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**Government
of South Australia**

DEPARTMENT OF HUMAN SERVICES

2020-21 Annual Report

DEPARTMENT OF HUMAN SERVICES

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To:

Hon Michelle Lensink MLC
Minister for Human Services

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *Public Sector Act 2009*, Public Sector Regulations 2010, *Public Finance and Audit Act 1987*, *Carers Recognition Act 2005*, *Gaming Machines Act 1992*, *Julia Farr Services (Trusts) Act 2007*, *Water Industry Act 2012*, *Youth Justice Administration Act 2016*, and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting Requirements*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Department of Human Services by:

Lois Boswell

Chief Executive



Date: 30 September 2021

Signature

From the Chief Executive



In accordance with the *Public Sector Act 2019*, I am pleased to present the annual report for the South Australian Department of Human Services (DHS) for the year ended 30 June 2021. The annual report provides a snapshot of the achievements and operations of DHS, including the financial performance of the department, in the 2020-21 financial year.

The past 12 months was another challenging, yet rewarding year as we continued to respond to the COVID-19 pandemic and implement service reform across the department.

The South Australian Government has continued to provide additional financial and emergency assistance to families and non-government organisations adversely impacted by the pandemic.

In the past year, we have been responsible for the administration of a range of measures including the once-off boost payment of \$500 and bringing forward the 2020-21 Cost of Living Concession payment, the International Student Support Package, the Residential Rental Grant Scheme, and the South Australian COVID-19 Cluster Isolation Payment.

We have also allocated the final funding committed to South Australia under the National Partnership on COVID-19 Domestic and Family Violence Responses to address the impact of COVID-19 on domestic, family and sexual violence.

Since March 2021, we have been working closely with SA Health on the COVID-19 vaccination rollout to disability clients and staff. Disability care residents and disability care support workers were amongst the first prioritised groups to receive the vaccine. Specific sites were established to ensure vaccines could be administered to people with a disability and their support staff in a safe place, including at the Northgate Aged Care Service and Highgate Park. Appropriate arrangements were also put in place for regional sites.

A focus for the department over the past year has been the development and introduction of a legislative framework to provide stronger safeguards for the use of unauthorised restrictive practices by NDIS service providers. In May 2021, both Houses of Parliament passed the Disability Inclusion (Restrictive Practices - NDIS) Amendment Bill 2021, which will amend the *Disability Inclusion Act 2018* and ensure that South Australia is compliant with the National Principles for restrictive practice authorisation.

The amendments will be supported by regulations and guidelines that provide additional clarity and detail about the interpretation and implementation of the legislative requirements. The authorisation scheme will commence from 2022.

To strengthen safeguards for disability clients, we also undertook a three month CCTV pilot in two southern suburbs supported accommodation homes. Commencing in April 2021, the pilot investigated the effectiveness of CCTV as an additional safeguarding measure, while maintaining the privacy and dignity of the residents in their own home.

The pilot was assessed by surveying families, guardians and staff and reviewing incidents reported during the three month trial period. Based on the success and feedback of the initial pilot, we will now trial the use of CCTV cameras in at least five further homes.

We have continued to reform the Child and Family Support System, which supports the most vulnerable families with early intervention services to help keep children safe at home. This includes launching the new Intensive Family Support Services on 31 March 2021, to replace the former Targeted Intervention Service and Family Preservation Service. Delivered by seven non-government organisations, the new services have a focus on targeting families with the right support at the right time and measuring their outcomes.

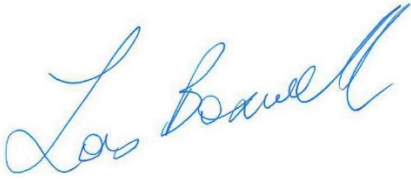
Following a review of the South Australian Home and Community Care (SA HACC) program, a more contemporary program was developed that better reflects the current environment and community needs. Key components of the new Community Connections program started on 3 May 2021, with the program designed to support socially isolated people whose independence and quality of life is at risk and who are unable to benefit from alternate services such as the NDIS, Mental Health and My Aged Care.

We have also established a further four Safety Hubs to provide a single-entry point for integrated services in regional South Australia. The Hubs are a safe local place where women can speak confidentially to trained workers or volunteers, who can provide information, support, and referrals to appropriate services.

Other highlights of the past 12 months include:

- establishing a new Statewide Perpetrator Response service to bolster early intervention services for South Australians at-risk of committing domestic violence
- finalising a review of personal alert technology available under the Personal Alert Systems Rebate Scheme, now known as Personal AlertSA
- launching the new *Volunteering Strategy for South Australia 2021-2027*, which builds on the foundation created by the state's previous strategy
- transitioning Domiciliary Equipment Service and the Independent Living Centre to new arrangements under the NDIS
- NDIS worker checks commencing on 1 February 2021
- releasing the inaugural report on the operation of the State Disability Inclusion Plan, which provides and update on progress made against the actions in Inclusive SA.

In closing, I would like to thank all DHS staff for their dedication and commitment during another demanding and challenging year.



Lois Boswell

Chief Executive

Department of Human Services

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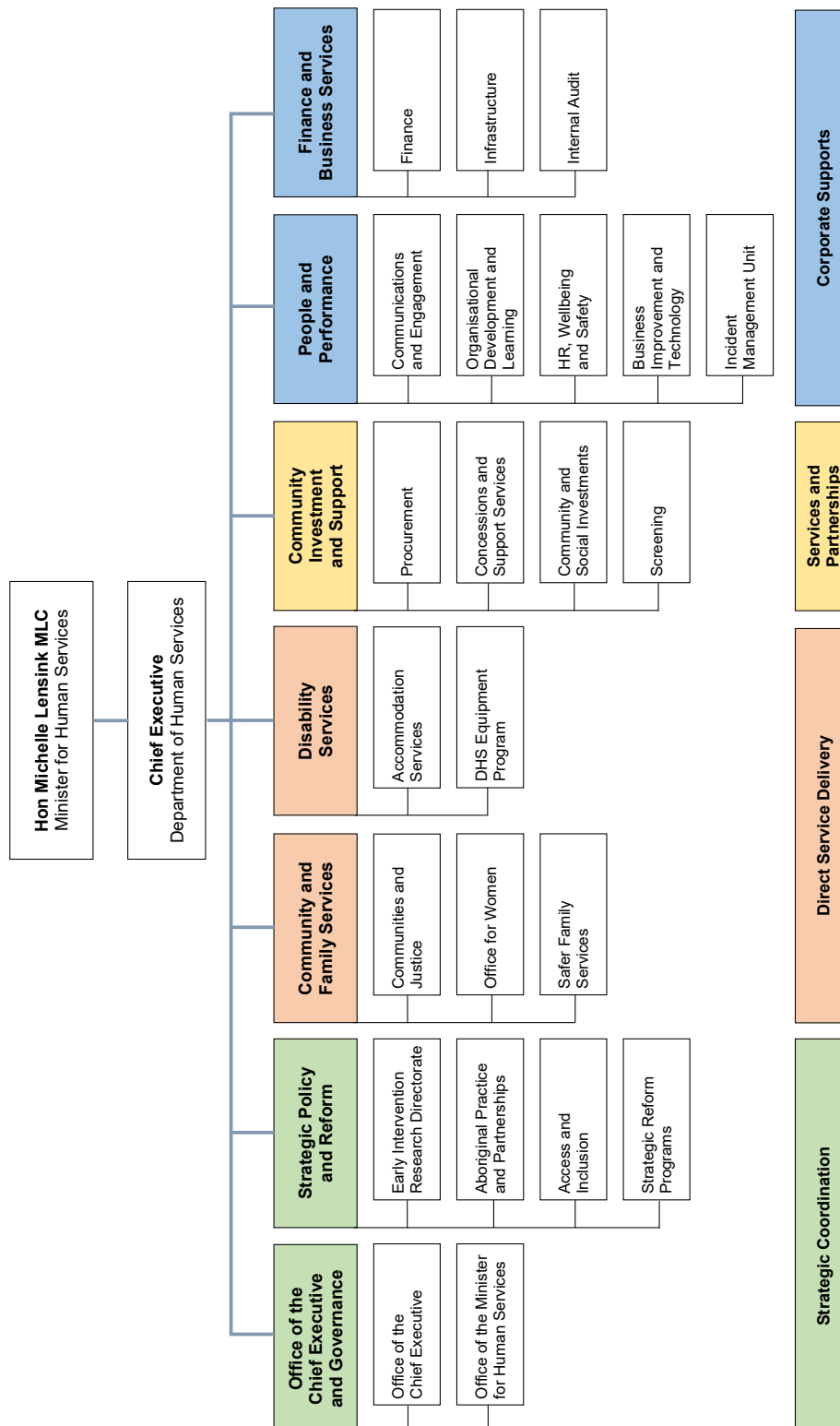
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Overview: about the agency

Our strategic focus

Our Purpose	The Department of Human Services delivers strategies, programs and services that improve the wellbeing and safety of South Australians.
Our Vision	Fairness, opportunity and choice for all South Australians.
Our Values	<ul style="list-style-type: none"> • Service • Professionalism • Trust • Respect • Collaboration and Engagement • Honesty and Integrity • Courage and Tenacity • Sustainability
Our functions, objectives and deliverables	<p>The department's strategic goals are:</p> <ul style="list-style-type: none"> • Better services and programs that make a lasting difference for individuals, families and communities. • A customer-focused organisation that puts people first. • Accountable, efficient, open and collaborative government. • A motivated, skilled, safe and inclusive workforce. <p>The department:</p> <ul style="list-style-type: none"> • Commissions human services across the not for profit sector. • Invests in the community through grants and funding. • Provides core services in areas including: <ul style="list-style-type: none"> ▪ youth justice ▪ disability services ▪ concessions and rebates ▪ employment-related screening ▪ family safety and support • Leads government reform agendas, including disability inclusion and the transition to the National Disability Insurance Scheme (NDIS), intensive family support services and women's equality and safety.

Our organisational structure



The above organisational chart reflects the structure of the department as at 30 June 2021. The current chart is available at www.dhs.sa.gov.au/about-us.

Changes to the agency

During 2020-21 there were the following changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

The new organisational structure came into effect on 1 March 2021, to support an organisational model that is designed around four streams: strategic coordination, direct service delivery, services and partnerships and corporate supports.

Changes to the department's structure included:

- The establishment of the Strategic Policy and Reform Division, bringing together the full body of policy and program reform across the department as a central unit, which will use its expertise to partner with other divisions to deliver reform.
- Integrating Youth Justice Services and the Office for Women into the Community and Family Services Division, to further integrate domestic violence policy and support with child and youth policy, and strengthen service delivery to shared client groups.
- The establishment of the Community Investment and Support Division, which brings together all procurement, sector business and customer support functions.

The aim of the new structure is to ensure the department remains adaptive to operational requirements, and staff and services are aligned to functional areas that reflect their specialist skills to provide the best possible experience for our client group and create efficiencies and a more collaborative approach to functions.

Our Minister



Hon Michelle Lensink MLC Minister for Human Services

Minister Lensink is responsible for the Human Services portfolio.

Through DHS, the Minister has responsibility for the administration of concessions and rebates, financial resilience programs, provision of statutory youth justice services, screening services, advancing the inclusion of people with disability, early intervention and support services and lead policy responsibility in relation to youth, volunteers and carers.

Key priorities of the Minister include the prevention of domestic and family violence and the reform of DHS Accommodation Services to operate under the NDIS.

Our Executive team

DHS Executive Leadership Team as at 30 June 2021

Lois Boswell, Chief Executive

Lois Boswell was appointed to the position of Chief Executive in September 2020 and is responsible for the overall leadership and strategic direction of the department. Prior to then, Lois served as the Acting Chief Executive since March 2020 and was the department's Deputy Chief Executive from 2016.

Nick Ashley, Chief Financial Officer, Finance and Business Services

Appointed to the role of Chief Financial Officer in May 2021, Nick oversees the Finance and Business Services Division which is responsible for budgeting, financial analysis, monitoring and reporting, management accounting and strategic financial advice. The division also monitors financial compliance, coordinates financial authorisations and provides financial and accounting policy advice.

Nick is also currently responsible for the functions of Procurement and Community and Social Investments within the Community Investment and Support Division, which includes the administration of grant funding to the not-for-profit sector.

Katherine Hawkins, Executive Director, Strategic Policy and Reform

Established in March 2021, the Strategic Policy and Reform Division is responsible for delivering policy and program reform in partnership with other divisions across the department. This includes the design, delivery and commissioning of intensive family services support programs and strategies. The division is responsible for strategies to support young South Australians and the LGBTIQ+ community, and for leading the implementation of the Volunteering Strategy for South Australia.

Ann-Marie Hayes, Executive Director, Community and Family Services

The Community and Family Services Division is comprised of:

- Communities and Justice, which is responsible for the statutory supervision of young people in contact with the justice system, including the administration of the Kurlana Tapa Youth Justice Centre. The Directorate is also responsible for strategies and funding to support people with exceptional needs, children with a disability in voluntary out-of-home care and targeted Aboriginal populations.
- Safer Family Services, which is responsible for the provision of intensive family support and assistance to children and their families at risk of harm, neglect and family violence, especially those with multiple and complex needs.
- The Office for Women, which has a strong focus on addressing domestic, family and sexual violence and supporting the full and equal participation of women in all aspects of life in South Australia. The Office for Women also provides statewide information and referral services through the Women's Information Service.

Joe Young, Executive Director, Disability Services

The Disability Services Division, through the Accommodation Services Directorate, provides supported independent living services to people with disability living at community based groups homes and the Northgate Aged Care Service. The division also includes the DHS Equipment Program, which funds and arranges equipment and home modifications for South Australians who are not eligible for these services through Commonwealth Government funding options.

Sue-Ann Charlton, Executive Director, People and Performance

Appointed in November 2020, Sue-Ann is responsible for the People and Performance Division which provides strategic advice and leadership, and implements operational strategies that support the recruitment, performance, development, management and wellbeing of DHS employees.

In addition, Sue-Ann is responsible for:

- Incident Management Unit, an independent function within the division, which is responsible for the efficient management of incidents involving DHS clients and staff members, including Critical Client Incidents.
- Business Improvement and Technology Directorate, which is responsible for providing information, systems and technology support to the department.
- Communications and Engagement, which is responsible for the provision of media management, digital communications and design, communications advice and support across the department, events and sector engagement.

Kelly Biggins, Acting Executive Director, Community Investment and Support

Appointed to the role of Acting Executive Director in May 2021, Kelly oversees the following functions within the Community Investment and Support Division:

- DHS Screening Unit, which provides screening checks that help protect children and vulnerable adults.
- Concessions and Support Services, which administers a range of concessions and rebates that provide assistance to low income South Australians, and is responsible for the operations of the DHS Interpreting and Translating Centre.

Karen Chee, Acting Director, Office of the Chief Executive and Governance

The Office of the Chief Executive and Governance is responsible for a range of functions including executive support to the Chief Executive, corporate governance, Cabinet coordination and Parliamentary business, correspondence and briefings, coordination of policy advice on inter-governmental and intra-governmental matters, Royal Commission responses, risk management, business continuity and legal services. The Director also has reporting responsibility for staff in the Office of the Minister for Human Services.

Legislation administered by the agency

Carers Recognition Act 2005

Child Safety (Prohibited Persons) Act 2016

Children's Protection Law Reform (Transitional Arrangements and Related Amendments) Act 2017

Cost of Living Concessions Act 1986

Disability Inclusion Act 2018

Disability Services Act 1993

Julia Farr Services (Trusts) Act 2007

Not-for-Profit Sector Freedom to Advocate Act 2013

Supported Residential Facilities Act 1992

Volunteers Protection Act 2001

Youth Justice Administration Act 2016

Other related agencies (within the Minister's area/s of responsibility)

The South Australian Housing Trust, trading as the SA Housing Authority, is responsible to the Minister for Human Services for the delivery of better housing opportunities for all South Australians.

The agency's performance

Performance at a glance

Achievements during the 2020-21 financial year include:

- Allocating approximately \$175 million in household and transport concessions to approximately 227,000 eligible South Australians.
- Distributing approximately \$1.8 million in COVID-19 Support Grants to 246 projects through Grants SA.
- Through the Gamblers Rehabilitation Fund, approximately \$5.69 million was allocated to 12 gambling help services in each State Government region and 16 targeted services.
- Distributing an estimated \$12.98 million through the Family and Community Development Fund to services which advance the welfare of children, youth and vulnerable South Australians.
- Administering donations to those people affected by the Cudlee Creek and Kangaroo Island fires. While the SA Bushfire Appeal officially closed on 31 July 2020, funds were still received after this date. As at 30 June 2021, just over \$9 million had been distributed through 2,979 gift payments.
- Receiving and finalising 229,720 screening applications, with 70.9% of applications finalised by the Screening Unit in one week or less (162,876).
- Completing 70,457 interpreting assignments and 1,207 translating assignments through the DHS Interpreting and Translating Centre.
- Recording 35,549 contacts with clients of the Women's Information Service (WIS), compared to 63,663 in 2019-20. This outcome reflects the impact of COVID-19 lockdowns on the WIS shopfront and outreach centres.
- Providing 879 free pairs of standard glasses to eligible Aboriginal customers. DHS partnered with Vision 2020 Australia to provide 350 free pairs from May 2020 and has now embedded this practice into the GlassesSA program.

Agency response to COVID-19

During 2020-21, the department continued to administer and deliver payments to support vulnerable South Australians whose income and employment prospects were significantly impacted by COVID-19. This included:

- The once-off \$500 cash boost and bringing forward the 2020-21 **Cost of Living Concession** (COLC) payable to eligible homeowners and tenants receiving Centrelink JobSeeker Payment. As at 30 June 2021, more than 7,400 households had received payments totalling \$4.6 million in 2020-21.
- The **International Student Support Package** provides \$500 emergency cash grants to support international students impacted by coronavirus restrictions. In the past 12 months, over 4,200 payments were made to students totalling approximately \$2.8 million.

- **SA COVID-19 Cluster Isolation Payment** provides \$300 to people who miss work due to a COVID-19 cluster or public health direction and do not have paid leave or income support. During 2020-21, 694 recipients received payments totalling \$208,200.
- **Residential Rental Grant Scheme** with two rounds of grants up to \$1,000 (to landlords) for residential tenants on JobSeeker or JobKeeper in rental hardship. During 2020-21, 370 payments were made totalling \$262,279.
- The allocation of \$4.1 million through the **Vulnerable South Australians Support Package**, which provided non-government organisations with additional funding for food relief, emergency relief and financial resilience and wellbeing to support vulnerable families and communities impacted by COVID-19.

In 2019-20, the Commonwealth Government provided additional funding to each state and territory through the **National Partnership on COVID-19 Domestic and Family Violence Responses** to address the impact of COVID-19 on domestic, family and sexual violence. Under the National Partnership, South Australia received \$9.796 million over the 2019-20 and 2020-21 financial years in four rounds.

In the past 12 months the department allocated funding through Round 3 and 4 which included:

- \$1.75 million to implement the new Safe and Secure Housing program to support victim-survivors find appropriate housing
- \$1.5 million to introduce the Safe and Well Kids program to support children and young people who are experiencing domestic violence
- a further \$1.05 million for the continuation of perpetrator services and new perpetrator interventions for young men
- a further \$600,000 for Individual Safety and Support Packages
- \$325,000 to fast-track five additional regional Safety Hubs.

Through the **DHS Interpreting and Translating Centre**, the department also provided translation and interpreting services to support South Australian Government departments to communicate with, and deliver services to, non-English speaking people and families. This included:

- providing telephone interpreting services to the COVID-19 Help Line, the Hotel Quarantine teams, and in the mental health sector, especially for those in quarantine
- engaging highly skilled and experienced translators to translate critical public health information on COVID-19 symptoms, risk factors, testing and treatment and vaccinations
- providing support to SA Health clinicians and hospital staff to communicate with non-English speaking patients with COVID-19 and their families
- supporting SA Health to conduct phone interviews with people testing positive to COVID-19 and their close contacts, and supporting interstate contact tracing teams, including in Melbourne.

Through the **DHS Screening Unit**, the department assisted essential organisations and workers with screenings to enable replacement or temporary workers more quickly in areas of high risk and high need, particularly within the health sector and disability care.

Agency contribution to whole of Government objectives

DHS contributed to the achievement of the South Australian Government's objectives as follows:

Key objective	Agency's contribution
More jobs	On 12 March 2021, the State Government announced a recruitment drive to hire 175 trainee disability support workers over two years to work in DHS Accommodation Services. The \$9.5 million initiative is part of the Government's 2020-21 State Budget commitment of \$32.9 million over four years to support 750 additional traineeship and apprenticeship places in government agencies and funded projects. As at 30 June 2021, 39 trainee roles had been filled in Accommodation Services following an advertisement and recruitment process from March to mid-May 2021.
Lower costs	<p>During 2020-21, DHS continued to administer a wide range of concessions and rebates that provide valuable assistance to households on low or fixed incomes who are experiencing cost-of-living pressures. These include:</p> <ul style="list-style-type: none"> • Cost of Living Concession (COLC) payment made to low income households in recognition of cost of living pressures. Households can direct the concession towards their greatest need, whether that is electricity, gas, water bills or council rates. • Energy concession, which is applied as a reduction on the customer's bill from their energy retailer. This arrangement is administered under a service agreement between DHS and energy retailers. • Medical Heating and Cooling concession for South Australians on a low income or pension who have a qualifying medical condition, and who require the use of medical heating or cooling in their home to prevent a severe exacerbation of their condition. • Water and Sewerage Concession Scheme, which provides a concession that is calculated as up to 30% of a recipients' total water bill for a financial year (subject to minimum and maximum amounts) and a maximum sewerage rate remission of \$118.40 per annum.

Key objective	Agency's contribution
	<ul style="list-style-type: none"> • Residential Parks Concessions Scheme, which provides eligible residents of a residential park with a quarterly concession to assist with their utility costs. • Emergency Services Levy (fixed property) Remission, which provides eligible South Australian residents up to \$46 per year on the Emergency Services Levy (ESL) (fixed property) for their principal place of residence. • Transport concession, which provide a 50% reduction (approximately) on the price of Adelaide Metro tickets. • Emergency Electricity Payment Scheme, with up to \$400 every three years for families experiencing financial crisis who cannot meet their electricity debts. Payments are made directly to the customer's energy provider. • Funeral AssistanceSA, which provides a basic dignified funeral, including associated costs, to those who have insufficient assets to cover funeral costs. • GlassesSA, which provides low-cost prescription glasses from participating optometrists and free contact lenses for specified eye conditions. • Personal AlertSA, with rebates of up to \$380 for the purchase and installation of approved personal safety monitored devices and up to \$200 yearly for monitoring services. <p>During 2020-21, the DHS Screening Unit continued to provide free screening to volunteers, benefiting over 50,000 volunteers and saving volunteers and organisations over \$2.9 million.</p>
Better Services	<p>Intensive Family Support Services</p> <p>The recommissioned Intensive Family Support Services commenced on 31 March 2021, replacing the Targeted Intervention Service and Family Preservation Service. The new model is based on the most recent research regarding interventions that work for families whose children are at risk of entering the child protection system. Services include risk and safety planning, are trauma responsive and culturally safe.</p> <p>A total of \$52 million has been allocated over four years, with services being delivered across metropolitan Adelaide and the regions by Centacare Catholic Family Services, Centacare Catholic Country SA, Relationships Australia South Australia, Kornar Winmil Yunti, Uniting Country SA, Anglican Community Care and Aboriginal Family Support Services.</p>

Key objective	Agency's contribution
	<p>Community Connections Program</p> <p>The SA HACC program permanently ceased on 30 April 2021 and was replaced by a new Community Connections program, which was developed following sector engagement. The new program has been established to support socially isolated people to increase their independence and to build strong, sustainable social and community connections.</p> <p>The Community Connections program addresses a service gap for people who are not eligible for mainstream programs such as the NDIS, My Aged Care or National Carer Gateway, but who need extra support to build social networks and community connections to regain their independence. Key components of the new program commenced on 3 May 2021 following a tender process, with formal commencement beginning on 1 July 2021.</p> <p>Personal AlertSA</p> <p>During 2020-21, DHS completed a review of personal alert technology under the Personal Alert Systems Rebate Scheme, and rebranded the scheme to Personal AlertSA (PASA). Following a tender process, new suppliers and products have been available to PASA customers from 1 February 2021.</p> <p>The scheme now offers a broader and more contemporary range of device styles with improved capabilities. All devices now have falls detection and 4G technology, with some also having GPS capabilities. The GPS devices, available in both a pendant and Smartwatch style, can increase people's independence as users remain connected to their personal alert support when participating in the community.</p>

Agency specific objectives and performance

Agency Objective: Modernising Services - Services reflect the changing needs of South Australians with a focus on efficiency and sustainable outcomes.	
Indicators	Performance
Child and Family Safety Networks are implemented across South Australia.	<p>The Child and Family Assessment Referral Networks (CFARNS) program provides local level coordination to parents and children with complex needs, as well as intensive case management support. There are currently four CFARNS in South Australia, with three operated by DHS and one by Relationships Australia.</p> <p>During 2020-21, ten new statewide local coordination sites called Child and Family Safety Networks (CFSNs) were established to supplement CFARNS. The CFSNs facilitate local level resource sharing, service coordination and advice.</p>
Implementation of the Social Impact Framework to better guide investment in community services.	<p>A Social Impact Framework has been developed to provide consistent rigour in how DHS designs and commissions future programs to maximise impact, and to achieve balance in investment across different needs groups, geographical locations and service types. The department consulted with funded peak bodies and there was general support for the potential of the Framework to better inform DHS investment in programs and services.</p> <p>The Social Impact Framework will be launched in early 2021-22.</p>
Employment-related screenings and processes are streamlined.	<p>The Screening Unit reviewed the types of screenings provided and explored opportunities to streamline and reduce costs for organisations and applicants. Consultation with around 60 government agencies and large to medium use organisations commenced in late November 2020.</p> <p>Broader consultation was delayed due to the commencement of NDIS worker checks.</p>

Agency Objective: Modernising Services - Services reflect the changing needs of South Australians with a focus on efficiency and sustainable outcomes.

Indicators	Performance
Commencement of capital works to consolidate contemporary youth custodial services at a single improved site.	<p>In the 2020-21 State Budget, the Government committed \$18.7 million over three years to consolidate the provision of youth custodial services into a single site at Goldsbrough Road to provide young people in custody with access to better facilities and programs. An architect has been appointed to the project, with the Department for Infrastructure and Transport engaged as the project specialist with responsibility for managing project procurement processes.</p> <p>During 2020-21, the department worked closely with key stakeholders to ensure the new infrastructure considers the needs of Aboriginal young people, young people with complex needs and both the physical and psychological influence of the environment. Following extensive consultation, the concept design was presented to staff and key stakeholders, including the Training Centre Visitor.</p>
Digitisation of Family Safety Meetings is finalised to improve the collection and sharing of data.	<p>The department worked with an external vendor to finalise the digitisation of Family Safety Meetings through the development of an online Family Safety Portal, which will improve the collection and sharing of data and support online meetings. The Office for Women developed the specific digitisation functions, policies and procedures which support digitisation, and worked with key stakeholders, including South Australia Police, to ensure the portal meets the business needs of all Family Safety Meeting members.</p> <p>The testing stages of the Family Safety Portal identified the need for additional system enhancements to ensure that information is secure. This has resulted in a delay in the full rollout of the portal.</p>

Agency Objective: Modernising Services - Services reflect the changing needs of South Australians with a focus on efficiency and sustainable outcomes.

Indicators	Performance
Independent Living Centre services are transitioned to new arrangements under the NDIS.	<p>As funding previously supporting the work of the Independent Living Centre (ILC) was redirected to the NDIS as part of the State's contribution, options were considered about how to continue to deliver ILC services into the future. In late 2018, market sounding was undertaken with the department calling for a Registration of Interest and Request for Information. This identified the Catalyst Foundation's interest and capability to deliver ILC services.</p> <p>In February 2021, the department accepted a proposal from Catalyst to continue operating some ILC services post 30 June 2021. On 1 July 2021 Catalyst commenced providing independent information and advice on equipment and technology, community education and attendance at expos, under the ILC banner.</p>
Accommodation Services continues to be reformed to operate in line with the NDIS.	<p>DHS Accommodation Services has continued to embed improvements in its service and work towards registration with the Quality and Safeguarding Commission to operate commercially.</p> <p>Service improvements include:</p> <ul style="list-style-type: none"> • establishment of a service agreement between clients and Accommodation Services • consistent training and development for all staff • improved reporting through anonymous complaints option for staff, clients and families • review of all restrictive practices in use and working to ensure all appropriate documentation is completed. <p>An audit by external providers against NDIS Quality and Safeguarding Commission requirements was conducted in November 2020. Initial feedback from the external auditors was that Accommodation Services is on track for successful registration for three areas of the service in 2021. These areas are community nursing, transport and community participation.</p>

Agency Objective: Modernising Services - Services reflect the changing needs of South Australians with a focus on efficiency and sustainable outcomes.	
Indicators	Performance
Services provided by the Domiciliary Equipment Service are transitioned to the non-government sector.	<p>As part of the State Government's strategy to transition out of state disability services, DHS released a public tender in August 2020 for the supply of equipment to deliver services provided by the Domiciliary Equipment Service (DES). On 14 December 2020, DES closed with ALTER, a non-government supplier, commencing a contract to deliver refurbished and readily-available loan equipment services to DHS Equipment Program clients.</p> <p>The DHS Equipment Program was established to fund South Australians who are otherwise ineligible for equipment and home modifications through Commonwealth Government funding options.</p>
A new Aboriginal Language Interpreting Service is developed within the Interpreting and Translating Centre.	<p>The department is working with the Department of the Premier and Cabinet, Aboriginal organisations and communities, TAFE SA, the National Accreditation Authority for Translators and Interpreters, and other government and non-government service agencies to create a new Aboriginal Language Interpreting Service (ALIS) within the DHS Interpreting and Translating Centre. The ALIS is an initiative under the <i>South Australian Government Aboriginal Affairs Action Plan 2021-2022</i> to address a significant shortage of trained and readily available Aboriginal language interpreters.</p> <p>An ALIS Project Team commenced in the Interpreting and Translating Centre in May 2021, and is responsible for designing and implementing the new service. A phased roll out of the new service is scheduled to commence in late 2021.</p>

Agency Objective: Modernising Services - Services reflect the changing needs of South Australians with a focus on efficiency and sustainable outcomes.

Indicators	Performance
Commencement of NDIS worker checks in South Australia.	<p>NDIS worker checks commenced across all Australian states and territories on 1 February 2021, with the exception of the Northern Territory where they commenced on 1 July 2021. NDIS worker checks are:</p> <ul style="list-style-type: none"> • valid for five years • portable across roles, organisations and jurisdictions • subject to ongoing monitoring of national police records and misconduct and disciplinary records of the NDIS Commission. <p>The introduction of NDIS worker checks represented an unprecedented achievement of the states, territories, and the Commonwealth coming together to agree on a nationally consistent screening policy designed to help NDIS providers keep people with disability safe from harm.</p>

Agency Objective: Building Inclusion, Independence and Resilience - Accessible communities where all South Australians can participate, achieve their aspirations, and build resilience and independence.

Indicators	Performance
Development and launch of the Second Volunteering Strategy for South Australia.	<p>The department partnered in a four-stage development process to produce and launch the second Volunteering Strategy. The first two stages involved consultation and were undertaken during 2019-20. Stage three involved the development of the second Strategy document, integrating feedback from key stakeholders including an online consultation process hosted on YourSAy from 17 February to 26 March 2021.</p> <p>Stage four was the public launch, with the <i>Volunteering Strategy for South Australia 2021-2027</i> launched at the annual National Volunteer Week Parade on 17 May 2021.</p>

Agency Objective: Building Inclusion, Independence and Resilience -

Accessible communities where all South Australians can participate, achieve their aspirations, and build resilience and independence.

Indicators	Performance
<p>Strategies in the <i>Strong Futures: SA Youth Action Plan 2020-2022</i> continue to be implemented.</p>	<p>DHS provided funding to a range of programs and initiatives aligned to the priorities of the Youth Action Plan including:</p> <ul style="list-style-type: none"> • Funding to the Youth Affairs Council of South Australia (YACSA) (\$414,774 in 2020-21), for sector support and advocacy as the peak representative body for South Australian young people and the youth sector. • COVID-19 Recovery Grant to YACSA (\$120,000 in 2020-21), to fund a dedicated 12-month Recovery Project Officer to support the youth sector in meeting its recovery needs. • COVID-19 Recovery Grant to the Working Women's Centre (\$120,000 in 2020-21), to fund a 12-month Youth Project Officer to provide awareness raising and education to priority groups, undertake research on the impact of COVID-19 on these groups and develop the centre's recovery efforts. • \$550,000 to the Local Government Association SA for a program of one-off youth-led COVID-19 recovery grants. Launched on 17 August 2020, councils are implementing 14 youth-led recovery projects across 23 local government areas. • Funding to the Port Augusta Social Vision Program (\$271,188 in 2020-21), which includes two components, the Port Augusta Youth Centre and the Salvation Army Youth Safe Transport Service, that support better outcomes for vulnerable and/or at-risk young people in Port Augusta.

Agency Objective: Building Inclusion, Independence and Resilience - Accessible communities where all South Australians can participate, achieve their aspirations, and build resilience and independence.	
Indicators	Performance
Women's Leadership and Economic Security Strategy is finalised.	<p>The finalisation of the Women's Leadership and Economic Security Strategy was delayed due to COVID-19, to ensure that it responded to changed circumstances and supported women's economic wellbeing in recovery. On 5 March 2021, a Roundtable was held with a range of leaders from South Australian businesses including members of the Chiefs for Gender Equity, to discuss the key priorities that should inform the Strategy.</p> <p>Key issues identified through the Roundtable were included in the <i>Women's Leadership and Economic Security Strategy 2021-2024</i>, which was finalised and launched in August 2021. The Strategy targets three crucial areas of employment and entrepreneurship, leadership and recognition and financial wellbeing.</p>
Actions continue to be progressed under <i>Young People Connected, Communities Protected: South Australia's Youth Justice State Plan 2020-2023</i> .	<p>Several actions under the Youth Justice State Plan have been realigned with new or ongoing projects. Of 14 actions due by 30 June 2021 (based on revised due dates), or considered ongoing business, nine have been completed and five are in progress.</p> <p>Completed deliverables during 2020-21 include:</p> <ul style="list-style-type: none"> • further development and marketing of the Youth Justice Victims' Register to empower victims of crime and consider their voices in understanding the impacts of crime • investment in new technologies, including the installation of body scanners at the Kurlana Tapa Youth Justice Centre to reduce the need for partially clothed searches • implementation of an electronic logging system at Kurlana Tapa.

Agency Objective: Building Inclusion, Independence and Resilience - Accessible communities where all South Australians can participate, achieve their aspirations, and build resilience and independence.	
Indicators	Performance
State authorities are supported to publish their Disability Access and Inclusion Plans.	<p>The department supported State authorities by developing a guideline that outlines the requirements State authorities must meet when developing and consulting on the development of their Disability Access and Inclusion Plans (DAIPs). The guideline was made available on the Inclusive SA website along with other resources including a toolkit and DAIP template.</p> <p>A community of practice forum was also established that enabled agencies to share information and learnings. Three virtual forums were held in mid-August 2020 covering the topics of consultation, data collection and preparation for publishing.</p>
First annual report prepared on the operation of the State Disability Inclusion Plan.	<p>The first annual report on the operation of the <i>State Disability Inclusion Plan 2019-2023</i> (Inclusive SA) was tabled in both Houses of Parliament on 18 February 2021, as required under the <i>Disability Inclusion Act 2018</i>. DHS conducted cross-government consultation to prepare the annual report, which outlines the progress State authorities have made on the actions in Inclusive SA.</p> <p>Of the 39 actions outlined in Inclusive SA, two have been completed (Action 3 and Action 20) and all others are 'In progress' with varying timeframes for implementation, as set by the responsible State authority.</p>
Community consultation is undertaken to guide the development of options for the future of the Highgate Park site.	<p>Think Human was engaged by the department to undertake community consultation on options for the future of the Highgate Park site and the Home for the Incurables Trust that owns it. Consultation was undertaken between July and October 2020, with more than 360 people involved in the consultation process. The consultation focussed on people with lived experience of disability from metropolitan Adelaide and regional South Australia, Aboriginal people living with disability, and subject matter experts working in the disability sector.</p> <p>Highgate Park will now be sold with any proceeds used to promote greater community inclusion and benefit people living with disability. The full consultation report is available on the DHS website.</p>

Agency Objective: Intervening Earlier - Vulnerable South Australians receive the right support early to reduce risk and build individual and community wellbeing.	
Indicators	Performance
Continue reform of the Child and Family Support System.	<p>In the past year, the department continued to reform the Child and Family Support System to achieve the best outcomes for families and children. This includes the:</p> <ul style="list-style-type: none"> • establishment of the Adult Supporting Kids (ASK) website for families seeking information and support regarding child safety • establishment of a new pathways service to ensure centralised referral management, service matching and enable future reporting on outcomes for government and non-government delivered intensive family services • development of a South Australian nuanced Cultural and Trauma Responsiveness training package in conjunction with SNAICC (Secretariat of National Aboriginal and Islander Child Care), to be delivered by local Aboriginal Community Controlled Organisations (ACCOs) • commencement of a two-year pilot in Central and Southern Adelaide of Breathing Space* (run by Centacare), a service targeting young women whose children have been removed and placed in the child protection system. <p><i>* Correction: The department's 2019-20 annual report incorrectly reported on page 17 that a Breathing Space program was established in the Northern suburbs.</i></p>
Safety Hubs are extended into regional South Australia.	<p>As at 30 June 2021, six Safety Hubs have been established in regional South Australia to provide targeted information and referrals for women and their children to enable access to the local level support they require.</p> <p>In the past year, the following four Safety Hubs have been delivered:</p> <ul style="list-style-type: none"> • KWY Port Augusta Safety Hub, opened November 2020 • The Haven at Gawler, opened December 2020 • The Haven at Mount Barker, opened March 2021 • The Haven at Mount Gambier, opened May 2021. <p>Safety Hubs were previously established at Murray Bridge (launched in August 2019) and Berri (launched in September 2019).</p>

Agency Objective: Intervening Earlier - Vulnerable South Australians receive the right support early to reduce risk and build individual and community wellbeing.	
Indicators	Performance
Early support and intervention services are established for perpetrators of domestic violence.	<p>During 2019-20, the focus of the South Australian perpetrator response was the establishment of a telephone information and referral service to enable frontline workers and self-referring perpetrators of domestic and family violence to make early contact and be linked with specialist perpetrator responses. The new service is supported with the allocation of \$400,000 per annum, indexed from 2021-22, in the 2020-21 State Budget.</p> <p>To establish the new statewide early intervention counselling service, providers were invited to respond to a Request for Tender between April and May 2021. Following a comprehensive evaluation process, No to Violence (NTV), a nationwide non-government organisation, was selected to deliver the Statewide Perpetrator Response from 1 July 2021. The procurement process assessed all tenderers against a range of evaluation criteria including the capacity to deliver, knowledge of and experience with the client group, community networks and communications.</p>
Strategies to increase safeguards for people with disability are supported.	<p>In response to the Safeguarding Task Force Supplementary Report, the State Government allocated \$1.2 million over three years in the 2020-21 State Budget for the establishment of a new statewide advocacy service. Following a tender process, Uniting Communities was selected to provide the service which commenced in December 2020. The statewide individual advocacy service provides legal representation for people to challenge NDIS decisions, as well as educate and empower people with disability to advocate for themselves.</p> <p>In addition to the new advocacy service, the role of the Disability Advocate, Dr David Caudrey, has been extended until 2023. This position has played a key role in collating evidence about how the transition to the NDIS has progressed in South Australia and capturing any unintended systemic gaps as a result of the disability reform process.</p>

Agency Objective: Intervening Earlier - Vulnerable South Australians receive the right support early to reduce risk and build individual and community wellbeing.	
Indicators	Performance
Therapeutic environment strengthened at the Kurlana Tapa Youth Justice Centre.	<p>The therapeutic environment at the Kurlana Tapa Youth Justice Centre is being strengthened through the development of an Enhanced Support Team, which will pilot a model of therapeutic care and focus on intensive behaviour support planning and interventions for young people with complex needs, including those with a disability. The Enhanced Support Team comprises allied health professionals with disability expertise and commenced in August 2021.</p> <p>The department also commenced the development of a Sensory Modulation Framework to provide children and young people with the knowledge and resources to help them understand their sensory processing needs and to develop self-regulation skills. The Framework will include a set of practical recommendations on how to modify environments to respond to the varied sensory processing needs of children and young people in custody.</p>
Implementation of the Optional Protocol to the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment in South Australia.	<p>During 2020-21, DHS provided feedback through the Attorney-General's Department (AGD) in regard to the implementation of a National Preventative Mechanism (NPM) for Youth Justice Services under the Optional Protocol to the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).</p> <p>AGD is leading the implementation of OPCAT in South Australia, with each state and territory required to nominate a NPM as the independent monitor to undertake preventative visits to places of detention. The draft South Australian OPCAT Implementation Bill 2021 designates the Training Centre Visitor as the NPM in respect of children and young people detained in the Kurlana Tapa Youth Justice Centre.</p>

Agency Objective: Intervening Earlier - Vulnerable South Australians receive the right support early to reduce risk and build individual and community wellbeing.	
Indicators	Performance
Establishment of the Aboriginal Cultural Trail and Connection Space at Kurlana Tapa.	<p>Aboriginal Elders, children and young people were engaged in the design and development of the Aboriginal Cultural Trail and Connection Space at Kurlana Tapa, which was officially opened on 23 February 2021. This initiative provides a unique space for Aboriginal children and young people in custody at the Kurlana Tapa Youth Justice Centre.</p> <p>The cultural trail and connection space include a Restorative Connection Shelter, Desert Dance space, Ibis Theatre, a Kurna Shield Shelter, Metal Coolamon, waterhole and fire pit, which will be used for a range of educational, cultural, language and recreational activities.</p>
Acceleration of the Transition to Home program to enable discharge-ready people with disability to move from hospital to community accommodation.	<p>The Transition to Home (T2H) step down program was implemented in March 2020, as part of South Australia's existing Long Stay Transition to Discharge Project. The T2H program facilitates the timely discharge of people with disability from hospital into the community.</p> <p>In the past year, DHS continued working with the Department of Health and Wellbeing, Local Hospital Networks and the National Disability Insurance Agency (NDIA) to accelerate the T2H program to enable discharge-ready people with disability move to community accommodation. The program increased from 20 to 24 beds, three service coordinators were appointed, and clients were provided with capacity building.</p>

Corporate performance summary

The following is a summary of the key corporate service achievements in 2020-21:

- DHS achieved reaccreditation as a White Ribbon Workplace for the next three years, reaffirming our commitment to combating gendered-based violence, challenging disrespectful behaviours and fostering greater inclusivity and equality for all women. To achieve reaccreditation, the department successfully met 15 criteria under three standards to create a safer and more respectful workplace.
- In October 2020, the department released its first Disability Access and Inclusion Plan, which supports Inclusive SA, the *State Disability Inclusion Plan 2019-2023*. Developed following extensive consultation with staff and the community, the *DHS Disability Access and Inclusion Plan 2020-2024* outlines the actions the department will progress over the next four years to improve the accessibility and inclusiveness of our services and supports for people with disability.
- The *Aboriginal Recruitment Guide* was launched in October 2020, which supports managers to undertake culturally inclusive recruitment and provides advice on the avenues that are available to assist in the recruitment of Aboriginal people.
- On 17 March 2021, the Screening Unit connected to the Working with Children Check (WWCC) National Reference System (NRS), which enables the exchange of information about negative WWCC decisions across Australia. Integration to the WWCC NRS represents the ongoing commitment of the Government to continually improve the WWCC scheme and information sharing capabilities to contribute to the protection of children across Australia.
- The *DHS Aboriginal Workforce Strategy 2021-2023* was officially launched on 28 May 2021. The Strategy outlines the department's commitment to action through four key focus areas with specific actions that will support DHS to be a department of first choice for Aboriginal people.
- The department's Australian Service Excellence Team maintained the Australian Service Excellence Standard's (ASES) international accreditation rating with the International Society for Quality in Health Care External Evaluation Association (IEEA). ASES is owned by DHS and designed with the non-government community service organisations to improve management practices, business systems and service delivery.

Employment opportunity programs

Program name	Performance
Skilling SA Public Sector Project	Five trainees under 30 years of age were employed by the department under this initiative, which is being led by the Office of the Commissioner for Public Sector Employment (OCPSE). Three Aboriginal trainees, including two of the five aforementioned trainees, were hosted in the department through a Group Training Organisation.
Aboriginal Workforce Employment Initiatives	During 2020-21, 22 Aboriginal people were employed by the department, with three appointed to identified Aboriginal employment positions. There were a further eight appointments from the OCPSE Aboriginal Employment Register.
Disability Support Traineeships	A total of 39 trainee disability support workers, out of a goal of 175 over two years, were employed by the department and appointed to positions within Accommodation Services.

Agency performance management and development systems

Performance management and development system	Performance
<p>The department's Performance Development Framework provides a clear, structured approach to workforce development by supporting managers and employees to establish and maintain effective Performance Development Plans (PDPs).</p> <p>PDPs are to be formally discussed at least twice per year in annual and mid-cycle Performance Development Reviews. Reporting the completion of Performance Development Reviews on HR21 is mandatory to meet the department's reporting requirements.</p>	<p>The percentage of employees with a Performance Development Review in the last 12 months has increased from 67.9% in 2019-20 to 73.9% in 2020-21.</p> <p>As at 30 June 2021, 58.4% of Performance Development Reviews were current, having been reviewed within the last six months.</p> <p>Of the remaining reviews:</p> <ul style="list-style-type: none"> • 15.5% had expired being over six months • 14.7% had expired being over 12 months • 6.8% were not recorded for staff with at least 90 days of service • 4.6% were not recorded for staff with less than 90 days of service.

Work health, safety and return to work programs

Program name	Performance
Work Health & Safety and Injury Management Audit and Verification	<p>In the past year, the department participated in a verification audit of its Work Health and Safety (WHS) and Injury Management (IM) system. The WHS and IM systems are conforming with legislative requirements, with some areas identified for improvement.</p> <p>The WHS Verified Self-Assessment (VSA) audit, conducted by Deloitte, is an element of the broader Audit and Verification Systems (AVS) program managed by OCPSE. The VSA provides the participating agency with an independently verified assessment of its Safety Management System and a view on the implementation of that system at a series of selected worksites.</p> <p>The IM audit, conducted by ReturnToWorkSA, is designed to protect the integrity and fairness of the scheme through worksite inspections, audits and evaluation against legislation, regulations and service standards.</p>
Safety Management System	<p>A review of the Safety Management System (SMS) was undertaken which identified various gaps and determined that it was antiquated in its approach. A fully revised SMS was developed that is contemporary, considers the altered risk profile of our department and provides clear line of site to <i>Building Safety Excellence in the Public Sector</i>, and reflects internal policy, objectives and risks.</p> <p>The new SMS has been approved and implemented.</p>
Mental Health First Aid Skilled Workplace	<p>The department has maintained the 'Gold' standard accreditation as a Mental Health First Aid (MHFA) Skilled Workplace for our investment in developing mental health first aid skills in our people. The department has also demonstrated a strong commitment to embedding the MHFA program into our culture through senior leadership support, relevant policies, development of a Mental Health Strategy and continuous improvement.</p>
Influenza Vaccination Program	<p>The DHS Influenza Vaccination Program is part of the department's health and wellbeing initiative, contributing to infection control strategies and the prevention of seasonal pandemic influenza. All staff are encouraged to participate in the voluntary program. The program promotes a healthy workplace, reduces influenza-related absenteeism, increases productivity and engagement, and prevents flu spreading to other staff and clients.</p>

Program name	Performance
Wellbeing and Safety Webinar Series	<p>In conjunction with Corporate Health Group, the department's Employee Assistance Provider (EAP), a new series of webinars were developed to provide employees and managers with tools, knowledge and support to improve their mental health and wellbeing.</p> <p>The webinar topics are:</p> <ul style="list-style-type: none"> • Employee Wellbeing Check • Resilience at Work • Change (accepting a new landscape) • Fatigue/Sleep Hygiene • Emerging Mental Health Issues. <p>Corporate Health Group also facilitated a webinar for staff with family and friends in India. The 45 minute online session provided an avenue for staff to share their experiences and concerns and discuss support services available for staff and their family.</p>
MySAFETY	<p>In August 2020, the department transitioned to MySAFETY, the State Government's new work health and safety system.</p> <p>Staff use MySAFETY to report the following as they occur:</p> <ul style="list-style-type: none"> • workplace hazards • workplace incidents, with or without injury • client incidents • feedback - complaints, compliments and suggestions • bullying concerns.
Teamgage	<p>Teamgage was implemented across the department in 2019-20 as part of our commitment to building a strong workplace culture where staff feel supported and heard. The online platform builds employee engagement by regularly collecting workplace feedback.</p> <p>In May 2021, a question was included seeking staff feedback on wellbeing and safety. This enables the DHS Wellbeing and Safety Unit and divisions to monitor and address identified concerns and potential risks.</p>

Workplace injury claims	2020-21	2019-20	% Change (+ / -)
Total new workplace injury claims	197	210	-6.2%
Fatalities	0	0	0
Seriously injured workers ¹	1	1	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1,000 FTE)	44.7	32.2	+38.8%

Note: The information in the above table in regard to the total number of new workplace injury claims and frequency rate per 1,000 FTE is reflective of the total number of claims received. Of the 197 claims received in 2020-21, only 147 were accepted as compensable. The Building Safety Excellence in the Public Sector targets are based on 'accepted' claims only.

¹ Number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5).

Work health and safety regulations	2020-21	2019-20	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	3	9	-66.7%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	3	0	+300%

Return to work costs ²	2020-21	2019-20	% Change (+ / -)
Total gross workers compensation expenditure	\$8.90m	\$8.81m	+1.0%
Income support payments - gross ³	\$4.43m	\$2.94m	+50.7%

² Before third party recovery

³ The increase in income support payments is attributable to the increases in the average payment, number of days lost and rate of significant injury.

Data for previous years is available at: [Data.SA - DHS Annual Report - Annual report data](#)

Executive employment in the agency

Executive classification	Number of executives
EXEC0E	1
SAES1	19
SAES2	6

The number of executives is based on the number as at 30 June 2021.

Data for previous years is available at: [Data.SA - DHS Annual Report - Annual report data](#)

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2020-21 are attached to this report.

Statement of Comprehensive Income	2020-21 Budget \$000s	2020-21 Actual \$000s	Variation* \$000s	2019-20 Actual \$000s
Total Income	1,076,700	1,087,481	10,781	1,142,743
Total Expenses	1,099,255	1,087,142	-12,113	1,086,080
Net Result	-22,555	339	22,894	56,663
Changes in property, plant and equipment asset revaluation surplus	-	-9,510	-9,510	2,544
Total Comprehensive Result	-22,555	-9,171	13,384	59,207

* Variation between 2020-21 Budget and 2020-21 Actual

The 2020-21 Actual total comprehensive result is a deficit of \$9.171 million, which is \$13.384 million favourable when compared to the 2020-21 Budget. This is primarily due to a decision to transfer Crown land, formerly occupied by the Strathmont Centre, to the Department for Environment and Water.

This decision resulted in the budgeted return of anticipated sale proceeds to the consolidated account not occurring, leading to the improvement compared to the projected deficit. This improvement was partially offset by a decrement applied to the asset revaluation surplus following an asset valuation.

Statement of Financial Position	2020-21 Budget \$000s	2020-21 Actual \$000s	Variation* \$000s	2019-20 Actual \$000s
Current assets	241,154	225,811	-15,343	217,629
Non-current assets	144,339	123,368	-20,971	169,165
Total assets	385,493	349,179	-36,314	386,794
Current liabilities	89,202	66,894	-22,308	71,572
Non-current liabilities	76,490	74,388	-2,102	72,867
Total liabilities	165,692	141,282	-24,410	144,439
Net assets	219,801	207,897	-11,904	242,355
Equity	219,801	207,897	-11,904	242,355

* Variation between 2020-21 Budget and 2020-21 Actual

The net decrease in net assets between the 2020-21 Budget and 2020-21 Actual result is mainly due to the:

- reduction in current assets, reflecting lower than anticipated cash held
- reduction in non-current assets, reflecting the impact of asset revaluation and the transfer of Crown land to the Department for Environment and Water
- net reduction in liabilities, reflecting the impact of actuarial revaluations of liabilities for long service leave and workers compensation.

Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies below \$10,000 each

Consultancies	Purpose	Actual payment
All consultancies below \$10,000 each - combined	Various	\$4,614

Consultancies above \$10,000 each

Consultancies	Purpose	Actual payment
Certifii HCS Pty Ltd	Certification audit of Accommodation Services against NDIS Practice Standards	\$10,800
Deloitte Access Economics Pty Ltd	To provide advice and assist with the development of a strategy aimed at improving the employment and economic situation of women in South Australia	\$70,159
Ernst & Young	Review sector pay and conditions between Disability Modern Award and Enterprise Bargaining Agreement	\$32,743
KPMG	Cultural Review of Kurlana Tapa Youth Justice Centre	\$51,687

Consultancies	Purpose	Actual payment
KPMG	Policy advice on government owned Specialist Disability Accommodation housing	\$14,967
KPMG	Review of regulation of Supported Residential Facilities	\$48,697
Maven Consultancy	To provide guidance on Allied Health Professionals engaged in countering violent extremism intervention	\$28,800
Peter Hibbert Family Trust	Data breach root cause analysis and recommendations for future improvement	\$11,440
PricewaterhouseCoopers	Review of the Critical Client Incident Policy	\$19,039
Quantum Certification Services Pty Ltd	Independent gap analysis for the NDIS Practice Standards	\$22,444
Reconciliation South Australia Incorporated	To assist in the development of the revised Reconciliation Action Plan	\$16,000
SNAICC - National Voice for our Children (Aboriginal And Torres Strait Islander Corporation)	Undertake the Culturally Responsive and Trauma Informed Service Delivery Pilot Project to develop training programs for staff	\$113,822
Think Human Pty Ltd	To facilitate community engagement regarding the future of the Home for the Incurables Trust	\$70,313
Torque Holdings Pty Ltd	Independent audit of Registered Training Organisation materials and advice on systemic issues identified	\$13,950
	Total	\$524,861

Data for previous years is available at: [Data.SA - DHS Annual Report - Annual report data](#)

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors below \$10,000

Contractors	Purpose	Actual payment
All contractors below \$10,000 each - combined	Various	\$265,033

Contractors above \$10,000 each

Contractors	Purpose	Actual payment
Anne Nicolaou Consulting	Review Clinical Governance and Practice Framework and draft Safe and Well Roadmap	\$11,700
BAJMAA Pty Ltd	Relocation of office furniture	\$16,485
Bookabee Services Australia	Facilitation of a two-day staff training program on Aboriginal sensitivity and respect	\$23,430
Boundary Solutions Pty Ltd	Installation, maintenance and support of access control, CCTV and electronic security systems	\$179,456
Community Data Solutions	Community business intelligence projects	\$197,973
Connected Self Pty Ltd	Development of framework, practice guidelines and implementation plan for trauma responsive project	\$42,457
Contact 121 Pty Ltd	Call centre service fees for Accommodation Services	\$14,785
Creative Systems Pty Ltd	Supply and installation of office equipment and furniture	\$102,955

Contractors	Purpose	Actual payment
Dana Shen - DS Consultancy	Review Aboriginal gambling help services and provide advice about the best way to support Aboriginal people and their communities in relation to gambling harm	\$48,100
Dana Shen - DS Consultancy	Trauma responsive and healing system framework	\$13,000
Detail Studio Pty Ltd	Fit out of office spaces at Riverside, new training rooms and accessible bathroom at Endeavour House	\$16,950
Exon Security & Alarms	Supply and installation of CCTV and security systems	\$39,240
Finsbury Green Pty Ltd	Supply and installation of graphic window film	\$15,533
Flinders University	Review of DHS demographic data and report for DHS Yunga Nungas evaluation	\$26,136
Greencap Pty Ltd	Asbestos management register update	\$14,405
Healthcare Australia Pty Ltd	Provision of occupational therapy services	\$28,494
Inlingua Text Pty Ltd	Professional typesetting services for translated documents	\$15,400
JTWO Solutions Pty Ltd	Assessment of cloudstep application	\$13,700
KPPM Strategy	Review of gambling help services targeting at-risk populations and provide advice about the service elements needed in the design of future contracts	\$22,500
Landscape Construction Service Pty Ltd	Landscaping for Kurlana Tapa Youth Justice Centre cultural space	\$13,785

Contractors	Purpose	Actual payment
Lorraine Merrick	Targeted consultation process with Aboriginal organisations to better understand the unique needs of Aboriginal people under the Community Connections program and develop options for the practical implementation of the new service model	\$27,500
Mossop Construction + Interiors	Alterations to office spaces (including mail room) and construction of new training rooms and accessible bathroom	\$126,211
NEC Australia Pty Ltd	Hire of System Centre Configuration Manager Engineer	\$60,047
Objective Corporation Limited	Objective Consulting Services Program	\$21,250
Parenting Research Centre Inc	Evaluation of Northern and Western Intensive Family Support pilot programs	\$109,036
PricewaterhouseCoopers Consulting (Australia) Pty Limited	Community and Family Services Business continuity plan, communication and toolkit	\$23,052
Procurement Partners Pty Ltd	Facilitation of probity services for recommissioning of Intensive Family Support Services to Early Intervention Research Directorate	\$26,983
SA Commercial Blinds Pty Ltd	Supply and installation of blinds	\$104,600
Sally Rhodes Consultancy Services	Counselling services to clients	\$91,890
Signarama Norwood	Supply and installation of graphics at Riverside	\$22,896
Steelguard Industries Pty Ltd	Installation of TV security housings	\$156,780
Strategic Solutions Co	Preparation and facilitation of workshop	\$11,200

Contractors	Purpose	Actual payment
Summarize	Services provided to enable business intelligence solutions in Microsoft platform for DHS Equipment Services	\$103,935
SYSLINX Pty Ltd	Update of concessions system to allow the administration of the Switch for Solar program, which is a joint initiative with the Department for Energy and Mining	\$26,630
T & T Electrical Services P/L	Supply and installation of new network outlets	\$11,266
The Australian Centre for Social Innovation Inc	To develop a Theory of Change for the South Australian gambling landscape and identify key levers and actions to prevent and minimise gambling harm	\$112,870
The Conference Company Ltd	Conference management services for the International Congress on Child Abuse and Neglect 2020	\$11,961
The Trustee for F2 Group Trust	Business analyst and project management support for the ASK Portal project	\$19,500
The Trustee for Reach Your Potential Trust	Provision of advice on lived experience for the development of the ASK Website	\$20,903
The University of Adelaide	Developing a practice framework for engaging with young people with complex needs	\$23,261
The University of Adelaide	Developing a practice framework for engaging with young people with complex needs and SA Prevalence Study which sought to analyse South Australian gambling data to explore whether the characteristics of people gambling at risky levels in the community reflect the characteristics of people accessing gambling help services	\$24,627

Contractors	Purpose	Actual payment
The University of Queensland	Research and development of a practice framework for intervention service providers - countering violent extremism	\$95,000
University of South Australia	Review of Sector Support and Advocacy Funding Guidelines in alignment with the DHS Social Impact Framework	\$139,980
Workforce Hire	Investigation services	\$26,730
	Total	\$2,254,592

Data for previous years is available at: [Data.SA - DHS Annual Report - Annual report data](#)

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts](#).

The website also provides details of [across government contracts](#).

Other financial information

Pursuant to section 73BA of the *Gaming Machines Act 1992*, the Minister is required to report on the application of the Gamblers Rehabilitation Fund during the preceding financial year. This information is provided on page 47.

Other information

Nil to report

Risk management

Risk and audit at a glance

The **DHS Risk Management and Audit Committee (RMAC)** assists the Chief Executive in the identification of risks, determining priorities for action, developing and implementing strategies for effective risk management and ensuring accountabilities are met. The Committee oversees the focus of and receives reports from Internal Audit.

RMAC members are appointed by the Chief Executive with the Chair being an independent external member. In 2020-21, two new external members joined the Committee following the resignation of long-standing members. Furthermore, two internal members changed, with the change of membership invigorating and bringing new focus to RMAC.

Internal Audit undertake audit activities that provide assurance over the adequacy and effectiveness of controls and processes in place to manage departmental risks, and identify opportunities to strengthen control weaknesses and contribute to the delivery of DHS strategic objectives and services. Internal Audit also considers the risk of fraud and maladministration in the course of their work. This includes assessment of current control environments to ensure effective protection against fraud and maladministration as a standard objective of most of their reviews.

The **Incident Management Unit (IMU)** is responsible for undertaking all investigations relating to potential fraud, misconduct or maladministration. This ensures consistency and efficiency in the department's response to incidents and potential fraud and has strengthened controls and investigatory capacity.

The IMU is also responsible for coordinating correspondence and final reports to the Independent Commissioner Against Corruption (ICAC) on investigations conducted by the department involving DHS staff and non-government organisations. Investigations are undertaken primarily by the IMU; however, investigations may be assigned to Internal Audit where appropriate.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Incidents related to discrepancies in clients' funds	3
Incidents related to missing property	2
False or misleading documentation	2

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

DHS has a zero tolerance to fraud and maladministration with all incidents of discrepancies in client records, funds and/or property to be recorded on the internal DHS recording system.

In November 2019, the department established a Corruption and Fraud Prevention Committee as a sub-committee of the Executive Leadership Team. The Committee meets quarterly and was established to strengthen the department's response to, and prevention of, fraud and corruption. The Committee monitors and oversees prevention control mechanisms across the agency and provides regular reports to the Executive.

During 2020-21, the Committee undertook a detailed fraud risk assessment across the department. This involved consultation with all DHS divisions to identify any control weaknesses or potential threats of fraud or corruption.

The Corruption and Fraud Prevention Committee also oversees the annual fraud and corruption awareness week. Each year the department identifies a week when it promotes the prevention of fraud and corruption. This involves daily bulletins to staff via the DHS intranet on various aspects of potential fraud.

Data for previous years is available at: [Data.SA - DHS Annual Report - Annual report data](#)

Public interest disclosure

	2020-21	2019-20
Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the <i>Public Interest Disclosure Act 2018</i> :	0	0

Data for previous years is available at: [Data.SA - DHS Annual Report - Annual report data](#)

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Act or Regulation	Requirement
<i>Gaming Machines Act 1992</i>	73BA - Gamblers Rehabilitation Fund (6) The Minister responsible for the administration of the <i>Family and Community Services Act 1972</i> must, on or before 30 September in each year, prepare a report on the application of the Fund during the preceding financial year and must cause copies of the report to be laid before both Houses of Parliament.

The department, through the Office for Problem Gambling, administers the Gamblers Rehabilitation Fund (GRF) to provide programs that aim to minimise the harm caused by gambling. This includes face-to-face gambling help services that are available across South Australia, services targeting cohorts at increased risk of experiencing gambling harm, online and telephone gambling help services, as well as community education and information campaigns. During 2020-21, approximately \$5.69 million was allocated through the GRF to 12 gambling help services in each State Government region and 16 targeted services.

Changes to the *Gaming Machines Act 1992* proclaimed on 1 August 2020 expanded the scope of the GRF to allow for investment in prevention, early intervention, public education and gambling research. Under the reforms, the Government committed an additional \$1 million into the GRF to increase the services and support available to South Australians.

In 2020-21, the Office for Problem Gambling undertook a comprehensive consultation process to explore options for future investment under the GRF that achieve the intent of its expanded legislative scope. This involved consulting with key stakeholders in the South Australian gambling environment, reviewing existing data and academic literature, examining the policy direction taken in other jurisdictions, and leading a rigorous co-design process with help services, industry and people with lived experience of gambling harm.

The Office for Problem Gambling continued to progress foundational activities to support delivery of a future strategic investment approach for the GRF. This included engaging UnitingCare Wesley Bowden to deliver the Unplugged Program, a free, two-hour workshop for school communities aimed at educating young people and their carers on gaming, and the links between gaming and gambling to establish healthier gaming habits, reduce the risk of gambling harm and create healthier lifestyles.

Act or Regulation	Requirement
<i>Julia Farr Services (Trusts) Act 2007</i>	<p>9 - Annual report</p> <p>(1) The administrative unit of the Public Service that is primarily responsible for assisting a Minister in relation to the provision of disability services in the State must include in its annual report for each financial year a statement that sets out, insofar as is reasonably practicable, the following information, as at 30 March of the financial year to which the report relates, with respect to the persons who are residents of the Fullarton campus on 30 June 2007:</p> <ul style="list-style-type: none"> (a) the number of persons resident at the Fullarton campus; (b) with respect to the persons resident at a place other than the Fullarton campus, a broad description of the nature of their accommodation; (c) during the preceding period of 12 months - <ul style="list-style-type: none"> (i) the processes used to plan and implement the relocation of any person to accommodation other than the Fullarton campus; (ii) the number of persons who returned to accommodation at the Fullarton campus, and the circumstances of their return. <p>(2) A report under subsection (1) should be prepared in a manner that does not identify a particular person.</p>

As at 30 March 2021, there were no residents living at the Fullarton campus, now known as Highgate Park.

Residents of Highgate Park participated in the Reconnecting to Community project, which provided an opportunity to move to community accommodation. In April 2020, the final resident moved to a private aged care facility, and shortly afterwards chose to move to the Northgate Aged Care facility.

During the preceding 12 months no previous residents returned to Highgate Park, which is now closed.

Act or Regulation	Requirement
<i>Water Industry Act 2012</i>	<p>87 - Consumer Advocacy and Research Fund</p> <p>(6) The administrative unit of the Public Service that is, under the Minister, responsible for the administration of this Act must, on or before 30 September in each year, present a report to that Minister on the operation of the Fund during the previous financial year.</p> <p>(7) A report under subsection (6) may be incorporated into the annual report of the relevant administrative unit.</p> <p>(8) The Minister must cause a copy of the report to be laid before both Houses of Parliament within 12 sitting days after the report is received by that Minister.</p>

The Consumer Advocacy and Research Fund (CARF) was established to support research or advocacy in relation to water usage that promotes the interest of consumers with a disability, on low-income and/or in regional areas.

The administration of CARF was transferred from DHS to the Department for Environment and Water (DEW) effective 1 January 2021. A report on the operation of CARF during the previous financial year is included in the DEW annual report for the 2020-21 financial year (refer www.environment.sa.gov.au/annual-reports).

Act or Regulation	Requirement
<i>Youth Justice Administration Act 2016</i>	<p>9 - Chief Executive's annual report</p> <p>(1) The Chief Executive must, not later than 30 September in each year, submit to the Minister a report on -</p> <ul style="list-style-type: none"> (a) the operation of this Act and the work of the Department in relation to the administration of this Act for the financial year ending on the preceding 30 June; and (b) any other matter as the Minister may direct. <p>(2) The Minister must, within 12 sitting days after receipt of a report under this section, cause a copy of the report to be laid before each House of Parliament.</p>

During 2020-21, DHS progressed improvements to support the provisions of the *Youth Justice Administration Act 2016*. The improvements, which align with *Young People Connected, Communities Protected: South Australia's Youth Justice State Plan 2020-2023* and respond to recommendations by the Training Centre Visitor and Ombudsman SA, include:

- commissioning a number of independent reviews at the Kurlana Tapa Youth Justice Centre with findings informing further improvements
- installing full-size body scanning technology at Kurlana Tapa, reducing the need for partially clothed searches
- establishing the Aboriginal Cultural Trail and Connection Space at Kurlana Tapa, which provides a healing, education and connection space for Aboriginal young people in custody
- investing in community organisations, such as the Service to Youth Council, to deliver specific community service responses to increase connections to community, providing young people with a diverse range of opportunities and long-term supports
- establishing the Communities and Justice, Aboriginal Community-Controlled Organisations (ACCO) Forum, to facilitate better partnerships with ACCOs and explore joint decision-making processes with Aboriginal communities, in line with Closing the Gap targets.

The department also continues to develop more therapeutic responses for young people under youth justice orders and is:

- Establishing an Enhanced Support Team at Kurlana Tapa, which is comprised of skilled practitioners to work alongside youth workers in the accommodation units, responding to those young people with complex needs.
- Developing a Sensory Modulation Framework to better equip young people with the tools to help them understand their own sensory processing needs and develop self-regulation skills.
- Improving accessibility for young people, including modifying client-facing documents for easier comprehension and enhancing traditional verbal communication practices with visual aids.

All non-DHS staff who have unsupervised contact with children and young people in the Kurlana Tapa Youth Justice Centre, with the exception of registered teachers and health practitioners, have undergone a psychological suitability assessment in line with legislative requirements. Youth Justice Services continues to ensure all staff requiring to be assessed, undergo psychological suitability assessment in line with legislative requirements.

The *Young People Connected, Communities Protected: South Australia's Youth Justice State Plan 2020-2023* progress report was published on the DHS web page in June 2021.

In alignment with recommendations of the Training Centre Visitor, DHS will report annually on the implementation of the Aboriginal and Torres Strait Islander Youth Justice Principle. Prior to this, a review of the Principle will be undertaken, with planning underway.

Reporting required under the *Carers Recognition Act 2005*

Under Section 6 of the *Carers Recognition Act 2005*, the department is required to ensure all officers, staff or agents are aware and understand the principles of the Carers Charter, and promote consultation with carers or their representatives in policy or program development and strategic or operational planning.

The following summarises actions by the department to ensure compliance with Section 6 in 2020-21:

- Staff gained an awareness of the principles of the Carers Charter during induction and training.
- Flexible work and carer leave arrangements were available across the department. This includes paid leave entitlements for employees with primary care responsibilities for a person with disability. This leave is in addition to family carers leave and special leave with pay.
- DHS continued to fund four South Australian carer support organisations beyond the cessation of the SA HACC program on 30 April 2021. The services were specifically funded as they are not available to carers through the national Integrated Carer Support Services (ICSS).
- The department worked closely with the four statewide carer support organisations during the roll-out of the ICSS and NDIS. This included consultation and cooperation with Carers SA, which was nominated by the Commonwealth Government as the South Australian Regional Delivery Partner under the ICSS.
- In response to the ongoing COVID-19 pandemic, DHS continued to liaise with Carers SA and other peak bodies in the development of long-term recovery strategies which consider the specific needs of carers.

In addition to the above, carers were included as a priority cohort in the new Community Connections program, following the cessation of the SA HACC program. The new program better reflects the current environment and community needs and targets people who are ineligible for the NDIS, My Aged Care and other Commonwealth and State Government programs. Carers SA is the carer representative on the Community Connections Program Advisory Group to inform the implementation of the program.

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	25
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	7
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	3
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	1
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	4
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	6

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	8
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	28
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	2
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	5
Service quality	Service responsiveness	Service design does not meet customer needs; poor service fit with customer expectations	45
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	17
		Total	151

Source: DHS Client Feedback System.

Note: complaints data relies on complaint categories being entered into the Client Feedback System. This data was only recorded for 151 out of 215 complaints received for the reporting period.

Additional Metrics	Total
Number of positive feedback comments	119
Number of negative feedback comments	215
Total number of feedback comments	334
% complaints resolved within policy timeframes	77% (165)

Data for previous years is available at: [Data.SA - DHS Annual Report - Annual report data](#)

Service Improvements

The following summarises actions by the department to improve its management of complaints, and service improvements resulting from complaints or client feedback in 2020-21:

- To ensure that organisations or applicants do not need to repeat their query/issue each time they make contact, the Screening Unit commenced recording the name of the initial customer service officer on the relevant file. The organisation or applicant is now referred to the same officer the next time they make contact.
- The Screening Unit also implemented mechanisms to enable applicants being complex risk assessed to speak to the senior assessment officer working on their file. This included the risk assessment officer contacting the applicant at allocation of the file and including direct contact details of the assessment officer in correspondences to the applicant.
- The Concessions Hotline implemented a script matrix for staff to assist in responding quickly to customer enquiries about the once-off boost of \$500 and bringing forward the 2020-21 Cost of Living Concession payment during the COVID-19 pandemic.
- To support Companion Card holders who have multiple carers, Concessions and Support Services provided letters for additional carers to carry in lieu of the Companion Card.
- In response to complaints from clients, family members or guardians about the level of care provided or compatibility with fellow home residents, DHS Accommodation Services initiated individualised reviews of level of service and living arrangements.

Compliance Statement

The Department of Human Services is compliant with Premier and Cabinet Circular 039 - complaint management in the South Australian public sector.	Yes
The Department of Human Services has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Yes

Appendix: Audited financial statements 2020-21



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To the Chief Executive Department of Human Services

Opinion

I have audited the financial report of the Department of Human Services for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Department of Human Services as at 30 June 2021, its financial performance and its cash flows for year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2021
- a Statement of Administered Financial Position as at 30 June 2021
- a Statement of Administered Changes in Equity for the year ended 30 June 2021
- a Statement of Administered Cash Flows for the year ended 30 June 2021
- a Disaggregated Administered Statement of Comprehensive Income for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information for administered items
- a Certificate from the Chief Executive and the Chief Financial Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Department of Human Services. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Chief Executive for the financial report

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Department of Human Services for the financial year ended 30 June 2021.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 of Human Services' internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive'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 entity'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 the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity 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.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive about, 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 the audit.



Andrew Richardson

Auditor-General

22 September 2021

Department of Human Services

Financial Statements For the year ended 30 June 2021

Department of Human Services
Certification of Financial Statements
for the year ended 30 June 2021

We certify that the:

- financial statements of the Department of Human Services:
 - are in accordance with the accounts and records of the department;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the department at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the Department of Human Services for the financial year over its financial reporting and its preparation of the financial statements have been effective.



Lois Boswell
Chief Executive

16 September 2021



Nick Ashley
Chief Financial Officer

16 September 2021

Department of Human Services
Statement of Comprehensive Income
for the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
<u>Income</u>			
Appropriation	2.1	908 105	945 357
Fees and charges	2.2	14 360	18 731
Commonwealth-sourced grants and funding	2.3	106 620	102 477
SA Government grants, subsidies and transfers	2.4	28 091	41 178
Sales of goods and services	2.5	23 625	25 411
Resources received free of charge	2.6	5 175	4 165
Other income	2.7	1 505	5 424
Total income		1 087 481	1 142 743
<u>Expenses</u>			
Employee benefits expenses	3.3	250 466	283 706
Supplies and services	4.1	87 260	96 214
Depreciation and amortisation	4.2	10 626	12 301
Grants and subsidies	4.3	78 833	81 212
NDIS Contributions	4.4	656 207	612 017
Net loss from disposal of assets	4.5	3 358	257
Borrowing costs	4.6	26	38
Other expenses	4.7	366	335
Total expenses		1 087 142	1 086 080
Net result		339	56 663
<u>Other comprehensive income</u>			
Items that will not be reclassified to net result:			
Changes in property, plant and equipment asset revaluation surplus		(9 510)	2 544
Total other comprehensive income		(9 510)	2 544
Total comprehensive result		(9 171)	59 207

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Department of Human Services
Statement of Financial Position
as at 30 June 2021

	Note	2021 \$'000	2020 \$'000
<u>Current assets</u>			
Cash and cash equivalents	6.1	151 310	145 924
Receivables	6.2	71 511	71 464
Inventories	5.7	266	241
Non-current assets held for sale	5.6	2 724	-
Total current assets		225 811	217 629
<u>Non-current assets</u>			
Receivables	6.2	765	827
Property, plant and equipment	5.1	118 801	162 254
Capital works in progress	5.4	910	3 223
Intangible assets	5.5	2 892	2 861
Total non-current assets		123 368	169 165
Total assets		349 179	386 794
<u>Current liabilities</u>			
Payables	7.1	21 053	21 952
Financial liabilities	7.2	537	1 021
Employee benefits	3.4	36 199	40 279
Provisions	7.3	7 781	7 426
Other current liabilities	7.4	1 324	894
Total current liabilities		66 894	71 572
<u>Non-current liabilities</u>			
Payables	7.1	3 479	3 856
Financial liabilities	7.2	303	977
Employee benefits	3.4	37 005	41 598
Provisions	7.3	28 086	25 960
Other non-current liabilities	7.4	5 515	476
Total non-current liabilities		74 388	72 867
Total liabilities		141 282	144 439
Net assets		207 897	242 355
<u>Equity</u>			
Contributed capital		74 325	74 325
Retained earnings		114 866	139 814
Asset revaluation surplus		18 706	28 216
Total equity		207 897	242 355

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Department of Human Services
Statement of Changes in Equity
for the year ended 30 June 2021

	Note	Contributed capital \$'000	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2019		74 325	25 672	88 747	188 744
Net result for 2019-20		-	-	56 663	56 663
Gain/(loss) on revaluation of property, plant and equipment		-	2 544	-	2 544
Total comprehensive result for 2019-20		-	2 544	56 663	59 207
Net assets received from an administrative restructure		-	-	(5 596)	(5 596)
Balance at 30 June 2020		74 325	28 216	139 814	242 355
Net result for 2020-21		-	-	339	339
Gain/(loss) on revaluation of property, plant and equipment		-	(9 510)	-	(9 510)
Total comprehensive result for 2020-21		-	(9 510)	339	(9 171)
Net liabilities transferred out from an administrative restructure	1.4	-	-	713	713
Crown land transferred as distribution by owners		-	-	(26 000)	(26 000)
Balance at 30 June 2021		74 325	18 706	114 866	207 897

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Department of Human Services
Statement of Cash Flows
for the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
<u>Cash flows from operating activities</u>			
<u>Cash inflows</u>			
Appropriation		908 105	945 357
Fees and charges		8 551	38 157
Receipts from Commonwealth-sourced grants		106 620	102 477
SA Government grants subsidies and transfers		28 091	39 635
Sales of goods and services		23 625	25 411
GST recovered from the ATO		19 376	14 873
Other receipts		1 434	6 321
Cash generated from operations		1 095 802	1 172 231
<u>Cash outflows</u>			
Employee benefits payments		(256 311)	(311 015)
Payments for supplies and services		(96 722)	(116 488)
Payments of grants and subsidies		(78 833)	(81 212)
Payments for NDIS contributions		(657 217)	(673 891)
Interest paid		(26)	(38)
Cash used in operations		(1 089 109)	(1 182 644)
Net cash provided by/(used in) operating activities	8.2	6 693	(10 413)
<u>Cash flows from investing activities</u>			
<u>Cash inflows</u>			
Proceeds from sale of assets		1 364	28
Cash generated from investing activities		1 364	28
<u>Cash outflows</u>			
Purchase of property, plant and equipment and intangible assets		(1 562)	(6 370)
Cash used in investing activities		(1 562)	(6 370)
Net cash provided by/(used in) investing activities		(198)	(6 342)
<u>Cash flows from financing activities</u>			
<u>Cash inflows</u>			
Cash received from restructuring activities		-	158
Cash generated from financing activities		-	158
<u>Cash outflows</u>			
Repayment of leases		(1 109)	(1 554)
Cash used in financing activities		(1 109)	(1 554)
Net cash provided by/(used in) financing activities		(1 109)	(1 396)
Net increase/(decrease) in cash and cash equivalents		5 386	(18 151)
Cash and cash equivalents at the beginning of the period		145 924	164 075
Cash and cash equivalents at the end of the period	6.1	151 310	145 924

The accompanying notes form part of these financial statements.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

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Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1. About the Department of Human Services

The Department of Human Services (DHS/the department) is a not-for-profit government department of the state of South Australia. The department is established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown.

The department does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the department.

Administered financial statements relating to administered resources are presented separately.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable.
- receivables and payables, which are stated with the amount of GST included.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1.2. Objectives and Programs

Objectives

The Department of Human Services delivers strategies, programs and services that improve the wellbeing and safety of South Australians.

Program 1: Communities

This program commissions, funds and delivers community and family services that improve the lives of individuals and families across South Australia. The program fosters inclusion, participation, safety and resilience across the South Australia community.

The program includes concessions and rebates which increase financial resilience; investing in the community through grants and funding; earlier intervention and targeted services to keep children safe in their families and communities and connected to culture; interpreting and translating services; and employment-related screening services. It also includes grant programs and strategies to support young South Australians and increase volunteering.

Program 2: Status of Women

The Status of Women program supports the full and equal participation of women in the social, political and economic life of the State. Priorities include addressing domestic, family and sexual violence, equality for women in every aspect of life, and women's employment and leadership. The program provides policy advice and across-government leadership, funding for key initiatives, statewide information and referral services through the Women's Information Service (WIS) and executive support to the Premier's Council for Women.

Program 3: Youth Justice

The Youth Justice program is responsible for the statutory supervision of young people in contact with the justice system. Youth Justice aims to address offending behaviours and connect young people in the youth justice system and their families with connected supports, programs and services to improve outcomes and contribute to community safety.

Program 4: Disability

This program includes strategies to advance the inclusion of people with a disability, including working with the National Disability Insurance Agency (NDIA), NDIS Quality and Safeguarding Commission, the Commonwealth Government and the non-government sector. It also includes the provision of state disability services, including supported community accommodation.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1.2. Objectives and Programs (continued)

The tables on the following pages present expenses and income attributable to each program.

Income and Expenses by program for the year ended 30 June 2021

	Communities		Status of Women		Youth Justice	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income						
Appropriation	-	-	-	-	-	-
Fees and charges	3 639	3 291	36	71	635	717
Commonwealth-sourced grants and funding	2 228	2 814	7 045	2 756	51	45
SA Government grants, subsidies and transfers	21 716	26 410	832	298	-	-
Sales of goods and services	22 033	19 294	-	-	3	1
Resources received free of charge	1 231	871	35	25	603	477
Other income	362	360	4	6	109	131
Total income	51 209	53 040	7 952	3 156	1 401	1 371
Expenses						
Employee benefits expenses	62 611	65 458	2 143	2 167	31 660	35 355
Supplies and services	28 264	28 521	1 184	713	8 212	8 822
Depreciation and amortisation	3 109	3 700	12	15	3 731	3 451
Grants and subsidies	71 774	69 767	6 085	4 965	606	425
NDIS Contributions	-	-	-	-	-	-
Net loss from disposal of assets	-	(4)	-	-	-	19
Borrowing costs	7	13	-	-	2	4
Other expenses	82	69	2	2	40	38
Total expenses	165 847	167 524	9 426	7 862	44 251	48 114
Net result	(114 638)	(114 484)	(1 474)	(4 706)	(42 850)	(46 743)

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1.2. Objectives and Programs (continued)

Income and Expenses by program for the year ended 30 June 2021

	Disability		General / Not Attributable		Total	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Income</u>						
Appropriation	-	-	908 105	945 357	908 105	945 357
Fees and charges	10 050	14 652	-	-	14 360	18 731
Commonwealth-sourced grants and funding	97 296	96 862	-	-	106 620	102 477
SA Government grants, subsidies and transfers	2 100	1 574	3 443	12 896	28 091	41 178
Sales of goods and services	1 589	6 116	-	-	23 625	25 411
Resources received free of charge	3 306	2 792	-	-	5 175	4 165
Other income	1 030	4 927	-	-	1 505	5 424
Total income	115 371	126 923	911 548	958 253	1 087 481	1 142 743
<u>Expenses</u>						
Employee benefits expenses	154 052	180 726	-	-	250 466	283 706
Supplies and services	49 600	58 158	-	-	87 260	96 214
Depreciation and amortisation	3 774	5 135	-	-	10 626	12 301
Grants and subsidies	368	6 055	-	-	78 833	81 212
NDIS Contributions	656 207	612 017	-	-	656 207	612 017
Net loss from disposal of assets	3 358	242	-	-	3 358	257
Borrowing costs	17	21	-	-	26	38
Other expenses	242	226	-	-	366	335
Total expenses	867 618	862 580	-	-	1 087 142	1 086 080
Net result	(752 247)	(735 657)	911 548	958 253	339	56 663

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1.3. Impact of COVID-19 pandemic on the department

Although the COVID-19 pandemic impacted on areas of the department's service delivery and internal processes, it did not have a material impact on its financial statements. Where possible, impacts are identified under the relevant disclosure notes.

1.4. Changes to the department

Transferred out

The transfer of State Recovery Office (SRO) employees to the Department of the Premier and Cabinet (DPC), effective from 1 July 2020, is pursuant to section 9(3) of the *Public Sector Act 2009*, which provides that a public sector agency may transfer an employee of the agency to other employment within the public sector on conditions that maintain the substantive remuneration level of the employee or are agreed to by the employee.

The following assets and liabilities were transferred to DPC:

	SRO \$'000	Total \$'000
Receivables	23	23
Total assets	23	23
Payables	386	386
Employee benefits	304	304
Other liabilities	46	46
Total liabilities	736	736
Total net liabilities transferred	713	713

Net liabilities transferred by the department because of the administrative restructure were recognised at the carrying amount. The net liabilities transferred were treated as a distribution to the government as owner.

Cessation of Domiciliary Equipment Services (DES)

DES was established in 1995, responding to the need of clients of the South Australian Government's Domiciliary Care service. Since that time, DES provided support to people living with disability and those in end stages of life, to access equipment and home modifications allowing more people choice to continue living in their communities. In November 2019, in response to the introduction of the National Disability Insurance Scheme (NDIS) and Commonwealth reforms to ageing, DHS committed to DES transitioning service delivery to the non-government sector. During a 12 month period ending in December 2020, all externally funded service delivery was progressively withdrawn, with this activity transitioning to the non-government sector. In addition, equipment was also transferred to various parties, refer to note 4.5. The South Australian Government funded DHS Equipment Program, which provides equipment services and home modifications for South Australians who are otherwise ineligible for these services through Commonwealth Government options, remains part of ongoing DHS operations. Equipment and home modifications needed by these clients are now sourced from Equipment Program preferred suppliers.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1.5. Budget performance

The budget performance table compares the department's outcomes against budget information presented to Parliament (2020-21 Budget Paper 4). Appropriation reflects appropriation issued to special deposit accounts controlled by the department. The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

	Original budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000
Statement of Comprehensive Income			
Income			
Appropriation	907 939	908 105	166
Fees and charges	10 891	14 360	3 469
Commonwealth-sourced grants and funding	106 796	106 620	(176)
SA Government grants, subsidies and transfers	28 745	28 091	(654)
Sales of goods and services	21 492	23 625	2 133
Resources received free of charge	-	5 175	5 175
Other income	837	1 505	668
Total income	1 076 700	1 087 481	10 781
Expenses			
Employee benefits expenses	259 633	250 466	(9 167)
Supplies and services	61 540	87 260	25 720
Depreciation and amortisation	10 177	10 626	449
Grants and subsidies	96 454	78 833	(17 621)
NDIS contributions	656 472	656 207	(265)
Net loss from disposal of assets	-	3 358	3 358
Borrowing costs	64	26	(38)
Other expenses	14 915	366	(14 549)
Total expenses	1 099 255	1 087 142	(12 113)
Net result	(22 555)	339	22 894
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment asset revaluation surplus	-	(9 510)	(9 510)
Total other comprehensive income	-	(9 510)	(9 510)
Total comprehensive result	(22 555)	(9 171)	13 384

Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

1.5 Budget performance (continued)

	Note	Original budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000
Investing expenditure summary				
Total new and existing projects		6 776	7 135	359
Total annual programs and leases		2 021	1 025	(996)
Total investing expenditure		8 797	8 160	(637)

1.6. Significant transactions with government related entities

Significant transactions with the SA Government are identifiable throughout this financial report, including:

- Note 2.2 Business services with the SA Housing Authority
- Note 2.4 SA Government grants, subsidies and transfers
- Note 4.1 Accommodation provided by the Department for Infrastructure and Transport.

2. Income

The existence of the department and the ongoing delivery of current programs and services is dependent on government policy and on continuing appropriation by Parliament.

Commonwealth-sourced grants and funding mainly relate to revenue from the DisabilityCare Australia Fund as a contribution towards NDIS expenditure.

2.1. Appropriation

	2021 \$'000	2020 \$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	907 939	876 999
Appropriation from Governor's Appropriation Fund	166	68 358
Total appropriation	908 105	945 357

Appropriation is recognised upon receipt.

Appropriation pursuant to the *Appropriation Act* (the Act) consists of \$907.939 million (\$876.999 million) for operational funding, inclusive of \$9.444 million (\$10.874 million) for capital projects. This appropriation comprises money issued and applied to the department per Schedule 1 of the Act, varied pursuant to section 5 of the Act for changed functions and duties of the department (refer to note 1.4 for details of these transferred functions).

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

2.2. Fees and charges

	2021	2020
	\$'000	\$'000
Client fees	5 995	6 630
Recoveries	4 847	8 066
Fees, fines and penalties	1 469	1 820
Business services *	1 155	1 213
Rent	886	946
Insurance recoveries	8	56
Total fees and charges	14 360	18 731

* Represents services provided to SA Housing Authority as per the Memorandum of Administrative Arrangements (MOAA), revenue is recognised when services are provided. All other revenue from fees and charges are recognised as income on receipt.

2.3. Commonwealth-sourced grants and funding

	2021	2020
	\$'000	\$'000
DisabilityCare Australia Fund	75 249	72 704
Continuity of Support Programme	19 597	22 065
COVID-19 Domestic Violence Support	7 042	2 754
Residential Aged Care	2 390	2 363
Commonwealth Home Support Programme	1 621	2 449
Other	721	142
Total Commonwealth-sourced grants and funding	106 620	102 477

Commonwealth-sourced grants and funding are recognised in accordance with AASB 1058 as income on receipt.

Income from the DisabilityCare Australia Fund and Covid-19 Domestic Violence Support is provided under national partnership agreements between the Commonwealth of Australia and the States and Territories. For accounting purposes, the performance obligations under the funding agreements lie with the State and not the Department.

The Continuity of Support Programme is funded under agreement between the Commonwealth and the department. Performance obligations under the agreement are not sufficiently specific.

2.4. SA Government grants, subsidies and transfers

	2021	2020
	\$'000	\$'000
National Education Reform Agreement	9 857	19 288
Community and Jobs Support Fund	6 203	350
Community Development Fund	3 000	3 000
APY Lands Youth Programs and Family Services	2 327	2 293
DTF Contingency Fund - TVSP reimbursement	2 167	12 156
DTF Contingency Fund - Other	1 276	740
Other grants from SA Government agencies	3 261	3 351
Total SA Government grants, subsidies and transfers	28 091	41 178

SA Government grants, subsidies and transfers are recognised in accordance with AASB 1058 as income on receipt, because the funding arrangements either have no enforceable agreement or the performance obligations are not sufficiently specific.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

2.5. Sales of goods and services

	2021	2020
	\$'000	\$'000
Screening check fees	15 331	14 029
Interpreter and translator services	6 694	5 260
Domiciliary Equipment Services - minor equipment and home modifications	946	6 122
Accommodation Services Supported Independent Living	654	-
Total sales of goods and services	23 625	25 411

All revenue from the sales of goods and services is revenue recognised from contracts with customers. Revenue is recognised at a point in time when the department satisfies performance obligation by transferring the provided goods and services to its customer.

The department recognises revenue (contract with customer) from the following major sources:

Screening check fees

The department's screening unit provides checks of workers and volunteers to organisations, contributing to creating safe environments for children and other vulnerable people. Prices are set by the State Government, with volunteer checks provided free of charge.

Approximately 82% of requests are paid upon request and approximately 18% paid by account. Refunds may occasionally occur within a few days of the initial request, often due to a request relating to a current existing screening check.

After a request, the screening check is usually provided within three weeks, with the exception of a small number of checks that may require further investigation or are complex in nature. Under AASB 15, recognition occurs at point in time that the screening check is provided.

Interpreter and translator services

The department's Interpreting and Translating Centre (ITC) provides interpreting and translating assignments to private and business clients from a wide range of cultural and linguistic backgrounds.

Base fee schedules are used to calculate each service request. In some instances, a service may change upon delivery. For example, an extension in translating is required at the time of providing the service and the quoted price may be adjusted. Under AASB 15, recognition occurs at point in time of the service being provided.

Domiciliary Equipment Services - minor equipment and home modifications

DES ceased during 2020-21. DES provided minor equipment, equipment hire services and home modification services in South Australia. Equipment sales and home modification services were classified under AASB 15.

Set fee schedules existed for items of minor equipment and equipment items used in home modification services. This was used as a base to calculate an order. Under AASB 15, recognition occurred at point in time the equipment was delivered or installed.

Accommodation Services Supported Independent Living

Group home care is provided by direct service staff. Under AASB 15, revenue is recognised at the point in time when the service is provided to a client. This can be received directly from the client, NDIS Plan Manager or the NDIS portal.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

2.6. Resources received free of charge

	2021	2020
	\$'000	\$'000
Services received free of charge - Shared Services SA	3 756	4 165
Services received free of charge - Department of the Premier and Cabinet	1 419	-
Total services received free of charge	5 175	4 165

Contributions of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated.

Shared Services SA and the DPC are directly appropriation funded for the services provided to general government agencies.

The department receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA free of charge.

From DPC, the department receives Centralised IT and Telecommunication services by ICT and Digital Government (previously known as StateNet).

2.7. Other income

	2021	2020
	\$'000	\$'000
DES hire charges	591	1 577
DES NDIS hire charges	44	2 831
Other	870	1 016
Total other income	1 505	5 424

3. Board, committees and employees

The Chief Executive is responsible to the Premier and the department's Minister for supporting the achievement of the Government's objectives, the effective management of the department and the general conduct of its employees. A performance agreement, developed between the Chief Executive and Minister, outlines key agency leadership priorities and indicators of success for the financial year.

The Executive Leadership Team (ELT) is the principal governance and management body of DHS. ELT supports the Chief Executive to set and effectively monitor the strategic agenda, direction, governance, performance and culture of the department.

DHS board and committees are tasked with providing oversight and leadership of specific department responsibilities. This includes the Risk Management and Audit Committee which is responsible for overseeing risk management, internal controls, financial reporting, auditing and monitoring compliance with laws, policies and relevant codes of conduct, and reports to the Chief Executive.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

3.1. Key management personnel

Key management personnel of the department include the Minister, the Chief Executive Officer and 10 executive positions. Total compensation for key management personnel was \$2.728 million in 2020-21 and \$4.794 million in 2019-20.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Human Services receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*. Refer to the Administered Financial Statement for disclosures of the Minister's remuneration paid and recovered from the Consolidated Account.

	2021	2020
Compensation	\$'000	\$'000
Salaries and other short term employee benefits	2 489	3 336
Post-employment benefits	239	330
Termination benefits	-	633
Other long-term employment benefits	-	495
Total	2 728	4 794

Transactions with key management personnel and other related parties

The department had no material transactions or balances and/or transactions outside normal day-to-day operations to disclose during the reporting period with key management personnel or their close family.

3.2. Board and committee members

Members during the 2021 financial year were:

Risk Management and Audit Committee

C Mitchell	Chair	Appointed	5/06/2020		
E Moran	Member	Appointed	20/05/2020		
J King	Member	Appointed	17/12/2018		
N Ashley *	Member	Appointed	3/08/2018	Resigned	18/05/2021
K Summers *	Member	Appointed	30/04/2019	Resigned	28/08/2020
A Hayes*	Member	Appointed	7/10/2020		
S Charlton*	Member	Appointed	18/05/2021		

Premier's Council for Women

M A Silva	Chair	Reappointed	1/07/2019
M Hagias	Deputy Chair	Reappointed	1/07/2019
L Hallahan	Member	Reappointed	1/07/2019
A Lee	Member	Reappointed	1/07/2019
E O'Loughlin	Member	Reappointed	1/07/2019
N Saunders *	Member	Reappointed	1/02/2020
V Welgraven*	Member	Reappointed	1/07/2019
S Mapuvire	Member	Appointed	1/07/2019
L Tyler	Member	Appointed	1/07/2019
J Danvers	Member	Appointed	1/07/2019
M Veitch	Member	Appointed	1/07/2020

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

3.2. Board and committee members (continued)

State Emergency Relief Fund Committee

V Faggotter	Chair	Reappointed	1/04/2019		
B Grear *	Member	Reappointed	8/12/2019		
G Cornish*	Member	Reappointed	1/09/2019	Resigned	28/02/2021
L Houston*	Member	Reappointed	1/09/2019	Resigned	28/02/2021
M Griffiths*	Member	Appointed	15/11/2019		
J Brayley*	Member	Appointed	13/01/2020		
A Loechel	Member	Appointed	13/01/2020	Resigned	28/02/2021
N Day	Member	Appointed	13/01/2020	Resigned	28/02/2021
D Waters	Member	Appointed	4/05/2020	Resigned	28/02/2021
P Austin	Member	Appointed	27/01/2020	Resigned	28/02/2021
R Green*	Member	Appointed	1/03/2021		
N Ashley*	Member	Appointed	1/03/2021		

Grants SA Assessment Panel

P Maher *	Chair/Member	Appointed	1/07/2019	Resigned	18/06/2021
S Mitchell*	Member	Appointed	6/07/2020	Resigned	7/05/2021
T Strub*	Member	Appointed	9/07/2020	Resigned	21/05/2021
E Purvis*	Member	Appointed	15/07/2020	Resigned	22/07/2020
N Lionnet*	Member	Appointed	27/07/2020	Resigned	2/11/2020
E Bullitis*	Member	Appointed	5/08/2020	Resigned	12/08/2020
R Greenrod*	Member	Appointed	15/08/2020	Resigned	22/08/2020
R Kowalewski*	Member	Appointed	21/08/2020	Resigned	24/05/2021
B Powles*	Member	Appointed	17/08/2020	Resigned	20/05/2021
A Lambert*	Member	Appointed	19/08/2020	Resigned	26/08/2020
S McArdle*	Member	Appointed	4/09/2020	Resigned	28/09/2020
F Cisneros*	Member	Appointed	10/09/2020	Resigned	17/09/2020
S Maiorana*	Member	Appointed	17/09/2020	Resigned	28/10/2020
J Rutherford*	Member	Appointed	22/09/2020	Resigned	22/04/2021
R Osborn*	Member	Appointed	7/10/2020	Resigned	24/05/2021
K Graves*	Member	Appointed	15/10/2020	Resigned	21/10/2020
R Dolling*	Member	Appointed	21/10/2020	Resigned	28/10/2020
S Horne*	Member	Appointed	29/10/2020	Resigned	6/11/2020
G Pike*	Member	Appointed	19/11/2020	Resigned	4/05/2021
M Ingrammes*	Member	Appointed	27/04/2021	Resigned	6/05/2021
C Sellar*	Member	Appointed	29/04/2021	Resigned	24/05/2021
H Christopher*	Member	Appointed	30/04/2021	Resigned	24/05/2021
N Gani*	Member	Appointed	23/05/2021	Resigned	25/05/2021
S Sansome*	Member	Appointed	17/05/2021	Resigned	18/05/2021
C McLaren*	Member	Appointed	17/05/2021	Resigned	25/05/2021

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

3.2. Board and committee members (continued)

Gambling Advisory Committee

The Committee was abolished on 30 July 2020 as a result of changes to the Gaming Machines Act 1992, effective on the same date.

W Bevan	Chair	Appointed	27/12/2017
J Sleep	Member	Appointed	10/11/2017
C Carter	Member	Appointed	10/11/2017

* In accordance with the Premier and Cabinet's Circular PC016, *Remuneration for Government Appointed Part-time Board and Committee*, government employees did not receive any remuneration for board/committee duties during the financial year.

Board and committee remuneration

The number of members whose remuneration received or receivable falls within the following bands:

	2021	2020
\$0 - \$19 999	53	38
\$20 000 - \$39 999	1	-
Total number of members	54	38

The total remuneration received or receivable by members was \$0.059 million (\$0.038 million). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax. Where a board or committee member has, during the year, been appointed, resigned, retired or term ceased, this has been disclosed, as illustrated above

3.3. Employee benefits expenses

	2021 \$'000	2020 \$'000
Salaries and wages	184 834	201 874
Employee on-cost - superannuation	20 661	21 274
Annual leave	19 213	20 040
Workers compensation	11 064	12 940
Employee on-cost - other	11 352	12 120
Targeted voluntary separation packages	2 382	11 941
Skills and experience retention leave	776	1 083
Eligible termination payments	241	959
Board and committee fees	143	79
Long service leave *	(1 010)	766
Other employee related expenses	810	630
Total employee benefits expenses	250 466	283 706

*Due to the changes on the discount rate for long service leave liability measurement, this has resulted the decrease in the long service leave revaluation. Refer to Note 10.1.

Employment on-costs - superannuation

The superannuation employment on-cost charge represents the department's contributions to superannuation plans in respect of current services of current employees. DTF centrally recognises the superannuation liability in the whole-of-government financial statements.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

3.3. Employee benefits expenses (continued)

Remuneration of employees

The number of employees whose remuneration received or receivable falls within the following bands:

	2021	2020
	No.	No.
\$154 001 to \$174 000	12	7
\$174 001 to \$194 000	5	7
\$194 001 to \$214 000	6	7
\$214 001 to \$234 000	4	5
\$234 001 to \$254 000	-	1
\$254 001 to \$274 000	2	2
\$274 000 to \$294 000	2	3
\$294 001 to \$314 000	3	5
\$314 001 to \$334 000	-	1
\$354 001 to \$374 000	1	-
\$374 001 to \$394 000	-	1
\$414 001 to \$434 000	-	1
\$454 001 to \$474 000	1	-
\$534 001 to \$554 000	-	1
\$1 274 001 to \$1 294 000	-	1
Total	36	42

Total remuneration received by these employees for the year was \$7.862 million (\$11.099 million).

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any related fringe benefits tax paid.

The total number of executives for 2021 are 22 (28) and non-executive are 14 (14).

Targeted voluntary separation packages

The number of employees who received a TVSP during the reporting period was 30 (153).

	2021	2020
	\$'000	\$'000
Amounts paid to separated employees:		
Targeted voluntary separation packages	2 382	11 941
Leave paid to separated employees	1 085	7 786
Recovery from the Department of Treasury and Finance	(2 167)	(12 156)
Net cost to the department	1 300	7 571

Department of Human Services
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For the year ended 30 June 2021

3.4. Employee benefits liability

	2021	2020
	\$'000	\$'000
<u>Current</u>		
Annual leave	23 271	22 560
Long service leave	2 785	3 131
Accrued salaries and wages	9 010	13 490
Skills and experience retention leave	1 133	1 098
Total current employee benefits	36 199	40 279
<u>Non-current</u>		
Long service leave	37 005	41 598
Total non-current employee benefits	37 005	41 598
Total employee benefits	73 204	81 877

Salary and wages, annual leave, skills and experience retention leave and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the skills and experience retention leave liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability is provided in note 10.1.

Department of Human Services
Notes to and forming part of the financial statements
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4. Expenses

Employee benefits expenses are disclosed in note 3.3.

Aside from employee expenses, NDIS contributions and supplies and services are DHS' largest expenditure categories. Under supplies and services, accommodation is the largest balance.

4.1. Supplies and services

	2021	2020
	\$'000	\$'000
Accommodation	17 300	22 630
Contractors and agency staff	17 263	15 160
Information technology and communication charges	12 426	15 962
Business services	6 337	5 622
Brokerage care services	5 510	3 766
Client related expenses	5 284	5 507
Crimtrac history check fees	4 017	3 564
Motor vehicles	2 387	2 192
Minor equipment	1 780	3 425
Program partnering contributions	1 735	687
Repairs and maintenance	1 198	2 406
Printing stationery postage and periodicals	1 186	1 185
Seminars courses and training	1 111	1 065
Social impact investment program	880	-
Drugs and medical supplies	870	1 150
Insurance	796	708
Travel and accommodation	538	1 074
Consultants	529	550
Short term leases	490	824
Low-value leases	24	231
Other	5 599	8 506
Total supplies and services	87 260	96 214

Accommodation

Most of the department's accommodation is provided by the Department for Infrastructure and Transport (DIT) under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed (disclosed within Accommodation).

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4.2. Depreciation and amortisation

	2021	2020
	\$'000	\$'000
Buildings	4 804	3 937
Computer software	2 102	2 661
Independent living equipment program	1 149	2 579
Accommodation and leasehold improvements	781	971
Plant and equipment	700	571
Right-of-use vehicles	753	1 283
Right-of-use buildings	294	251
Computing equipment	39	38
Motor vehicles	4	10
Total depreciation and amortisation	10 626	12 301

All non-current assets with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Accommodation incentives in the form of improvements are capitalised as an asset and depreciated over the remaining term of the lease or estimated useful life of the improvement, whichever is shorter.

Land and non-current assets held for sale are not depreciated.

Useful life

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Buildings	1-50
Accommodation and leasehold improvements	1-10
Plant and equipment	1-15
Right-of-use property, plant and equipment	Lease term
Motor vehicles	3-5
Computer equipment	3-5
Computer software	1-5
Independent living equipment program (ILEP)	2-5

Review of accounting estimates

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted, if appropriate, on an annual basis. Changes in the expected life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

The department undertook a full site valuation of land and buildings as at 30 June 2021. This resulted in a decrement to the value of buildings and reassessment of the remaining useful lives. Therefore, this has an impact on future depreciable value.

Department of Human Services
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4.3. Grants and subsidies

Grants and subsidies by program	2021 \$'000	2020 \$'000
Home and Community Care/Community Connections	18 567	21 451
Child and Family Support Grants	17 053	18 668
Family and Community Development	13 201	12 606
Financial Hardship Programs	8 884	4 828
Adults With Chronic Conditions	5 578	5 578
COVID-19 Domestic Violence Support	3 331	1 934
Disability Grants	2 713	2 639
Aboriginal Community Benefit Grants	2 531	2 310
Youth Portfolio	1 533	1 289
Information, Linkages and Capacity Building	59	3 234
Supported Residential Facilities	-	416
Other	5 383	6 259
Total grants and subsidies	78 833	81 212

The grants given are usually subject to terms and conditions set out in the contract, correspondence or by legislation.

4.4. NDIS contributions

	2021 \$'000	2020 \$'000
NDIS expenses	656 207	612 017
Total NDIS contributions	656 207	612 017

The department makes payments to the National Disability Insurance Agency (NDIA) for the NDIS pursuant to the *National Disability Insurance Act 2013* and in accordance with the Bilateral Agreement between the Commonwealth of Australia and the State of South Australia. South Australia's financial contribution is adjusted for transitional provisions including in-kind services that South Australia continue to provide to NDIS participants and invoice wash-up adjustments.

Department of Human Services
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4.5. Net gain / (loss) from disposal of assets

	2021	2020
	\$'000	\$'000
<u>Land and buildings</u>		
Proceeds from disposal	280	-
Less carrying amount of assets disposed	(399)	(2)
Net loss from disposal of land and buildings	(119)	(2)
<u>Plant and equipment</u>		
Proceeds from disposal	4	28
Less carrying amount of assets disposed *	(4 314)	(283)
Net loss from disposal of plant and equipment	(4 310)	(255)
<u>Intangible assets</u>		
Proceeds from disposal	1 071	-
Less carrying amount of assets disposed	-	-
Net gain from disposal of intangible assets	1 071	-
<u>Total disposal of assets</u>		
Total proceeds from disposal	1 355	28
Less total carrying amount of assets disposed	(4 713)	(285)
Net gain/(loss) from disposal of assets	(3 358)	(257)

Gains or losses from disposal are recognised at the date control is passed from the department and determined after deducting the carrying amount of the asset from the proceeds at that time.

* This includes the ILEP equipment transferred to various parties, including clients during 2020-21 due to the cessation of DES, refer to note 1.4.

Department of Human Services
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4.6. Borrowing costs

	2021	2020
	\$'000	\$'000
Interest expense on lease liabilities	26	38
Total borrowing costs	26	38

4.7. Other expenses

	2021	2020
	\$'000	\$'000
Other	366	335
Total other expenses	366	335

Other

Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$0.300 million (\$0.322 million). No other services were provided by the Auditor-General's Department.

5. Non-financial assets

The department's assets are primarily made up of land and buildings, including the Adelaide Youth Training Centre – Kurlana Tapa buildings in Cavan.

5.1. Property, plant and equipment by asset class

Property, plant and equipment comprises owned and right-of-use (leased) tangible assets that do not meet the definition of investment property.

Department of Human Services
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5.1. Property, plant and equipment by asset class (continued)

	2021	2020
	\$'000	\$'000
<u>Land and buildings</u>		
Land at fair value	33 127	55 550
Buildings and improvements at fair value	72 508	93 426
Accumulated depreciation at the end of period	-	(4)
Total land and buildings	105 635	148 972
<u>Accommodation and leasehold improvements</u>		
Accommodation and leasehold improvements at fair value	18 635	13 259
Accumulated depreciation at the end of period	(11 992)	(11 910)
Total accommodation and leasehold improvements	6 643	1 349
<u>Computing equipment</u>		
Computing equipment at cost (deemed fair value)	179	444
Accumulated depreciation at the end of period	(149)	(375)
Total computing equipment	30	69
<u>Motor vehicles</u>		
Motor vehicles at cost (deemed fair value)	63	90
Accumulated depreciation at the end of period	(54)	(77)
Total motor vehicles	9	13
<u>Independent living equipment program</u>		
Independent living equipment program at cost (deemed fair value)	887	20 031
Accumulated depreciation at the end of period	(887)	(14 106)
Total independent living equipment program	-	5 925
<u>Other plant and equipment</u>		
Other plant and equipment at cost (deemed fair value)	9 893	7 269
Accumulated depreciation at the end of period	(4 244)	(3 332)
Total other plant and equipment	5 649	3 937
<u>Right-of-use buildings</u>		
Right-of-use buildings at cost	191	1 136
Accumulated depreciation at the end of period	(124)	(251)
Total right-of-use buildings	67	885
<u>Right-of-use vehicles</u>		
Right-of-use vehicles at cost	1 734	2 086
Accumulated depreciation at the end of period	(966)	(982)
Total right-of-use vehicles	768	1 104
Total property, plant and equipment	118 801	162 254

Department of Human Services
Notes to and forming part of the financial statements
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5.2. Property, plant and equipment owned by the department

Property, plant and equipment owned by the department with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the department is recorded at fair value. The department's approach to fair value is set out in note 10.2.

*During 2020-21, a parcel of land located at Oakden that was the site of the former Strathmont Centre which transferred to the Department of Environment and Water. Refer below to transfers out through administrative restructure.

Impairment

There were no indication of impairment for Property, plant and equipment as at 30 June 2021.

Reconciliation 2020-21

	Land \$'000	Buildings \$'000	Accommodation and leasehold improvements \$'000	Computing equipment \$'000
Carrying amount at 1 July 2020	55 550	93 422	1 349	69
Additions	-	-	6 100	-
Disposals	(325)	(48)	(25)	-
Assets classified as held for sale	(2 290)	(360)	-	-
Depreciation and amortisation for the year	-	(4 804)	(781)	(39)
Transfers between other classes	-	-	-	-
Donated assets	-	-	-	-
Revaluation increment/(decrement)	6 192	(15 702)	-	-
Transfers out through administrative restructures	(26 000)	-	-	-
Other movements	-	-	-	-
Carrying amount at 30 June 2021	33 127	72 508	6 643	30

	Motor vehicles \$'000	Independent living equipment program \$'000	Other plant and equipment \$'000	Total \$'000
Carrying amount at 1 July 2020	13	5 925	3 937	160 265
Additions	-	86	-	6 186
Disposals	-	(355)	(42)	(795)
Assets classified as held for sale	-	-	(74)	(2 724)
Depreciation and amortisation for the year	(4)	(1 149)	(700)	(7 477)
Transfers between other classes	-	(987)	987	-
Transfers out through administrative restructures	-	-	-	(26 000)
Donated Assets	-	(3 927)	-	(3 927)
Revaluation increment/(decrement)	-	-	-	(9 510)
Transfers (to)/from works in progress	-	428	1 541	1 969
Other movement	-	(21)	-	(21)
Carrying amount at 30 June 2021	9	-	5 649	117 966

Department of Human Services
Notes to and forming part of the financial statements
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5.2 Property, plant and equipment owned by the department (continued)

Reconciliation 2019-20

	Land \$'000	Buildings \$'000	Accommodation and leasehold improvements \$'000	Computing equipment \$'000
Carrying amount at 1 July 2019	61 650	88 478	2 278	85
Additions	-	-	-	-
Disposals	-	-	(3)	-
Depreciation and amortisation for the year	-	(3 937)	(971)	(38)
Donated assets	-	-	-	-
Revaluation increment / (decrement)	(6 100)	8 644	-	-
Transfers (to)/from works in progress	-	237	45	22
Carrying amount at 30 June 2020	55 550	93 422	1 349	69

	Motor vehicles \$'000	Independent living equipment program \$'000	Other plant and equipment \$'000	Total \$'000
Carrying amount at 1 July 2019	33	6 735	3 796	163 055
Additions	-	44	-	44
Disposals	(10)	(241)	(24)	(278)
Revaluation increment/(decrement)	-	-	-	2 544
Depreciation and amortisation for the year	(10)	(2 579)	(571)	(8 106)
Donated Assets	-	-	(7)	(7)
Transfers (to)/from works in progress	-	1 966	743	3 013
Carrying amount at 30 June 2020	13	5 925	3 937	160 265

Department of Human Services
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5.3. Property, plant and equipment leased by the department

Right-of-use assets for property, plant and equipment leased by the department as lessee are measured at cost. There were no additions made to leased property, plant and equipment during 2020-21.

Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The department has a limited number of leases:

- 139 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.
- One lease was with the Royal Society for the Blind. The lease was for office accommodation, therapy rooms and display areas and ceased 30 June 2021. No contingent rental provisions existed within the lease agreement and no options existed to renew the lease at the end of its term.
- One lease is with the Marla & Districts Progress Association Inc. The lease is for office accommodation. DHS may terminate the lease by giving six weeks' notice, with rental paid annually. No contingent rental provisions exist within the lease agreement and is expected to cease 31 July 2021.
- One lease is with the DIT for office accommodation in Ceduna. The existing lease ended 30 June 2021 was extended through a new lease. With rental payments paid monthly. No contingent rental provisions exist within the lease agreement and there is no right of renewal at the end of its lease.
- One lease was with Py Ku Aboriginal Corporation for house and land in the Anangu Pitjantjatjara Yankuntjatjara Lands within the Mimili Community and ceased 30 June 2021. Rental was paid quarterly. No contingent rental provisions existed within the lease agreement.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. The department's maturity analysis of its lease liabilities is disclosed in note 10.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4.2 and 4.6. Cash outflows related to leases are disclosed in note 8.2.

Impairment

Property, plant and equipment leased by the department has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

5.4. Capital works in progress

	2021	2020
	\$'000	\$'000
Property, plant and equipment in progress at cost	910	3 223
Total capital works in progress	910	3 223

The following table shows the movement of capital works in progress:

	2021	2020
	\$'000	\$'000
Carrying amount at 1 July 2020	3 223	3 066
Purchases	1 649	4 837
Transfers to completed works	(4 102)	(4 512)
WIP adjustments	140	(168)
Carrying amount at 30 June 2021	910	3 223

5.5. Intangible assets

	2021	2020
	\$'000	\$'000
<u>Computer software</u>		
Internally developed computer software	2 015	2 015
Accumulated amortisation	(1 983)	(1 615)
Purchased computer software	13 241	11 107
Accumulated amortisation	(10 381)	(8 646)
Total computer software	2 892	2 861

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The acquisition of internally developed software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10 000.

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 *Intangible Assets* are expensed. There were no indication of impairment for intangible assets as at 30 June 2021.

The following table shows the movement of intangible assets:

	2021	2020
	\$'000	\$'000
Carrying amount at 1 July 2020	2 861	4 023
Transfers (to)/from works in progress	2 133	1 499
Amortisation	(2 102)	(2 661)
Carrying amount at 30 June 2021	2 892	2 861

Department of Human Services
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5.6. Non-current asset held for sale

	2021	2020
	\$'000	\$'000
Land	2 290	-
Building	360	-
Plant and equipment	74	-
Total non-current assets classified as held for sale	2 724	-

The following table shows the movement of non-current assets:	2021	2020
	\$'000	\$'000
Carrying amount at 1 July 2020	-	-
Transfers from property, plant and equipment	2 724	-
Carrying amount at 30 June 2021	2 724	-

5.7. Inventories

Total current inventories as at 30 June 2021 is \$0.266 million (\$0.241 million).

Inventories held for distribution at no or nominal consideration are measured at cost and adjusted when applicable for any loss of service potential. Inventories held for sale are measured at the lower of cost or their net realisable value.

Cost for all other inventory is measured on the basis of the first-in, first-out method. Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

Cost of inventories

The cost recognised as an expense for raw materials and consumables is \$0.025 million.

Department of Human Services
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6. Financial assets

6.1. Cash and cash equivalents

Deposits with the Treasurer

Special deposit accounts are established under section 8 of the *Public Finance and Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose.

Some of the department's appropriation is deposited into the Accrual Appropriation Excess Funds account. Although the department controls the money reported below in the Accrual Appropriation Excess Funds account, its use must be approved by the Treasurer. The department does not earn interest on its deposits with the Treasurer. The balance of the Accrual Excess Fund account at 30 June is \$115.765 million (\$98.657 million).

	2021	2020
	\$'000	\$'000
Deposits with the Treasurer (Special deposit accounts)		
Operating Account	149 617	143 569
Other deposits	1 593	2 255
Total deposits with the Treasurer (Special deposit accounts)	151 210	145 824
Advance accounts	95	95
Cash on hand	5	5
Total cash and cash equivalents	151 310	145 924

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6.2. Receivables

	2021	2020
	\$'000	\$'000
Current		
Trade receivables		
From non-SA government entities	2 183	3 304
From SA government entities	1 398	1 568
Less impairment loss on receivables	(4)	(67)
Total trade receivables	3 577	4 805
Recoveries for NDIS contributions	62 884	61 874
Accrued revenue	2 592	634
Prepayments	1 726	1 315
Overpaid salaries	458	489
GST input tax recoverable	191	2 236
Other receivables	83	111
Total current receivables	71 511	71 464
Non-current		
Other receivables	765	827
Total non-current receivables	765	827
Total receivables	72 276	72 291

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Other than as recognised in the impairment loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 10.3 for information on risk management.

The net amount of GST recoverable from the ATO is included as part of receivables.

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Allowance for impairment on receivables

	2021	2020
	\$'000	\$'000
Carrying amount at the beginning of the period	67	870
Increase/(decrease) in allowance recognised in profit or loss	(58)	(644)
Amounts written off	(5)	(159)
Carrying amount at the end of the period	4	67

All of the above impairment losses are from receivables arising from contracts with customers that are external to SA Government.

Refer to note 10.3 for details regarding credit risk and the methodology for determining impairment.

Department of Human Services
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7. Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1. Payables

	2021	2020
	\$'000	\$'000
<u>Current</u>		
Trade payables	11 242	9 180
Accrued expenses	3 216	6 601
Employment on-costs	5 429	5 139
Other	1 166	1 032
Total current payables	21 053	21 952
 <u>Non-current</u>		
Employment on-costs	3 479	3 856
Total non-current payables	3 479	3 856
 Total payables	 24 532	 25 808

Payables and accruals are raised for all amounts owed and unpaid. Payables are normally settled within 30 days from the date the invoice is first received. Employee on-costs are settled within the respective employee benefits that they relate to and are discharged. All payables are non-interest bearing. The carrying amount of payables represents approximate net fair value due to their short-term nature.

The net amount of GST recoverable from the ATO is included as part of receivables.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

The department contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to employee's superannuation funds.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has remained at the rate of 42%. The average factor for the calculation of employer superannuation on-costs has changed from the 2020 rate (9.8%) to 10.1%. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$0.157 million.

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7.2. Financial liabilities

All material cash outflows are reflected in the lease liabilities disclosed below.

	2021	2020
	\$'000	\$'000
<u>Current</u>		
Lease vehicle	471	762
Lease building and improvement	66	259
Total current financial liability	537	1 021
<u>Non-current</u>		
Lease vehicle	303	352
Lease building and improvement	-	625
Total non-current financial liability	303	977
Total financial liability	840	1 998

The department measures financial liabilities including borrowings at amortised cost.

7.3. Provisions

	2021	2020
	\$'000	\$'000
<u>Current</u>		
Workers compensation	7 751	7 386
Insurance	30	40
Total current provisions	7 781	7 426
<u>Non-current</u>		
Workers compensation	28 006	25 880
Insurance	80	80
Total non-current provisions	28 086	25 960
Total provisions	35 867	33 386

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7.3. Provisions (continued)

Reconciliation of insurance

The following table shows the movement of insurance during 2020-21:

	Public liability \$'000	Property \$'000	Total \$'000
Carrying amount at the beginning of the period	100	20	120
Increase to provision due to new claims	1	2	3
Reduction due to payments	-	(10)	(10)
Net revision of estimates	(11)	8	(3)
Carrying amount at the end of the period	90	20	110

The following table shows the movement of insurance during 2019-20:

	Public liability \$'000	Property \$'000	Total \$'000
Carrying amount at the beginning of the period	130	40	170
Increase to provision due to new claims	4	1	5
Reduction due to payments	(23)	-	(23)
Net revision of estimates	(11)	(21)	(32)
Carrying amount at the end of the period	100	20	120

Reconciliation of workers compensation

	2021 \$'000	2020 \$'000
Carrying amount at the beginning of the period	33 266	29 713
Increase to provision due to revision of estimates	11 065	12 396
Reduction due to payments	(8 574)	(8 843)
Carrying amount at the end of the period	35 757	33 266

A provision has been reported to reflect unsettled workers compensation (including additional workers compensation) claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2021 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation and enterprise bargaining agreements.

The department is responsible for the payment of workers compensation claims.

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7.4. Other liabilities

	2021	2020
	\$'000	\$'000
<u>Current</u>		
Accommodation incentive	757	392
Unclaimed monies	185	193
Unearned revenue	82	-
Other liabilities	300	309
Total current other liabilities	1 324	894
<u>Non-current</u>		
Accommodation incentive	5 515	476
Total non-current other liabilities	5 515	476
Total other liabilities	6 839	1 370

Accommodation incentive liabilities relate to arrangements with the Department for Infrastructure and Transport (DIT) for office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities. DIT has provided incentives for fit out free of charge for the department. The benefit of this incentives is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

8. Other disclosures

8.1. Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of property, plant and equipment to the extent that they offset one another.

8.2. Cash flow

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Total cash outflows for leases was \$1.634 million (2020: \$2.609 million)

	2021	2020
	\$'000	\$'000
<u>Leases</u>		
Buildings	326	282
Vehicles	783	1 272
Short term and low value	525	1 055
Total cash outflow for leases	1 634	2 609

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

8.2. Cash flow (continued)

Reconciliation of net result to cash flows from operating activities

	2021	2020
	\$'000	\$'000
<u>Reconciliation of cash and cash equivalents at the end of the reporting period</u>		
Cash and cash equivalents disclosed in the Statement of Financial Position	151 310	145 924
Balance as per the Statement of Cash Flows	151 310	145 924
<u>Reconciliation of net cash provided by operating activities to net result</u>		
Net cash provided by/(used in) operating activities	6 693	(10 413)
<u>Add / (less) non-cash Items</u>		
Depreciation and amortisation expense of non-current assets	(10 626)	(12 301)
Accommodation incentive amortisation	696	(710)
Gain/loss on sale or disposal of non-current assets	(3 358)	(257)
<u>Movement in assets and liabilities</u>		
Increase/(decrease) in receivables	8	28 185
Increase/(decrease) in inventories	25	(157)
(Increase)/decrease in provisions	(2 481)	(3 503)
(Increase)/decrease in payables	1 124	24 524
(Increase)/decrease in employee benefits	8 323	30 517
(Increase)/decrease in other liabilities	(65)	778
Net result	339	56 663

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

9. Outlook

9.1. Unrecognised contractual commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Capital commitments

	2021	2020
	\$'000	\$'000
Within one year	1 432	75
Later than one year but not longer than five years	375	-
Total capital commitments	1 807	75

The department's capital commitments are for the Kurlana Tapa Youth Justice Consolidation project, minor capital works to various properties, the Kurlana Tapa Youth Justice Centre Sustainment annual program, and Interpreter management software.

Expenditure commitments

	2021	2020
	\$'000	\$'000
Within one year	6 853	6 585
Later than one year but not longer than five years	20 860	4 828
Later than five years	22 646	1 126
Total expenditure commitments	50 359	12 539

The department's expenditure commitments primarily consists of MOAA with DIT for accommodation.

Leases entered into which have not yet commenced

Ceduna

The department signed a new lease for accommodation at Ceduna in June 2021. The lease commences on 1 July 2021. The future lease payments for the lease contract are \$18 000 within 1 year.

Noarlunga

The department signed a new lease for accommodation at Noarlunga in July 2021. The lease commences on 1 July 2021. The future lease payments for the lease contract are \$44 000 within 1 year and \$90 000 within 5 years.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

9.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

In 2018-19, a back payment claim was made by some staff at the Kurlana Tapa Youth Training Centre in relation to Crib Breaks. During 2019-20, the claim was heard by the South Australian Employment Tribunal (SAET) and the claim was upheld. DHS subsequently appealed this decision and during 2020-21, this appeal was considered by the full bench of the SAET which determined the claim would be dismissed. This decision was further appealed, resulting in the matter being heard by the Supreme Court in August 2021. At the time of preparing the financial statements, the Supreme Court had not released a judgement.

9.3 COVID-19 pandemic outlook for the department

At this stage, with the current levels of COVID-19 in the South Australian community, the department does not expect its financial position to be materially impacted in 2021-22 due to the COVID-19 pandemic.

9.4 Impact of standards not yet effective

The department has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet implemented and changes to the Accounting Policy Statements issued by the Treasurer. There are no Accounting Policy Statements that are not yet in effect.

Amending Standard AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020* and Other Amendments will apply from 1 July 2022 and Amending Standard AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates* will apply from 1 July 2023. Although applicable to the department, these amending standards are not expected to have an impact on the department's general purpose financial statements

Amending Standard AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* will apply from 1 July 2023. The department continues to assess liabilities e.g. Long service leave and whether or not the department has a substantive right to defer settlement. Where applicable these liabilities will be classified as current.

9.5 Events after the reporting period

There are no events between 30 June 2021 and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June 2021 and which may have a material impact on the results of subsequent years.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10 Measurement and risk

10.1 Long service leave liability – measurement

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability.

The actuarial assessment performed by DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wages levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 2020 (0.75%) to 2021 (1.25%).

The actuarial assessment performed by DTF left the salary inflation rate at 2.5% in 2021 for long service leave liability.

This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in an increase in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability and expense of \$4.681 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions – a key assumption being long-term discount rate.

The department has changed the method for calculation the current/ non-current split for long service liability in 2020-21. The 2020 comparatives were also restated for consistency. The long service leave split between current and non-current is based on the department's analysis of leave taken which uses historical leave balances to determine an estimate for amounts to be paid within the next 12 months.

10.2 Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

Non-current tangible assets owned by the department are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

Revaluation

Property, plant and equipment owned by the department are subsequently measured at fair value after allowing for accumulated depreciation.

The revaluation process is reviewed by the department each year.

Non-current tangible assets are valued at fair value and revaluation of non-current assets, or a group of assets, is only performed when the fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than three years.

A full site revaluation is undertaken on a regular cycle every five years. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset class will be revalued regardless of when the last valuation took place.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.2 Fair value (continued)

Fair value hierarchy

The department classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation:

Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.

Level 3 – not traded in an active market and are derived from unobservable inputs.

The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2021 and 2020, the department had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

The fair value of non financial assets must be estimated for recognition measurement or for disclosure purposes. The department categorises non financial assets measured at fair value. The hierarchy is based on the level of input used in measurement as follows:

Fair value classification - non financial assets at 30 June 2021

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
<u>Recurring fair value measurements</u>				
Land	5.1	33 127	-	33 127
Buildings	5.1	4 781	67 727	72 508
Accommodation improvements	5.1	-	6 643	6 643
Other	5.1	-	5 688	5 688
Total recurring fair value measurements		37 908	80 058	117 966
<u>Non-recurring fair value measurements</u>				
Land held for sale		2 290	-	2 290
Building held for sale		360	-	360
Total non-recurring fair value measurements		2 650	-	2 650
Total fair value measurements		40 558	80 058	120 616

Fair value classification - non financial assets at 30 June 2020

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
<u>Recurring fair value measurements</u>				
Land	5.1	55 550	-	55 550
Buildings	5.1	27 802	65 620	93 422
Accommodation improvements	5.1	-	1 349	1 349
Other	5.1	-	9 944	9 944
Total recurring fair value measurements		83 352	76 913	160 265
Total fair value measurements		83 352	76 913	160 265

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.2 Fair value (continued)

Land and buildings

The department's land and buildings were subject to a full site revaluation as at 30 June 2021.

An independent valuation of land and buildings owned by the department was performed in April 2021 by a Certified Practising Valuer, Mr Martin Burns from Liquid Pacific Holdings Pty Ltd.

The results of the valuation were considered to have a material impact on the department's assets and were processed accordingly.

The majority of assets were valued using the direct comparison of sales approach. The valuation was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land such as size and location. For land classified as restricted in use, adjustments were applied to reflect the restriction. Where market inputs were not readily observable, the cost approach to valuation was adopted/current replacement cost. The current replacement cost considered the need for ongoing provision of government services, specialised nature and restricted use of the assets, their size, condition and location.

The valuation used estimates about construction materials that would be required to replace the buildings, information about current construction costs were derived from building costs guides / internal records such as recent tender documents, construction invoices etc. and the estimated useful life due to age and condition of the building.

Plant and equipment

All items of plant and equipment had a fair value at the time of acquisition less than \$1 million and had an estimated useful life of less than three years. Plant and equipment have not been revalued in accordance with *APS 116.D*. The carrying values of these items are deemed to approximate fair value.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.2 Fair value (continued)

Reconciliation of level 3 recurring fair value measurement as at 30 June 2021

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

2021	Accommodation		Other
	Buildings	improvements	
	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	65 620	1 349	9 944
Acquisitions	-	6 100	86
Classified as held for sale	-	-	(74)
Donated Assets	-	-	(3 927)
Transfers from level 2	10 672	-	-
Disposals	-	(25)	(433)
Transfers (to)/from work in progress	-	-	1 969
Other movement	-	-	15
<u>Gains/(losses) for the period recognised in net result:</u>			
Depreciation	(2 117)	(781)	(1 892)
Total gains/(losses) recognised in net result	(2 117)	(781)	(1 892)
<u>Gains/(losses) for the period recognised in other comprehensive income (OCI)</u>			
Revaluation increments/(decrements)	(6 448)	-	-
Total gains/(losses) recognised in OCI	(6 448)	-	-
Carrying amount at the end of the period	67 727	6 643	5 688

2020	Accommodation		Other
	Buildings	improvements	
	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	63 102	2 278	10 649
Acquisitions	-	-	44
Donated Assets	-	-	(7)
Disposals	-	(3)	(275)
Transfers (to)/from work in progress	-	45	2 731
<u>Gains/(losses) for the period recognised in net result:</u>			
Depreciation	(1 911)	(971)	(3 198)
Total gains/(losses) recognised in net result	(1 911)	(971)	(3 198)
<u>Gains/(losses) for the period recognised in other comprehensive income (OCI)</u>			
Revaluation increments/(decrements)	4 429	-	-
Total gains/(losses) recognised in OCI	4 429	-	-
Carrying amount at the end of the period	65 620	1 349	9 944

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.3 Financial instruments

Financial risk management

Departmental risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the *Australian Standard Risk Management Principles and Guidelines*.

The department's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity risk

The department is funded principally from appropriation by the SA Government. The department works with the DTF to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Refer to notes 1.5 and 2.1 for further information.

Credit risk

The department has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The department has minimal concentration of credit risk.

No collateral is held as security and no credit enhancements relate to financial assets held by the department.

Impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The department uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

To measure the expected credit losses, receivables are grouped based on the days past due. When estimating expected credit loss, the department considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the department's historical experience and informed credit assessment, where practicable including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the department is exposed to credit risk.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.3. Financial instruments (continued)

The following table provides information about the credit risk exposure and expected credit loss for non-government debtors.

	Debtor gross carrying amount \$'000	Expected credit loss rate %	Expected losses \$'000
Current (not past due)	1 540	0%	-
1 - 30 days past due	82	0.31%	-
31 - 60 days past due	27	0.45%	-
61 - 90 days past due	25	0.63%	-
More than 90 days past due	509	0.78%	4
Loss allowance	2 183		4

Loss rates are based on actual history of credit loss. Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the department and a failure to make contractual payments for a period of greater than 180 days past due.

Receivables with a contractual amount of \$5 000 written off during the year are still subject to enforcement activity.

Market risk

The department does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the government's risk management strategy articulated in TI 23 *Management of Foreign Currency Exposures*.

There have been no changes in risk exposure since the last reporting period.

Categorisation of financial instruments

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, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these balances (refer to note 7.1 and 6.2).

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

10.3. Financial instruments (continued)

The department measures all financial instruments at amortised cost.

Maturity analysis of financial instruments

		2021 Contractual maturities*			
Category of financial asset and financial liability	Note	2021	Within		More
		Carrying	1 year	1-5 years	than
		amount / fair			5 years
		value			
		\$'000	\$'000	\$'000	\$'000
Financial assets					
Financial assets at amortised cost					
Cash and cash equivalent	6.1	151 310	151 310	-	-
Receivables**	6.2	70 359	69 594	765	-
Total financial assets		221 669	220 904	765	-
Financial liabilities					
Financial liabilities at amortised cost					
Payables**	7.1	15 331	15 331	-	-
Financial Liability	7.2	840	537	303	-
Total financial liabilities		16 171	15 868	303	-

		2020 Contractual maturities			
Category of financial asset and financial liability	Note	2020	Within		More
		Carrying	1 year	1-5 years	than
		amount / fair			5 years
		value			
		\$'000	\$'000	\$'000	\$'000
Financial assets					
Financial assets at amortised cost					
Cash and cash equivalents	6.1	145 924	145 924	-	-
Receivables**	6.2	68 740	67 913	827	-
Total financial assets		214 664	213 837	827	-
Financial liabilities					
Financial assets at amortised cost					
Payables**	7.1	16 491	16 491	-	-
Financial Liability	7.2	1 998	1 021	977	-
Total financial liabilities		18 489	17 512	977	-

*Maturities analysis is presented using the undiscounted cash flows and therefore may not total to equal the carrying amount/fair value of the financial instrument.

**** Receivables and payables**

Receivables do not include prepayments as these are not financial instruments. Prepayments are presented in note 6.2.

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges; Auditor-General's Department audit fees. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. In government, certain rights to receive or pay cash may not be contractual but have their source in legislation and therefore, in these situations, the disclosure requirements of AASB 7 will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.

Department of Human Services

Administered Financial Statements For the year ended 30 June 2021

Department of Human Services
Statement of Administered Comprehensive Income
for the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
<u>Administered income</u>			
Appropriation		183 074	191 212
SA Government grants, subsidies and transfers		12 837	14 261
Fees and charges		507	438
Interest		28	165
Client Trust receipts	A5.2	10 479	11 329
Donations		122	6 958
Other income		520	502
Total administered income		207 567	224 865
<u>Administered expenses</u>			
Employee benefits expenses		374	366
Supplies and services		1 708	1 027
Depreciation and amortisation		2 694	2 695
Grants and subsidies	A2.1	206 562	208 048
Client Trust payments	A5.2	10 117	11 508
Donations and charity		3 283	5 810
Cash alignment transfers to Consolidated Account		9 351	3 100
Total administered expenses		234 089	232 554
Net result		(26 522)	(7 689)
<u>Other comprehensive income</u>			
Changes in property, plant and equipment asset revaluation surplus		6 894	-
Total other comprehensive income		6 894	-
Total comprehensive result		(19 628)	(7 689)

The accompanying notes form part of these financial statements.

Department of Human Services
Statement of Administered Financial Position
as at 30 June 2021

	Note	2021 \$'000	2020 \$'000
<u>Administered current assets</u>			
Cash and cash equivalents	A4.1	63 120	66 773
Receivables		30	110
Total current assets		63 150	66 883
<u>Administered non-current assets</u>			
Property, plant and equipment	A3.1	25 165	22 715
Investment property	A3.3	3 150	1 400
Total non-current assets		28 315	24 115
Total assets		91 465	90 998
<u>Administered current liabilities</u>			
Payables		28 131	8 036
Total current liabilities		28 131	8 036
Total liabilities		28 131	8 036
Net assets		63 334	82 962
<u>Administered equity</u>			
Retained earnings		25 885	52 407
Asset revaluation surplus		37 449	30 555
Total equity		63 334	82 962

The accompanying notes form part of these financial statements.

Department of Human Services
Statement of Administered Changes in Equity
for the year ended 30 June 2021

	Asset revaluation surplus	Retained earnings	Total equity
	\$'000	\$'000	\$'000
Balance at 1 July 2019	30 555	60 096	90 651
Net result for 2019-20	-	(7 689)	(7 689)
Total comprehensive result for 2019-20	-	(7 689)	(7 689)
Balance at 30 June 2020	30 555	52 407	82 962
Net result for 2020-21	-	(26 522)	(26 522)
Gain/(loss) on revaluation of property, plant and equipment	6 894	-	6 894
Total comprehensive result for 2020-21	6 894	(26 522)	(19 628)
Balance at 30 June 2021	37 449	25 885	63 334

Department of Human Services
Statement of Administered Cash Flows
for the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
<u>Cash flows from operating activities</u>			
<u>Cash inflows</u>			
Appropriation		183 074	191 212
Fees and charges		520	438
SA Government grants subsidies and transfers		12 837	14 261
Interest		27	165
Client Trust receipts		10 479	11 329
Donations		122	6 958
Other income		507	502
Cash generated from operations		207 566	224 865
<u>Cash outflows</u>			
Employee benefits payments		(374)	(373)
Payments for supplies and services		(1 867)	(940)
Concessions		(152 403)	(177 689)
Grants and subsidies		(33 833)	(32 967)
Client Trust payments		(10 108)	(11 507)
Donations and charity		(3 283)	(5 810)
Cash alignment transfers to Consolidated Account		(9 351)	(3 100)
Cash used in operations		(211 219)	(232 386)
Net cash provided by / (used in) operations	A5.1	(3 653)	(7 521)
<u>Net increase / (decrease) in cash and cash equivalents</u>			
		(3 653)	(7 521)
Cash and cash equivalents at the beginning of the period		66 773	74 294
Cash and cash equivalents at the end of the period	A4.1	63 120	66 773

The accompanying notes form part of these financial statements.

Department of Human Services
Disaggregated Administered Statement of Comprehensive Income
for the year ended 30 June 2021

Administered programs - refer note A1.1	Gambler's Rehabilitation Fund		Charitable Social Welfare Fund		Home for Incurables Trust	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Administered income</u>						
Appropriation	590	520	-	-	-	-
Fees and charges	19	12	43	61	253	286
SA Government grants subsidies and transfers	7 375	6 373	4 000	4 000	-	-
Interest	1	8	-	-	4	27
Other income	403	382	115	115	-	-
Total administered income	8 388	7 295	4 158	4 176	257	313
<u>Administered expenses</u>						
Supplies and services	1 085	656	168	150	250	190
Depreciation and amortisation	-	1	-	-	2 694	2 694
Grants and subsidies	6 399	6 204	3 655	3 943	-	-
Total administered expenses	7 484	6 861	3 823	4 093	2 944	2 884
Net result	904	434	335	83	(2 687)	(2 571)

	Disability Services Donations and Bequests		Supported Residential Facilities Indemnity Fund		Client Trust Accounts	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Administered income</u>						
Interest	-	1	-	-	22	122
Client Trust receipts	-	-	-	-	10 479	11 329
Other income	-	-	2	-	-	-
Total administered income	-	1	2	-	10 501	11 451
<u>Administered expenses</u>						
Supplies and services	-	1	-	-	-	-
Client Trust payments	-	-	-	-	10 117	11 508
Donations and charity	4	4	-	-	-	-
Total administered expenses	4	5	-	-	10 117	11 508
Net result	(4)	(4)	2	-	384	(57)

Department of Human Services
Disaggregated Administered Statement of Comprehensive Income
for the year ended 30 June 2021

	Minister's salary		Health and Aged Care Services Donations and Bequests	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<u>Administered income</u>				
Appropriation	374	374	-	-
Interest	-	-	-	3
Total administered income	374	374	-	3
<u>Administered expenses</u>				
Employee benefits expenses	374	366	-	-
Donations and charity	-	-	11	16
Total administered expenses	374	366	11	16
Net result	-	8	(11)	(13)

	Concessions		Community Service Obligations		State Emergency Relief Fund	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Administered income</u>						
Appropriation	161 061	165 117	17 674	20 333	-	2 000
SA Government grants subsidies and transfers	1 315	3 600	-	-	-	-
Interest	-	-	-	-	1	4
Donations	-	-	-	-	122	6 958
Other income	-	-	-	-	-	5
Total administered income	162 376	168 717	17 674	20 333	123	8 967
<u>Administered expenses</u>						
Supplies and services	11	2	-	-	-	-
Grants and subsidies	172 507	174 183	20 319	19 660	-	-
Donations and charity	-	-	-	-	3 268	5 790
Cash alignment transfers to Consolidated Account	9 351	3 100	-	-	-	-
Total administered expenses	181 869	177 285	20 319	19 660	3 268	5 790
Net result	(19 493)	(8 568)	(2 645)	673	(3 145)	3 177

Department of Human Services
Disaggregated Administered Statement of Comprehensive Income
for the year ended 30 June 2021

	Personal Alert SA		Consumer Advocacy & Research Fund		Total	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Administered income</u>						
Appropriation	3 375	2 868	-	-	183 074	191 212
Fees and charges	189	79	3	-	507	438
SA Government grants subsidies and transfers	-	-	147	288	12 837	14 261
Interest	-	-	-	-	28	165
Client Trust Fund receipts	-	-	-	-	10 479	11 329
Donations	-	-	-	-	122	6 958
Other income	-	-	-	-	520	502
Total administered income	3 564	2 947	150	288	207 567	224 865
<u>Administered expenses</u>						
Employee benefits expenses	-	-	-	-	374	366
Supplies and services	-	-	194	28	1 708	1 027
Depreciation and amortisation	-	-	-	-	2 694	2 695
Grants and subsidies	3 553	3 736	129	322	206 562	208 048
Client Trust Fund payments	-	-	-	-	10 117	11 508
Donations and charity	-	-	-	-	3 283	5 810
Cash alignment transfers to Consolidated Account	-	-	-	-	9 351	3 100
Total administered expenses	3 553	3 736	323	350	234 089	232 554
Net result	11	(789)	(173)	(62)	(26 522)	(7 689)

The above statement should be read in conjunction with the accompanying notes.

Department of Human Services
Schedule of Expenses and Income attributable to Administered Programs
for the year ended 30 June 2021

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Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A1. About the Department of Human Services

A1.1. Basis of preparation

The basis of preparation for the administered financial statements is the same as the basis outlined in note 1.1 of the department's financial statements. The department applies the same accounting policies to the administered financial statements as set out in the notes to the department's financial statements.

A1.2. Objectives/activities of the department's administered items

The department's administered items are structured to contribute to the thirteen main activities, these are:

- Client Trust Accounts
- Charitable and Social Welfare Fund
- Community Service Obligations
- Concessions
- Consumer Advocacy & Research Fund
- Disability Services Donations and Bequests
- Gambler's Rehabilitation Fund
- Health and Aged Care Services Donations and Bequests
- Home for Incurables Trust
- Minister's Salary
- Personal Alert SA
- State Emergency Relief Fund
- Supported Residential Facilities Indemnity Fund

A1.3. Impact of COVID-19 pandemic on the department

The COVID-19 pandemic impacted on some activities administered by the department, in particular, the department was required to administer additional payments for Cost of Living concessions, \$3.715 million (2020 \$9.588 million) and the International Student Support Package to assist individuals affected by COVID-19, refer to note A2.2. These additional payments had a material impact on the financial statements of the department's Administered Items.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A1.4. Budget performance

The budget performance table compares the department's outcomes against budget information presented to Parliament (2020-21 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

	Note	Original budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000
Statement of Administered Comprehensive Income				
<u>Administered Income</u>				
Appropriation		183 074	183 074	-
SA Government grants subsidies and transfers		16 248	12 837	(3 411)
Fees and charges		-	507	507
Interest		298	28	(270)
Client Trust Fund receipts		10 479	10 479	-
Donations		-	122	122
Other income		276	520	244
Total administered income		210 375	207 567	(2 808)
<u>Administered Expenses</u>				
Employee benefits expenses		374	374	-
Supplies and services		1 517	1 708	191
Depreciation and amortisation		2 695	2 694	(1)
Grants and subsidies expenses		209 417	206 562	(2 855)
Client Trust Fund payments		10 864	10 117	(747)
Donations and charity		3 175	3 283	108
Cash alignment transfers to Consolidated Account		9 353	9 351	(2)
Total administered expenses		237 395	234 089	(3 306)
Net result		(27 020)	(26 522)	498
<u>Other comprehensive income</u>				
Changes in property, plant and equipment asset revaluation surplus		-	6 894	6 894
Total other comprehensive income		-	6 894	6 894
Total comprehensive result		(27 020)	(19 628)	7 392

Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses. There are no variances that exceeds both thresholds.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A2. Expenses

A2.1. Grants and subsidies

	2021	2020
	\$'000	\$'000
Concessions	172 507	174 183
Community Service Obligations *	20 319	19 660
Gamblers Rehabilitation	6 399	6 204
Charitable Social Welfare Fund	3 655	3 943
Personal Alert Systems SA	3 553	3 736
Consumer Advocacy & Research Fund **	129	322
Total grants and subsidies	206 562	208 048

* Community Service Obligations are paid to help South Australian community organisations (for example, charities). Under the Water Industry Act 2012 and Sewerage Act 1929, Community Service Obligations are paid for water and sewerage concessions.

** Administrative responsibility for the Consumer Advocacy & Research Fund was transferred to the Department of Environment and Water, effective from 1 January 2021.

A2.2. Concessions

	2021	2020
	\$'000	\$'000
Water and sewerage rates	55 440	52 582
Energy	44 569	41 815
Cost of Living *	37 737	46 191
Transport	29 200	30 132
International Student Support Package *	2 766	1 445
Emergency electricity payments	216	319
Other	2 579	1 699
Total concessions	172 507	174 183

* As part of the State Government's response to COVID-19, \$3.715 million (2020 \$9.588 million) was paid as part of the Cost of Living Concession for a one-off boost to individuals who were unemployed or lost their jobs as a result of COVID-19. Further, households which were eligible for the boost payment in 2019-20 were able to bring the 2020-21 COLC payment forward. This amounted to expenditure of \$3.009 million in 2019-20. In addition, in 2019-20 the International Students Support Package was established to provide emergency cash grants to international students currently living in Adelaide who have been impacted by COVID-19.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A3. Non-financial assets

A3.1. Property, plant and equipment by asset class

	2021	2020
	\$'000	\$'000
<u>Land and buildings</u>		
Land at fair value	15 950	11 250
Buildings and improvements at fair value	7 600	12 002
Accumulated depreciation - buildings and improvements	-	(2 423)
Carpark at fair value	12	12
Accumulated depreciation - carpark	(12)	(12)
Total land and buildings	23 550	20 829
<u>Plant and equipment</u>		
Plant and equipment at cost (deemed fair value)	2 873	2 873
Accumulated depreciation	(1 258)	(987)
Total plant and equipment	1 615	1 886
Total property, plant and equipment	25 165	22 715

A site valuation of land and buildings was performed as at 30 June 2021. The results of the 2020-21 revaluation were processed for Administered buildings as they were deemed to have a material impact.

A3.2. Property, plant and equipment owned by the department

The following table shows the movement of land, buildings and improvements and plant and equipment during 2020-21:

2020-21

	Land	Buildings and improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	11 250	9 579	1 886	22 715
Depreciation and amortisation	-	(2 423)	(271)	(2 694)
Revaluation increment / (decrement)	4 700	444	-	5 144
Carrying amount at the end of the period	15 950	7 600	1 615	25 165

2019-20

	Land	Buildings and improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	11 250	12 002	2 157	25 409
Depreciation and amortisation	-	(2 423)	(271)	(2 694)
Revaluation increment / (decrement)	-	-	-	-
Carrying amount at the end of the period	11 250	9 579	1 886	22 715

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A3.3. Investment property

	2021	2020
	\$'000	\$'000
Investment building	-	600
Fair value at the end of the period	-	600
	2021	2020
	\$'000	\$'000
Investment land	3 150	800
Fair value at the end of the period	3 150	800
Total investment property at the end of the period	3 150	1 400

The investment property is held to earn rental income and/or for capital appreciation. The investment property is initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the department.

Subsequent to initial recognition at cost, the investment property is revalued to fair value with changes in the fair value recognised in the revaluation reserve in Equity in the period that they arise. An independent full site valuation of the investment property was performed at 30 June 2021. The results of the valuation were processed. The investment property is not depreciated however is tested for impairment.

Rental income from the leasing of the investment property is recognised in the Statement of Comprehensive Income as part of fees and charges, on a straight line basis over the lease term.

The following table shows the movement of investment property during 2020-21:

Reconciliation 2020-21

	Investment land \$'000	Investment building \$'000	Total \$'000
Carrying amount at the beginning of the period	800	600	1 400
Revaluation increment / (decrement)	2 350	(600)	1 750
Carrying amount at the end of the period	3 150	-	3 150

Reconciliation 2019-20

	Investment land \$'000	Investment building \$'000	Total \$'000
Carrying amount at the beginning of the period	800	600	1 400
Carrying amount at the end of the period	800	600	1 400

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A4. Financial assets

A4.1. Cash and cash equivalents

	2021	2020
	\$'000	\$'000
Special deposit account with the Treasurer	46 148	50 985
Deposit account with SAFA	16 042	15 220
Other deposits	930	568
Total cash and cash equivalents	63 120	66 773

A5. Other disclosures

A5.1. Cash flow reconciliation

	2021	2020
	\$'000	\$'000
<u>Reconciliation of cash and cash equivalents at the end of the reporting period</u>		
Cash and cash equivalents disclosed in the Statement of Financial Position	63 120	66 773
Balance as per the Statement of Cash Flows	63 120	66 773
<u>Reconciliation of net cash provided by / (used in) operating activities to net result</u>		
Net cash provided by/(used in) operating activities	(3 653)	(7 521)
<u>Add / (less) non-cash items</u>		
Depreciation and amortisation	(2 694)	(2 695)
<u>Movement in assets and liabilities</u>		
Increase/(decrease) in receivables	(80)	71
(Increase)/decrease in payables	(20 095)	2 449
(Increase)/decrease in employee benefits	-	7
Net result	(26 522)	(7 689)

A5.2. Client Trust accounts

The department acts as trustee of client trust accounts, including clients of the former Intellectual Disability Services Council Incorporated (IDSC) and the former Julia Farr Services (JFS). These amounts cannot be used by the department to achieve its own objectives, and accordingly are not included in the controlled financial statements. Client Trust receipts include interest revenue of \$0.021 million (2020: \$0.122 million).

	2021	2020
	\$'000	\$'000
Opening balance at the beginning of the period	13 694	13 751
Add receipts	10 501	11 451
Less Expenses	(10 117)	(11 508)
Closing balance at the end of the period	14 078	13 694

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A5.3. Disability Services donations and bequests

The department receives and administers donations and bequests held by Disability Services. Both donations and bequests must be used to benefit the community and public and cannot be used by the department to achieve its own objectives.

	2021 \$'000	2020 \$'000
Opening balance at the beginning of the period	176	180
Add receipts	-	1
Less expenses	(4)	(5)
Total disability services donations and bequests	172	176

A5.4. Health and Aged Care Services donations and bequests

Donations and bequests must be used to benefit the community and public and cannot be used by the department to achieve its own objectives.

	2021 \$'000	2020 \$'000
Opening balance at the beginning of the period	538	551
Add receipts	-	3
Less expenses	(11)	(16)
Total health and aged care services donations and bequests	527	538

A5.5. Consumer Advocacy & Research Fund

The Consumer Advocacy & Research Fund (the Fund) was established under the *Water Industry Act 2012* part 10, section 87. The Fund commenced on 1 July 2012 and supports research or advocacy that promotes the interests of consumers with a disability, on a low income or located in a regional area of the state.

Administrative responsibility of the Fund was transferred to the Department of Environment and Water, effective from 1 January 2021. The amount transferred is included in expenses below (2021: \$0.194 million).

	2021 \$'000	2020 \$'000
Opening balance at the beginning of the period	173	235
Add receipts	150	288
Less expenses	(323)	(350)
Total consumer advocacy and research fund	-	173

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A5.6. State Emergency Relief Fund

The State Emergency Relief Fund (the Fund) is established as part of the *Emergency Management Act 2004*. The Fund's main purpose is to provide financial support for the relief of persons who suffer injury, loss or damage as a result of a declared emergency within South Australia. In December 2019, the South Australian Government launched the SA Bushfire Appeal to raise funds for people directly affected by the bushfires in Cuddlee Creek. In January 2020, the South Australian Government Gazette expanded the appeal to include the Kangaroo Island bushfires.

	2021	2020
	\$'000	\$'000
Opening balance at the beginning of the period	3 247	70
Add receipts	123	8 967
Less expenses	(3 268)	(5 790)
Closing balance at the end of the period	102	3 247

The public appeal for donations closed 31 July 2020. The total donations received for the SA Bushfire Appeal was \$9.09 million. As at 30 June 2021, the total disbursed to SA Bushfire Appeal victims was \$9.06 million with the remainder transferred to the fund's general account for future appeals.

A5.7. Supported Residential Facilities Indemnity Fund

This note has been prepared to meet the requirements of section 56 (11) of the *Supported Residential Facilities Act 1992* in reporting upon the operations of the Supported Residential Facilities Indemnity Fund (the Fund).

	2021	2020
	\$'000	\$'000
Opening balance at the beginning of the period	50	50
Add receipts	2	-
Closing balance at the end of the period	52	50

A6. Outlook

A6.1. Contingent assets and liabilities

The department has investigated and there are no contingent assets or liabilities that impact the department's administered items.

A6.2. COVID-19 pandemic outlook for the department

The South Australian Government continued to provide financial assistance to individuals impacted by COVID-19 in 2020-21. The Paid Pandemic Leave Scheme recommenced in July 2021 following the start of a lockdown period.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A7. Measurement and risk

A7.1. Fair value

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The department categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement.

Fair value measurements recognised in the Statement of Financial Position are categorised into three levels.

The department had no valuations categorised into level 1.

There have been no transfers of assets between level 1 and 2 fair value hierarchy levels in 2021 or 2020. The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Fair value classification - non-financial assets at 30 June 2021

	Level 2	Level 3	Total
	\$'000	\$'000	\$'000
Recurring fair value measurements			
Land	15 950	-	15 950
Buildings	-	7 600	7 600
Plant and equipment	-	1 615	1 615
Investment property	3 150	-	3 150
Total recurring fair value measurements	19 100	9 215	28 315
Total fair value measurements	19 100	9 215	28 315

Fair value classification - non-financial assets at 30 June 2020

	Level 2	Level 3	Total
	\$'000	\$'000	\$'000
Recurring fair value measurements			
Land	11 250	-	11 250
Buildings	9 579	-	9 579
Plant and equipment	-	1 886	1 886
Investment property	1 400	-	1 400
Total recurring fair value measurements	22 229	1 886	24 115
Total fair value measurements	22 229	1 886	24 115

Valuation techniques and inputs

There were no changes in valuation techniques during 2020-21.

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A7.1 Fair value (continued)

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

Reconciliation of level 3 recurring fair value measurements at 30 June 2021	Buildings \$'000	Plant and equipment \$'000
Opening balance at the beginning of the period	-	1 886
Transfers from level 2	7 600	-
<u>Gains/(losses) for the period recognised in net result:</u>		
Depreciation and amortisation	-	(271)
Total gains/(losses) recognised in net result	-	(271)
Carrying amount at the end of the period	7 600	1 615

Reconciliation of level 3 recurring fair value measurements at 30 June 2020	Buildings \$'000	Plant and equipment \$'000
Opening balance at the beginning of the period	-	2 157
<u>Gains/(losses) for the period recognised in net result:</u>		
Depreciation and amortisation	-	(271)
Total gains/(losses) recognised in net result	-	(271)
Carrying amount at the end of the period	-	1 886

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A8. Home for Incurables Trust

As part of wide ranging reforms relating to the delivery of disability services by the department, effective 1 July 2007, JFS was dissolved and all assets and liabilities vested in or held by JFS were transferred or assigned or vested with the Minister for Human Services. Certain assets held by the former JFS are subject to the terms and conditions of the Home for Incurables Trust. The original Trust was established in June 1879 and was varied by the Supreme Court on 7 November 1997.

The former Board of JFS was trustee of the Home for Incurables Trust and on dissolution, the Board of JFS resolved to resign as trustee of the Home for Incurables Trust. The Minister for Human Services is the trustee for the Home for Incurables Trust.

The role of the Trust is " ... *to apply property vested in it for the purpose of providing for persons whose ability to live independently is temporarily or permanently impaired or in jeopardy as a consequence of an acquired brain injury or degenerative neurological condition or a physical condition resulting in disability including but not limiting the foregoing in any way whatsoever, the following services and facilities;*

(a) by providing for them, in a variety of residential, centre and community based settings

(i) accommodation

(ii) nursing, medical, allied health and attendant care service

(iii) personal and community support services

(iv) technical and personal support aids

(v) rehabilitation, respite and recreational services

(vi) out-patient and day care services

(vii) measures and services to enhance their quality of life

(b) by providing facilities for education research with respect to such persons

(c) by providing any services and facilities ancillary or in relation to the foregoing or by providing additional services and facilities that may be appropriate from time to time."

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A8. Home for Incurables Trust (continued)

The following income, expenses, assets and liabilities of the Home for Incurables Trust have been included in the administered items financial statements but are separately disclosed in the following schedules in accordance with the governance requirements of the Trust.

Schedule of Income and Expenses for the year ended 30 June 2021	2021 \$'000	2020 \$'000
<u>Income</u>		
Fees and charges	253	286
Interest	4	27
Total income	257	313
<u>Expenses</u>		
Supplies and services	250	190
Depreciation and amortisation	2 694	2 694
Total expenses	2 944	2 884
Net result	(2 687)	(2 571)
<u>Other comprehensive income</u>		
Changes in property, plant and equipment asset revaluation surplus	6 894	-
Total other comprehensive income	6 894	-
Total comprehensive result	4 207	(2 571)

Schedule of Financial Position for the year ended 30 June 2021	2021 \$'000	2020 \$'000
<u>Current assets</u>		
Special deposits with the Treasurer	204	831
Deposits with SAFA	2 894	2 094
Receivables	-	9
Total current assets	3 098	2 934
<u>Non-current assets</u>		
Property, plant and equipment	25 165	22 715
Investment property	3 150	1 400
Total non-current assets	28 315	24 115
Total assets	31 413	27 049
<u>Current liabilities</u>		
Payables	-	9
Total current liabilities	-	9
Total liabilities	-	9
Net assets	31 413	27 040

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A8. Home for Incurables Trust (continued)

Schedule of Changes in Equity for the year ended 30 June 2021	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 30 June 2019	30 555	(944)	29 611
Net result for 2019-20	-	(2 571)	(2 571)
Total comprehensive result for 2019-20	-	(2 571)	(2 571)
Balance at 30 June 2020	30 555	(3 515)	27 040
Net result for 2020-21	-	(2 521)	(2 521)
Net gain/(loss) on revaluation of property, plant and equipment	6 894	-	6 894
Total comprehensive result for 2020-21	6 894	(2 521)	4 373
Balance at 30 June 2021	37 449	(6 036)	31 413

Schedule of Administered Cash Flows for the year ended 30 June 2021	2021 \$'000	2020 \$'000
<u>Cash flows from operating activities</u>		
<u>Cash inflows</u>		
Interest	4	27
Rental revenue	262	287
<u>Cash generated from operations</u>	266	314
<u>Cash outflows</u>		
Supplies and services	(93)	(187)
<u>Cash used in operations</u>	(93)	(187)
Net cash provided by / (used in) operating activities	173	127
Net increase / (decrease) in cash and cash equivalents	173	127
Cash and cash equivalents at the beginning of the reporting period	2 925	2 798
Cash and cash equivalents at the end of the reporting period	3 098	2 925

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A8. Home for Incurables Trust (continued)

Accounting policies

Cash and cash equivalents

Cash and cash equivalents as reported in the Schedule of Assets and Liabilities - Home for Incurables Trust includes cash on hand, deposits held at call and other short-term, highly liquid investments with maturities of three months or less that are readily convertible to cash and which are subject to insignificant risk of changes in value. Cash is measured at nominal value.

Property, plant and equipment	2021	2020
	\$'000	\$'000
<u>Land and buildings</u>		
Land at fair value	15 950	11 250
Buildings and improvements at fair value	7 600	12 002
Accumulated depreciation - buildings and improvements	-	(2 423)
Carpark at fair value	12	12
Accumulated depreciation - carpark	(12)	(12)
Total land and buildings	23 550	20 829
<u>Property, plant and equipment</u>		
Other plant and equipment at cost (deemed fair value)	2 873	2 873
Accumulated depreciation - other plant and equipment at cost	(1 258)	(987)
Total plant and equipment	1 615	1 886
Total property, plant and equipment	25 165	22 715

The following table shows the movement of land, buildings and improvements and plant and equipment during 2020-21:

Reconciliation 2020-21

	Land	Buildings and improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	11 250	9 579	1 886	22 715
Depreciation and amortisation	-	(2 423)	(271)	(2 694)
Revaluation increment / (Decrement)	4 700	444	-	5 144
Carrying amount at the end of the period	15 950	7 600	1 615	25 165

Reconciliation 2019-20

	Land	Buildings and improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	11 250	12 002	2 157	25 409
Depreciation and amortisation	-	(2 423)	(271)	(2 694)
Revaluation increment / (Decrement)	-	-	-	-
Carrying amount at the end of the period	11 250	9 579	1 886	22 715

Department of Human Services
Notes to and forming part of the financial statements
For the year ended 30 June 2021

A8. Home for Incurables Trust (continued)

The following table shows the movement of investment property during 2020-21:

	2021 \$'000	2020 \$'000
<u>Investment building</u>		
Carrying amount at the beginning of the period	600	600
Revaluation decrement	(600)	-
Fair value at the end of the period	-	600
 <u>Investment land</u>		
Carrying amount at the beginning of the period	800	800
Revaluation increment	2 350	-
Fair value at the end of the period	3 150	800
 Total investment property at the end of the period	3 150	1 400