



PART 4

FINANCIAL PERFORMANCE

Summary

Section 77(2)(b) of the *Financial Accountability Act 2009* requires the Chief Finance Officer of the Department of Communities, Disability Services and Seniors to provide the accountable officer with a statement on whether the department's internal financial controls are operating efficiently, effectively and economically.

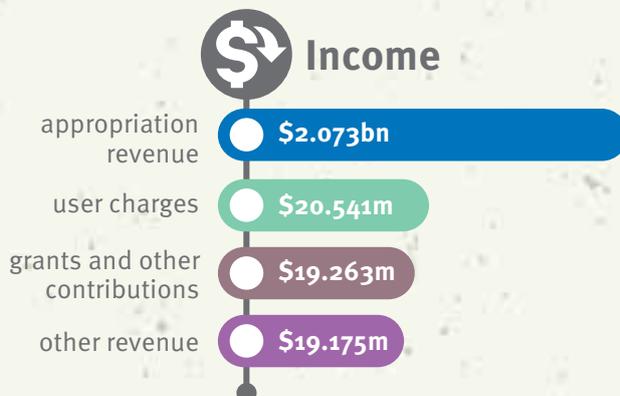
The 2017–18 Statement of Assurance provided to the Director-General satisfies all requirements of section 42 of the *Financial and Performance Management Standard 2009*. The statement was also provided to the department's Audit and Risk Committee.

It indicated no deficiencies or breakdowns in internal controls that would impact adversely on the department's financial governance or financial statements for the year.

Income

Our income in 2017–18 was **\$2.132 billion**, with the major sources of income being the Queensland and Australian governments for the provision of services.

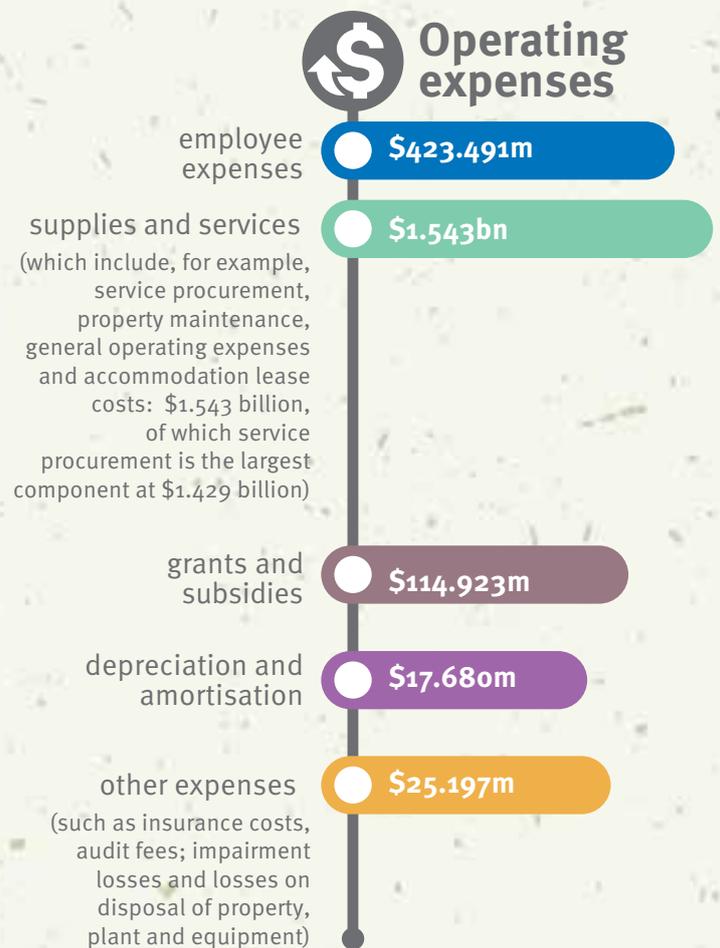
During 2017–18, we received our income from:



Operating expenses

Our department provides a wide range of services to the community, delivered by contracted non-government organisations and through direct service delivery. As a result, our two largest expense categories are supplies and services and employee expenses.

Our total operating expenses for 2017–18 were **\$2.124 billion**, including:



In 2017–18, the department had an operating surplus of \$8.218 million, related largely to the revaluation and gifting of assets.

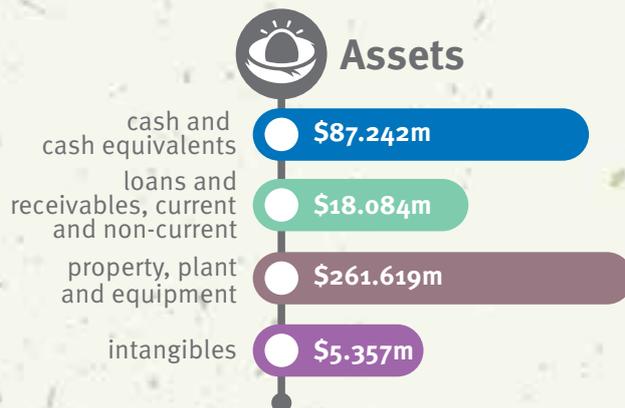
Assets

Our total assets as at 30 June 2018 were **\$372.302 million**. The primary assets held by our department were properties used to:

- ▶ support people with disability, including accommodation and respite services
- ▶ strengthen our communities, including multipurpose and Neighbourhood Centres.

The department's assets also include intangible assets, primarily internally generated software and systems.

The value of our assets by category was:



The department's cash at bank balance includes a cash-fund investment established with Queensland Treasury Corporation for the Elderly Parent Carer Innovation Initiative. The balance of the cash-fund investment as at 30 June 2018 was \$2.174 million.

Liabilities

Our liabilities consist primarily of payables for service procurement, trade creditors and provisions for employee entitlements.

Our total liabilities as at 30 June 2018 were \$61.077 million.

Liabilities by category were:



National Disability Insurance Scheme

2017–18 was the second full year of transition to the NDIS during which Ipswich, Lockyer, Scenic Rim, Somerset, Bundaberg, Rockhampton, Gladstone and west to the borders all transitioned to the NDIS.

Payments

In 2017–18, on behalf of the Queensland Government, we administered total payments of \$817.019 million including:

- ▶ concession payments of \$367.592 million for electricity and reticulated natural gas, rates and water subsidies, electricity life support, home energy emergency assistance and asset ownership electricity dividend
- ▶ payments of \$368.519 million for the transition of clients to the NDIS
- ▶ payments of \$7.226 million for natural disasters on behalf of the Queensland and Australian governments for grants for emergency assistance, essential household contents, structural assistance, and the Essential Services Safety and Reconnection Scheme.

Income and expenditure on these items is accounted for separately from our operating accounts. Variances between budget and actual results are explained in the Financial Statements.

We manage financial risks and liabilities by reviewing our financial performance through our corporate governance framework. To help us manage risks, the department's Audit and Risk Committee oversees audit activities, audit recommendations, financial reporting, internal controls and compliance. For more information on our financial performance, please see our financial statements (page 72).

Service Delivery Statement measures

The following scorecards summarise our performance (quantifiable measures and qualitative achievements) against the performance indicators in the department's Service Delivery Statement 2017–18.

Disability Services	Notes	2017–18 Target/estimate	2017–18 Actual
Effectiveness measures — number of Queenslanders with disability accessing departmental delivered and/or funded specialist disability support services	1	15,000 to 17,000	17,500
Rate per 1000 population users of community care services <ul style="list-style-type: none"> ▶ All users ▶ Aboriginal and Torres Strait Islander people aged 39 years and under ▶ People born in non-English speaking countries aged 64 years and under 	2	6 to 9 5 to 8 5 to 8	8.0 8.0 5.0
Efficiency measure – total estimated expenditure per service user receiving department's administered specialist disability services	3	\$45,000 to \$47,000	\$67,400

Notes:

- This measure records the total number of clients expected to receive specialist disability support services delivered and/or funded by the department during the relevant financial year. The number of service users is anticipated to decline following the transition of clients with disability to the National Disability Insurance Scheme (NDIS). The Target/estimates are based on the anticipated transition of people to the NDIS as proposed under the Bilateral Agreement between the Queensland Government and the Commonwealth Government.*
- This measure is broken into three population specific cohorts using a 'rate per 1000' of the relevant population as the unit of measure to allow for changes in population to be taken into account from year to year. The wording and calculation method of this measure is consistent with national data reported as part of the Report on Government Services (RoGS). The number of community care service users is anticipated to decline following the transition of clients with disability to the NDIS.*

A range is provided for 2017–18 due to current uncertainty regarding the number of community care clients who will transition to the NDIS and those who will remain as a state funded responsibility. All Target/estimates are based on the anticipated transition of people to the NDIS as estimated under the Bilateral Agreement between the Queensland Government and the Commonwealth Government.
- Disability service users can receive multiple services. The overall cost per user is for those services, regardless of service type, delivered and/or funded by the department, and does not include services or expenditure delivered by other Queensland Government departments or the Commonwealth Government. The wording and calculation method of this measure is consistent with national data reported as part of RoGS. The number of service users is anticipated to decline following the transition of clients with disability to the NDIS.*

Community Services	Notes	2017-18 Target/estimate	2017-18 Actual
Efficiency measures — percentage of senior and carer cards issued within 20 working days of application	1	90%	100%

Notes:

1. Each year the department issues or renews senior and carer cards, providing financial benefits to users. Monitoring the time to issue a card maintains service standards to the community. Measuring the average time to issue cards, and percentage issued within timeframes, monitors the efficiency with which card applications are processed and cards distributed. In 2017-18, all senior and carer cards issued in the year were provided within the benchmark 20 working days.

Discontinued measures	Notes	2017-18 Target/estimate	2017-18 Actual
Effectiveness measures — non-government organisations are satisfied with their engagement with the department	1	88%	Discontinued measure
Effective engagement of stakeholders in the development of policies, programs and legislation	1	75%	Discontinued measure

Notes:

1. This service standard has not been measured in 2017-18 owing to the reduced sample size following machinery-of-government changes in which child and family, multicultural, youth, domestic and family violence and women's service organisations surveyed as part of the former Department of Communities, Child Safety and Disability Services were transferred to other Queensland Government departments. The sample size reduction means the survey is no longer a reliable measure of departmental performance.