5 | 195.9 |
| Net carrying amount of property, plant and equipment | 2,026.1 | 1,617.4 | 28,140.0 | 24,487.8 | 33.2 | 33.5 | 30,199.3 | 26,138.7 |

Note:

- (i) Property, plant and equipment are classified primarily by the purpose for which the assets are used, according to one of six purpose groups based upon government purpose classifications. All assets within a purpose group are further subcategorised according to the assets' nature (for example buildings, plant and equipment), with each subcategory being classified as a separate class of asset for financial reporting purposes.

5.1.3 Reconciliation of movements in carrying values of property, plant and equipment

| | Land at fair value \$M | Buildings at fair value \$M | Plant, equipment and vehicles at fair value \$M | Assets under construction at cost \$M | Total \$M |
|--|---------------------------|--------------------------------|---|---|-----------------|
| Balance at 1 July 2016 | 15,163.2 | 9,369.1 | 63.1 | 94.2 | 24,689.6 |
| Capital contributed from asset transfers | | | | | |
| Machinery of government transfer in/(out) | (86.1) | (120.6) | (2.6) | (10.4) | (219.7) |
| Additions | 0.1 | 0.1 | 26.8 | 269.9 | 296.8 |
| Disposals | (66.2) | (63.9) | (10.1) | – | (140.2) |
| Net revaluation increments/(decrements) | 1,981.0 | 16.0 | – | – | 1,997.0 |
| Depreciation and amortisation | – | (231.4) | (19.1) | – | (250.5) |
| Fair value of assets received free of charge or for nominal considerations | 6.5 | 127.1 | 2.8 | – | 136.5 |
| Fair value of assets given free of charge or for nominal considerations | (146.0) | (63.4) | (0.2) | – | (209.6) |
| Transfers in/(out) of assets under construction | 4.1 | 153.7 | – | (157.8) | – |
| Transfers to provision for equity reduction | 1.7 | (2.0) | – | – | (0.3) |
| Transfers (to)/from assets held for sale | – | (8.0) | (0.2) | – | (8.2) |
| Other changes | (18.7) | (131.4) | (2.8) | – | (152.9) |
| Balance at 1 July 2017 | 16,839.6 | 9,045.2 | 58.0 | 195.9 | 26,138.7 |
| Capital contributed from asset transfers | | | | | |
| Machinery of government transfer in/(out) | (0.7) | (0.4) | (0.2) | – | (1.3) |
| Additions | – | 6.3 | 34.4 | 425.8 | 466.5 |
| Disposals | (23.0) | (37.4) | (8.7) | – | (69.1) |
| Net revaluation increments/(decrements) | 4,063.7 | (4.1) | – | – | 4,059.6 |
| Asset impairment | – | – | – | – | – |
| Depreciation and amortisation | – | (227.6) | (18.4) | – | (246.0) |
| Fair value of assets received free of charge or for nominal considerations | – | 0.2 | 1.1 | – | 1.3 |
| Fair value of assets given free of charge or for nominal considerations | (36.6) | (55.8) | (0.1) | – | (92.5) |
| Transfers in/(out) of assets under construction | 17.2 | 271.0 | – | (288.2) | – |
| Transfers to provision for equity reduction | – | – | – | – | – |
| Transfers (to)/from assets held for sale | (45.9) | (6.4) | – | – | (52.3) |
| Other changes | (3.3) | – | (1.2) | (1.1) | (5.6) |
| Balance at 30 June 2018 | 20,811.1 | 8,991.0 | 64.8 | 332.4 | 30,199.3 |

5.2 Intangible assets

| | 2018 \$M | 2017 \$M |
|--|---------------|---------------|
| Gross carrying amount | | |
| Opening balance | 127.5 | 111.5 |
| Additions from internal development | 33.8 | 12.4 |
| Additions | – | 3.5 |
| Disposals or classified as held for sale | – | – |
| Closing balance | 161.3 | 127.5 |
| Accumulated amortisation and impairment | | |
| Opening balance | (63.4) | (42.2) |
| Amortisation of intangible produced assets | (21.3) | (21.2) |
| Closing balance | (84.7) | (63.4) |
| Net book value at end of financial year | 76.6 | 64.1 |

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in *AASB 138 Intangible Assets* is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale
- (b) an intention to complete the intangible asset and use or sell it
- (c) the ability to use or sell the intangible asset
- (d) the intangible asset will generate probable future economic benefits
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

Intangible produced assets with finite useful lives, are amortised as an 'expense from transactions' on a straight line basis over their useful lives.

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

5.3 Investments accounted for using the equity method

The department has an interest in a joint venture with Monash University in the Australian Regenerative Medical Institute (ARMI). This investment is accounted at cost.

5.3.1 Details of joint venture

ARMI was established to construct and operate a facility which will promote Victoria as a global leader in regenerative medical research, foster and develop existing research collaboration on domestic and overseas projects, and provide a major site for undergraduate and postgraduate training programs.

| Name of entity | Country of incorporation | Measurement method | Ownership interest (%) | | Published fair value (\$M) | |
|----------------------|--------------------------|--------------------|------------------------|------|----------------------------|------|
| | | | 2018 | 2017 | 2018 | 2017 |
| Joint venture | | | | | | |
| ARMI ⁽ⁱ⁾ | Australia | Equity method | 20 | 20 | 35.0 | 35.0 |

Note:

- (i) The interest of the department in the joint venture is 20 per cent in accordance with the agreement. The fair value of the ownership interest held by the department is equal to the value of cash invested in the joint venture.

5.4 Short-term investments – term deposits

Short-term investments consist of term deposits maturing more than 90 days from acquisition dates.

6. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from the department's controlled operations.

Structure

- 6.1 Receivables
 - 6.1.1 Movement in the provision for doubtful debt
 - 6.1.2 Ageing analysis of contractual receivables
- 6.2 Loans
 - 6.2.1 Movement in the provision for doubtful contractual loans
 - 6.2.2 Ageing analysis of contractual loans
- 6.3 Prepayments
- 6.4 Payables
 - 6.4.1 Maturity analysis of contractual payables
- 6.5 Other provisions
 - 6.5.1 Reconciliation of movements in other provisions

6.1 Receivables

| | 2018 \$M | 2017 \$M |
|--|----------------|----------------|
| Current receivables | | |
| <i>Contractual</i> | | |
| Tenants in arrears | 12.9 | 12.5 |
| Other receivables | 83.4 | 99.1 |
| <i>Less provision for doubtful contractual receivables</i> | (8.2) | (4.1) |
| | 88.1 | 107.5 |
| <i>Statutory</i> | | |
| Amounts owing from Victorian Government | 1,063.5 | 965.4 |
| GST input tax credit recoverable | 57.9 | 49.1 |
| | 1,121.3 | 1,014.5 |
| Total current receivables | 1,209.5 | 1,122.0 |
| <i>Non-current receivables</i> | | |
| <i>Contractual</i> | | |
| Tenants in arrears | 0.6 | 0.4 |
| <i>Less provision for doubtful contractual receivables</i> | (0.4) | (0.3) |
| | 0.1 | 0.1 |
| <i>Statutory</i> | | |
| Amounts owing from Victorian Government | 1,774.9 | 1,571.0 |
| | 1,774.9 | 1,571.0 |
| Total non-current receivables | 1,775.1 | 1,571.1 |
| Total receivables | 2,984.5 | 2,693.1 |

Contractual receivables are classified as financial instruments and categorised as 'loans and receivables'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Consolidated Fund as the commitments fall due.

6.1.1 Movement in the provision for doubtful debts

| | 2018 \$M | 2017 \$M |
|---|--------------|--------------|
| Balance at beginning of the year | (4.4) | (5.6) |
| Increase in provision recognised in the net result | (19.2) | (6.0) |
| Reversal of provision of receivables written off during the year as uncollectible | 15.0 | 7.2 |
| Balance at the end of the year | (8.6) | (4.4) |

Doubtful debts: Receivables are assessed for bad and doubtful debts on a regular basis. The majority of debts are housing rental debtors. Due to the nature of the debt, long-term payment plans have been implemented.

A provision for doubtful receivables is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with *AASB 136 Impairment of Assets*.

A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. The increase in the provision for the year is recognised in the net result.

Bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off, but included in the provision for doubtful debts, are classified as 'other economic flows' in the net result.

6.1.2 Ageing analysis of contractual receivables

| | Carrying amount \$M | Not past due and not impaired ⁽ⁱ⁾ \$M | Past due but not impaired | | | |
|--------------|------------------------|---|---------------------------|-------------------|-------------------------|------------------|
| | | | Less than 1 month \$M | 1–3 months \$M | 3 months –1 year \$M | 1–5 years \$M |
| 2018 | | | | | | |
| Receivables | 88.4 | 75.1 | 5.8 | 3.5 | 2.2 | 1.8 |
| Total | 88.4 | 75.1 | 5.8 | 3.5 | 2.2 | 1.8 |
| 2017 | | | | | | |
| Receivables | 107.7 | 45.9 | 45.8 | 4.6 | 5.4 | 6.1 |
| Total | 107.7 | 45.9 | 45.8 | 4.6 | 5.4 | 6.1 |

Note:

(i) The amounts disclosed here includes repayments of borrowings that are not scheduled to be repaid in the next 12 months.

The average credit period for receivables is 30 days. There are no material financial assets which are individually determined to be impaired. Currently the department does not hold any collateral as security nor credit enhancements relating to any of its financial assets. There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

6.2 Loans

| | 2018 \$M | 2017 \$M |
|---|--------------|--------------|
| Current loans | | |
| <i>Contractual</i> | | |
| Fixed interest home loans | 1.0 | 1.2 |
| Indexed interest home loans | 8.4 | 9.1 |
| Variable interest home loans | 0.1 | 0.2 |
| Other loans | 13.3 | 8.6 |
| Total current loans | 22.8 | 19.1 |
| Non-current loans | | |
| <i>Contractual</i> | | |
| Fixed interest home loans | 1.4 | 1.6 |
| Indexed interest home loans | 5.0 | 8.0 |
| Community housing loans | 20.2 | 20.2 |
| Other loans | 56.5 | 32.1 |
| Total non-current loans | 83.2 | 61.9 |
| Less provision for return of equity | (0.1) | (0.1) |
| Less provision for doubtful contractual loans | (0.1) | (0.1) |
| Fixed interest home loans | (0.1) | (0.1) |
| Indexed interest home loans | (0.2) | (0.2) |
| Total provision for doubtful contractual loans | (0.3) | (0.3) |
| Total loans | 105.7 | 80.7 |

The department has housing-related loans and loans to health agencies. The majority of housing loans are secured by a registered mortgage. However there are a small number of loans that are on terms in contracts of sale. The title remains in the name of the vendor, Director of Housing as successor in title to the Housing Commission, until the amount owing under the contract of sale is paid in full. Some mortgage relief and home renovation loans are subject to an unregistered mortgage with a caveat on the title noting the Director of Housing as having an interest in the property. The current Home Renovation Service loan program does not require security for loans of \$10,000 or less.

Loans are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, less any impairment.

Defaults and breaches: During the current and prior year, there were no defaults and breaches of any of the loans.

6.2.1 Movement in the provision for doubtful contractual loans

| | 2018 \$M | 2017 \$M |
|---|--------------|--------------|
| Balance at the beginning of the year | (0.3) | (0.3) |
| (Increase)/decrease in allowance recognised in net result | — | — |
| Balance at the end of the year | (0.3) | (0.3) |

Loans are assessed for bad and doubtful debts on a regular basis.

A provision for doubtful contractual loans is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

6.2.2 Ageing analysis of contractual loans

| | Carrying amount \$M | Not past due and not impaired \$M | Past due but not impaired | | | |
|--------------|------------------------|--------------------------------------|---------------------------|-------------------|-------------------------|------------------|
| | | | Less than 1 month \$M | 1–3 months \$M | 3 months –1 year \$M | 1–5 years \$M |
| 2018 | | | | | | |
| Loans | 105.6 | 105.4 | — | — | — | 0.2 |
| Total | 105.6 | 105.4 | — | — | — | 0.2 |
| 2017 | | | | | | |
| Loans | 80.7 | 72.2 | — | — | 8.4 | — |
| Total | 80.7 | 72.2 | — | — | 8.4 | — |

6.3 Prepayments

| | 2018 \$M | 2017 \$M |
|-------------|-------------|-------------|
| Prepayments | 30.1 | 14.1 |

Prepayments represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

6.4 Payables

| | 2018 \$M | 2017 \$M |
|--|----------------|----------------|
| Current payables | | |
| <i>Statutory</i> | | |
| FBT payable | 0.8 | 1.5 |
| <i>Contractual</i> | | |
| Employee benefits payable | 25.2 | 20.7 |
| Supplies and services | 82.9 | 66.7 |
| Amounts payable to government agencies | 405.9 | 393.8 |
| Concession payments to pensioners | 113.6 | 114.5 |
| Tenants in advance | 23.3 | 24.2 |
| Capital works | 44.1 | 27.8 |
| Other | 21.8 | 21.3 |
| Total current payables | 717.6 | 670.5 |
| Non-current payables | | |
| <i>Contractual</i> | | |
| Amounts payable to government agencies | 604.3 | 537.3 |
| Other | 0.8 | 0.8 |
| Total non-current payables | 605.1 | 538.1 |
| Total payables | 1,322.7 | 1,208.6 |

Payables consist of:

- **contractual payables**, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the department prior to the end of the reporting period that are unpaid; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and are not included in financial liabilities at amortised cost, because they do not arise from a contract.

Payables for supplies and services have an average credit period of 30 days.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

The value of loans and other amounts guaranteed by the Treasurer is disclosed as contingent liabilities.

6.4.1 Maturity analysis of contractual payables ⁽ⁱ⁾

| | Carrying amount \$M | Nominal amount \$M | Maturity dates | | | | |
|--------------|------------------------|-----------------------|--------------------------|-------------------|-------------------------|------------------|-----------------|
| | | | Less than 1 month \$M | 1–3 months \$M | 3 months –1 year \$M | 1–5 years \$M | 5+ years \$M |
| | | | 2018 | | | | |
| Payables | 1,321.9 | 1,321.9 | 430.4 | 154.5 | 131.6 | 1.1 | 604.4 |
| Total | 1,321.9 | 1,321.9 | 430.4 | 154.5 | 131.6 | 1.1 | 604.4 |
| 2017 | | | | | | | |
| Payables | 1,207.1 | 1,207.1 | 526.7 | 62.1 | 78.8 | 48.7 | 490.8 |
| Total | 1,207.1 | 1,207.1 | 526.7 | 62.1 | 78.8 | 48.7 | 490.8 |

Note:

(i) Maturity analysis is presented using the contractual undiscounted cash flows.

6.5 Other provisions

| | 2018 \$M | 2017 \$M |
|-------------------------------------|-------------|-------------|
| Current provisions | | |
| Insurance claims | 32.1 | 54.8 |
| Make-good provision | 0.2 | 0.1 |
| Total current provisions | 32.3 | 54.9 |
| Non-current provisions | | |
| Insurance claims | 52.5 | 29.0 |
| Make-good provision | 2.6 | 1.1 |
| Total non-current provisions | 55.0 | 30.1 |
| Total other provisions | 87.3 | 85.1 |

Other provisions are recognised when the department has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

6.5.1 Reconciliation of movements in other provisions

| | Make-good 2018 \$M | Insurance claims 2018 \$M | Total 2018 \$M |
|--|--------------------------|------------------------------------|----------------------|
| Opening balance | 1.2 | 83.8 | 85.1 |
| Additional provisions recognised | 1.5 | – | 1.5 |
| Reductions arising from payments/claims handling expenses/other sacrifices of future economic benefits | – | (34.7) | (34.7) |
| Actuarial revaluations of insurance claims liability inclusive of risk margin | – | 34.6 | 34.6 |
| Unwind of discount and effect of changes in the discount rate | – | 0.9 | 0.9 |
| Closing balance | 2.7 | 84.6 | 87.3 |

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

The **make-good** provision is recognised in accordance with the lease agreement over the building facilities. The Department must remove any leasehold improvements from the leased building and restore the premises to its original condition at the end of the lease term.

Insurance claims: The department engaged the Victorian Managed Insurance Authority (VMIA) under a claims administration agreement to manage non-medical indemnity claims resulting from public healthcare incidents occurring on or after 1 July 2005. These claims are managed by VMIA on behalf of the department under a service level agreement. VMIA has engaged an independent actuary to determine these liability provisions in accordance with the Institute of Actuaries of Australia's professional standard PS300. The estimation of outstanding claims liabilities is based on actuarial modelling including analysis of claims experience, loss trends, risk exposure data and industry data.

7. How we financed our operations

Introduction

This section provides information on the sources of finance utilised by the department during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the department.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 8.1 and 8.3 provide additional, specific financial instrument disclosures.

Structure

- 7.1 Borrowings
 - 7.1.1 Maturity analysis of borrowings
 - 7.1.2 Interest expense
- 7.2 Leases
 - 7.2.1 Finance lease liabilities
- 7.3 Cash flow information and balances
 - 7.3.1 Reconciliation of net result to cash flow from operating activities
- 7.4 Trust account balances
- 7.5 Commitments for expenditure
 - 7.5.1 Total commitments payable
 - 7.5.2 Commitments other than public private partnerships

7.1 Borrowings

| | 2018 \$M | 2017 \$M |
|-------------------------------------|--------------|--------------|
| Current borrowings | | |
| Advances from Victorian Government | 53.4 | 48.0 |
| Finance lease liabilities | 25.6 | 23.3 |
| Total current borrowings | 79.0 | 71.3 |
| Non-current borrowings | | |
| Advances from Victorian Government | 30.0 | 13.4 |
| Finance lease liabilities | 26.1 | 21.8 |
| Total non-current borrowings | 56.1 | 35.2 |
| Total borrowings | 135.1 | 106.5 |

Borrowings are classified as financial instruments. All interest-bearing liabilities are initially recognised at the fair value of the consideration received, less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether the department has categorised its interest-bearing liabilities as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'. The classification depends on the nature and purpose of the interest bearing liabilities. The department determines the classification of interest bearing liabilities at initial recognition.

Defaults and breaches: During the current and previous financial year, there were no defaults or breaches of required conditions, in relation to any of the borrowings.

Advances from Victorian Government are advances from the Department of Treasury and Finance. These advances are non-interest bearing.

Finance lease liabilities are secured by the assets leased. Finance leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

7.1.1 Maturity analysis of borrowings

| | Carrying amount \$M | Nominal amount \$M | Less than 1 month \$M | 1–3 months \$M | 3 months –1 year \$M | 1–5 years \$M | 5+ years \$M |
|------------------------------------|------------------------|-----------------------|--------------------------|-------------------|-------------------------|------------------|-----------------|
| 2018 | | | | | | | |
| Advances from Victorian Government | 83.4 | 83.4 | 53.4 | — | — | 23.4 | 6.6 |
| Finance lease liabilities | 51.7 | 53.6 | 6.1 | 4.1 | 16.5 | 26.9 | — |
| Total | 135.1 | 137.0 | 59.5 | 4.1 | 16.5 | 50.3 | 6.6 |
| 2017 | | | | | | | |
| Advances from Victorian Government | 61.3 | 61.3 | 41.8 | — | 6.2 | 6.6 | 6.8 |
| Finance lease liabilities | 45.1 | 46.7 | 4.8 | 3.3 | 16.3 | 22.3 | — |
| Total | 106.4 | 108.0 | 46.6 | 3.3 | 22.5 | 28.9 | 6.8 |

7.1.2 Interest expense

| | 2018 \$M | 2017 \$M |
|-------------------------------|-------------|-------------|
| Finance lease costs | 0.8 | 0.9 |
| Interest on borrowings | 3.4 | 0.1 |
| Total interest expense | 4.2 | 1.1 |

'Interest expense' includes costs incurred in connection with the borrowing of funds and includes interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings and interest component of finance leases repayments.

Interest expense is recognised in the period in which it is incurred.

The department recognises borrowing costs immediately as an expense, even where they are directly attributable to the acquisition, construction or production of a qualifying asset.

7.2 Leases

7.2.1 Finance lease liabilities (department as lessee)

| | Minimum future lease payments ⁽ⁱ⁾ | | Present value of minimum future lease payments | |
|--|--|-------------|--|-------------|
| | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M |
| Finance lease liabilities payable ⁽ⁱⁱ⁾ | | | | |
| Not longer than one year | 26.7 | 24.4 | 25.6 | 23.3 |
| Longer than one year but not longer than five years | 26.9 | 22.3 | 26.1 | 21.8 |
| Longer than five years | — | — | — | — |
| Minimum future lease liabilities payable | 53.6 | 46.7 | 51.7 | 45.1 |
| Less future finance charges | (1.9) | (1.6) | — | — |
| Present value of minimum lease payments | 51.7 | 45.1 | 51.7 | 45.1 |
| Included in the financial statements as: | | | | |
| Current borrowings lease liabilities (Note 7.1) | — | — | 25.6 | 23.3 |
| Non-current borrowings lease liabilities (Note 7.1) | — | — | 26.1 | 21.8 |
| Total Finance lease liabilities | — | — | 51.7 | 45.1 |

Notes:

(i) Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.

(ii) Finance lease liabilities include obligations that are recognised in the balance sheet; the future payments related to operating and lease commitments are disclosed in Note 7.5.

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The leased asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum finance lease payments are apportioned between the reduction of the outstanding lease liability and the periodic finance expense which is calculated using the interest rate implicit in the lease and charged directly to the consolidated comprehensive operating statement.

Refer to Note 5.1.2 Motor vehicles under finance lease for assets pledged as security.

Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

7.3 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes and are readily convertible to known amounts of cash with an insignificant risk of changes in value.

| | 2018 \$M | 2017 \$M |
|---|--------------|--------------|
| Total cash and deposits disclosed in the balance sheet | | |
| Short-term deposits ⁽ⁱ⁾ | 61.4 | 46.4 |
| Cash at bank ⁽ⁱ⁾ | 25.4 | 23.3 |
| Funds held in trust | 296.7 | 314.4 |
| Cash advances | (0.3) | (0.4) |
| Balance as per cash flow statement | 383.2 | 383.7 |

Note:

- (i) Cash and short-term deposits are committed to a number of significant projects and are expected to be expensed in 2018–19 (as disclosed in Note 7.5).

Due to the state's investment policy and funding arrangements, the department does not hold a large cash reserve in its bank accounts. Cash received from generation of income is generally paid into the state's bank account ('public account'). Similarly, departmental expenditure, including in the form of cheques drawn for the payments to its suppliers and creditors are made via the public account. The public account remits to the department the cash required upon presentation of cheques by the department's suppliers or creditors.

7.3.1 Reconciliation of net result for the period to net cash flows from operating activities

| | 2018 \$M | 2017 \$M |
|---|--------------|----------------|
| Net result for the period | 181.7 | (266.3) |
| Non-cash movements | | |
| (Gain)/loss on sale of non-financial assets | (13.6) | 6.0 |
| Depreciation and amortisation | 265.8 | 269.8 |
| Interest on borrowings | 3.4 | 0.1 |
| Change in net market values of VMIA liability | 37.5 | 33.2 |
| Net gain/(loss) on financial assets | (1.8) | (1.5) |
| Other gains or losses from other economic flows | 12.0 | 0.6 |
| Resources (received)/provided free of charge | 90.1 | 73.0 |
| Movements in assets and liabilities | | |
| (Increase)/decrease in receivables | (181.7) | (63.0) |
| (Increase)/decrease in prepayments | (16.0) | (2.7) |
| Increase/(decrease) in payables | 0.4 | 294.1 |
| Increase/(decrease) in provisions | (15.8) | (28.3) |
| Net cash flows from/(used in) operating activities | 361.9 | 315.1 |

7.4 Trust account balances

The department has responsibility for transactions and balances relating to trust funds held on behalf of third parties external to the department. Funds managed on behalf of third parties are not recognised in these financial statements as they are managed on a fiduciary and custodial basis, and therefore are not controlled by the department.

Any earnings on the funds held pending distribution are also applied to the trust funds under management as appropriate.

The following is a listing of trust account balances relating to trust accounts controlled and administered by the department. During 2017–18, there were no trust accounts closed.

| | 2018 | | | | | | 2017 | | | | | | Closing balance as at 30 June 2017 trust account balance \$M |
|---|---|---|--------------------|--------------------|-----------------------|--|---|--|--------------------|--------------------|-----------------------|-------|--|
| | Opening balance as at 1 July 2017 trust account balance \$M | Machinery of government transfer in \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | Closing balance as at 30 June 2018 trust account balance \$M | Opening balance as at 1 July 2016 trust account balance \$M | Machinery of government transfer out \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | | |
| Controlled trusts | | | | | | | | | | | | | |
| Casey Hospital Escrow Account The trust was established to manage and control payments to the contractor for the completion of the Casey Hospital refurbishment. | 1.6 | – | – | – | 0.6 | 2.1 | 3.2 | – | – | – | – | (1.6) | 1.6 |
| Health State Managed Fund The trust was established under the Health (<i>Commonwealth State Funding Arrangements</i>) Act 2012 No. 40 of 2012 for the purpose of receiving funding for block grants, teaching, training and research. | 2.2 | – | 1,327.8 | 1,327.6 | (0.2) | 2.2 | – | – | 1,199.4 | 1,197.2 | – | – | 2.2 |
| Hospital and Charities Fund The account was established under the <i>Health Services Act 1988</i> to record funding for health service agencies. Monies are paid into the fund from the <i>Gambling Regulation Act No. 114</i> of 2003, <i>Casino Control Act No. 47</i> of 1991 and section 10 of the <i>Financial Management Act 1994</i> . | 195.7 | – | 1,390.9 | 1,400.8 | (35.6) | 150.1 | 55.0 | – | 1,515.8 | 1,339.7 | (35.5) | – | 195.7 |
| Intellectually Handicapped Children's Amenities Fund <i>Intellectually Disabled Persons Act 1986</i> was repealed by the <i>Disability Act 2006</i> . The trust was established to meet the cost of the provision of amenities for children under the age of 16 years in the care of the department. | 0.1 | – | – | – | – | 0.1 | 0.1 | – | – | – | – | – | 0.1 |

| | 2018 | | | | | | 2017 | | | | | | Closing balance as at 30 June 2017 trust account balance \$M |
|--|---|---|--------------------|--------------------|-----------------------|--|---|--|--------------------|--------------------|-----------------------|------|--|
| | Opening balance as at 1 July 2017 trust account balance \$M | Machinery of government transfer in \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | Closing balance as at 30 June 2018 trust account balance \$M | Opening balance as at 1 July 2016 trust account balance \$M | Machinery of government transfer out \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | | |
| Mental Health Fund <i>Gaming Regulation Act 2003.</i> For the establishment and maintenance of mental health services and residential institutions and facilities; for the administration of the <i>Mental Health Act 1986</i> ; for the administration of the <i>Disability Act 2006</i> . | 2.1 | – | 63.9 | 63.9 | – | 2.1 | 2.1 | – | 63.9 | 63.9 | – | 2.1 | |
| Public Health Fund The trust was established by the Minister for Finance in accordance with the National Health Reform Agreement to allow the Department of Health and Human Services to access public health funding contributions paid by the Commonwealth through the National Health Funding Pool and apply this funding to deliver public health activities managed by the state. | 1.0 | – | 153.4 | 155.5 | 1.2 | 0.2 | 3.9 | – | 138.5 | 138.7 | (2.7) | 1.0 | |
| State Development Special Projects Trust Account Established under the <i>Financial Management Act 1994</i> to assist in facilitating, encouraging, promoting and carrying out activities leading to a balanced economic development of the state. | 3.7 | – | 12.4 | 11.0 | – | 5.1 | 2.0 | – | 13.7 | 11.4 | (0.6) | 3.7 | |
| Treasury Trust The trust was established to record the receipt and disbursement of unclaimed monies and other funds held in trust. | 61.7 | 5.0 | 27.7 | 26.1 | (1.5) | 66.7 | 58.1 | (0.3) | 42.7 | 32.0 | (6.7) | 61.7 | |
| Inter-departmental Transfer Trust The trust was established under section 19 of the <i>Financial Management Act 1994</i> by the Minister for Finance to record interdepartmental transfers when no other trust arrangement exists. | 24.4 | – | 158.8 | 139.0 | (1.0) | 43.2 | – | – | 103.7 | 83.1 | 3.8 | 24.4 | |

| | 2018 | | | | | | 2017 | | | | | |
|---|---|---|--------------------|--------------------|-----------------------|--|---|--|--------------------|--------------------|-----------------------|--|
| | Opening balance as at 1 July 2017 trust account balance \$M | Machinery of government transfer in \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | Closing balance as at 30 June 2018 trust account balance \$M | Opening balance as at 1 July 2016 trust account balance \$M | Machinery of government transfer out \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | Closing balance as at 30 June 2017 trust account balance \$M |
| Vehicle Lease Trust Account The trust was established to record transactions relating to the government's vehicle pool and fleet management business. | 23.6 | – | 1.8 | (1.7) | – | 27.1 | 19.7 | – | 1.8 | (2.1) | (0.1) | 23.6 |
| Victorian Health Promotion Fund The trust was established under the <i>Tobacco Act 1987</i> section 32, prior to the abolition by the High Court in July 1997 of taxes on tobacco products. Following the High Court decision, the Act was amended and the source of funding was specified by the Treasurer under section 32(3a). | – | – | 39.1 | 39.1 | – | – | – | – | 38.3 | 38.3 | – | – |
| Total controlled trusts | 316.1 | 5.0 | 3,175.7 | 3,161.3 | (36.5) | 298.9 | 144.2 | (0.3) | 3,117.9 | 2,902.3 | (43.5) | 316.0 |

| | 2018 | | | | | | 2017 | | | | | | Closing balance as at 30 June 2017 trust account balance \$M |
|--|---|---|--------------------|--------------------|-----------------------|--|---|---|--------------------|--------------------|-----------------------|-----|--|
| | Opening balance as at 1 July 2017 trust account balance \$M | Machinery of government transfer in \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | Closing balance as at 30 June 2018 trust account balance \$M | Opening balance as at 1 July 2016 trust account balance \$M | Machinery of government transfer in \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | | |
| Administered trusts | | | | | | | | | | | | | |
| Anzac Day Proceeds Fund, ANZAC DAY Act No. 6198 of 1958, section 4A | 0.4 | – | 0.4 | 0.4 | – | 0.4 | – | – | 0.4 | 0.1 | – | 0.4 | |
| The trust was established under the <i>ANZAC Day Act 1958</i> to receive funds as required to be paid by the <i>Anzac Day Act 1958</i> and the <i>Racing Act 1958</i> and to be credited to the Victorian Veterans Fund. | | | | | | | | | | | | | |
| National Disability Insurance Scheme Trust Account | – | – | 482.9 | 447.6 | (7.0) | 28.3 | – | – | 145.9 | 145.9 | – | – | |
| The trust was established in accordance with a memorandum of understanding (MOU) between Department of Health and Human Services, Department of Education and Training, Taxi Services Commission, and Department of Treasury and Finance. The trust is used solely to manage the state's payments to the National Disability Insurance Agency, as required under the bilateral agreement between the Commonwealth and Victoria that outlines the transition to the National Disability Insurance Scheme. | | | | | | | | | | | | | |
| National Health Funding Pool – Victorian State Pool Fund | – | – | 9,832.7 | 9,832.7 | – | – | – | – | 9,038.5 | 9,038.5 | – | – | |
| The trust was established under the <i>Health (Commonwealth State Funding Arrangements) Act 2012</i> No. 40 of 2012 to record funding made available by the Commonwealth and the state under the National Health Reform Agreement. | | | | | | | | | | | | | |

| | 2018 | | | | | | 2017 | | | | | | Closing balance as at 30 June 2017 trust account balance \$M |
|--|---|---|--------------------|--------------------|-----------------------|--|---|---|--------------------|--------------------|-----------------------|--|--|
| | Opening balance as at 1 July 2017 trust account balance \$M | Machinery of government transfer in \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | Closing balance as at 30 June 2018 trust account balance \$M | Opening balance as at 1 July 2016 trust account balance \$M | Machinery of government transfer in \$M | Total receipts \$M | Total payments \$M | Non-cash movement \$M | Closing balance as at 30 June 2017 trust account balance \$M | |
| Public Service Commuter Club The trust fund was established to record the receipt of amounts associated with the Public Service Commuter Club Scheme and deductions from club members salaries as well as recording payment to the Public Transport Corporation. | (0.8) | – | 1.5 | 1.7 | – | (1.0) | (0.7) | – | 1.3 | 1.3 | – | (0.8) | |
| Revenue Suspense Account Short term clearing account pending correct identification of receipts. | 2.5 | – | 0.4 | – | – | 3.0 | 2.4 | – | 0.1 | – | – | 2.5 | |
| Victorian Natural Disasters Relief Fund The trust was established for the purpose of granting assistance to persons who suffer losses as a result of flood, bushfires and other natural disasters. | – | – | 0.4 | 0.4 | – | – | – | – | 0.6 | 0.6 | – | – | |
| Total administered trusts | 2.1 | – | 10,318.3 | 10,282.7 | (7.0) | 30.7 | 1.7 | – | 9,186.8 | 9,186.4 | – | 2.1 | |

Third party funds under management

Third party funds under management are funds held in trust for certain clients. They are not used for government purposes and therefore not included in the department's financial statements.

In February 2009, the Minister for Finance approved the establishment of the 2009 Victorian Bushfire Appeal Trust Account in the Public Account, as part of the Trust Fund, pursuant to section 19(1) of the *Financial Management Act 1994*.

The purpose of the trust account is the receipt of donations and other contributions, and their disbursement for assistance to individuals and communities in towns, suburbs and rural areas affected by the 2009 Victorian bushfires. Contributions include funds provided by the Victorian, Commonwealth and other jurisdictions, as well as the general public, for the above purpose.

Pursuant to section 21 of the *Financial Management Act 1994*, monies from the 2009 Victorian Bushfire Appeal Trust Account have been invested as allowed under the *Trustee Act 1958*. Interest earned is credited to the trust account.

| | 2018 \$M | 2017 \$M |
|---|-------------|-------------|
| 2009 Victorian Bushfire Appeal Trust account | | |
| Cash at bank | 0.9 | 2.9 |
| Receivable | 0.1 | 0.1 |
| Total funds under management | 1.0 | 3.0 |
| Balance of funds brought forward 1 July 2017 | 3.0 | 3.1 |
| Interest earned | – | 0.1 |
| Total funds available | 3.0 | 3.2 |
| Payments to individuals and communities | 2.0 | 0.2 |
| Total payments | 2.0 | 0.2 |
| Balance carried forward | 1.0 | 3.0 |

7.5 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

7.5.1 Total commitments payable ⁽ⁱ⁾

| | 2018 \$M | 2017 \$M |
|--|----------------|----------------|
| Nominal amounts | | |
| The following commitments have not been recognised as liabilities in the financial statements. | | |
| (a) Capital expenditure commitments | | |
| Less than 1 year | 276.9 | 139.2 |
| Longer than 1 year and not longer than 5 years | 36.9 | 8.0 |
| Total capital commitments | 313.8 | 147.2 |
| (b) Operating lease commitments | | |
| Less than 1 year | 63.9 | 55.9 |
| Longer than 1 year and not longer than 5 years | 203.6 | 166.6 |
| Longer than 5 years | 145.6 | 189.6 |
| Total operating lease commitments | 413.1 | 412.1 |
| (c) Public Private Partnerships (PPPs) commitments | | |
| (i) Royal Women's Hospital | | |
| Less than 1 year | 45.8 | 45.8 |
| Longer than 1 year and not longer than 5 years | 201.2 | 199.6 |
| Longer than 5 years | 571.2 | 627.0 |
| Total Royal Women's Hospital commitments | 818.2 | 872.4 |
| (ii) Casey Hospital | | |
| Less than 1 year | 22.4 | 16.8 |
| Longer than 1 year and not longer than 5 years | 66.8 | 73.0 |
| Longer than 5 years | 143.6 | 157.9 |
| Total Casey Hospital commitments | 232.8 | 247.7 |
| (iii) Royal Children's Hospital | | |
| Less than 1 year | 141.9 | 140.3 |
| Longer than 1 year and not longer than 5 years | 647.2 | 630.5 |
| Longer than 5 years | 2,642.5 | 2,839.6 |
| Total Royal Children's Hospital commitments | 3,431.6 | 3,610.4 |

| | 2018 \$M | 2017 \$M |
|--|-----------------|-----------------|
| Nominal amounts | | |
| (iv) Victorian Comprehensive Cancer Centre | | |
| Less than 1 year | 167.9 | 167.9 |
| Longer than 1 year and not longer than 5 years | 644.6 | 662.2 |
| Longer than 5 years | 2,024.9 | 2,194.9 |
| Total Victorian Comprehensive Cancer Centre commitments | 2,837.4 | 3,025.0 |
| (v) Bendigo Hospital | | |
| Less than 1 year | 65.3 | 62.3 |
| Longer than 1 year and not longer than 5 years | 251.6 | 253.4 |
| Longer than 5 years | 1,664.4 | 1,744.8 |
| Total Bendigo Hospital commitments | 1,981.3 | 2,060.5 |
| Total PPP commitments | 9,301.3 | 9,816.0 |
| (d) Other expenditure commitments | | |
| Less than 1 year | 306.0 | 343.4 |
| Longer than 1 year and not longer than 5 years | 304.2 | 307.0 |
| Longer than 5 years | 75.2 | 42.1 |
| Total other expenditure commitments | 685.4 | 692.5 |
| Total commitments for expenditure (inclusive of GST) | 10,713.6 | 11,067.8 |
| Less GST recoverable from the ATO | 945.4 | 992.1 |
| Total commitments for expenditure (exclusive of GST) | 9,768.2 | 10,075.7 |

Note:

(i) For future finance lease and non-cancellable operating lease payments that are recognised on the balance sheet, refer to Note 7.2 Leases.

PPP commitments

The Minister for Health has entered into five long-term contracts with various private sector consortiums for the design, construction, maintenance and financing of hospital infrastructure assets for Royal Women's Hospital, Casey Hospital, Royal Children's Hospital, the Victorian Comprehensive Cancer Centre and Bendigo Hospital. These arrangements are referred to as public private partnerships (PPP) or service concessions arrangements.

The respective health agency is the operator of the PPP infrastructure assets and consequently recognises the associated assets, finance lease liabilities, transactions and commitments to the private sector provider, in their own financial statements. For additional information relating to these balances, transactions and commitments (including present value information) refer to the relevant health agencies' financial reports.

In the table above, the department has disclosed the total nominal amounts due to the private sector consortiums, as the department has agreed to fund these amounts on behalf of the relevant health sector agencies to satisfy the terms of the PPP arrangements. These amounts include the principal, interest, maintenance and ancillary services payments required over the remaining terms of the contracts. These payments will be funded via appropriation revenue and will be recognised as a grant expense to the health agency.

In September 2017, the department contracted with Plenary Health to expand Casey Hospital as a modification under the existing public private partnership (PPP). The expansion contract term aligns with the existing contract, which expires in 2029. The expansion is expected to be operational in 2019. The Department has not yet quantified the funding required for this project.

7.5.2 Commitments other than PPPs

| | 2018 \$M | 2017 \$M |
|--|----------------|----------------|
| Capital expenditure commitments: Property, plant and equipment and intangibles | 313.9 | 147.2 |
| Operating lease commitments: Properties and equipment | 413.1 | 412.1 |
| Other expenditure commitments: Provision of services ⁽ⁱ⁾ | 685.4 | 692.5 |
| Total commitments other than PPPs (inclusive of GST) | 1,412.4 | 1,251.8 |

Note:

(i) On 27 August 2013, the Minister for Health signed a Services Agreement Restructure Deed and other relevant documents in accordance with Part 3A of the *Health Services Act 1988* with the owners of Mildura Base Hospital, the Motor Trades Association of Australia Superannuation Fund (MTAA), and the other parties to the transaction. In accordance with the restructure agreement, the MTAA agreed to surrender the 99-year lease of the site, transfer the building, plant and equipment on site to the state, and forego the service delivery franchise. In exchange the government made a restructure fee payment to the MTAA and agreed to accept liability for the outstanding bond payments relating to a previous financing arrangement for the hospital. The formal transfer of the site occurring on 30 August 2013. Mildura Hospital continues to be operated by Ramsay Health Care Group until 15 September 2020. However, there is provision for a further two years extension if both the Minister and Ramsay Health Care Group agree.

8. Risks, contingencies and valuation judgements

Introduction

The Department of Health and Human Services is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information (including exposures to financial risks), as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the department related mainly to fair value determination.

Structure

- 8.1 Financial instruments specific disclosures
- 8.2 Contingent assets and contingent liabilities
- 8.3 Fair value determination

8.1 Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the department's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in *AASB 132 Financial Instruments: Presentation*.

Guarantees issued on behalf of the department are financial instruments because, although authorised under statute, terms and conditions for each financial guarantee may vary and are subject to an agreement.

Categories of financial instruments

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment. The department recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)
- term deposits
- loan receivables.

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method. The department recognises the following liabilities in this category:

- payables (excluding statutory payables)
- borrowings (including finance lease liabilities).

Offsetting financial instruments: Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, the department concerned has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where the department does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

Derecognition of financial assets: A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the department retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement, or
- the department has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset, or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the department has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the department's continuing involvement in the asset.

Impairment of financial assets: At the end of each reporting period, the department assesses whether there is objective evidence that a financial asset or group of financial assets are impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

The allowance is the difference between the financial asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with *AASB 136 Impairment of Assets*.

Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

8.1.1 Financial instruments: categorisation

| | Contractual financial assets – loans and receivables \$M | Contractual financial liabilities at amortised cost \$M | Total \$M |
|--|--|--|----------------|
| 2018 | | | |
| Contractual financial assets | | | |
| Cash and deposits | 383.2 | – | 383.2 |
| Receivables ⁽ⁱ⁾ | 88.3 | – | 88.3 |
| Loans | 105.7 | – | 105.7 |
| Short-term investments – term deposits | 534.8 | – | 534.8 |
| Total contractual financial assets | 1,112.0 | – | 1,112.0 |
| Contractual financial liabilities | | | |
| Payables ⁽ⁱ⁾ | – | 1,321.9 | 1,321.9 |
| Borrowings | – | 81.7 | 81.7 |
| Total contractual financial liabilities | – | 1,403.6 | 1,403.6 |
| 2017 | | | |
| Contractual financial assets | | | |
| Cash and deposits | 383.7 | – | 383.7 |
| Receivables ⁽ⁱ⁾ | 107.6 | – | 107.6 |
| Loans | 80.7 | – | 80.7 |
| Short-term investments – term deposits | 418.5 | – | 418.5 |
| Total contractual financial assets | 990.5 | – | 990.5 |
| Contractual financial liabilities | | | |
| Payables ⁽ⁱ⁾ | – | 1,207.1 | 1,207.1 |
| Borrowings | – | 64.7 | 64.7 |
| Total contractual financial liabilities | – | 1,271.8 | 1,271.8 |

Note:

(i) The total amounts disclosed here exclude statutory amounts, for example, amounts owing to/from Victorian Government and GST input tax credit recoverable and taxes payable. Refer to Note 6.1 for the breakdown of contractual and statutory receivables.

8.1.2 Financial instruments: net holding gain/(loss) on financial instruments by category

| | Total interest income / (expense) \$M | Total \$M |
|--|---|--------------|
| 2018 | | |
| Contractual financial assets | | |
| Cash and deposits | — | — |
| Receivables ⁽ⁱ⁾ | — | — |
| Loans | 0.8 | 0.8 |
| Short-term investments – term deposits | 9.2 | 9.2 |
| Total contractual financial assets | 10.0 | 10.0 |
| Contractual financial liabilities | | |
| Payables ⁽ⁱ⁾ | — | — |
| Borrowings | (4.2) | (4.2) |
| Total contractual financial liabilities | (4.2) | (4.2) |
| 2017 | | |
| Contractual financial assets | | |
| Cash and deposits | — | — |
| Receivables ⁽ⁱ⁾ | — | — |
| Loans | 0.8 | 0.8 |
| Short-term investments – term deposits | 8.0 | 8.0 |
| Total contractual financial assets | 8.8 | 8.8 |
| Contractual financial liabilities | | |
| Payables ⁽ⁱ⁾ | — | — |
| Borrowings | (1.1) | (1.1) |
| Total contractual financial liabilities | (1.1) | (1.1) |

Note:

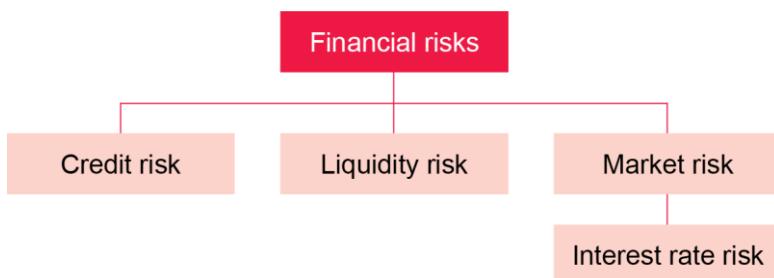
- (i) The total amounts disclosed here exclude statutory amounts, for example, amounts owing to/from Victorian Government and GST input tax credit recoverable and taxes payable.

The net holding gains or losses disclosed above are determined as follows:

- for cash and cash equivalents, loans and receivables, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, and minus any impairment recognised in the net result;
- for financial liabilities measured at amortised cost, the net gain or loss is the interest expense.

8.1.3 Financial risk management objectives and policies

The department is exposed to a number of financial risks, including:



As a whole, the department's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 8.1.

The main purpose in holding financial instruments is to prudentially manage the department's financial risks within the government policy parameters.

The department's main financial risks include credit risk, liquidity risk and interest rate risk. The department manages these financial risks in accordance with its financial risk management policy.

The department uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the accountable officer of the department.

8.1.3.1 Financial instruments: credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The department's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the department. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the department's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Victorian Government and home loan recipients, it is the department's policy to only deal with entities with high credit ratings of a minimum triple B rating and to obtain sufficient collateral or credit enhancements, where appropriate.

In addition, the department does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, the department's policy is to only deal with banks with high credit ratings.

Provision for impairment for contractual financial assets is recognised when there is objective evidence that the department will not be able to collect a receivable.

Provision for impairment for financial assets is calculated based on past experience, and current and expected changes in client credit ratings, or when there is objective evidence that the department will not be able to collect a receivable. Tenant loans are made up of small amounts therefore the likelihood of default are considered immaterial.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial report statements, net of any allowances for losses, represents the department's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to the department's credit risk profile in 2017–18.

Credit quality of contractual financial assets that are neither past due nor impaired

| | Financial institutions Double-A credit rating Total \$M | Government agencies Triple-A credit rating Total \$M | Credit ratings not disclosed \$M | Total \$M |
|---|---|--|-------------------------------------|----------------|
| 2018 | | | | |
| Cash and deposits | 25.1 | 358.1 | — | 383.2 |
| Receivables (i) (ii) | — | — | 88.3 | 88.3 |
| Loans (ii) | — | — | 105.7 | 105.7 |
| Short-term investments – term deposits | — | 534.8 | — | 534.8 |
| Total contractual financial assets | 25.1 | 892.9 | 194.0 | 1,112.0 |
| 2017 | | | | |
| Cash and deposits | 22.9 | 360.7 | — | 383.7 |
| Receivables (i) (ii) | — | — | 107.6 | 107.6 |
| Loans (ii) | — | — | 80.7 | 80.7 |
| Short-term investments – term deposits | — | 418.5 | — | 418.5 |
| Total contractual financial assets | 22.9 | 779.2 | 188.3 | 990.5 |

Notes:

(i) The total amounts disclosed here exclude statutory amounts, for example, amounts owing from Victorian Government, GST input tax credit recoverable and other taxes payable.

(ii) The carrying amounts consist of amounts due from numerous counterparties for which no credit ratings have been disclosed due to impracticability.

8.1.3.2 Financial instruments: liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. The department operates under the government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution.

The department is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees. The department manages its liquidity risk by:

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- holding investments and other contractual financial assets that are readily tradeable in the financial markets
- careful maturity planning of its financial obligations based on forecasts of future cash flows
- a high credit rating for the State of Victoria (Moody's Investor Services, Standard & Poor's triple-A, which assists in accessing debt market at a lower interest rate).

The department's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The carrying amount detailed in Notes 6.4.1 and 7.1.1, of contractual financial liabilities recorded in the financial statements, represents the department's maximum exposure to liquidity risk.

8.1.3.3 Financial instruments: market risk

The department's exposures to market risk is primarily through interest rate risk. The department's exposure to other price risks is insignificant. Objectives, policies and processes used to manage the risk are disclosed below.

Sensitivity disclosure analysis and assumptions

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the department believes the following movements are 'reasonably possible' over the next 12 months:

- A shift of +0.5% and –0.5% (2017: +0.5% and –0.5%) in market interest rates (AUD) from year-end cash deposits.

Several loan programs have loans with interest rates linked to movement in the consumer price index (CPI). The total balances outstanding under these programs have reduced to a level that any changes to the CPI have a limited impact on the amount of interest charged and no new lending is made under these programs.

The tables that follow show the impact on the department's net result and equity for each category of financial instrument held by the department at the end of the reporting period, if the above movements were to occur.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The department does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The department has minimal exposure to cash flow interest rate risks through cash and deposits and term deposits.

Exposure to interest rate risk is insignificant and might arise primarily through the department's interest-bearing assets. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments. For financial liabilities, the department mainly incurs financial liabilities with relatively even maturity profiles.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the department's sensitivity to interest rate risk are set out in the table that follows.

Interest rate exposure of financial instruments

| | Weighted average effective interest rate (%) | Carrying amount \$M | Interest rate exposure | | | | |
|--|--|---------------------|-------------------------|----------------------------|--------------------------|--|--|
| | | | Fixed interest rate \$M | Variable interest rate \$M | Non-interest bearing \$M | | |
| 2018 | | | | | | | |
| Financial assets | | | | | | | |
| Cash and deposits | 0.3% | 383.2 | – | 89.4 | 293.7 | | |
| Receivables ⁽ⁱ⁾ | | 88.3 | 0.8 | – | 87.5 | | |
| Loans | 4.1% | 105.7 | 2.4 | 12.9 | 90.4 | | |
| Short-term investments – term deposits | 2.1% | 534.8 | 534.8 | – | – | | |
| Total financial assets | | 1,112.0 | 537.9 | 102.3 | 471.7 | | |
| Financial liabilities | | | | | | | |
| Payables ⁽ⁱ⁾ | | 1,321.9 | – | – | 1,321.9 | | |
| Borrowings | 3.3% | 81.7 | 51.7 | – | 30.0 | | |
| Total financial liabilities | | 1,403.6 | 51.7 | – | 1,351.9 | | |
| 2017 | | | | | | | |
| Financial assets | | | | | | | |
| Cash and deposits | 1.5% | 383.7 | – | 64.8 | 318.8 | | |
| Receivables ⁽ⁱ⁾ | | 107.6 | – | – | 107.6 | | |
| Loans | 4.8% | 80.7 | 2.8 | 16.5 | 61.4 | | |
| Short-term investments – term deposits | 1.9% | 418.5 | 418.5 | – | – | | |
| Total financial assets | | 990.5 | 421.2 | 81.3 | 487.9 | | |
| Financial liabilities | | | | | | | |
| Payables ⁽ⁱ⁾ | | 1,207.1 | – | – | 1,207.1 | | |
| Borrowings | 3.6% | 64.7 | 45.1 | – | 19.6 | | |
| Total financial liabilities | | 1,271.8 | 45.1 | – | 1,226.7 | | |

Note:

- (i) The carrying amounts disclosed here exclude statutory amounts, for example, amounts owing to/from Victorian Government and GST input tax credit recoverable and taxes payable.

8.1.3.3 Financial instruments: Market risk

Interest rate risk sensitivity analysis

| | Carrying amount | Interest rate risk | | Consumer Price Index (CPI) | | |
|--|-----------------|--------------------|------------|----------------------------|------------|--|
| | | -0.50% | +0.50% | -0.25% | 1.50% | |
| | | \$M | \$M | \$M | \$M | |
| 2018 | | | | | | |
| Contractual financial assets | | | | | | |
| Cash and deposits ⁽ⁱ⁾ | 383.2 | (0.4) | 0.4 | – | – | |
| Receivables ^{(ii) (iii)} | 88.3 | – | – | – | – | |
| Loans ⁽ⁱⁱⁱ⁾ | 105.7 | (0.1) | 0.1 | – | 0.2 | |
| Short-term investments – term deposits | 534.8 | – | – | – | – | |
| Total impact | 1,112.0 | (0.5) | 0.5 | – | 0.2 | |
| Contractual financial liabilities | | | | | | |
| Payables ⁽ⁱⁱⁱ⁾ | 1,321.9 | – | – | – | – | |
| Borrowings ^(iv) | 81.7 | – | – | – | – | |
| Total impact | 1,403.6 | – | – | – | – | |
| | | | | | | |
| | Carrying amount | Interest rate risk | | Consumer Price Index (CPI) | | |
| | | -0.50% | +0.50% | -0.25% | 1.50% | |
| | | \$M | \$M | \$M | \$M | |
| 2017 | | | | | | |
| Contractual financial assets | | | | | | |
| Cash and deposits ⁽ⁱ⁾ | 383.7 | (0.2) | 0.2 | – | – | |
| Receivables ^{(ii) (iii)} | 107.6 | – | – | – | – | |
| Loans ⁽ⁱⁱⁱ⁾ | 80.7 | (0.1) | 0.1 | – | 0.2 | |
| Short-term investments – term deposits | 418.5 | (2.1) | 2.1 | – | – | |
| Total impact | 990.5 | (2.4) | 2.4 | – | 0.2 | |
| Contractual financial liabilities | | | | | | |
| Payables ⁽ⁱⁱⁱ⁾ | 1,207.1 | – | – | – | – | |
| Borrowings ^(iv) | 64.7 | – | – | – | – | |
| Total impact | 1,271.8 | – | – | – | – | |

Notes:

- (i) All cash and deposits are held in Australian dollars and were held on deposits at fixed and variable interest rates. This item is not subject to any other identified risk sensitivities.
- (ii) The carrying amount is denominated in Australian dollars and is non-interest bearing. This item is not subject to the identified risk sensitivities.
- (iii) The total amounts disclosed here exclude statutory amounts, for example, amounts owing to/from Victorian Government and GST input tax credit recoverable and taxes payable.
- (iv) Borrowings are denominated in Australian dollars. \$51.7 million (2017: \$45.1 million) relates to finance lease liabilities associated with motor vehicles. Each contract has interest fixed at the inception of the lease.

8.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a disclosure and, if quantifiable, are stated at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, 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.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

| | | 2018 \$M | 2017 \$M |
|---------------------------------------|--|-------------|-------------|
| Quantifiable contingent assets | | | |
| | Details and estimates of contingent assets are as follows: | | |
| (a) | Bank guarantee held for: | | |
| | – satisfactory performance of IT Managed Services contract | – | 0.8 |
| | – building contracts. | 14.2 | 14.0 |
| (b) | Letter of comfort held for Community Chef recallable grant | 2.9 | 2.9 |
| (c) | The department provided recallable capital grants to a number of hospitals and these are recallable by way of future cash flow adjustments. The department has not taken any decision in respect of the need for the recipient hospitals to bear those future cash flow adjustments at this time. Decisions about whether recallable grants are to be repaid are solely at the discretion of the department in consideration of the outcomes arising from the expenditure of the grant funds and other policy considerations. As such, hospitals at this time have no obligation to repay the recallable grant unless the department determines at some point in the future that a cash flow adjustment in respect of the recallable grant is warranted. | 0.2 | 0.7 |
| (d) | Litigation for the recovery of costs in relation to defective construction work. | 2.1 | 1.7 |
| Total | | 19.4 | 20.0 |

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, 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
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations, or
 - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

| | | 2018 \$M | 2017 \$M |
|--|---|-------------|-------------|
| Quantifiable contingent liabilities | | | |
| (a) | The Department of Health and Human Services has estimated that potential liability exists in respect of a number of legal actions instigated by clients and their representatives, employees and others, and other contractual liabilities. | 4.4 | 2.4 |
| Total | | 4.4 | 2.4 |

Non-quantifiable contingent liabilities

In response to the concerns of some health services, the department has undertaken to provide certain health services adequate cash flow support to enable these health services to meet their current and future obligations as and when they fall due for a period up to September 2019 should this be required. In line with processes already established by the department, it is expected that each health service that has been pledged this support will:

- continue to provide monthly advice on its financial position, including the likelihood of any short-term liquidity issues
- commit to achieve the agreed budget targets, and all other requirements of their service agreements or statement of priorities in 2018–19.

8.3 Fair value determination

This section sets out information on how the department determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through ‘other comprehensive income’
- land, buildings, plant and equipment.

In addition, the fair values of other assets and liabilities which are carried at amortised cost, also need to be determined for disclosure purposes.

The department determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The department determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is the department’s independent valuation agency. The department, in conjunction with VGV, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value)
- which level of the fair value hierarchy was used to determine the fair value
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer Note 8.3.1) and non-financial physical assets (refer Note 8.3.2).

8.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instruments with standard terms and conditions and traded in active markets are determined with reference to quoted market prices
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The department currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair values, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2017–18 reporting period.

The fair value of the financial instruments is the same as the carrying amounts.

8.3.2 Fair value determination of non-financial physical assets

Fair Value measurement hierarchy

| 2018 | Carrying amount \$M | Fair value measurement at end of reporting period using: | | |
|--|------------------------|--|------------------------|------------------------|
| | | Level 1 ⁽ⁱ⁾ | Level 2 ⁽ⁱ⁾ | Level 3 ⁽ⁱ⁾ |
| | | \$M | \$M | \$M |
| Land at fair value | | | | |
| Non-specialised land | 20,159.0 | – | 20,150.8 | 8.2 |
| Specialised land | 652.1 | – | 91.6 | 560.5 |
| Total land at fair value | 20,811.1 | – | 20,242.4 | 568.7 |
| Buildings at fair value | | | | |
| Non-specialised building | 8,465.8 | – | 8,465.4 | 0.4 |
| Specialised building | 507.2 | – | 0.9 | 506.3 |
| Total buildings at fair value | 8,973.0 | – | 8,466.3 | 506.7 |
| Plant, equipment and vehicles at fair value | | | | |
| Plant and equipment | 14.3 | – | – | 14.3 |
| Motor vehicles | 1.4 | – | – | 1.4 |
| Total plant, equipment and vehicles at fair value | 15.7 | – | – | 15.7 |

| 2017 | Carrying amount \$M | Fair value measurement at end of reporting period using: | | |
|--|------------------------|--|------------------------|------------------------|
| | | Level 1 ⁽ⁱ⁾ | Level 2 ⁽ⁱ⁾ | Level 3 ⁽ⁱ⁾ |
| | | \$M | \$M | \$M |
| Land at fair value | | | | |
| Non-specialised land | 16,362.7 | – | 16,357.7 | 5.0 |
| Specialised land | 476.9 | – | 57.0 | 419.9 |
| Total land at fair value | 16,839.6 | – | 16,414.6 | 424.9 |
| Buildings at fair value | | | | |
| Non-specialised building | 8,343.8 | – | 8,343.4 | 0.4 |
| Specialised building | 693.0 | – | 266.0 | 427.0 |
| Total buildings at fair value | 9,036.8 | – | 8,609.4 | 427.4 |
| Plant, equipment and vehicles at fair value | | | | |
| Plant and equipment | 13.1 | – | – | 13.1 |
| Motor vehicles | 1.3 | – | – | 1.3 |
| Total plant, equipment and vehicles at fair value | 14.4 | – | – | 14.4 |

Note:

- (i) Classified in accordance with the fair value hierarchy. The department, in conjunction with the Victorian Valuer-General, monitors the changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

Non-specialised land and non-specialised buildings are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

An interim revaluation of the department's land asset class was undertaken in 2017–18 in accordance with FRD103F which specifies that '...an interim revaluation is only conducted after a fair value assessment indicates that the movement in fair value of an asset class since the last interim or scheduled revaluation may be exceptionally material (equal to or greater than 40 per cent)'. The fair value assessment using the cumulative indexed valuations since the last scheduled revaluation was 47.7 per cent for non-specialised and specialised land assets. This triggered an interim revaluation. The interim revaluation resulted in a cumulative movement for the department's land asset class since the last managerial revaluation of 24.1 per cent at 30 June 2018. The effective date of the valuation is 30 June 2018 for 2017–18. The cumulative movement in the department's building asset class was below the 10 per cent threshold needed to trigger an interim managerial revaluation.

Director of Housing land and buildings are primarily held in Level 2 as it is considered that each residential dwelling assessed has an active and liquid market, if not for its ownership and ongoing use by the Department of Health and Human Services for housing purposes. As such, the market value of each residential asset has been determined by having regard to its highest and best use.

Specialised land and specialised buildings: The market approach is used for specialised land, although may be adjusted for a community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land with a CSO adjustment would primarily be classified as Level 3 assets.

For the majority of the department's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are primarily classified as Level 3 fair value measurements.

An independent valuation of the departments' specialised land and specialised buildings was performed by the Valuer-General Victoria in June 2014 using either the market approach or the current replacement cost approach.

An interim revaluation of the department's land asset class was undertaken in 2017–18 in accordance with FRD103F which specifies that '... an interim revaluation is only conducted after a fair value assessment indicates that the movement in fair value of an asset class since the last interim or scheduled revaluation may be exceptionally material (equal to or greater than 40 per cent)'. The fair value assessment using the cumulative indexed valuations since the last scheduled revaluation was 47.7 per cent for non-specialised and specialised land assets. This triggered an interim revaluation. The interim revaluation resulted in a cumulative movement for the department's land asset class since the last managerial revaluation of 36.8 per cent at 30 June 2018. The effective date of the valuation is 30 June 2018 for 2017–18. The cumulative movement in the department's building asset class was below the 10 per cent threshold needed to trigger an interim managerial revaluation.

Vehicles are valued using the current replacement cost method. The department acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the department who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2018.

For all assets measured at fair value, the current use is considered the highest and best use.

Reconciliation of Level 3 fair value movements

| | Non-specialised land \$M | Specialised land \$M | Non-specialised buildings \$M | Specialised buildings \$M | Plant and equipment \$M | Motor vehicles \$M | Total \$M |
|--|-----------------------------|-------------------------|----------------------------------|------------------------------|----------------------------|-----------------------|----------------|
| 2018 | | | | | | | |
| Opening balance | 5.0 | 419.9 | 0.4 | 427.0 | 13.1 | 1.3 | 866.7 |
| Machinery of government transfer in/(out) | – | – | – | – | – | – | 0.1 |
| Additions | – | – | – | 0.6 | – | 0.4 | 1.0 |
| Capitalisation of work in progress | – | – | – | 100.8 | 6.1 | – | 106.9 |
| Disposals | – | – | – | – | (0.2) | (0.1) | (0.3) |
| Transfers in/(out) of Level 3 | – | – | – | – | – | – | – |
| Gains or losses recognised in net result | | | | | | | |
| Depreciation | – | – | – | (21.4) | (4.6) | (0.3) | (26.3) |
| Subtotal of gains or losses recognises in net result | – | – | – | (21.4) | (4.6) | (0.3) | (26.3) |
| Gains or losses recognised in other economic flows – other comprehensive income | | | | | | | |
| Net revaluation increments/(decrements) | 3.1 | 140.6 | – | (0.6) | – | – | 143.1 |
| Subtotal of gains or losses recognised in other economic flows | 3.1 | 140.6 | – | (0.6) | – | – | 143.1 |
| Closing balance | 8.2 | 560.5 | 0.4 | 506.3 | 14.3 | 1.4 | 1,091.1 |
| 2017 | | | | | | | |
| Opening balance | 4.4 | 471.4 | 0.5 | 561.1 | 14.1 | 1.8 | 1,053.2 |
| Machinery of government transfer in/(out) | – | (86.1) | – | (127.4) | (0.6) | (0.1) | (214.2) |
| Additions | – | – | – | – | 3.8 | – | 3.8 |
| Capitalisation of work in progress | – | – | – | 3.9 | – | – | 3.9 |
| Disposals | – | (9.9) | – | – | – | – | (9.9) |
| Transfers in/(out) of Level 3 | – | (0.2) | – | – | – | – | (0.2) |
| Gains or losses recognised in net result | | | | | | | |
| Depreciation | – | – | (0.1) | (21.2) | (4.2) | (0.3) | (25.8) |
| Subtotal of gains or losses recognises in net result | – | – | (0.1) | (21.2) | (4.2) | (0.3) | (25.8) |
| Gains or losses recognised in other economic flows – other comprehensive income | | | | | | | |
| Net revaluation increments/(decrements) | 0.7 | 44.7 | – | 10.6 | – | – | 56.0 |
| Subtotal of gains or losses recognised in other economic flows | 0.7 | 44.7 | – | 10.6 | – | – | 56.0 |
| Closing balance | 5.0 | 419.9 | 0.4 | 427.0 | 13.1 | 1.3 | 866.7 |

Description of significant unobservable inputs to Level 3 valuations

| | Valuation technique | Significant unobservable inputs |
|----------------------------------|--------------------------|--|
| Non-specialised land | Market approach | Community service obligation (CSO) adjustment |
| Specialised land | Market approach | Community service obligation (CSO) adjustment |
| Non-specialised buildings | Current replacement cost | Direct cost per square metre Useful life of non-specialised buildings |
| Specialised buildings | Current replacement cost | Direct cost per square metre Useful life of specialised buildings |
| Plant and equipment | Current replacement cost | Useful life of equipment |
| Vehicles | Current replacement cost | Useful life of vehicles |

Significant unobservable inputs have remained unchanged since June 2017.

Non-financial physical assets classified as held for sale

| 2018 | Carrying amount \$M | Fair value measurement at end of reporting period using: | | |
|---|------------------------|--|--------------------|--------------------|
| | | Level 1 (i) \$M | Level 2 (i) \$M | Level 3 (i) \$M |
| | | — | 26.4 | — |
| Land held for sale | | | | |
| Specialised land | 26.4 | — | 26.4 | — |
| Total land at fair value held for sale | 26.4 | — | 26.4 | — |
| Buildings held for sale | | | | |
| Specialised building | 3.2 | — | 3.2 | — |
| Total buildings held for sale | 3.2 | — | 3.2 | — |

| 2017 | Carrying amount \$M | Fair value measurement at end of reporting period using: | | |
|---|------------------------|--|--------------------|--------------------|
| | | Level 1 (i) \$M | Level 2 (i) \$M | Level 3 (i) \$M |
| | | 0.1 | — | 0.1 |
| Land held for sale | | | | |
| Specialised land | 0.1 | — | 0.1 | — |
| Total land at fair value held for sale | 0.1 | — | 0.1 | — |
| Buildings held for sale | | | | |
| Specialised building | 2.9 | — | 2.9 | — |
| Total buildings held for sale | 2.9 | — | 2.9 | — |

Note:

(i) Classified in accordance with the fair value hierarchy.

There have been no transfers between levels during 2017–18.

9. Other disclosures

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 9.1 Ex-gratia expenses
- 9.2 Other economic flows included in net result
- 9.3 Non-financial assets held for sale
- 9.4 Reserves
- 9.5 Entities consolidated pursuant to section 53(1)(b) of the FMA
- 9.6 Responsible persons
- 9.7 Remuneration of executives
- 9.8 Related parties
- 9.9 Remuneration of auditors
- 9.10 Subsequent events
- 9.11 Other accounting policies
- 9.12 Australian Accounting Standards issued that are not yet effective
- 9.13 Glossary of technical terms
- 9.14 Style conventions

9.1 Ex-gratia expenses

Ex-gratia expenses are the voluntary payments of money or other non-monetary benefit (for example a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

| | 2018 \$ | 2017 \$ |
|---|------------|------------|
| Compensation for economic loss ⁽ⁱ⁾ | — | — |
| Total ex-gratia expenses | — | — |

Note:

(i) There were no ex-gratia expense items greater than or equal to \$5,000.

9.2 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates and the effects of changes in actuarial assumptions
- other revaluations on the value of outstanding insurance claims and liabilities
- bad debt expenses.

| | 2018 \$M | 2017 \$M |
|---|---------------|--------------|
| (a) Net gain/(loss) on non-financial assets | | |
| Revenue from disposal of non-financial physical assets | | |
| Land | 59.5 | 61.6 |
| Buildings | 38.4 | 67.5 |
| Shared home ownership scheme | 1.8 | 2.8 |
| Miscellaneous assets | 10.5 | 11.9 |
| Total revenue from disposal of non-financial physical assets | 110.1 | 143.8 |
| Costs on disposal of non-financial physical assets | | |
| Land | 49.4 | 72.0 |
| Buildings | 36.2 | 61.4 |
| Shared home ownership scheme | 1.6 | 2.6 |
| Community services properties | 0.6 | 3.0 |
| Miscellaneous assets | 8.7 | 10.8 |
| Total costs on disposal of non-financial physical assets | 96.5 | 149.7 |
| Net gain/(loss) on non-financial assets | 13.6 | (6.0) |
| (b) Net gain/(loss) on financial instruments | | |
| Net gain/(loss) on financial instruments and statutory receivables/payables | 1.8 | 1.5 |
| Total net gain/(loss) on financial instruments | 1.8 | 1.5 |
| (c) Other gains/(losses) from other economic flows | | |
| Net gain/(loss) arising from revaluation of long service leave liability | 1.0 | 6.4 |
| Revaluation and adjustments of insurance claims | 5.3 | 6.1 |
| Bad debt expenses | (18.3) | (13.1) |
| Total other gains/(losses) from other economic flows | (12.0) | (0.6) |

9.3 Non-financial assets held for sale

In addition to the assets and liabilities disclosed above, the following non-financial assets held for sale exist at the reporting date:

| | 2018 \$M | 2017 \$M |
|---|-------------|-------------|
| Non-financial assets classified as held for sale | | |
| Buildings held for sale | 3.2 | 2.9 |
| Land held for sale | 26.4 | 0.1 |
| Plant, equipment and vehicles | 2.1 | 0.8 |
| Total non-financial assets classified as held for sale | 31.7 | 3.8 |

Measurement of non-financial physical assets

Non-financial physical assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This condition is regarded as met only when:

- the asset is available for immediate use in the current condition
- the sale is highly probable and the asset sale is expected to be completed within 12 months from the date of classification.

These non-financial physical assets, related liabilities and financial assets are measured at the lower of carrying amount and fair value less costs to sell, and are not subject to depreciation or amortisation.

9.4 Reserves

| | 2018 \$M | 2017 \$M |
|---|----------------|----------------|
| Physical asset revaluation surplus ⁽ⁱ⁾ | | |
| Balance at beginning of financial year | 4,542.1 | 2,545.1 |
| Revaluation increments/(decrements) of land and buildings | 4,059.6 | 1,997.0 |
| Balance at the end of financial year | 8,601.7 | 4,542.1 |

Note:

(i) The physical assets revaluation surplus arises on the revaluation of land and buildings.

9.5 Entities consolidated pursuant to section 53(1)(b) of the FMA

The following three entities have been consolidated into the department's financial statements pursuant to a determination made by the Minister for Finance under section 53(1)(b) of the FMA:

- Mental Health Tribunal
- Commission for Children and Young People
- the Director of Housing.

The financial effects of each of those entities, except Director of Housing, were trivial to the departmental consolidated group, both individually and in aggregate. Therefore, those entities are reported in aggregate, together with the department in the table below.

| | Department of Health and Human Services (DHHS) and other section 53(1)(b) entities | | Director of Housing | | Eliminations and adjustments | | DHHS consolidated group | |
|----------------------------------|--|-------------|---------------------|-------------|---------------------------------|-------------|----------------------------|-------------|
| | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M |
| Total income from transactions | 16,827.9 | 15,681.2 | 1,107.1 | 1,015.1 | (10.7) | (17.7) | 17,924.4 | 16,678.6 |
| Total expenses from transactions | 16,542.9 | 15,588.0 | 1,213.9 | 1,369.5 | (10.7) | (17.7) | 17,746.1 | 16,939.7 |
| Net result from transactions | 285.1 | 93.2 | (106.8) | (354.4) | – | – | 178.3 | (261.2) |
| Total assets | 5,509.3 | 4,774.0 | 28,876.5 | 25,073.6 | (5.1) | (16.1) | 34,380.8 | 29,831.5 |
| Total liabilities | 1,783.1 | 1,637.2 | 190.3 | 174.4 | (5.1) | (16.1) | 1,968.3 | 1,795.5 |

9.6 Responsible persons

In accordance with the Directions of the Minister for Finance under the *Financial Management Act 1994* the following disclosures are made for the responsible persons for the reporting period.

Names

The persons who held the positions of ministers and accountable officers in the department are as follows:

| | | |
|--|------------------------------|--|
| Minister for Ambulance Services | The Hon. Jill Hennessy MP | 1 July 2017 to 30 June 2018 |
| Minister for Health | The Hon. Jill Hennessy MP | 1 July 2017 to 30 June 2018 |
| Minister for Housing, Disability and Ageing | The Hon. Martin Foley MP | 1 July 2017 to 30 June 2018 |
| Minister for Mental Health | The Hon. Martin Foley MP | 1 July 2017 to 30 June 2018 |
| Minister for Families and Children | The Hon. Jenny Mikakos MLC | 1 July 2017 to 30 June 2018 |
| Minister for Youth Affairs | The Hon. Jenny Mikakos MLC | 1 July 2017 to 30 June 2018 |
| Minister for Sport | The Hon. John Eren MP | 1 July 2017 to 30 June 2018 |
| Minister for Women | Fiona Richardson MP | 1 July 2017 to 22 August 2017 |
| Minister for Women | The Hon. Natalie Hutchins MP | 13 September 2017 to 30 June 2018 |
| Minister for the Prevention of Family Violence | Fiona Richardson MP | 1 July 2017 to 22 August 2017 |
| Minister for the Prevention of Family Violence | The Hon. Natalie Hutchins MP | 13 September 2017 to 30 June 2018 |
| Special Minister of State | Gavin Jennings MLC | 1 July 2017 to 30 June 2018 |
| Secretary, Department of Health and Human Services | Kym Peake | 1 July 2017 to 30 June 2018 |
| Acting Secretary, Department of Health and Human Services | Terry Symonds | 27 October 2017 to 3 November 2017 27 December 2017 to 9 January 2018 13 March 2018 to 30 March 2018 |
| Acting Secretary, Department of Health and Human Services | Nick Foa | 4 November 2017 to 12 November 2017 |
| Director of Housing under the <i>Housing Act 1983</i> | Nick Foa | 1 July 2017 to 30 June 2018 |
| Acting Director of Housing under the <i>Housing Act 1983</i> | Graeme Emanson | 23 September 2017 to 22 October 2017 |
| Acting Director of Housing under the <i>Housing Act 1983</i> | Jackie Barry | 23 December 2017 to 7 January 2018 |

Remuneration

Remuneration received or receivable by the accountable officers in connection with the management of the department during the reporting period was in the range:

| Income band | 30 June 2018 | 30 June 2017 |
|-----------------------|--------------|--------------|
| \$370,000 – \$379,999 | 1 | 1 |
| \$530,000 – \$539,999 | – | 1 |
| \$550,000 – \$559,999 | 1 | – |
| Total | 2 | 2 |

9.7 Remuneration of executives

The numbers of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalent provides a measure of full-time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long-service benefit or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

Share-based payments are cash or other assets paid or payable as agreed between the entity and the employee, provided specific vesting conditions, if any, are met.

| | Total remuneration | |
|--|--------------------|--------------|
| | 2018 \$M | 2017 \$M |
| Remuneration of executive officers (including Key Management Personnel disclosed in Note 9.8) | | |
| Short-term employee benefits | 34.9 | 29.0 |
| Post-employment benefits | 3.1 | 3.3 |
| Other long-term benefits | 0.9 | 0.7 |
| Termination benefits | 0.2 | 0.4 |
| Share-based payments | — | — |
| Total remuneration | 39.1 | 33.4 |
| Total number of executives ⁽ⁱ⁾ | 224 | 164 |
| Total annualised employee equivalent (AEE) ⁽ⁱⁱ⁾ | 170.4 | 133.8 |

Notes:

(i) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 9.8).

(ii) Annualised employee equivalent is based on the time fraction worked over the reporting period.

9.8 Related parties

The department is a wholly owned and controlled entity of the State of Victoria.

Three Administrative Offices have been consolidated into the department's financial statements under section 45(4) of the *Financial Management Act 1994* (FMA):

- Victorian Agency for Health Information
- Safer Care Victoria
- Family Safety Victoria.

The following entities have been consolidated into the department's financial statements pursuant to the determination made by the Minister for Finance under section 53(1)(b) of the FMA:

- Mental Health Tribunal
- Commission for Children and Young People
- the Director of Housing.

Related parties of the department, Victorian Agency for Health Information, Safer Care Victoria, Family Safety Victoria, Mental Health Tribunal, the Director of Housing and Commission for Children and Young People include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole-of-state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Significant transactions with government-related entities

The department received funding and made payments to the Consolidated Fund of \$16,373.1 million (2017: \$15,089.9 million) and \$453.9 million (2017: \$456.0 million) respectively.

Refer to Note 3.1.2 for other government-related entity transactions.

Key management personnel of the department include the Portfolio Ministers, the Hon. Jill Hennessy MP, the Hon. Martin Foley MP, the Hon. Jenny Mikakos MLC, the Hon. John Eren MP, the Hon. Natalie Hutchins MP, Gavin Jennings MLC, the Secretary, Kym Peake and members of the Senior Executive Team, which includes:

- Deputy Secretary of Corporate Services, Carolyn De Gois
- Acting Deputy Secretary of Corporate Services, James Lavery

- Deputy Secretary of Housing, Infrastructure, Sport and Recreation, Nick Foa
- Deputy Secretary of Regulation, Health Protection and Emergency Management, Melissa Skilbeck
- Deputy Secretary of Health and Wellbeing, Terry Symonds
- Deputy Secretary of Children, Families, Disability and Operations, Chris Asquini
- Deputy Secretary of Strategy and Planning, Amity Durham
- Deputy Secretary of Children and Families Reform, Argiri Alisandratos
- Chief Finance Officer, Greg Stenton

Key management personnel of the Administrative Offices consolidated pursuant to section 45(4) of the FMA into the department's financial statements include:

| Entity | Key management personnel | Position title |
|---|--------------------------|--------------------------------|
| Victorian Agency for Health Information | Lance Emerson | Chief Executive Officer |
| Victorian Agency for Health Information | Diane Watson | Former Chief Executive Officer |
| Safer Care Victoria | Euan Wallace | Chief Executive Officer |
| Family Safety Victoria | Sue Clifford | Chief Executive Officer |

Key management personnel of the agencies consolidated pursuant to section 53(1)(b) of the FMA into the department's financial statements include:

| Entity | Key management personnel | Position title |
|--|--------------------------|--|
| Director of Housing | Nick Foa | Director of Housing |
| Mental Health Tribunal | Matthew Carroll | President |
| Commission for Children and Young People | Liana Buchannen | Principal Commissioner |
| Commission for Children and Young People | Justin Mohamed | Commissioner for Aboriginal Children and Young People |
| Commission for Children and Young People | Andrew Jackomos | Former Commissioner for Aboriginal Children and Young People |

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Minister received. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* is reported within the Department of Parliamentary Services' Financial Report.

| Compensation of KMPs | Department of Health and Human Services | | Administrative Offices ⁽ⁱⁱⁱ⁾ | | Section 53 ^(iv) | |
|---|---|-------------|---|-------------|----------------------------|-------------|
| | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M | 2018 \$M | 2017 \$M |
| Short-term employee benefits ⁽ⁱ⁾ | 3.3 | 3.9 | 1.1 | 0.4 | 0.6 | 0.8 |
| Post-employment benefits | 0.2 | 0.3 | 0.1 | — | 0.1 | 0.1 |
| Other long-term benefits | 0.1 | 0.2 | — | — | — | — |
| Termination benefits | — | — | — | — | — | — |
| Share-based payments | — | — | — | — | — | — |
| Total ⁽ⁱⁱ⁾ | 3.6 | 4.4 | 1.2 | 0.4 | 0.7 | 0.9 |

Notes:

(i) Total remuneration paid to KMPs employed as a contractor during the reporting period through an external service provider has been reported under short-term employee benefits.

(ii) Note that KMPs are also reported in the disclosure of remuneration of executive officers (refer to Note 9.7).

(iii) This includes remuneration of KMPs for Victorian Agency for Health Information, Safer Care Victoria and Family Safety Victoria.

(iv) This includes remuneration of KMPs for Mental Health Tribunal, and the Commission for Children and Young People. Remuneration for Director of Housing is included in the Department of Health and Human Services numbers.

Transactions and balances with key management personnel and other related parties

Given the breadth and depth of state government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public, for example stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions, there were no material related party transactions that involved key management personnel, their close family members and their personal business interests with the department, the Administrative Offices or its section 53(1)(b) entities.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

9.9 Remuneration of auditors

| | 2018 \$ | 2017 \$ |
|--|------------|------------|
| Victorian Auditor-General's Office – audit of the financial report | 546,500 | 533,000 |

9.10 Subsequent events

The Director of Housing (Director) is undertaking a staged title transfer of 1,448 Director-owned properties to Aboriginal Housing Victoria at nil consideration. The first tranche of 511 units, generally located in the metropolitan region, was transferred on 28 July 2016. The second tranche of 474 units, generally located in the Hume and Loddon Mallee regions, was transferred on 1 July 2017.

Tranche 3 will follow in 2018–19. The Director of Housing signed the Client Authorisation and Transferor Statement with the Aboriginal Housing Victoria board on 28 June 2018, agreeing to the execution of Tranche 3. There will be 463 properties in tranche 3, generally located in the Gippsland, Grampians and Barwon regions. 458 of the tranche 3 properties will be transferred in July 2018, with an effective date of 1 July 2018. The remaining five properties (Tranche 3A) are currently undergoing subdivisions, and will be transferred by 30 June 2019.

The transfer of property titles at zero cash consideration is in acknowledgement that the social and economic circumstances, and the disadvantage experienced by Aboriginal Victorian tenants, presents a challenge to the efficient delivery of housing services by Aboriginal Housing Victoria while maintaining high standards of housing and the organisation's continued financial sustainability.

The intention to transfer the properties to Aboriginal Housing Victoria is underpinned by the principle of self-determination. This will assist Aboriginal Housing Victoria to provide culturally appropriate social housing for Aboriginal Victorians and to develop innovative solutions to promote socioeconomic independence among Aboriginal Victorians.

The financial implications of the title transfer to Aboriginal Housing Victoria are outlined below:

- The book value of the properties (at 30 June 2018) transferred to Aboriginal Housing Victoria in 2018–19 is estimated at \$114.7 million.
- The title transfer will reduce the Balance Sheets and record an expense in the Comprehensive Operating Statements of the Director and the department by \$114.7 million.

9.11 Other accounting policies

Contributions by owners

Consistent with the requirements of *AASB 1004 Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore do not form part of the income and expenses of the department.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners.

Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

9.12 Australian Accounting Standards issued that are not yet effective

Certain new AASs have been published that are not mandatory for the 30 June 2018 reporting period. Department of Treasury and Finance assesses the impact of all these new standards and advises the department of their applicability and early adoption where applicable. The department has not, and does not intend to, adopt these standards early.

The following AASs become effective for reporting periods commencing after the operative dates stated:

| Standard/ Interpretation ⁽ⁱ⁾ | Summary | Applicable for annual reporting periods beginning on | Impact on public sector entity financial statements |
|---|---|--|---|
| AASB 9 <i>Financial Instruments</i> | The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedge accounting model and a revised impairment loss model to recognise expected impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred. | 1 Jan 2018 | The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. The initial application of AASB 9 is not expected to significantly impact the financial position however there will be a change to the way financial instruments are classified and new disclosure requirements. |
| AASB 2014-1 <i>Amendments to Australian Accounting Standards [Part E Financial Instruments]</i> | Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018, and to amend reduced disclosure requirements. | 1 Jan 2018 | This amending standard will defer the application period of AASB 9 to the 2018–19 reporting period in accordance with the transition requirements. |

| Standard/ Interpretation ⁽ⁱ⁾ | Summary | Applicable for annual reporting periods beginning on | Impact on public sector entity financial statements |
|---|---|--|---|
| <i>AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9</i> | Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9. | 1 Jan 2018 | The assessment has indicated that there will be no significant impact for the public sector. |
| <i>AASB 15 Revenue from Contracts with Customers</i> | The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. | 1 Jan 2018 | The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The standard will also require additional disclosures on service revenue and contract modifications. |
| <i>AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15</i> | <p>Amends the measurement of trade receivables and the recognition of dividends as follows:</p> <p>Trade receivables, that do not have a significant financing component, are to be measured at their transaction price, at initial recognition.</p> <p>Dividends are recognised in the profit and loss only when:</p> <ul style="list-style-type: none"> • the entity's right to receive payment of the dividend is established • it is probable that the economic benefits associated with the dividend will flow to the entity • the amount can be measured reliably. | 1 Jan 2018, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply from 1 Jan 2018 | The assessment has indicated that there will be no significant impact for the public sector. |
| <i>AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15</i> | This standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018. | 1 Jan 2018 | This amending standard will defer the application period of AASB 15 for for-profit entities to the 2018–19 reporting period in accordance with the transition requirements. |
| <i>AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15</i> | <p>This standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require:</p> <ul style="list-style-type: none"> • A promise to transfer to a customer a good or service that is 'distinct' to be recognised as a separate performance obligation • For items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer • For licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access). | 1 Jan 2018 | The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified for AASB 15 above. |
| <i>AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not- for-Profit Entities</i> | This standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019. | 1 Jan 2019 | This amending standard will defer the application period of AASB 15 for not-for-profit entities to the 2019–20 reporting period. |

| Standard/ Interpretation ⁽ⁱ⁾ | Summary | Applicable for annual reporting periods beginning on | Impact on public sector entity financial statements |
|---|---|--|--|
| AASB 2016-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not- for-Profit Entities</i> | <p>AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15.</p> <p>This standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events.</p> | 1 Jan 2019 | <p>This standard clarifies the application of AASB 15 and AASB 9 in a not-for-profit context. The areas within these standards that are amended for not-for-profit application include:</p> <p>AASB 9</p> <ul style="list-style-type: none"> • Statutory receivables are recognised and measured similarly to financial assets <p>AASB 15</p> <ul style="list-style-type: none"> • The 'customer' does not need to be the recipient of goods and/or services • The 'contract' could include an arrangement entered into under the direction of another party • Contracts are enforceable if they are enforceable by legal or 'equivalent means' • Contracts do not have to have commercial substance, only economic substance • Performance obligations need to be 'sufficiently specific' to be able to apply AASB 15 to these transactions. |
| AASB 16 Leases | <p>The key changes introduced by AASB 16 include the recognition of operating leases (which are currently not recognised) on balance sheet.</p> | 1 Jan 2019 | <p>The assessment has indicated that most operating leases, with the exception of short term and low value leases will come onto the balance sheet and will be recognised as right-of-use assets with a corresponding lease liability.</p> <p>In the operating statement, the operating lease expense will be replaced by depreciation expense of the asset and an interest charge.</p> <p>There will be no change for lessors as the classification of operating and finance leases remains unchanged.</p> |
| AASB 1058 <i>Income of Not-for-Profit Entities</i> | <p>This standard will replace the majority of income recognition in relation to government grants and other types of contributions requirements relating to public sector not-for-profit entities, previously in AASB 1004 <i>Contributions</i>.</p> <p>The restructure of administrative arrangement will remain under AASB 1004 and will be restricted to government entities and contributions by owners in a public sector context, AASB 1058 establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objective.</p> | 1 Jan 2019 | <p>The current revenue recognition for grants is to recognise revenue up front upon receipt of the funds.</p> <p>This may change under AASB 1058, as capital grants for the construction of assets will need to be deferred. Income will be recognised over time, upon completion and satisfaction of performance obligations for assets being constructed, or income will be recognised at a point in time for acquisition of assets.</p> <p>The revenue recognition for operating grants will need to be analysed to establish whether the requirements under other applicable standards need to be considered for recognition of liabilities (which will have the effect of deferring the income associated with these grants).</p> <p>Only after that analysis would it be possible to conclude whether there are any changes to operating grants.</p> <p>The impact on current revenue recognition of the changes is the phasing and timing of revenue recorded in the profit and loss statement.</p> |

| Standard/ Interpretation ⁽ⁱ⁾ | Summary | Applicable for annual reporting periods beginning on | Impact on public sector entity financial statements |
|--|---|--|---|
| AASB 1059 Service Concession Arrangements: Grantor | <p>This standard applies to arrangements that involve an operator providing a public service on behalf of a public sector grantor. It involves the use of a service concession asset and where the operator manages at least some of the public service at its own direction. An arrangement within the scope of this standard typically involves an operator constructing the asset used to provide the public service or upgrading the assets and operating and maintaining the assets for a specified period of time.</p> <p>The State has 2 types of PPPs:</p> <ol style="list-style-type: none"> 1. Social Infrastructure: A PPP that requires the government to make payments to the operator upon commencement of services: <ul style="list-style-type: none"> • Operator finances and constructs the infrastructure • State pays unitary service payments over the term. 2. Economic Infrastructure: A PPP that is based on user pays model: <ul style="list-style-type: none"> • Operator finances and constructs the infrastructure • State does not pay for the cost of the construction • Operator charges asset users and recovers the cost of construction and operation for the term of the contract. | 1 Jan 2019 | <p>For an arrangement to be in scope of AASB 1059 all of the following requirements are to be satisfied:</p> <ul style="list-style-type: none"> • Operator is providing public services using a service concession asset • Operator manages at 'least some' of public services under its own discretion • The State controls/regulates: what services are to be provided to whom at what price • State controls any significant residual interest in the asset. <p>If the arrangement does not satisfy all the above requirements the recognition will fall under the requirements of another applicable accounting standard.</p> <p>Currently the social infrastructure PPPs are only recognised on the balance sheet at commercial acceptance. The arrangement will need to be progressively recognised as and when the asset is being constructed. This will have the impact of progressively recognising the financial liability and corresponding asset as the asset is being constructed.</p> <p>For economic infrastructure PPP arrangements, that were previously not on balance sheet, the standard will require recognition of these arrangements on balance sheet. There will be no impact to net debt, as a deferred revenue liability will be recognised and amortised over the concession term.</p> |
| AASB 17 Insurance Contracts | <p>The new Australian standard eliminates inconsistencies and weaknesses in existing practices by providing a single principle-based framework to account for all types of insurance contracts, including reissuance contract that an insurer holds. It also provides requirements for presentation and disclosure to enhance comparability between entities.</p> <p>This standard does not apply to the not-for-profit public sector entities. The AASB is undertaking further outreach to consider the application of this standard to the not-for-profit public sector.</p> | 1 Jan 2021 | The assessment has indicated that there will be no significant impact for the public sector. |

Note:

- (i) For the current year, given the number of consequential amendments to AASB 9 *Financial Instruments*, AASB 15 *Revenue from Contracts with Customers*, and AASB 16 *Leases*, the standards/interpretations have been grouped together to provide a more relevant view of the upcoming changes.

9.13 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

Actuarial gains or losses on superannuation defined benefit plans are changes in the present value of the superannuation defined benefit liability resulting from:

- (a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred)
- (b) the effects of changes in actuarial assumptions.

Administered item generally refers to a department lacking the capacity to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Amortisation is the expense that results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

Borrowings refers to interest bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, finance leases and other interest bearing arrangements. Borrowings also include non-interest bearing advances from government that are acquired for policy purposes.

Capital asset charge is a charge levied on the written-down value of controlled non-current physical assets in a department's balance sheet which aims to: attribute to agency outputs the opportunity cost of capital used in service delivery; and provide incentives to departments to identify and dispose of underutilised or surplus assets in a timely manner.

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Controlled item generally refers to the capacity of a department to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Current grants are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method is the method used to calculate the amortised cost of a financial asset or liability and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument, or, where appropriate, a shorter period.

Employee benefits expenses includes all costs related to employment including salaries and wages, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Eliminations are the removal of transactions that occur between entities within a consolidated group to ensure figures are not overstated.

Ex-gratia expenses mean the voluntary payment of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial asset is any asset that is:

- (a) cash
- (b) an equity instrument of another entity
- (c) a contractual or statutory right:
 - to receive cash or another financial asset from another entity, or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity, or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments, or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial liability is any liability that is:

- (a) A contractual or statutory obligation:
 - (i) to deliver cash or another financial asset to another entity, or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity, or
- (b) a contract that will or may be settled in the entity's own equity instruments and is:
 - (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments, or
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements comprise:

- (a) a balance sheet as at the end of the year
- (b) a comprehensive operating statement for the year
- (c) a statement of changes in equity for the year
- (d) a statement of cash flows for the year
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding year as specified in paragraphs 38 of *AASB 101 Presentation of Financial Statements*
- (g) a balance sheet as at the beginning of the preceding year when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraph 41 of *AASB 101*.

Grants and other expense transfers are transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

General government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those that are mainly non-market in nature, those that are largely for collective consumption by the community and those that involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Grants for on-passing are grants paid to one institutional sector (for example a state general government entity) to be passed on to another institutional sector (for example local government or a private non-profit institution).

Intangible assets represent identifiable non-monetary assets without physical substance.

Interest expense represents costs incurred in connection with the borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance leases repayments and amortisation of discounts or premiums in relation to borrowings.

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Investment properties are properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet service delivery objectives of the State of Victoria.

Joint ventures are contractual arrangements between the department and one or more other parties to undertake an economic activity that is subject to joint control and have rights to the net assets of the arrangement. Joint control only exists when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Leases are rights to use an asset for an agreed period of time in exchange for payment. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of infrastructure, property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

Net acquisition of non-financial assets (from transactions) are purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

Net financial liabilities is calculated as liabilities less financial assets, other than equity in public non-financial corporations (PNFC) and public financial corporations (PFC). This measure is broader than net debt as it includes significant liabilities, other than borrowings (for example accrued employee liabilities such as superannuation and long service leave entitlements). For the PNFC and PFC sectors, it is equal to negative net financial worth.

Net financial worth is equal to financial assets minus liabilities. It is a broader measure than net debt as it incorporates provisions made (such as superannuation, but excluding depreciation and bad debts) as well as holdings of equity. Net financial worth includes all classes of financial assets and liabilities, only some of which are included in net debt.

Net operating balance or net result from transactions is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as other economic flows – other comprehensive income.

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

Non-financial assets are all assets that are not financial assets. It includes inventories, land, buildings, plant and equipment, and intangible assets.

Non-financial public sector represents the consolidated transactions and assets and liabilities of the general government and PNFC sectors. In compiling statistics for the non-financial public sector, transactions and debtor/creditor relationships between sub-sectors are eliminated to avoid double counting.

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

Operating result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans; fair value changes of financial instruments.

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

Other operating expenses generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of the department.

Payables includes short- and long-term accounts payable, grants, taxes and interest payable.

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films and research and development costs (which does not include the start-up costs associated with capital projects).

Public financial corporations (PFC) are bodies primarily engaged in the provision of financial intermediation services or auxiliary financial services. They are able to incur financial liabilities on their own account (e.g. taking deposits, issuing securities or providing insurance services). Estimates are not published for the public financial corporation sector.

The public non-financial corporation (PNFC) sector comprises bodies mainly engaged in the production of goods and services (of a non-financial nature) for sale in the market place at prices that aim to recover most of the costs involved (for example water and port authorities). In general, PNFCs are legally distinguishable from the governments which own them.

Receivables includes amounts owing from government through appropriation receivable, short- and long-term accounts receivable, accrued investment income, grants, taxes and interest receivable.

Rental income and income from services includes rental income under operating leases and income from the provision of services.

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (for example, assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

9.14 Style conventions

Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

- > zero, or rounded to zero
- > (xxx.x) negative numbers
- > 20xx year end
- > 20xx–xx year period

The financial statements and notes are presented based on the illustration for a government department in the 2017–18 model report for Victorian Government departments. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the department's annual reports.

Appendices

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Portfolio budget outcomes

The portfolio budget outcomes provide a comparison between the actual financial statements of all general government-sector entities within the portfolio and the forecast financial information published in the Budget Paper No. 5 2017–18 Statement of Finances (BP5).

The portfolio budget outcomes comprise the comprehensive operating statement, balance sheet, statement of cash flows, statement of changes in equity, and administered items statement for the full financial year 2017–18.

The portfolio budget outcomes have been prepared on a consolidated basis for the period 1 July 2017 to 30 June 2018 and include all general government-sector entities within the portfolio. Financial transactions and balances are classified into either controlled or administered categories as agreed with the Treasurer in the context of the published statements in BP5.

The portfolio budget outcomes statements are not subject to audit by the Victorian Auditor-General's office. They are not prepared on the same basis as the department's financial statements as they consolidate financial information of the following entities:

- > The Department of Health and Human Services (not including Director of Housing – Public Non-Financial Corporation)
- > public hospitals and public health services
- > multipurpose services
- > Ambulance Victoria
- > Health Purchasing Victoria
- > Victorian Assisted Reproductive Treatment Authority
- > Victorian Institute of Forensic Mental Health
- > Disability Services Commissioner
- > The Commission for Children and Young People
- > Tweddle Child and Family Health Service
- > The Queen Elizabeth Centre
- > Victorian Health Promotion Foundation
- > The Victorian Institute of Sport
- > Melbourne Cricket Ground Trust.

The portfolio budget outcomes statements include funding from the Commonwealth Government and revenue from the sale of services attributed to the department from the state government. They also

include income and expenses associated with National Health Reform funding as well as National Disability Insurance Scheme funding, which are reported in the department's Administered Accounts.

Funding arrangements under National Health Reform

The 2017–18 Administered items statement reflects the funding arrangements under the joint Commonwealth–State National Health Reform Agreement. The arrangement provides for Commonwealth funding to be administered via the National Health Funding Pool (NHFP) State Pool Account, which is reported in the department's Administered Accounts.

The Administered Accounts also include the reporting of the state contribution for hospital services funded on an activity basis and the payment of the commonwealth contribution towards services funded through block grants to the department's controlled entity.

Funding arrangements under National Disability Insurance Scheme

Funding arrangements under the National Disability Insurance Scheme are reported in the department's Administered Accounts. The arrangement provides for contributions from the department's Controlled entity and from other departments to be administered via the National Disability Insurance Scheme trust fund reported in the department's Administered Account. Grant payments are made to the National Disability Insurance Agency from the trust fund.

Financial performance – operating statement

In 2017–18, the portfolio recorded an actual net result from transactions of \$298 million surplus compared with a 2017–18 budgeted surplus of \$174 million.

The variance between budgeted and actual surplus is mainly related to hospitals' own-source revenue which was partly spent for capital purposes and partly remained unspent at year end.

Financial position – balance sheet

Total assets have increased by \$1,232 million compared with the published budget. This is mostly attributed to land and buildings revaluations within Property, Plant and Equipment. The increase is also partly attributable to the balance of cash and deposits across public hospitals and health services at balance date being greater than the published budget balance.

Cash flows

The overall cash position at the end of the 2017–18 financial year is \$1,796 million, which is an increase of \$483 million on the published budgeted position for 2017–18.

The higher cash balance is due to factors including hospitals' efforts into collecting receivables and an increase in the receipt of Aged Care Accommodation Bonds; and some other financial assets (e.g. term deposits) being reported as cash and deposits.

Detailed financial results for the 2017–18 portfolio budget and actual results are included in the following pages.

Comprehensive operating statement for the financial year ended 30 June 2018

| | 2017–18 actual \$M | 2017–18 revised budget \$M | Variation to revised budget % | 2017–18 published budget \$M | Variation to published budget % | Notes |
|---|--------------------------|-------------------------------------|--|---------------------------------------|--|----------|
| Net result from continuing operations | | | | | | |
| Income from transactions | | | | | | |
| Output appropriations | 15,013 | 14,951 | 0.4 | 14,708 | 2.1 | |
| Special appropriations | 1,360 | 1,342 | 1.3 | 1,401 | (2.9) | |
| Interest | 50 | 46 | 8.7 | 38 | 31.6 | 1 |
| Sales of goods and services | 1,725 | 1,653 | 4.4 | 1,819 | (5.2) | 2 |
| Grants | 6,428 | 6,545 | (1.8) | 6,150 | 4.5 | |
| Fair value of assets and services received free of charge or for nominal consideration | 7 | 4 | 75.0 | — | — | 3 |
| Other income | 731 | 651 | 12.3 | 701 | 4.3 | |
| Total income from transactions | 25,314 | 25,192 | 0.5 | 24,817 | 2.0 | |
| Expenses from transactions | | | | | | |
| Employee benefits | 11,751 | 11,630 | 1.0 | 11,449 | 2.6 | 4 |
| Depreciation | 961 | 937 | 2.6 | 938 | 2.5 | |
| Interest expense | 188 | 196 | (4.1) | 224 | (16.1) | 5 |
| Grants and other expense transfers | 2,521 | 2,352 | 7.2 | 2,319 | 8.7 | |
| Capital asset charge | 1,201 | 1,201 | — | 1,201 | — | |
| Other operating expenses | 8,394 | 8,682 | (3.3) | 8,512 | (1.4) | |
| Total expenses from transactions | 25,016 | 24,999 | 0.1 | 24,643 | 1.5 | |
| Net result from transactions (net operating balance) | 298 | 194 | 53.6 | 174 | 71.3 | |
| Other economic flows included in net result | | | | | | |
| Net gain/(loss) on non-financial assets | (1) | 1 | — | 1 | (230.0) | |
| Share of net profits/(losses) of associates and joint venture entities, excluding dividends | (1) | — | — | — | — | |
| Net gain/(loss) on financial instruments and statutory receivables/payables | (36) | (26) | 36.5 | (26) | 36.5 | |
| Other gains/(losses) from other economic flows | (3) | (5) | (40.0) | (5) | (40.0) | |
| Total other economic flows included in net result | (40) | (30) | 34.7 | (30) | 34.7 | |
| Net result | 258 | 163 | 58.0 | 143 | 80.1 | |

| | 2017–18 actual \$M | 2017–18 revised budget \$M | Variation to revised budget % | 2017–18 published budget \$M | Variation to published budget % | Notes |
|--|--------------------------|-------------------------------------|--|---------------------------------------|--|-------|
| Other economic flows – other comprehensive income | | | | | | |
| Adjustment to accumulated surplus/(deficit) due to a change in accounting policy | (83) | – | – | – | – | – |
| Asset revaluation reserve | 1,033 | 2 | – | – | – | 6 |
| Financial assets available-for-sale reserve | 15 | – | – | – | – | – |
| Other | (1) | (46) | – | – | – | – |
| Total other economic flows – other comprehensive income | 964 | (45) | – | – | – | |
| Comprehensive result | 1,221 | 118 | 934.9 | 143 | 754.0 | |

1. The variance relates to higher than anticipated interest revenue from investments held by hospitals and health services.
2. The variance relates mainly to private patient revenue in hospitals and health services, that was higher than anticipated at revised budget, however lower than the published budget.
3. The variance relates to the recognition of land and building assets received free of charge by Western Health that were not anticipated at published budget.
4. The variances are due to increased costs through Enterprise Bargaining Agreements (EBAs) across hospital and health service entities. These costs were reflected in the revised budget.
5. The variance reflects updates made to the Public Private Partnerships finance lease payment models, resulting in lower anticipated interest at revised budget and actual interest expense for those finance leases.
6. The variance is driven by revaluations of non-financial physical assets in accordance with financial reporting direction FRD103F. These are not known when the published and revised budgets are prepared.

Balance sheet as at 30 June 2018

| | 2017–18 actual | 2017–18 revised budget | Variation to revised budget | 2017–18 published budget | Variation to published budget | % Notes |
|--|-------------------|------------------------------|-----------------------------------|--------------------------------|-------------------------------------|---------|
| | \$M | \$M | % | \$M | % | |
| Assets | | | | | | |
| Financial assets | | | | | | |
| Cash and deposits | 1,796 | 1,293 | 38.9 | 1,313 | 36.8 | 1 |
| Receivables | 3,243 | 3,466 | (6.4) | 3,269 | (0.8) | |
| Other financial assets | 765 | 945 | (19.0) | 945 | (19.0) | 2 |
| Investments accounted for using equity method | 37 | 36 | 2.8 | 36 | 2.8 | |
| Total financial assets | 5,841 | 5,741 | 1.7 | 5,564 | 5.0 | |
| Non-financial assets | | | | | | |
| Inventories | 89 | 83 | 7.2 | 83 | 7.2 | |
| Non-financial assets classified as held for sale including disposal group assets | 107 | 86 | 24.4 | 86 | 24.4 | 3 |
| Property, plant and equipment | 17,606 | 16,509 | 6.6 | 16,745 | 5.1 | 4 |
| Investment properties | 42 | 39 | 7.7 | 39 | 7.7 | |
| Intangible assets | 260 | 206 | 26.2 | 201 | 29.4 | 5 |
| Other | 128 | 110 | 16.4 | 123 | 4.1 | |
| Total non-financial assets | 18,232 | 17,033 | 7.0 | 17,277 | 5.5 | |
| Total assets | 24,073 | 22,774 | 5.7 | 22,841 | 5.4 | |
| Liabilities | | | | | | |
| Payables | 2,307 | 2,037 | 13.3 | 2,036 | 13.3 | 6 |
| Borrowings | 2,881 | 2,884 | (0.1) | 2,965 | (2.8) | |
| Provisions | 3,125 | 2,990 | 4.5 | 2,990 | 4.5 | |
| Total liabilities | 8,313 | 7,912 | 5.1 | 7,991 | 4.0 | |
| Net assets | 15,760 | 14,862 | 6.0 | 14,850 | 6.1 | |
| Equity | | | | | | |
| Accumulated surplus/(deficit) | 1,988 | 1,893 | 5.0 | 1,919 | 3.6 | |
| Contributed capital and reserves | 13,772 | 12,969 | 6.2 | 12,931 | 6.5 | 7 |
| Total equity | 15,760 | 14,862 | 6.0 | 14,850 | 6.1 | |

- The higher cash balance is due to a number of factors including hospitals' efforts into collecting receivables; an increase in the receipt of Aged Care Accommodation Bonds; and some other financial assets (e.g. term deposits) being reported as cash and deposits.
- The variance reflects a balance lower than anticipated of current term deposits across public hospitals and health services.
- The variance reflects assets still held for sale at 30 June 2018 which were expected to have been disposed during 2017–18.
- The variance is driven by revaluations of non-financial physical assets in accordance with financial reporting direction FRD103F. These are not known when the published and revised budgets are prepared.
- The variances reflect increases in the actual value of software assets recognised during the financial year.
- The variances reflect greater than anticipated values of deposits and advances payable, including aged care accommodation deposits, and accrued salaries and wages at balance date in hospitals and health services.
- The variance is mainly driven by revaluations of non-financial physical assets in accordance with financial reporting direction FRD103F. These are not known when the published and revised budgets are prepared.

Statement of cash flows for the financial year ended 30 June 2018

| | 2017–18 actual | 2017–18 revised budget | Variation to revised budget | 2017–18 published budget | Variation to published budget | % | Notes |
|---|-------------------|------------------------------|-----------------------------------|--------------------------------|-------------------------------------|----------------|-------|
| | \$M | \$M | % | \$M | \$M | % | |
| Cash flows from operating activities | | | | | | | |
| Receipts | | | | | | | |
| Receipts from government | 17,260 | 17,090 | 1.0 | 17,084 | 17,084 | 1.0 | |
| Receipts from other entities | 6,951 | 6,884 | 1.0 | 6,670 | 6,670 | 4.2 | |
| Interest received | 48 | 46 | 4.3 | 38 | 38 | 26.3 | 1 |
| Dividends received | – | – | – | – | – | – | |
| Other receipts | 835 | 749 | 11.5 | 804 | 804 | 3.9 | |
| Total receipts | 25,094 | 24,769 | 1.3 | 24,596 | 24,596 | 2.0 | |
| Payments | | | | | | | |
| Payments of grants and other transfers | (2,477) | (2,315) | 7.0 | (2,282) | (2,282) | 8.5 | |
| Payments to suppliers and employees | (19,770) | (20,167) | (2.0) | (19,842) | (19,842) | (0.4) | |
| Capital asset charge | (1,201) | (1,201) | – | (1,201) | (1,201) | – | |
| Interest and other costs of finance paid | (185) | (196) | (5.6) | (224) | (224) | (17.4) | 2 |
| Total payments | (23,632) | (23,879) | (1.0) | (23,549) | (23,549) | 0.4 | |
| Net cash flows from/(used in) operating activities | 1,462 | 890 | 64.3 | 1,047 | 1,047 | 39.6 | |
| Cash flows from investing activities | | | | | | | |
| Net investment | 186 | 5 | 3,620.0 | 5 | 5 | – | 3 |
| Payments for non-financial assets | (994) | (772) | 28.8 | (1,073) | (1,073) | (7.4) | 4 |
| Proceeds from sale of non-financial assets | 17 | 3 | 466.7 | 3 | 3 | – | 5 |
| Net loans to other parties | 1 | 1 | (50.0) | 2 | 2 | (75.0) | |
| Net (purchase)/disposal of investments – policy purposes | – | – | – | – | – | – | |
| Net cash flows from/(used in) investing activities | (791) | (763) | 3.6 | (1,062) | (1,062) | (25.6) | |
| Cash flows from financing activities | | | | | | | |
| Owner contributions by state government | (59) | 109 | (154.1) | 194 | 194 | (130.4) | |
| Repayment of finance leases | (138) | (132) | 4.2 | (52) | (52) | 164.6 | 6 |
| Net borrowings | 128 | (4) | (3,300.0) | (6) | (6) | (2,233.3) | 7 |
| Net cash flows from/(used in) financing activities | (69) | (27) | 153.7 | 136 | 136 | (150.4) | |

| | 2017–18 actual | 2017–18 revised budget | Variation to revised budget | 2017–18 published budget | Variation to published budget | |
|---|---------------------------|---------------------------------------|--|---|--|-------|
| | \$M | \$M | % | \$M | % | Notes |
| Net increase (decrease) in cash and cash equivalents | 603 | 100 | 502.9 | 120 | 402.4 | |
| Cash and cash equivalents at the beginning of the financial year | 1,193 | 1,193 | – | 1,193 | – | |
| Cash and cash equivalents at the end of the financial year | 1,796 | 1,293 | 38.9 | 1,313 | 36.8 | |

1. The variance relates to higher than anticipated interest received from investments held by hospitals and health services.
2. The variance relates mainly to finance lease costs which were lower than budgeted due to favourable interest rate movements.
3. The variance reflects greater than anticipated divestment of term deposits across public hospitals and health services.
4. The variance relates mainly to purchases of plant and equipment, and intangible assets in hospitals and health services that were not anticipated in the revised budget.
5. The variance mainly reflects sale proceeds for plant, equipment and vehicles sold across the portfolio that were not budgeted.
6. The variance reflects updates made to the Public Private Partnership finance lease models, resulting in higher anticipated and actual repayments of the finance leases.
7. The variance reflects greater than anticipated receipt of Aged Care Accommodation Bonds, held in trust and repayable, across hospitals and health services.

Statement of changes in equity for the financial year ended 30 June 2018

| | 2017–18 actual \$M | 2017–18 revised budget \$M | Variation to revised budget % | 2017–18 published budget \$M | Variation to published budget % |
|--|--------------------------|-------------------------------------|--|---------------------------------------|--|
| Accumulated funds | 1,780 | 1,779 | 0.1 | 1,779 | 0.1 |
| Adjustment due to change in accounting policy | (50) | — | — | — | — |
| Transactions with owners in their capacity as owners | — | (4) | (100.0) | (4) | — |
| Comprehensive result | 258 | 117 | 120.5 | 143 | 80.4 |
| Accumulated surplus/(deficit) | 1,988 | 1,893 | 5.0 | 1,919 | 3.6 |
| Net contributions by owners | 5,891 | 5,891 | — | 5,891 | — |
| Transactions with owners in their capacity as owners | 22 | 231 | (90.4) | 194 | (100.0) |
| Contributions by owners | 5,913 | 6,122 | (3.4) | 6,085 | (2.8) |
| Physical asset revaluation reserve | 6,238 | 6,238 | — | 6,238 | — |
| Transactions with owners in their capacity as owners | — | — | — | — | — |
| Comprehensive result | 1,033 | 2 | 51,550.0 | — | — |
| Physical asset revaluation reserve | 7,271 | 6,240 | 16.5 | 6,238 | 16.6 |
| Financial assets available-for-sale reserve | 588 | — | — | — | — |
| Other reserves | — | 607 | (100.0) | 607 | (100.0) |
| Other reserves | 588 | 607 | (3.2) | 607 | (3.2) |
| Changes in equity | 15,760 | 14,862 | 6.0 | 14,850 | 6.1 |

Administered items statement for the financial year ended 30 June 2018

| | 2017–18 actual \$M | 2017–18 revised budget \$M | Variation to revised budget % | 2017–18 published budget \$M | Variation to published budget % | Notes |
|---|--------------------------|-------------------------------------|--|---------------------------------------|---|-------|
| Administered income | | | | | | |
| Appropriations – Payments made on behalf of the State | 60 | 60 | 0.5 | 61 | – | |
| Sales of goods and services | 351 | 347 | 1.0 | 336 | 4.3 | |
| Grants | 10,395 | 10,289 | 1.0 | 9,834 | 5.7 | |
| Interest | 1 | 3 | (66.7) | 3 | (66.7) | |
| Other income | 18 | 26 | (32.7) | 24 | (27.1) | |
| Total administered income | 10,825 | 10,726 | 0.9 | 10,259 | 5.5 | |
| Administered expenses | | | | | | |
| Expenses on behalf of the state | 810 | 782 | 3.5 | 742 | 9.1 | |
| Grants and other transfers | 9,533 | 9,489 | 0.5 | 9,111 | 4.6 | |
| Payments into the consolidated fund | 454 | 467 | (2.8) | 417 | 8.8 | |
| Total administered expenses | 10,797 | 10,737 | 0.6 | 10,270 | 5.1 | |
| Income less expenses | 27.9 | (11) | (353.6) | (12) | (332.5) | |
| Other economic flows included in net result | | | | | | |
| Net gain/(loss) on non-financial assets | 1 | 12 | (95.0) | 12 | (95.0) | |
| Net gain/(loss) on financial instruments and statutory receivables/payables | (0) | – | – | – | – | |
| Total other economic flows included in net result | 0 | 12 | (96.7) | 12 | (96.7) | |
| Net result | 28 | – | – | – | – | |
| Other economic flows – other comprehensive income | | | | | | |
| Other | – | – | – | – | – | |
| Total other economic flows – other comprehensive income | – | – | – | – | – | |
| Comprehensive result | 28 | – | – | – | – | |
| Administered assets | | | | | | |
| Cash and deposits | 31 | 2 | 1,425.0 | 2 | – | 1 |
| Receivables | 76 | 43 | 77.2 | 43 | 77.2 | 2 |
| Other financial assets | 12 | 4 | 192.5 | 4 | 192.5 | |
| Other | – | 4 | (100.0) | 4 | (100.0) | |
| Total administered assets | 118 | 53 | 123.4 | 53 | 123.4 | |

| | 2017–18 actual | 2017–18 revised budget | Variation to revised budget | 2017–18 published budget | Variation to published budget | |
|---------------------------------------|---------------------------|---------------------------------------|--|---|--|-------|
| | \$M | \$M | % | \$M | % | Notes |
| Administered liabilities | | | | | | |
| Payables | 63 | 32 | 96.6 | 32 | 96.6 | 3 |
| Provisions | 15 | 8 | 87.5 | 8 | 87.5 | |
| Total administered liabilities | 78 | 40 | 94.8 | 40 | 94.8 | |
| Net assets | 41 | 13 | 211.5 | 13 | 211.5 | |
| Equity | | | | | | |
| Accumulated surplus/(deficit) | 22 | — | — | — | — | |
| Contributed capital | (62) | — | — | — | — | |
| Total equity | (41) | — | — | — | — | |

1. The higher cash and deposits relates to surplus revenue in the National Disability Insurance Agency (NDIA) trust fund as a result of funding arrangements that exist between the Commonwealth and Victoria for Young People in Residential Aged Care. This benefit will be directed to fund the State's contribution to the NDIS in the 2018/19 financial year.
2. The higher receivables in the NDIA trust fund is due to increased numbers of clients that have transitioned to the National Disability Insurance Scheme (NDIS), which has resulted in a higher contribution required by Victoria for its NDIS contribution. As the State's contribution increases, the required contribution by all parties to the memorandum of understanding also increases.
3. The higher payables is primarily due to increased numbers of clients that have transitioned to the NDIS. The NDIA bill Victoria for its NDIS contributions on a monthly basis in arrears, which requires the Department to raise accruals in June to capture the State's full year contribution in a financial year.

Director of Housing

Comprehensive operating statement for the financial year ended 30 June 2018

| | 2018 \$M | 2017 \$M |
|--|----------------|----------------|
| Income from transactions | | |
| Grants from the Department of Health and Human Services | 580.5 | 489.9 |
| Interest income | 10.0 | 8.9 |
| Rental income and income from services | 486.3 | 479.9 |
| Grants and other income transfers | 24.8 | 30.5 |
| Fair value of assets and services received free of charge or for nominal consideration | 1.1 | 0.7 |
| Other income | 4.4 | 5.2 |
| Total income from transactions | 1,107.1 | 1,015.1 |
| Expenses from transactions | | |
| Employee expenses | 110.6 | 101.9 |
| Depreciation and amortisation | 208.8 | 212.3 |
| Maintenance | 166.1 | 171.4 |
| Grants and other expense transfers | 399.9 | 430.2 |
| Fair value of assets and services provided free of charge or for nominal consideration | 92.4 | 209.1 |
| Other operating expenses | 42.9 | 46.6 |
| Other property management expenses | 193.2 | 197.9 |
| Total expenses from transactions | 1,213.9 | 1,369.5 |
| Net result from transactions (net operating balance) ⁽ⁱ⁾ | (106.8) | (354.4) |
| Other economic flows included in net result | | |
| Net gain/(loss) on non-financial assets ⁽ⁱⁱ⁾ | 12.5 | (4.1) |
| Other gains/(losses) from other economic flows | (7.1) | (10.8) |
| Total other economic flows included in net result | 5.4 | (14.9) |
| Net result | (101.4) | (369.3) |
| Other economic flows – other comprehensive income | | |
| Items that will not be reclassified to net result | | |
| Changes in physical asset revaluation surplus | 3,757.3 | 1,893.6 |
| Remeasurement of superannuation defined benefit plans | (0.3) | 0.9 |
| Total other economic flows – other comprehensive income | 3,757.0 | 1,894.4 |
| Comprehensive result | 3,655.6 | 1,525.2 |

Notes:

- (i) The net result from transactions for 2017–18 is (\$106.8) million deficit which has largely resulted from the transfer of Director of Housing owned land of \$36.6 million in 2018 (2017: \$145 million) and the transfer of Director of Housing owned buildings of \$55.7 million in 2018 (2017: \$60.1 million) to Aboriginal Housing Victoria.
- (ii) (Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

Balance sheet as at 30 June 2018

| | 2018 \$M | 2017 \$M |
|---|-----------------|-----------------|
| Assets | | |
| Financial assets | | |
| Cash and deposits | 85.5 | 62.9 |
| Receivables | 17.3 | 27.7 |
| Loans | 35.9 | 40.0 |
| Short term investments – term deposits | 534.8 | 418.5 |
| Total financial assets | 673.5 | 549.1 |
| Non-financial assets | | |
| Non-financial physical assets classified as held for sale | 29.6 | 3.0 |
| Property, plant and equipment | 28,140.0 | 24,487.8 |
| Intangible assets | 28.7 | 32.8 |
| Prepayments | 1.1 | 1.0 |
| Total non-financial assets | 28,199.3 | 24,524.5 |
| Total assets | 28,872.8 | 25,073.6 |
| Liabilities | | |
| Payables | 92.6 | 81.2 |
| Borrowings | 13.4 | 13.4 |
| Employee related provisions | 80.6 | 79.9 |
| Total liabilities | 186.6 | 174.4 |
| Net assets | 28,686.2 | 24,899.2 |
| Equity | | |
| Accumulated surplus/(deficit) | (306.8) | (205.1) |
| Physical asset revaluation surplus | 8,001.5 | 4,244.2 |
| Contributed capital | 20,991.5 | 20,860.1 |
| Net worth | 28,686.2 | 24,899.2 |

Statement of changes in equity for the financial year ended 30 June 2018

| | Physical asset revaluation reserve \$M | Accumulated surplus/ (deficit) \$M | Contributed capital \$M | Total \$M |
|---|---|---|-------------------------------|-----------------|
| Balance at 1 July 2016 | 2,350.6 | 163.3 | 20,788.3 | 23,302.2 |
| Net result for the year | – | (369.3) | – | (369.3) |
| Remeasurement of superannuation defined benefit plans | – | 0.9 | – | 0.9 |
| Changes in physical asset revaluation surplus | 1,893.6 | – | – | 1,893.6 |
| Capital contribution by Victorian State Government | – | – | 71.8 | 71.8 |
| Balance at 30 June 2017 | 4,244.2 | (205.1) | 20,860.1 | 24,899.2 |
| Net result for the year | – | (101.4) | – | (101.4) |
| Remeasurement of superannuation defined benefit plans | – | (0.3) | – | (0.3) |
| Changes in physical asset revaluation surplus | 3,757.3 | – | – | 3,757.3 |
| Capital contribution by Victorian State Government | – | – | 131.4 | 131.4 |
| Balance at 30 June 2018 | 8,001.5 | (306.8) | 20,991.5 | 28,686.2 |

Cash flow statement for the financial year ended 30 June 2018

| | 2018 \$M | 2017 \$M |
|--|----------------|----------------|
| Cash flows from operating activities | | |
| Receipts | | |
| Receipts from the Department of Health and Human Services | 569.1 | 489.9 |
| Receipts of funds from other authorities | 36.9 | 31.9 |
| Rent received | 473.4 | 465.1 |
| User charges received – rental properties | 4.9 | 5.0 |
| Interest received | 9.5 | 8.8 |
| Other receipts | 4.9 | 9.8 |
| GST recovered from Australian Taxation Office ⁽ⁱ⁾ | 39.8 | 33.4 |
| Total receipts | 1,138.5 | 1,043.8 |
| Payments | | |
| Payments of grants and other expense transfers | (439.2) | (467.0) |
| Payments for employee benefits | (110.2) | (103.4) |
| Payments for supplies and services | (33.0) | (47.2) |
| Interest and other costs of finance paid | (1.7) | (3.6) |
| Maintenance | (165.8) | (173.2) |
| Other property management expenses | (192.8) | (199.7) |
| Other payments | (0.2) | – |
| Total payments | (943.0) | (994.1) |
| Net cash flows from/(used in) operating activities | 195.6 | 49.7 |
| Cash flows from investing activities | | |
| Proceeds from the sale of non-financial assets | 103.4 | 138.8 |
| Purchase of short term investments – term deposits | (116.3) | (71.6) |
| Client loans repaid | 4.1 | 2.5 |
| Payment for non-financial assets | (295.6) | (209.7) |
| Net cash flows from/(used in) investing activities | (304.4) | (140.1) |
| Cash flows from financing activities | | |
| Owner contributions by Victorian Government – appropriation for capital expenditure purposes | 131.4 | 71.8 |
| Net cash flows from/(used in) financing activities | 131.4 | 71.8 |
| Net increase/(decrease) in cash and deposits | 22.6 | (18.5) |
| Cash and deposits at beginning of financial year | 62.9 | 81.5 |
| Cash and deposits at the end of the financial year | 85.5 | 62.9 |

Note:

(i) Goods and services tax (GST) recovered/paid from the Australian Taxation Office is presented on a net basis.

Capital projects reaching practical completion during the financial year ended 30 June 2018

| Project name | Original completion date | Latest approved completion date | Practical completion date | Original approved TEI budget (\$M) | Latest approved TEI budget (\$M) | Actual TEI cost (\$M) | Variation between actual cost and latest approved TEI budget (\$M) | Notes |
|---|--------------------------|---------------------------------|---------------------------|------------------------------------|----------------------------------|-----------------------|--|-------|
| Angliss Hospital ICU & Short Stay Unit | June 2019 | June 2019 | May 2018 | 20.000 | 20.000 | 18.722 | (1.278) | |
| Bendigo Hospital -Stage Two | July 2018 | July 2018 | June 2018 | 575.000 | 129.460 | 118.954 | (10.505) | 1 |
| Ballarat Health Cardiovascular Services | June 2017 | Oct 2017 | Oct 2017 | 10.000 | 10.000 | 8.642 | (1.358) | 2 |
| Latrobe Regional Hospital redevelopment – Stage 2a | June 2018 | Aug 2017 | Aug 2017 | 73.000 | 73.000 | 72.693 | (0.303) | 3 |
| Level 13 Fitout Victorian Comprehensive Cancer Centre | June 2018 | June 2018 | June 2018 | 11.985 | 11.985 | 8.900 | (3.085) | 4 |
| Maroondah Breast Cancer Centre | June 2019 | June 2019 | Feb 2018 | 10.000 | 10.000 | 9.147 | (0.853) | 5 |
| Moorabbin Hospital Imaging and Outpatients Expansion | June 2018 | June 2018 | Nov 2017 | 16.150 | 16.150 | 14.492 | (1.230) | 6 |
| Monash Children's Hospital (ELMHS) | Sept 2017 | Dec 2017 | Dec 2017 | 13.68 | 271.860 | 269.646 | (2.214) | 7 |
| Werribee Mercy Mental Health Expansion | Dec 2016 | May 2017 | Oct 2017 | 34.700 | 34.700 | 34.251 | (0.448) | 8 |

1. Project still in Defects Liability Period, consultant claims expected.
2. Project still in Defects Liability Period, consultant claims expected.
3. Project still in Defects Liability Period, consultant claims expected.
4. Waiting on final progress claims from the builder and Project Co to be submitted for payment.
5. Project still in Defects Liability Period, consultant claims expected.
6. Project still in Defects Liability Period, consultant claims expected.
7. Addition of ambulance bay for delivery of severely disturbed children necessitating major civil works for access; additional costs suicide prevention measures; and market price rises.
8. Staged handover. Some hangover landscaping issues affected practical completion date. In effect occupancy happened in July 2017.

Capital projects reaching financial completion during the financial year ended 30 June 2018

| Project name | Practical completion date | Financial completion date | Original approved TEI budget (\$M) | Latest approved TEI budget (\$M) | Actual TEI cost (\$M) | Variation between actual cost and latest approved TEI budget (\$M) |
|--|---------------------------|---------------------------|------------------------------------|----------------------------------|-----------------------|--|
| Ballarat Hospital – additional beds, ambulatory care and helipad | Dec 2016 | Dec 2017 | 46.360 | 47.063 | 46.302 | (0.703) |
| Box Hill Redevelopment | June 2017 | Nov 2017 | 447.500 | 447.500 | 447.501 | 0.000 |
| Broadmeadows Surgery Centre | June 2017 | June 2018 | 17.300 | 17.300 | 17.300 | 0.000 |

Disclosure index

The annual report of the Department of Health and Human Services is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the department's compliance with statutory disclosure requirements.

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Note: FRD = Financial Reporting Direction; SD = Standing Direction

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Additional departmental information available on request

Subject to the provisions of the FOI Act, information that shall be retained by the Accountable Officer shall include:

- > a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- > details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- > details of publications produced by the entity about itself, and how these can be obtained
- > details of changes in prices, fees, charges, rates and levies charged by the entity
- > details of any major external reviews carried out on the entity
- > details of major research and development activities undertaken by the entity
- > details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- > details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- > details of assessments and measures undertaken to improve the occupational health and safety of employees
- > a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes
- > a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved
- > details of all consultancies and contractors including: consultants/contractors engaged; services provided; and, expenditure committed to for each engagement.

Requests for additional information may be made in writing to the following:

Chief Communications Officer

GPO Box 4057

Melbourne VIC 3001

[Email Chief Communications Officer](mailto:DHHSCommunications@dhhs.vic.gov.au) <DHHSCommunications@dhhs.vic.gov.au>