

## Part 5

### Health

#### Introduction

The Health portfolio delivers a safe, high quality and sustainable health system to help Western Australians live healthy lives. The portfolio has an increased emphasis on prevention and promotion in all areas of health and mental wellbeing.

#### Summary of Recurrent and Asset Investment Expenditure

Agency	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
WA Health		
– Total Cost of Services .....	12,077,235	11,782,410
– Asset Investment Program .....	452,994	765,922
Mental Health Commission		
– Total Cost of Services .....	1,266,661	1,357,595
– Asset Investment Program .....	8,460	35,355
Health and Disability Services Complaints Office		
– Total Cost of Services .....	4,387	4,224
– Asset Investment Program .....	22	-

## Ministerial Responsibilities

Minister	Agency	Services
Minister for Health; Mental Health Minister for Emergency Services; Innovation and the Digital Economy; Medical Research; Volunteering	WA Health	<ol style="list-style-type: none"> <li>1. Public Hospital Admitted Services</li> <li>2. Public Hospital Emergency Services</li> <li>3. Public Hospital Non-Admitted Services</li> <li>4. Mental Health Services</li> <li>5. Aged and Continuing Care Services</li> <li>6. Public and Community Health Services</li> <li>7. Pathology Services</li> <li>8. Community Dental Health Services</li> <li>9. Small Rural Hospital Services</li> <li>10. Health System Management - Policy and Corporate Services</li> <li>11. Health Support Services</li> </ol>
Minister for Health; Mental Health	Mental Health Commission	<ol style="list-style-type: none"> <li>1. Prevention</li> <li>2. Hospital Bed-Based Services</li> <li>3. Community Bed-Based Services</li> <li>4. Community Treatment</li> <li>5. Community Support</li> </ol>
	Health and Disability Services Complaints Office	<ol style="list-style-type: none"> <li>1. Complaints Management: Assessment, Negotiated Settlement, Conciliation and Investigation of Complaints</li> <li>2. Education: Education and Training in the Prevention and Resolution of Complaints</li> </ol>

## Division 21 WA Health

### Part 5 Health

#### Appropriations, Expenses and Cash Assets

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>DELIVERY OF SERVICES</b>							
Item 51 Net amount appropriated to deliver services .....	6,329,306	5,951,007	6,695,950	<b>6,472,202</b>	6,339,302	6,484,540	6,731,088
<b>Amount Authorised by Other Statutes</b>							
- Lotteries Commission Act 1990 .....	174,048	142,331	159,052	<b>149,285</b>	155,595	159,806	162,263
- Salaries and Allowances Act 1975 .....	1,182	1,185	1,185	<b>1,188</b>	1,191	1,190	1,190
Total appropriations provided to deliver services.....	6,504,536	6,094,523	6,856,187	<b>6,622,675</b>	6,496,088	6,645,536	6,894,541
<b>CAPITAL</b>							
Item 129 Capital Appropriation.....	379,255	308,640	230,733	<b>339,985</b>	220,967	87,420	113,292
<b>TOTAL APPROPRIATIONS .....</b>	<b>6,883,791</b>	<b>6,403,163</b>	<b>7,086,920</b>	<b>6,962,660</b>	<b>6,717,055</b>	<b>6,732,956</b>	<b>7,007,833</b>
<b>EXPENSES</b>							
Total Cost of Services .....	11,410,398	11,184,800	12,077,235	<b>11,782,410</b>	11,704,529	12,044,748	12,494,770
Net Cost of Services <sup>(a)</sup> .....	7,177,415	7,516,400	8,383,501	<b>8,082,177</b>	7,837,040	8,029,723	8,316,276
<b>CASH ASSETS <sup>(b)</sup> .....</b>	<b>1,221,542</b>	<b>862,138</b>	<b>1,062,323</b>	<b>986,778</b>	<b>921,317</b>	<b>903,767</b>	<b>886,355</b>

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the Department's services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

#### Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on WA Health's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23	2023-24	2024-25	2025-26	2026-27
	Estimated	Budget	Outyear	Outyear	Outyear
	Actual	Year	\$'000	\$'000	\$'000
	\$'000	\$'000			
<b>New Initiatives</b>					
<b>Digital Investments</b>					
Critical Health ICT Infrastructure Program .....	17	3,457	2,881	2,881	2,881
Cyber Security Program .....	-	1,540	1,540	1,540	1,025
Microsoft Enterprise Agreement .....	16,024	16,184	16,346	16,509	16,674
<b>Improving Access to Emergency Care</b>					
Emergency Care Navigator Pilot - North Metropolitan Health Service <sup>(a)</sup> .....	4,446	2,616	-	-	-
Expansion of Radiology and Allied Health.....	9,378	9,643	-	-	-
State Health Operations Centre .....	-	5,959	-	-	-
<b>Public Health Initiatives</b>					
Free Influenza Vaccination Program .....	15,000	-	-	-	-
Japanese Encephalitis Virus .....	1,251	-	-	-	-
Public Health Resourcing .....	-	6,565	-	-	-
Western Australia Monkeypox Vaccination Program .....	4,764	-	-	-	-
Queen Elizabeth II Medical Centre Access and Mobility Initiative.....	226	174	-	-	-
Ronald McDonald House Expansion .....	-	2,400	2,400	2,400	2,400
<b>Workforce</b>					
Critical Response Payment <sup>(b)</sup> .....	12,242	675	-	-	-
Graduate Transition Support .....	-	3,600	-	-	-
Regional Graduate Incentive (HECS-HELP) .....	-	1,400	1,400	1,400	-

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Ongoing Initiatives</b>					
Adjustments to General Health Hospital Services .....	255,058	348,971	143,725	61,326	(50,289)
Adjustments to Non-hospital Services .....	27,666	79,471	18,326	12,314	10,059
Belong - Advertising and Recruitment Campaign.....	-	1,000	-	-	-
BreastScreen WA .....	-	1,018	-	-	-
<b>Commonwealth Programs</b>					
Access to HIV Treatment.....	169	-	-	-	-
Commonwealth Home Support Program.....	13,094	-	-	-	-
Disability Support to Older Australians .....	4,450	2,225	-	-	-
Expansion of the BreastScreen Australia Program.....	205	814	-	-	-
Indigenous Australians' Health Programme .....	8,497	-	-	-	-
Multi-Purpose Services Agreement.....	58,196	4,836	-	-	-
National Blood Agreement.....	10,428	12,171	-	-	-
Rheumatic Fever Strategy.....	840	-	-	-	-
COVID-19 Spending .....	247,511	11,594	1,985	-	-
<b>Improving Access to Emergency Care</b>					
Community Health in a Virtual Environment Pilot .....	-	3,448	-	-	-
Emergency Access Response/Reform Program .....	-	4,100	4,100	-	-
Expansion of Long-Stay Patient Initiatives .....	5,943	1,609	-	-	-
Integrated Older Adults Model of Care Pilot.....	998	2,931	-	-	-
<b>Mental Health Commission Initiatives</b>					
Adjustments to Mental Health Hospital Services .....	9,320	24,290	20,790	17,354	10,887
Other Mental Health Commission Initiatives .....	1,704	30,737	19,667	17,616	16,543
Patient Transport Services Adjustment.....	21,055	58,600	55,556	50,305	46,470
Peel Health Campus Transition Costs .....	-	6,500	-	-	-
Public Health ICT Systems.....	-	5,849	4,667	-	-
State-wide Cladding.....	1,710	-	-	-	-
Support for Pluslife.....	750	1,500	750	-	-
<b>Supporting Regional Services</b>					
Establishment of Country Connect Service .....	469	973	382	392	-
Regional Palliative Care .....	-	3,148	-	-	-
Regional Renal Support Teams.....	-	1,555	1,706	1,716	1,723
South West Aboriginal Medical Service Health Hub .....	-	9,953	8,347	-	-
Specialist Cancer Services .....	-	6,300	-	-	-
<b>Sustainable Health Review</b>					
Electronic Medical Record - Single Sign-On.....	522	858	885	913	-
Medical Respite Centre Services .....	-	1,500	700	-	-
Outpatient Reform - Smart Referrals.....	-	157	1,076	1,127	1,506
Voluntary Assisted Dying.....	-	2,871	-	-	-
WA Children's Hospice.....	-	520	534	-	-
<b>Other</b>					
Future Health Research and Innovation Fund .....	16,700	22,300	21,500	27,900	46,900
Government Office Accommodation .....	332	(370)	(333)	(293)	(279)
Non-Government Human Services Sector Indexation Adjustment.....	5,654	12,042	16,869	20,814	45,141
Public Sector Wages Policy .....	185,563	121,587	159,913	191,963	222,580

(a) Existing WA Health spending has been reprioritised to meet the costs of this initiative.

(b) Of the \$12.9 million forecast spend on critical response payments, \$8.2 million has been reprioritised from WA Health's existing budget settings.

## Significant Issues Impacting the Agency

### Western Australian Health System Overview

1. The Western Australian health system has been impacted by the COVID-19 pandemic in recent years. As it recovers and transitions out of the pandemic, the management and treatment of COVID-19 is being integrated into the system's business-as-usual delivery of clinical services.
2. Consistent with trends around the world, WA Health continues to face ongoing growth in demand and increasing pressures across a range of areas. The rising costs of providing healthcare, together with the impacts of an ageing population, increasing rates of mental health illness, capacity constraints, demand for deferred care and global healthcare worker shortages have given rise to significant challenges for the health system.
3. To address capacity constraints and alleviate demand in hospitals, more than 600 beds are planned to be added to the State's health system as a result of Government's infrastructure investment to date. This is on top of the 547 beds delivered since the 2021-22 Budget. Western Australia is also partnering with the Commonwealth and other States and Territories to address the challenges following on from the COVID-19 pandemic.

4. The Western Australian health system is rising to these significant challenges with an ambitious and comprehensive reform program that will deliver safe, high-quality, financially sustainable, and accountable health care for all Western Australians.
5. The Sustainable Health Review (SHR) remains the blueprint for ensuring Western Australians receive quality healthcare that can be sustained for future generations. WA Health is currently focused on key priority recommendations to improve outpatient services, support new models of care for people with complex conditions, digitise State hospitals, deliver funding and commissioning models that drive innovation and efficiency, and address the demands on the health workforce.
6. The vision articulated by the SHR underpins the Government's strategy to address ambulance ramping. This strategy focuses on the need to deliver timely community-based, virtually-enabled models of care that meet patients' needs, and in doing so reduce the number of unnecessary emergency department (ED) presentations, admissions and lengthy stays in hospital.
7. Also underway is a phased implementation of 49 recommendations from the Independent Review of WA Health System Governance Report that have been accepted in principle by Government, in alignment with SHR priorities.
8. In recognition of the need to build safe, strong and fair communities through protecting the health of the Western Australian community, the 2023-24 Budget is focused on investment to:
  - 8.1. continue to drive emergency access reform and address ambulance ramping;
  - 8.2. advance digital capabilities for the future;
  - 8.3. deliver core services and public health to the community;
  - 8.4. build a sustainable future workforce;
  - 8.5. strengthen partnerships with community organisations;
  - 8.6. deliver world-class health infrastructure;
  - 8.7. support healthcare in the regions, which is key for regional communities to thrive; and
  - 8.8. implement Government priorities.

### **Improving Access to Emergency Care**

9. Including the \$74.9 million investment through this Budget, the Government has invested \$452.7 million to reduce the pressure on EDs to ensure children, families and individuals can access urgent medical help when needed. WA Health continues to address the complex and multifaceted root causes of pressure on EDs and ambulance ramping through a coordinated approach driven by the Ministerial Taskforce, led by the Health Minister. This includes the staged development of a WA Virtual Emergency Department (WAVED), which will provide more options for patients to access care in the community without having to come into an ED. These options include Community Health in a Virtual Environment (co-HIVE) and the Integrated Older Adult Model of care which have already been successfully piloted at a local level. By providing patients with the right care, in the right place, at the right time, WAVED will improve timely access to emergency services and deliver better patient outcomes.
10. Consistent with the Government's commitment to protecting the health of the community, investment continues in priority initiatives to streamline and improve patient flow, reduce avoidable hospital presentations, and expand clinically appropriate options for discharging patients. Initiatives include:
  - 10.1. \$8.2 million on dedicated reform teams to examine hospital processes, eliminate barriers to timely care, and optimise the patient experience through initiatives that are developed locally, tested, refined and scaled across the health system;
  - 10.2. \$7 million to deliver stage one of a State Health Operations Centre to monitor, coordinate and facilitate improved patient flow and management of system pressures across the health system. This will include establishing an initial centralised patient transport service and system-wide monitoring function. These initiatives are supported by the Real-Time Demand Data Platform program, which will provide timely access to data to support clinical work and identify whole-of-system pressures (including inter-hospital transfers, bed occupancy, improved discharge planning, ED diversion strategies and ambulance ramping);

- 10.3. \$3.4 million to expand the Community Health in a Virtual Environment project to all campuses within the East Metropolitan Health Service (EMHS). This investment is a key building block for the WAVED and will deliver more appropriate pathways to care for aged care residents who have traditionally had to attend an ED for assessment; and
  - 10.4. \$3.9 million to ensure the continued delivery of the Integrated Older Adult Model of Care by North Metropolitan Health Service (NMHS). The model of care incorporates a geriatric assessment team in the ED, an ED care navigator to support complex patients to transition away from hospital-based services, and a geriatric residential outreach program to prevent hospitalisation through a proactive review and follow-up within 24 hours of discharge. Extension of the pilot to targeted hospitals within NMHS is being undertaken as a proof of concept.
11. Work is also progressing on initiatives to expand options for discharging patients where clinically appropriate:
- 11.1. a seven-day hospital pilot offering expanded hours for radiology services and allied health at three adult tertiary hospitals to reduce delays in admission and discharges. Offering expanded hours of services, including during the weekend, will help to reduce access block within EDs by reducing congestion at the start of the week; and
  - 11.2. expansion of long-stay patient initiatives to increase access to temporary care beds for patients who are experiencing aged care or disability-related discharge delays.

### **Digital Investment for the Future**

12. As part of investing in Western Australia's future, it is critical that WA Health's systems are digitally mature to deliver safe, efficient and sustainable patient care.
13. The Government is investing an additional \$99.4 million for stage one of the program to introduce an Electronic Medical Record (EMR), which will finalise the implementation of a Digital Medical Record program with Single Sign-on technology and Virtual Desktop infrastructure across all Western Australian hospital sites. This investment, totalling \$156.7 million to date, will also see the implementation of an EMR with full functionality and clinical decision support capabilities within intensive care units at both the Perth Children's Hospital and Sir Charles Gairdner Hospital.
14. As part of maturing WA Health's digital systems, it is also critical to address the risk of potential cyber attacks in a climate of escalating incidents. To protect the health system's clinical systems and its data, the State is investing in a suite of initiatives to ensure the WA Health ICT environment is robust and secure. These include:
  - 14.1. \$28.2 million to modernise WA Health network infrastructure to support security controls; and
  - 14.2. \$11 million to provide higher overall cyber resilience across the health system, which will protect the confidentiality, integrity and privacy of WA Health and patient information.
15. An additional \$8.2 million will be spent on delivering improved access to outpatient care through implementation of an end-to-end electronic referral management system, to support transparent and efficient specialist outpatient referrals as part of the whole of health system Outpatient Reform Program. Longer term, the Smart Referrals System is intended to integrate with the WAVED and other digitisation initiatives to support seamless communication, reporting, and modern, high-quality patient care.

### **Delivering Core Services and Public Health to the Community**

16. Growing cost pressures combined with increased demand for clinical services, and a global shortage of healthcare professionals leading to workforce shortages, particularly in regional and remote areas, are creating significant operational challenges for WA Health. The system is also observing increasing acuity and complexity of patients due to delayed or deferred care and compounding waitlist pressures following the COVID-19 pandemic. These issues are being experienced across health systems both nationally and internationally.
17. Despite these workforce challenges, the Government's recent record investment has facilitated a 22% increase in WA Health's workforce FTE in the three years to March 2023, including 1,784 nursing FTE and 779 medical FTE.

18. To protect the health of the Western Australian community, there is a need for sustainable investments in core service delivery and public health (including the ongoing management of COVID-19 within the community), to treat and prevent disease and empower individuals to manage their illness in non-hospital settings.
19. An additional investment of \$1 billion has been included in the 2023-24 Budget to support core service delivery of hospital and non-hospital services, including:
  - 19.1. \$841.4 million in additional expenditure invested in hospital services<sup>1</sup> over 2022-23 and the forward estimates period. In 2023-24, WA Health is estimated to provide:
    - 19.1.1. 814,000 inpatient episodes of care;
    - 19.1.2. 1,100,000 episodes of care in EDs; and
    - 19.1.3. 2,896,000 service events in outpatient and community clinics;
  - 19.2. \$147.8 million in additional expenditure on non-hospital services, including services delivered by the community sector, to meet growth in cost and demand.
20. This investment includes recognition of significant regional cost pressures, that are primarily associated with addressing workforce shortages, to ensure the safe operation of essential health services in the regions.
21. Aligned to the above, WA Health's 2023-24 Budget includes an additional \$13.5 million for targeted initiatives to support a sustainable workforce, with a focus on regional areas:
  - 21.1. the Government will invest \$1 million in 2023-24 to extend the domestic and international advertising and recruitment campaign, which will bolster the number of healthcare workers in the Western Australian health system;
  - 21.2. \$3.6 million will fund a comprehensive wrap-around transition support to newly qualified nurses and midwives in 2023-24. By facilitating an environment where novice practitioners can consolidate theoretical learning and develop critical clinical skills, this support will develop strong foundations and contribute to successful careers in the nursing and midwifery professions;
  - 21.3. a targeted payment of up to \$12,000 over three years for HECS-HELP debt relief for up to 350 newly qualified nurses and midwives commencing employment in regional Western Australia in 2023-24, with priority given to hard to staff sites (\$4.2 million over 2023-24 to 2025-26); and
  - 21.4. an additional \$4.7 million to continue temporary employee incentives across 75 hard-to-staff regional locations in 2023 (taking total spending on these temporary regional incentives to \$12.9 million).
22. In addition, the 2023-24 Budget includes a further \$15 million provision for future health and mental health related Temporary Regional Incentives.

#### *COVID-19 and Public Health*

23. The Government has invested \$15 million in influenza vaccine programs to protect the health of the community. This funding covers the 2022 free influenza vaccine program which commenced on 1 June 2022 as well as the recently announced 2023 program.
24. Included within core hospital and non-hospital services investments is \$68.6 million for enduring changes to clinical practice for the ongoing management of COVID-19. This funding will support continued investment in infection prevention and control, infectious disease treatment, use of personal protective equipment, and embedding higher levels of cleaning and disinfection of areas to minimise the risk of spreading disease.
25. In addition to the above, \$60.9 million over 2022-23 to 2024-25 will be invested to fund residual COVID-19 response costs, including to cover public health management and outbreak prevention activities.

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<sup>1</sup> The price determined for 2023-24 activity in hospital services is \$6,628 per weighted activity unit, set using Government-endorsed cost parameters.

26. Investment is also continuing in broader public health resourcing with:
- 26.1. \$10.5 million for public health ICT systems that support the management of communicable disease, vaccination programs, and ensure compliance with State and Commonwealth legislative reporting requirements for notifiable diseases; and
  - 26.2. \$6.6 million to support policy and systems to ensure adequate preparedness for future pandemics and public health disease threat. This includes communicable disease control, immunisation, and disaster management and response.

### **Contemporary Contracting and Partnerships with Community Organisations**

27. Community organisations are a vital and integral part of the delivery of timely, accessible and appropriate healthcare to the public. In recognition of their crucial contribution, WA Health is strengthening its partnerships with community organisations by contemporising its major contracts to drive improved services and outcomes.
28. To improve ambulance services across Western Australia, and to promote equity across regional services, WA Health has modernised its contract with St John Ambulance to boost paramedic numbers, increase transparency and accountability, reduce unnecessary ED presentations, and implement new contemporary reporting and monitoring processes.
29. Homelessness is a complex issue, and \$2.2 million in funding for the Medical Respite Centre will be provided to extend support for people experiencing homelessness to receive post-acute care during their recovery from illness or injury in a safe, community-based environment while linking the person with housing, community and social supports. This initiative was a key deliverable of the SHR.
30. Supporting the Mental Health Patient Transport Service, \$7.3 million will be provided to extend the delivery of specialised non-emergency transport services for involuntary mental health patients travelling between health facilities and the community.

### **Building World-Class Infrastructure**

31. Health services in metropolitan and regional Western Australia are being delivered across 2.5 million square kilometres and more than 800 sites. These sites vary in complexity, ranging from tertiary hospitals to small community and health centres.
32. It is essential that health facilities meet the needs of the people of Western Australia, are fit-for-purpose, comply with safety and quality standards, and are equipped to support high-quality and safe patient care.
33. In partnership with the Commonwealth, the Government is investing \$75 million towards the construction of a new Surgicentre at Bentley Health Service, which will enable a streamlined and focused separation of elective and emergency surgery to reduce wait times. In total, this initiative represents a \$150 million Commonwealth-State partnership with costs shared on a 50:50 basis.
34. Mental health remains an important priority for Government, as demonstrated through the following funding commitments:
- 34.1. \$218.9 million has been provisioned over 2023-24 to 2026-27 for the first stage of works of the Graylands Reconfiguration and Forensic Taskforce project. A business case for first stage works is under development for future Government consideration, with options to include at least 53 additional forensic beds (of which five beds are for a children and adolescent unit); and
  - 34.2. \$7.7 million to reconfigure and refurbish the Perth Children's Hospital Mental Health Inpatient Unit (Ward 5A).
35. In addition to the above funding commitments, and the infrastructure priorities outlined under the Delivering on Government Commitments section below, Government is investing:
- 35.1. \$81.1 million towards expanding the delivery of public services at the St John of God Midland Public Hospital;
  - 35.2. \$45.2 million for the replacement of essential medical and imaging equipment;
  - 35.3. \$12.9 million to procure and install a third CT scanner at Sir Charles Gairdner Hospital;



- 35.4. \$12.7 million towards cladding remediation works at Fiona Stanley Hospital;
  - 35.5. \$10 million to undertake minor capital and building works upgrades, and renewals to WA Health's existing built assets; and
  - 35.6. \$8.2 million Royalties for Regions funding towards critical staff accommodation in regional and remote areas.
36. WA Health is continuing to experience significant cost escalation associated with the current building and construction market environment, with an additional \$28.5 million committed through this Budget to address these immediate cost pressures.
37. WA Health continues to progress a broad range of existing infrastructure projects, with over 100 active projects underway, including the following major projects:
- 37.1. \$1.8 billion for the new Women and Babies Hospital, including \$544 million to commence construction over the forward estimates period;
  - 37.2. \$269.4 million redevelopment of the Joondalup Health Campus;
  - 37.3. \$277.9 million redevelopment of Bunbury Hospital;
  - 37.4. \$152 million redevelopment and expansion of the Peel Health Campus, which will return privatised services back to the State; and
  - 37.5. \$122.7 million redevelopment of the existing Geraldton Health Campus.

### **Investment in the Regions**

38. Delivering regional and rural health services to more than 530,000 people in the largest country health system in Australia presents unique challenges for core service delivery.
39. To continue building strong and vibrant regions and liveable communities, the 2023-24 Budget is providing:
- 39.1. \$6.3 million for delivery of specialist cancer services across regional Western Australia;
  - 39.2. \$6.7 million to support the continuation of key renal services, which include early detection, prevention and management strategies for chronic kidney disease in rural and remote locations; and
  - 39.3. \$3.1 million to support the palliative care workforce and enhance end-of-life choices for terminally ill patients in the regions.
40. The Government is committed to ensuring positive outcomes for Aboriginal people and communities. This is reflected in a \$18.3 million investment to build a new South West Aboriginal Medical Services Health Hub in Bunbury to provide culturally appropriate, comprehensive health care to the Aboriginal population in the southwest regions of the State. This investment matches that of the Commonwealth for this initiative.
41. Through a \$9.6 million investment in Ronald McDonald House, the Government has demonstrated its focus on assisting regional families to access appropriate healthcare. Ronald McDonald House provides free accommodation to regional families of children with complex medical needs requiring extended medical care in Perth. The investment will have the potential to more than double the accommodation capacity at Ronald McDonald House and will help keep families close to their children during a difficult time.

### **Delivering on Government Commitments**

42. WA Health has been progressively implementing the Government's election commitments made in relation to investment in the Western Australian health system.
43. Remaining election commitments being funded within the 2023-24 Budget include the following initiatives which contribute to the delivery of well-planned liveable communities:
- 43.1. \$36.3 million investment (bringing the total budget to \$42.2 million) in the integrated Byford Health Hub in the growing Serpentine Jarrahdale community. With access to multidisciplinary health and social services, this investment recognises the importance of investing in Western Australia's future through ensuring communities have access to clinical services; and

43.2. \$2.1 million to execute the Government's commitment to provide additional parking bays at Albany Health Campus. This initiative will allow better access for patients and visitors.

44. In recognition of the priority of Government to empower people to achieve respectful and appropriate end-of-life care and choices, \$3.9 million is allocated in the 2023-24 Budget to:

44.1. increase support for voluntary assisted dying services in Western Australia; and

44.2. support children accessing the Paediatric Palliative Care Service, which offers holistic and compassionate care to children with life-limiting conditions and their families while a dedicated hospice is being built.

45. The table below outlines budgeted expenditure on palliative care across the forward estimates period:

	2023-24 Budget Estimate \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
Hospital-based Palliative Care <sup>(a)</sup> .....	55,183	57,447	59,805	62,100
Community-based Palliative Care <sup>(b)(c)</sup> .....	62,424	57,717	59,394	61,259
<b>Total</b> <sup>(d)</sup> .....	<b>117,607</b>	<b>115,164</b>	<b>119,199</b>	<b>123,359</b>

- (a) This is a modelled estimate based on projected palliative care activity levels and may not be representative of the cost to deliver services.
- (b) This includes community-based services in metropolitan and regional Western Australia.
- (c) The reduction in community-based palliative care expenditure in 2024-25 reflects the impact of time-limited funding, with expenditure on base palliative care services increasing by 3.4% in 2024-25.
- (d) Capital expenditure relating to palliative care services is excluded.

46. To champion health and medical research, innovation, and commercialisation in Western Australia, \$222 million will be available through the Future Health Research and Innovation Fund. This sovereign fund is the keystone driving Western Australia's investment in health and medical research and will ultimately advance the health outcomes of the Western Australian public.

47. The table below outlines WA Health budgeted expenditure on health and medical research across the forward estimates period:

	2023-24 Budget Estimate \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
Future Health Research and Innovation <sup>(a)</sup> .....	52,163	50,500	57,504	61,800
Other Medical Research Budgeted Expenditure <sup>(b)</sup> .....	12,612	13,126	13,430	13,739
<b>Total</b> .....	<b>64,775</b>	<b>63,626</b>	<b>70,934</b>	<b>75,539</b>

- (a) This includes expenditure related to research grants and governance and other research-related funding which was previously included in other medical research budgeted expenditure.
- (b) These are the current budgeted figures for health and medical research and are only a point-in-time estimated that is based on the best available data at the time.

## Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Department's services, the desired outcomes and the relevant Government Goal. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goals	Desired Outcomes	Services
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Public hospital-based services that enable effective treatment and restorative health care for Western Australians.	1. Public Hospital Admitted Services 2. Public Hospital Emergency Services 3. Public Hospital Non-Admitted Services 4. Mental Health Services
	Prevention, health promotion and aged and continuing care services that help Western Australians to live healthy and safe lives.	5. Aged and Continuing Care Services 6. Public and Community Health Services 7. Pathology Services 8. Community Dental Health Services 9. Small Rural Hospital Services
Strong and Sustainable Finances: Responsible, achievable, affordable budget management.	Strategic leadership, planning and support services that enable a safe, high quality and sustainable Western Australian health system.	10. Health System Management - Policy and Corporate Services 11. Health Support Services

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Public Hospital Admitted Services .....	4,818,673	5,078,072	5,323,488	5,275,837	5,362,235	5,522,631	5,701,481
2. Public Hospital Emergency Services .....	958,667	1,004,160	1,092,516	1,103,819	1,121,814	1,155,379	1,192,728
3. Public Hospital Non-Admitted Services.....	1,048,356	1,053,208	1,124,568	1,167,128	1,186,243	1,221,741	1,261,186
4. Mental Health Services.....	880,596	998,663	1,012,176	1,071,598	1,087,317	1,128,296	1,158,322
5. Aged and Continuing Care Services .....	391,284	372,953	438,092	385,323	371,328	376,015	392,232
6. Public and Community Health Services .....	1,697,059	1,380,979	1,594,836	1,348,300	1,227,921	1,263,528	1,345,002
7. Pathology Services.....	407,830	394,705	394,589	401,271	412,934	428,862	451,586
8. Community Dental Health Services .....	116,345	118,360	122,609	117,967	124,404	129,956	133,463
9. Small Rural Hospital Services.....	299,431	265,001	322,359	297,338	285,861	295,853	315,408
10. Health System Management - Policy and Corporate Services.....	337,917	211,461	257,707	226,303	203,067	207,391	226,985
11. Health Support Services.....	454,240	307,238	394,295	387,526	321,405	315,096	316,377
<b>Total Cost of Services (a).....</b>	<b>11,410,398</b>	<b>11,184,800</b>	<b>12,077,235</b>	<b>11,782,410</b>	<b>11,704,529</b>	<b>12,044,748</b>	<b>12,494,770</b>

(a) The 2023-24 Budget Year reflects continued additional investment in the health and mental health system, with underlying expenditure growth of 6.6% compared to the 2022-23 Estimated Actual, after adjusting for COVID-19 and other time-limited costs.

**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual <sup>(b)</sup>	2023-24 Budget Target	Note	
<b>Outcome: Public hospital-based services that enable effective treatment and restorative health care for Western Australians:</b>						
Percentage of elective wait list patients waiting over boundary for reportable procedures: <sup>(c)(d)</sup>						
Category 1 over 30 days .....	18.2%	nil	24.2%	nil	1	
Category 2 over 90 days .....	26.1%	nil	32.9%	nil		
Category 3 over 365 days.....	10.2%	nil	20.1%	nil		
Survival rates for sentinel conditions: <sup>(d)(e)(f)(g)</sup>						
Stroke						
0-49 years .....	95.0%	≥95.2%	96.7%	≥95.6%		
50-59 years .....	94.9%	≥95.3%	91.7%	≥95.1%		
60-69 years .....	94.9%	≥94.4%	95.0%	≥94.7%		
70-79 years .....	93.5%	≥92.5%	92.8%	≥92.7%		
80+ .....	88.1%	≥87.1%	86.5%	≥87.6%		
Acute myocardial infarction						
0-49 years .....	99.6%	≥99.0%	98.7%	≥98.9%		
50-59 years .....	98.0%	≥98.9%	99.0%	≥99.0%		
60-69 years .....	98.7%	≥98.1%	98.3%	≥98.1%		
70-79 years .....	96.6%	≥97.0%	95.7%	≥97.1%		
80+ .....	93.6%	≥92.2%	94.4%	≥92.7%		
Fractured neck of femur						
70-79 years .....	98.1%	≥99.0%	99.6%	≥98.9%		
80+ .....	96.6%	≥97.4%	96.5%	≥97.5%		
Percentage of live-born term infants with an Apgar score of less than 7 at five minutes post-delivery <sup>(d)(e)</sup> .....						
	1.49%	≤1.9%	1.55%	≤1.8%		
Readmissions to acute specialised mental health inpatient services within 28 days of discharge <sup>(c)(d)(e)(h)</sup> .....						
	20.7%	≤12%	19.2%	≤12%		
<b>Outcome: Prevention, health promotion and aged and continuing care services that help Western Australians to live healthy and safe lives:</b>						
Percentage of fully immunised children: <sup>(e)(i)</sup>						
12 months						
Aboriginal .....	87.0%	≥95%	86.9%	≥95%	2	
Non-Aboriginal.....	94.5%	≥95%	94.0%	≥95%		
2 years						
Aboriginal .....	85.7%	≥95%	81.4%	≥95%		
Non-Aboriginal.....	92.3%	≥95%	91.6%	≥95%		
5 years						
Aboriginal .....	95.1%	≥95%	94.2%	≥95%		
Non-Aboriginal.....	93.6%	≥95%	93.1%	≥95%		
Percentage of eligible school children who are enrolled in the School Dental Service program.....						
	75%	≥78%	76%	≥78%		
<b>Outcome: Strategic leadership, planning and support services that enable a safe, high quality and sustainable Western Australian health system:</b>						
Percentage of responses from WA Health Service Providers and Department of Health who are satisfied or highly satisfied with the overall service provided by Health Support Services <sup>(j)</sup> .....						
	66.67%	≥66%	67.0%	≥66%		

- (a) Further detail in support of the key effectiveness indicators is provided in WA Health's Annual Report.
- (b) The reported 2022-23 Estimated Actual may be adjusted for Annual Report information finalised after agency Budget Statements were prepared.
- (c) Reported by NMHS, South Metropolitan Health Service (SMHS), EMHS, Child and Adolescent Health Service (CAHS) and WA Country Health Service (WACHS).
- (d) Data for this indicator includes services delivered through State public hospitals and services contracted from selected private hospitals.
- (e) This indicator is reported by calendar year.
- (f) The annual Budget Target is the average Western Australian result for five most recent calendar year periods.
- (g) Reported by NMHS, SMHS, EMHS and WACHS.
- (h) This indicator is reported as a rate of readmissions within 28 days.
- (i) This is a State-wide service for Western Australia which is coordinated and reported by the Department.
- (j) Reported by Health Support Services.

## Explanation of Significant Movements

(Notes)

1. The State-wide COVID-19 response has included several periods of reduced elective activity in public hospitals. These activity reductions have had significant impacts on performance against this indicator.
2. Vaccine hesitancy appears to be an emerging issue within all communities, including the Aboriginal community, affecting immunisation rates across all programs, including COVID-19. There is a delay in uptake of vaccines in children due at 18 months which impacts the percentage of fully-immunised children at two years. The Department is currently investigating and looking at strategies to address this.

## Services and Key Efficiency Indicators

### 1. Public Hospital Admitted Services

The provision of healthcare services to patients in metropolitan and major rural hospitals that meet the criteria for admission and receive treatment and/or care for a period of time, including public patients treated in private facilities under contract to WA Health. Admission to hospital and the treatment provided may include access to acute and/or subacute inpatient services, as well as hospital in the home services. Public Hospital Admitted Services includes teaching, training and research activities provided by the public health service to facilitate development of skills and acquisition or advancement of knowledge related to admitted services. This Service does not include any component of Service 4 - Mental Health Services.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	4,818,673	5,078,072	5,323,488	5,275,837	1
Less Income <sup>(a)</sup> .....	1,995,459	2,152,209	2,070,164	2,189,686	
Net Cost of Service .....	2,823,214	2,925,863	3,253,324	3,086,151	
<b>Employees (Full-Time Equivalents) .....</b>	20,170	20,405	21,287	21,468	
<b>Efficiency Indicators</b>					
Average admitted cost per weighted activity unit .....	\$7,411	\$7,314	\$7,585	\$7,461	1

(a) The 2022-23 Budget has been recast to reflect a refined methodology for the allocation of income.

## Explanation of Significant Movements

(Notes)

1. The higher 2022-23 Estimated Actual compared to the 2022-23 Budget and the 2023-24 Budget Target is primarily due to time-limited funding for regional cost pressures and cost of living payments under the public sector wages policy.

## 2. Public Hospital Emergency Services

The provision of services for the treatment of patients in emergency departments of metropolitan and major rural hospitals, inclusive of public patients treated in private facilities under contract to WA Health. The services provided to patients are specifically designed to provide emergency care, including a range of pre-admission, post-acute and other specialist medical, allied health, nursing and ancillary services. Public Hospital Emergency Services includes teaching, training and research activities provided by the public health service to facilitate development of skills and acquisition or advancement of knowledge related to emergency services. This Service does not include any component of Service 4 - Mental Health Services.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 958,667	\$'000 1,004,160	\$'000 1,092,516	\$'000 1,103,819	
Less Income <sup>(a)</sup> .....	385,235	462,567	453,989	460,623	
Net Cost of Service .....	573,432	541,593	638,527	643,196	
<b>Employees (Full-Time Equivalents) .....</b>	3,141	3,147	3,334	3,370	
<b>Efficiency Indicators</b>					
Average emergency department cost per weighted activity unit .....	\$7,322	\$7,074	\$7,567	\$7,243	

(a) The 2022-23 Budget has been recast to reflect a refined methodology for the allocation of income.

## 3. Public Hospital Non-Admitted Services

The provision of metropolitan and major rural hospital services to patients who do not undergo a formal admission process, inclusive of public patients treated by private facilities under contract to WA Health. This Service includes services provided to patients in outpatient clinics, community-based clinics or in the home, procedures, medical consultation, allied health or treatment provided by clinical nurse specialists. Public Hospital Non-Admitted Services includes teaching, training and research activities provided by the public health service to facilitate development of skills and acquisition or advancement of knowledge related to non-admitted services. This Service does not include any component of Service 4 - Mental Health Services.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 1,048,356	\$'000 1,053,208	\$'000 1,124,568	\$'000 1,167,128	
Less Income <sup>(a)</sup> .....	513,610	550,877	526,136	536,593	
Net Cost of Service .....	534,746	502,331	598,432	630,535	
<b>Employees (Full-Time Equivalents) .....</b>	4,186	4,153	4,323	4,376	
<b>Efficiency Indicators</b>					
Average non-admitted cost per weighted activity unit .....	\$6,259	\$6,982	\$7,396	\$7,325	

(a) The 2022-23 Budget has been recast to reflect a refined methodology for the allocation of income.

#### 4. Mental Health Services

The provision of inpatient services where an admitted patient occupies a bed in a designated mental health facility or a designated mental health unit in a hospital setting, and the provision of non-admitted services inclusive of community and ambulatory specialised mental health programs such as prevention and promotion, community support services, community treatment services, community bed-based services and forensic services. This Service includes the provision of State-wide mental health services such as perinatal mental health and eating disorder outreach programs as well as the provision of assessment, treatment, management, care or rehabilitation of persons experiencing alcohol or other drug use problems or co-occurring health issues. Mental Health Services includes teaching, training and research activities provided by the public health service to facilitate development of skills and acquisition or advancement of knowledge related to mental health or alcohol and drug services. This Service includes public patients treated in private facilities under contract to WA Health.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 880,596	\$'000 998,663	\$'000 1,012,176	\$'000 1,071,598	
Less Income .....	nil	nil	nil	nil	
Net Cost of Service .....	880,596	998,663	1,012,176	1,071,598	
<b>Employees (Full-Time Equivalents) .....</b>	<b>4,706</b>	<b>4,897</b>	<b>4,920</b>	<b>4,977</b>	
<b>Efficiency Indicators</b>					
Average cost per bed-day in specialised mental health inpatient services.....	\$1,859	\$1,693	\$1,725	\$1,768	
Average cost per treatment day of non-admitted care provided by mental health services .....	\$526	\$534	\$541	\$562	

#### 5. Aged and Continuing Care Services

The provision of aged and continuing care services and community-based palliative care services. Aged and Continuing Care Services include programs that assess the care needs of older people, provide functional interim care or support for older, frail, aged and younger people with disabilities to continue living independently in the community and maintain independence, inclusive of the services provided by the Western Australian Quadriplegic Centre. This Service is inclusive of community-based palliative care services that are delivered by private facilities under contract to WA Health, which focus on the prevention and relief of suffering, quality of life and the choice of care close to home for patients.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 391,284	\$'000 372,953	\$'000 438,092	\$'000 385,323	1
Less Income .....	191,783	100,698	126,589	86,054	1
Net Cost of Service .....	199,501	272,255	311,503	299,269	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,161</b>	<b>1,152</b>	<b>1,212</b>	<b>1,300</b>	
<b>Efficiency Indicators</b>					
Average cost of a transition care day provided by contracted non-government organisations/service providers .....	\$345	\$334	\$355	\$334	
Average cost per bed-day for specified residential care facilities, flexible care (hostels) and nursing home type residents .....	\$512	\$371	\$597	\$437	1
Average cost per bed-day for Western Australian Quadriplegic Centre specialist accommodation.....	\$958	\$1,142	\$1,141	\$1,144	
Average cost per home-based hospital day of care .....	\$293	\$308	\$310	\$322	
Average cost per home-based occasion of service.....	\$137	\$143	\$144	\$149	
Average cost per client receiving contracted palliative care services.....	\$8,732	\$8,942	\$9,008	\$9,131	
Average cost per day of care for non-acute admitted continuing care .....	\$829	\$775	\$781	\$814	
Average cost to support patients who suffer specific chronic illness and other clients who require continuing care .....	\$18	\$19	\$20	\$20	

## Explanation of Significant Movements

(Notes)

- The variances between in the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are primarily due to the timing of funding allocations for the Commonwealth Multi-Purpose Services Program.

### 6. Public and Community Health Services

The provision of health care services and programs delivered to increase optimal health and wellbeing, encourage healthy lifestyles, reduce the onset of disease and disability and reduce the risk of long-term illness as well as detect, protect and monitor the incidence of disease in the population. Public and Community Health Services includes public health programs, Aboriginal health programs, disaster management, environmental health, the provision of grants to non-government organisations for public and community health purposes, emergency road and air ambulance services, services to assist rural-based patients travel to receive care, and State-wide pathology services provided to external Western Australian agencies.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	1,697,059	1,380,979	1,594,836	1,348,300	1
Less Income.....	678,638	150,499	219,509	167,710	2
Net Cost of Service.....	1,018,421	1,230,480	1,375,327	1,180,590	
<b>Employees (Full-Time Equivalents) .....</b>	<b>4,472</b>	<b>4,238</b>	<b>4,264</b>	<b>3,867</b>	<b>3</b>
<b>Efficiency Indicators</b>					
Average cost per person of delivering population health programs by population health units.....	\$160	\$114	\$136	\$115	4
Cost per person of providing preventative interventions, health promotion and health protection activities that reduce the incidence of disease or injury.....	\$208	\$174	\$174	\$49	4
Average cost per breast screening.....	\$144	\$143	\$149	\$161	
Cost per trip for road-based ambulance services, based on the total accrued costs of these services for the total number of trips .....	\$537	\$553	\$620	\$673	5
Cost per trip of patient emergency air-based transport, based on the total accrued costs of these services for the total number of trips .....	\$8,697	\$7,798	\$7,880	\$7,508	
Average cost per trip of Patient Assisted Travel Scheme.....	\$565	\$528	\$518	\$499	

## Explanation of Significant Movements

(Notes)

- The increase in the 2022-23 Estimated Actual compared to the 2022-23 Budget and 2023-24 Budget Target is due to time-limited funding allocations for the COVID-19 response and cost of living payments under the public sector wages policy.
- The increase in the 2022-23 Estimated Actual compared to the 2022-23 Budget and 2023-24 Budget Target is primarily due to the timing of funding allocations for the Commonwealth's Indigenous Australians' Health Programme and the COVID-19 response.
- The decrease in the 2023-24 Budget Target compared to 2022-23 Estimated Actual is primarily due to FTE related to the COVID-19 response.
- The movements in the 2023-24 Budget Target compared to the 2022-23 Budget and the 2022-23 Estimated Actual is primarily due to time-limited funding for the COVID-19 response.
- The increase in the 2022-23 Estimated Actual and 2023-24 Budget Target compared to the 2022-23 Budget is primarily due to enhanced contract measures included within the new ambulance services contract.



## 7. Pathology Services

The provision of State-wide external diagnostic services across the full range of pathology disciplines, inclusive of forensic biology and pathology services to other government agencies and services, provided to the public by PathWest. This Service also includes the operational costs of PathWest in delivering services to both Health Service Providers and the public.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	407,830	394,705	394,589	401,271	
Less Income .....	69,690	75,734	77,708	70,180	
Net Cost of Service .....	338,140	318,971	316,881	331,091	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,978</b>	<b>1,938</b>	<b>1,985</b>	<b>1,933</b>	
<b>Efficiency Indicators</b>					
Average cost of pathology services per test.....	\$16	\$25	\$25	\$25	

## 8. Community Dental Health Services

Community Dental Health Services includes the school dental service (providing dental health assessment and treatment for school children); the adult dental service for financially, socially and/or geographically disadvantaged people and Aboriginal people; additional and specialist dental; and oral health care provided by the Oral Health Centre of Western Australia to holders of a Health Care Card. Services are provided through government funded dental clinics, itinerant services and private dental practitioners participating in the metropolitan, country and orthodontic patient dental subsidy schemes.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	116,345	118,360	122,609	117,967	
Less Income .....	19,135	22,684	14,600	20,030	1
Net Cost of Service .....	97,210	95,676	108,009	97,937	
<b>Employees (Full-Time Equivalents) .....</b>	<b>707</b>	<b>742</b>	<b>746</b>	<b>752</b>	
<b>Efficiency Indicators</b>					
Average cost per patient visit of WA Health-provided dental health programs for:					
School children.....	\$299	\$249	\$257	\$262	
Socio-economically disadvantaged adults.....	\$379	\$316	\$326	\$280	1

### Explanation of Significant Movements

(Notes)

- The variances between the 2021-22 Actual, 2022-23 Budget, 2022-23 Estimated Actual and 2023-24 Budget Target are primarily due to the timing of Commonwealth funding allocations for the Federation Funding Agreement on Public Dental Services for Adults.

### 9. Small Rural Hospital Services

Provides emergency care and limited acute medical/minor surgical services in locations 'close to home' for country residents/visitors, by small and rural hospitals classified as block funded, including community care services aligning to local community needs.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	299,431	265,001	322,359	297,338	1
Less Income.....	153,882	108,736	134,325	132,184	2
Net Cost of Service.....	145,549	156,265	188,034	165,154	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,290</b>	<b>1,322</b>	<b>1,402</b>	<b>1,414</b>	
<b>Efficiency Indicators</b>					
Average cost per rural and remote population (selected small rural hospitals).....	\$494	\$465	\$572	\$497	1

### Explanation of Significant Movements

(Notes)

1. The increase in the 2022-23 Estimated Actual compared to the 2022-23 Budget and the decrease to the 2023-24 Budget Target is primarily due to time-limited funding to address regional cost pressures.
2. The increase in the 2022-23 Estimated Actual compared to the 2022-23 Budget is primarily due to the timing of funding allocations under the National Health Reform Agreement.

### 10. Health System Management - Policy and Corporate Services

The provision of strategic leadership, policy and planning services, system performance management and purchasing linked to the State-wide planning, budgeting and regulation processes. Health System Management - Policy and Corporate Services includes corporate services inclusive of statutory financial reporting requirements, overseeing, monitoring and promoting improvements in the safety and quality of health services and system-wide infrastructure and asset management services.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	337,917	211,461	257,707	226,303	1
Less Income <sup>(a)</sup> .....	197,470	38,893	58,019	35,961	2
Net Cost of Service.....	140,447	172,568	199,688	190,342	
<b>Employees (Full-Time Equivalents) .....</b>	<b>864</b>	<b>1,004</b>	<b>1,009</b>	<b>1,095</b>	<b>3</b>
<b>Efficiency Indicators</b>					
Average cost of public health regulatory services per head of population.....	\$8	\$7	\$7	\$7	
Average cost for the Department of Health to undertake system manager functions per Health Service Provider full-time equivalent.....	\$7,245	\$4,632	\$5,428	\$4,752	1

(a) The 2022-23 Budget has been recast to reflect a refined methodology for the allocation of income.

## Explanation of Significant Movements

(Notes)

1. The increase in the 2022-23 Estimated Actual compared to the 2022-23 Budget and 2023-24 Budget Target is primarily due to a range of factors, including additional funding for cost of living payments under the public sector wages policy and other project-specific funding.
2. The increase in the 2022-23 Estimated Actual compared to the 2022-23 Budget and 2023-24 Budget Target is primarily due to funding for the COVID-19 response.
3. The increase in the 2023-24 Budget Target compared to the 2022-23 Estimated Actual is primarily due to additional FTE related to emergency access improvement work under the Ministerial Taskforce.

### 11. Health Support Services

The provision of purchased health support services to WA Health entities, inclusive of corporate recruitment and appointment, employee data management, payroll services, workers compensation calculation and payments and processing of termination and severance payments. Health Support Services include finance and business systems services, ICT services, workforce services, project management of system wide projects and programs and the management of the supply chain and whole-of-health contracts.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	454,240	307,238	394,295	387,526	1
Less Income.....	28,081	5,503	12,695	1,212	2
Net Cost of Service.....	426,159	301,735	381,600	386,314	
<b>Employees (Full-Time Equivalents) .....</b>	<b>1,171</b>	<b>1,258</b>	<b>1,304</b>	<b>1,315</b>	
<b>Efficiency Indicators</b>					
Average cost of accounts payable services per transaction .....	\$6	\$6	\$6	\$6	
Average cost of payroll and support services to Health Support Services' clients.....	\$971	\$1,145	\$1,060	\$1,458	3
Average cost of supply services by purchasing transaction.....	\$182	\$46	\$47	\$40	4
Average cost of providing ICT services to Health Support Services' clients .....	\$5,478	\$4,421	\$6,066	\$5,771	1

## Explanation of Significant Movements

(Notes)

1. The increase in the 2022-23 Estimated Actual compared to the 2022-23 Budget is primarily due to additional expenditure on the COVID-19 response and the management and maintenance of ICT services.
2. The increase in the 2022-23 Estimated Actual compared to the 2022-23 Budget and 2023-24 Budget Target is primarily due to time-limited funding for the COVID-19 response.
3. The increase in the 2023-24 Budget compared to the 2022-23 Estimated Actual is primarily due to additional expenditure associated with development of WA Health's new Human Resource Management Information System.
4. The decrease in the 2023-24 Budget Target compared to the 2022-23 Estimated Actual is primarily due to time-limited funding for the COVID-19 response.

## Asset Investment Program

1. WA Health continues to focus on providing high-quality and safe healthcare in world-class infrastructure, with approximately \$2.5 billion committed across the forward estimates period towards its Asset Investment Program. This investment will ensure that health facilities remain functional, fit-for-purpose, and legislatively compliant, as well as supporting the implementation of broader reforms aimed at improving the overall performance and sustainability of the health system in Western Australia.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>Election Commitments</b>							
<b>Hospitals, Health Centres and Community Facilities</b>							
Albany General Dental Clinic.....	10,490	346	346	10,144	-	-	-
Bunbury Hospital - Redevelopment .....	277,910	17,481	5,000	21,585	26,945	60,245	123,986
Collie Hospital - Upgrade.....	14,740	13,430	9,272	1,310	-	-	-
Fremantle Mental Health Beds .....	47,358	12,456	8,175	16,200	11,700	7,002	-
Geraldton Health Campus - Redevelopment.....	122,664	18,429	5,000	31,536	27,248	39,183	6,268
Geraldton Hospital - Co-location.....	2,000	685	500	1,315	-	-	-
Joondalup Health Campus - Development Stage 2.....	267,279	153,918	68,492	57,462	55,899	-	-
<b>Kalgoorlie Health Campus - Magnetic Resonance</b>							
Imaging Suite .....	6,207	4,757	513	1,450	-	-	-
Meekatharra Hospital .....	48,987	819	800	4,181	10,670	33,317	-
<b>Mental Health Emergency Centre</b>							
Armadale .....	15,766	200	200	5,756	7,766	2,044	-
Rockingham .....	11,627	68	68	4,710	4,165	2,684	-
Renal Dialysis Centre in Halls Creek .....	920	620	620	300	-	-	-
<b>Royal Perth Hospital</b>							
Aseptic Unit .....	8,724	1,063	696	7,661	-	-	-
Intensive Care Unit (ICU).....	26,204	24,714	1,656	1,490	-	-	-
Mental Health Observation Area .....	12,079	11,919	1,446	160	-	-	-
<b>Information and Communication Equipment and Infrastructure - Royal Perth Hospital - Innovation Hub - Synapse.....</b>							
	10,620	296	108	4,000	6,324	-	-
<b>COVID-19 Response</b>							
<b>Equipment</b>							
COVID-19 Vaccination System and Equipment .....	23,134	23,061	1,471	73	-	-	-
Emergency Capital Works .....	8,683	6,346	4,651	2,337	-	-	-
<b>Hospitals, Health Centres and Community Facilities</b>							
Kalamunda Hospital - Palliative Care Services .....	9,283	8,624	5,698	659	-	-	-
Modulars - 4 x 30-Bed Ward Units .....	146,425	142,425	61,881	4,000	-	-	-
<b>Sir Charles Gairdner Hospital - Emergency Department Upgrade and Behavioural Assessment Urgent Care Centre .....</b>							
	30,120	2,390	635	21,163	6,567	-	-
South Metropolitan Health Service A - 24 COVID-19 Beds .....	12,466	9,466	8,295	3,000	-	-	-
<b>Other Works in Progress</b>							
<b>Equipment</b>							
Albany Radiation Oncology .....	13,125	12,975	5,908	150	-	-	-
Medical Equipment and Imaging Replacement Program .....	633,953	552,442	46,645	41,511	40,000	-	-
Newborn Bloodspot Screening Program .....	768	148	148	620	-	-	-
Replacement of Biplanar Digital Angiography Units .....	3,800	102	87	1,663	432	1,603	-
Replacement of MRx Defibrillators.....	1,271	1,026	250	245	-	-	-
State-wide 24/7 Telestroke Service .....	2,092	73	40	1,019	1,000	-	-
Stop the Violence .....	3,513	3,203	211	310	-	-	-
Tympanometers .....	1,123	999	120	124	-	-	-
<b>Hospitals, Health Centres and Community Facilities</b>							
Auspman.....	5,568	4,990	167	578	-	-	-
<b>Bentley Health Service</b>							
Redevelopment .....	7,247	6,800	449	447	-	-	-
Remediation of Immediate Ligature Point Risks .....	3,898	939	800	2,959	-	-	-
Secure Extended Care Unit .....	24,315	274	270	6,567	11,400	6,074	-
Busselton Health Campus .....	114,791	113,041	56	1,250	500	-	-
<b>Child and Adolescent Health Service - Community Health Hub - Murdoch.....</b>							
	2,366	320	320	1,990	56	-	-
<b>Cladding</b>							
Fiona Stanley Hospital.....	16,440	5,145	5,145	7,135	4,160	-	-
Queen Elizabeth II Medical Centre.....	19,759	751	751	17,604	1,404	-	-
Royal Perth Hospital .....	460	384	-	76	-	-	-
State-wide .....	2,126	6	6	2,120	-	-	-
Country Staff Accommodation Stage 4 .....	6,446	6,246	81	200	-	-	-
Critical Staff Accommodation Upgrade Program .....	13,155	3,732	3,732	6,976	2,447	-	-
Dongara Aged Care .....	3,300	2,000	2,000	1,300	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>East Metropolitan Health Service</b>							
Anti-ligature Remediation Program .....	5,000	300	300	4,700	-	-	-
Fire Safety Upgrades .....	6,991	4,113	1,157	1,904	974	-	-
Esperance Health Campus - Redevelopment .....	31,494	31,416	-	78	-	-	-
Fiona Stanley Hospital - Critical Works .....	4,108	1,106	459	3,002	-	-	-
Fremantle Hospital - Optimisation of Beds .....	4,431	3,362	899	1,069	-	-	-
Harvey Health Campus - Redevelopment .....	12,252	11,875	70	377	-	-	-
Hedland Regional Resource Centre Stage 2 .....	136,212	135,879	-	333	-	-	-
Kalgoorlie Regional Resource Centre Redevelopment Stage 1 .....	56,920	56,722	-	198	-	-	-
King Edward Memorial Hospital - Critical Infrastructure .....	33,895	10,917	5,956	20,372	2,606	-	-
Laverton Hospital .....	26,810	145	-	10,000	14,665	2,000	-
Mental Health Emergency Centre - St John of God Midland .....	6,021	935	-	4,520	566	-	-
Minor Building Works Program .....	178,267	156,302	6,464	20,648	1,317	-	-
New Women and Babies Hospital Project .....	1,786,980	9,467	9,467	60,735	110,600	131,400	242,000
Newman Health Service Redevelopment Project .....	61,601	53,101	10,316	8,500	-	-	-
North Metropolitan Health Service - Critical Infrastructure Project .....	1,701	1,483	-	218	-	-	-
PathWest - State Mortuary .....	8,422	8,297	5,893	125	-	-	-
Peel Health Campus Development Stage 1 .....	3,567	2,156	235	1,211	200	-	-
Expansion of Emergency Department .....	4,455	3,595	6	860	-	-	-
Redevelopment .....	149,867	241	241	2,500	8,000	40,000	99,126
Perth Children's Hospital State Rectified Defects and Design Changes .....	2,437	980	-	1,457	-	-	-
Theatre Shell Fit-out .....	2,600	600	600	2,000	-	-	-
Primary Health Centres Demonstration Program .....	31,612	27,265	2,000	4,347	-	-	-
Reconfiguring the Western Australian Spinal Cord Injury Service .....	374	174	-	200	-	-	-
Renal Dialysis and Support Services .....	43,815	33,442	49	5,873	4,500	-	-
Royal Perth Hospital - Safety Upgrades .....	9,588	4,972	1,039	2,821	1,795	-	-
Sarich Neuroscience Research Institute Centre .....	35,265	34,442	50	823	-	-	-
Sir Charles Gairdner Hospital 24 Hospital Beds .....	22,447	20,309	17,393	2,138	-	-	-
GMP Laboratories and Cyclotron .....	33,724	14,867	11,655	18,857	-	-	-
ICU .....	23,382	1,721	1,721	18,050	3,611	-	-
Image Guided Theatre .....	12,099	471	400	9,428	2,200	-	-
Refurbishment Works for Biplanar Units .....	7,634	885	885	2,750	3,800	199	-
Special Needs Dental Clinic Relocation .....	3,270	581	500	2,104	585	-	-
Tom Price Hospital Redevelopment .....	32,822	551	220	6,741	25,530	-	-
WA Children's Hospice .....	2,364	363	363	2,001	-	-	-
WA Country Health Service - Expansion of Command Centre .....	10,176	484	97	450	3,500	5,742	-
<b>Information and Communication Equipment and Infrastructure</b>							
Continued Roll-out of the Patient Administration System ...	7,943	6,815	-	1,128	-	-	-
Critical Health ICT Infrastructure Program .....	23,712	2,100	2,100	16,432	2,770	2,410	-
East Metropolitan Health Service Health in a Virtual Environment .....	10,626	6,535	-	1,716	1,734	641	-
Wi-Fi Roll-out .....	8,485	7,166	-	1,319	-	-	-
Electronic Medical Record Program .....	135,799	15,521	15,521	92,205	28,073	-	-
Fiona Stanley Hospital ICT Capital Replacement .....	37,089	36,089	-	1,000	-	-	-
ICT Intensive Care Clinical Information Systems .....	3,860	3,729	-	131	-	-	-
Human Resource Management Information System .....	224,835	76,535	66,797	98,257	50,043	-	-
Infection Prevention and Control System .....	1,939	1,846	-	93	-	-	-
Replacement of Medical Imaging System Picture Archiving and Communication System - Radiology Information System .....	38,648	32,268	11,024	6,380	-	-	-
Replacement of the Monitoring of Drugs and Dependence System .....	1,575	1,557	-	18	-	-	-
Virtual Emergency Medicine .....	200	86	86	114	-	-	-
WA Country Health Service - Picture Archiving and Communication System Regional Resource Centre ....	6,241	4,191	-	-	2,050	-	-
<b>COMPLETED WORKS</b>							
<b>Election Commitments</b>							
Equipment - Country Ambulance Initiatives .....	1,606	1,606	1,606	-	-	-	-
<b>Hospitals, Health Centres and Community Facilities</b>							
Culturally Appropriate Housing Facility .....	1,066	1,066	621	-	-	-	-
Fiona Stanley Hospital - Birthing Centre .....	1,389	1,389	43	-	-	-	-
Osborne Park Hospital .....	21,629	21,629	450	-	-	-	-
Royal Perth Hospital - Medihotel .....	1,525	1,525	105	-	-	-	-

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COVID-19 Response</b>							
Equipment							
COVID-19 Medical Equipment.....	48,478	48,478	343	-	-	-	-
Warehouse for COVID-19 Related Stockpile.....	2,115	2,115	1,051	-	-	-	-
Hospitals, Health Centres and Community Facilities							
East Metropolitan Health Service - 50 COVID-19 Beds..	1,369	1,369	1,075	-	-	-	-
Perth Children's Hospital - 2 COVID-19 ICU Beds .....	901	901	784	-	-	-	-
Royal Perth Hospital - 28 COVID-19 ICU Beds.....	658	658	445	-	-	-	-
<b>Other Completed Works</b>							
Equipment							
Australian Standard 4187 Reprocessing of Reusable Medical Devices .....	2,275	2,275	2,275	-	-	-	-
Automated Controlled Substance Storage .....	800	800	782	-	-	-	-
Fiona Stanley Hospital - Transition Project Capital							
Purchases .....	990	990	170	-	-	-	-
Hospitals, Health Centres and Community Facilities							
Carnarvon Aged and Palliative Care Facility .....	17,413	17,413	1,760	-	-	-	-
Carnarvon Hospital Redevelopment .....	24,048	24,048	70	-	-	-	-
Country Staff Accommodation Stage 3 .....	27,288	27,288	51	-	-	-	-
Derby Community Health Service .....	3,672	3,672	90	-	-	-	-
District Hospital Investment Program .....	158,413	158,413	27	-	-	-	-
Karratha Health Campus Development.....	158,291	158,291	1,060	-	-	-	-
Meet and Greet .....	114	114	114	-	-	-	-
PathWest - Laboratory Equipment and Asset							
Replacement/Maintenance .....	2,736	2,736	246	-	-	-	-
Perth Children's Hospital - Paediatric Eating Disorders Unit ...	165	165	165	-	-	-	-
Refurbishment of TT Block at Queen Elizabeth II							
Medical Centre .....	697	697	697	-	-	-	-
Remote Indigenous Health .....	23,775	23,775	1,243	-	-	-	-
Royal Perth Hospital							
Helipad .....	9,707	9,707	279	-	-	-	-
Redevelopment Stage 1 .....	15,923	15,923	308	-	-	-	-
Settlement Costs for Southern Inland Health Initiative -							
Northam Hospital Redevelopment.....	1,618	1,618	552	-	-	-	-
Sir Charles Gairdner Hospital - Cardiac Catheter Laboratory and Interventional Radiology Rooms Upgrade .....							
	8,936	8,936	1,101	-	-	-	-
St John of God Midland - Cladding .....	1,838	1,838	496	-	-	-	-
Urgent Mental Health Works at Regional Hospitals.....	1,700	1,700	1,445	-	-	-	-
Information and Communication Equipment and Infrastructure							
Fiona Stanley Hospital							
Facilities Management Services Contract Asset Solution...	11,012	11,012	584	-	-	-	-
ICT Commissioning .....	29,212	29,212	204	-	-	-	-
Picture Archiving and Communication System - Regional Information System - AGFA Remediation .....							
	6,584	6,584	247	-	-	-	-
<b>NEW WORKS</b>							
<b>Election Commitments</b>							
Equipment - Newman Renal Dialysis Service .....	1,300	-	-	1,300	-	-	-
Hospitals, Health Centres and Community Facilities							
Albany Health Campus Car Park .....	2,125	-	-	150	1,775	200	-
Byford Health Hub.....	41,412	-	-	4,067	10,016	24,030	3,299
<b>Other New Works</b>							
Equipment - Sir Charles Gairdner Hospital Computerised Tomography Scanner .....							
	12,890	-	-	445	9,621	2,824	-
Hospitals, Health Centres and Community Facilities							
Bentley Health Service - Surgicentre .....	150,000	-	-	1,200	30,000	35,000	34,900
Fiona Stanley Hospital Bridge (Murdoch Medihotel).....	5,447	5,447	5,447	-	-	-	-
Geraldton Radiation Oncology.....	9,000	-	-	-	-	-	9,000
Graylands Reconfiguration and Forensics Project.....	218,927	-	-	10,206	76,038	81,651	51,032
North Metropolitan Health Service - Adult Mental Health Unit .....							
	48	-	-	48	-	-	-
Perth Children's Hospital - Ward 5A Reconfiguration .....	7,662	386	386	3,716	3,560	-	-
South Metropolitan Health Service - Water Saving Initiative ....	356	-	-	356	-	-	-
St John of God Midland - Public Hospital Expansion.....	81,059	-	-	-	-	-	81,059
Information and Communication Equipment and Infrastructure							
Cyber Security Program .....	5,371	-	-	3,956	1,415	-	-
Outpatient Reform - Smart Referrals .....	4,372	-	-	3,934	151	287	-
State Health Operations Centre .....	1,025	-	-	1,025	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>6,415,694</b>	<b>2,590,842</b>	<b>452,994</b>	<b>765,922</b>	<b>620,378</b>	<b>478,536</b>	<b>650,670</b>

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>FUNDED BY</b>							
Capital Appropriation .....			195,686	308,611	195,937	64,505	90,626
Commonwealth Grants .....			18,200	11,200	29,800	17,500	17,450
Funding Included in Department of Treasury Administered Item.....			62,763	62,494	131,412	194,790	213,196
Internal Funds and Balances.....			56,412	52,469	57,758	22,036	37,256
Major Special Purpose Account(s)							
Drawdown from Digital Capability Fund .....			54,210	177,529	65,264	2,697	-
Drawdown from New Women and Babies Hospital Account.....			9,487	60,735	110,600	131,400	242,000
Drawdown from Royalties for Regions Fund.....			36,236	74,984	29,607	45,608	50,142
Other Grants and Subsidies .....			20,000	17,900	-	-	-
<b>Total Funding</b> .....			<b>452,994</b>	<b>765,922</b>	<b>620,378</b>	<b>478,536</b>	<b>650,670</b>

## Financial Statements

### Income Statement

#### Expenses

1. Total Cost of Services increased by \$892 million (8%) between the 2022-23 Budget and the 2022-23 Estimated Actual, largely attributable to the additional spending for cost of living payments under the public sector wages policy; increased expenditure to address higher costs in the delivery of health services in regional and remote locations; COVID-19 response initiatives; and growth in recurrent core services expenditure.
2. The Total Cost of Services is projected to decrease by \$295 million (-2.4%) between the 2022-23 Estimated Actual and the 2023-24 Budget Year. The decrease in forecast expenditure is driven primarily by the conclusion of spending for the COVID-19 response and the effect of the time-limited cost of living payments. Adjusted for these impacts and other time-limited costs, the Total Cost of Services is projected to increase by 6.6% in the 2023-24 Budget Year, largely attributed to the strong growth in core services expenditure.

### Statement of Financial Position

3. The estimated total net asset position (equity) increased by \$361 million (2.9%) from the 2022-23 Budget to the 2022-23 Estimated Actual. This is mainly attributed to the surplus from the revaluation of hospital buildings across metropolitan and rural areas, and movements in cash assets related to revised timing for the delivery of recurrent and capital programs.
4. The estimated total net asset position (equity) is expected to increase by \$612 million (4.9%) between the 2022-23 Estimated Actual and the 2023-24 Budget Year. Total assets are projected to increase by \$618 million (4.1%), mainly attributable to the revaluation surplus and major health infrastructure projects currently in progress.

### Statement of Cashflows

5. The increase of \$200 million between the 2022-23 Budget and 2022-23 Estimated Actual cash balances is mainly due to timing differences of capital projects and recurrent initiatives.

**INCOME STATEMENT (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits (b).....	6,216,416	6,181,673	6,662,277	6,574,048	6,710,606	6,946,384	7,221,370
Grants and subsidies (c).....	209,049	95,212	105,072	106,535	95,551	87,385	91,651
Supplies and services.....	1,073,637	1,237,308	1,465,221	1,186,848	1,037,755	1,063,609	1,109,651
Accommodation.....	164,188	70,216	72,642	80,931	83,082	83,023	86,091
Depreciation and amortisation.....	399,466	424,357	424,357	413,373	416,175	409,817	409,817
Direct patient support costs.....	1,346,230	1,205,284	1,246,924	1,270,215	1,263,791	1,300,097	1,345,486
Indirect patient support costs.....	403,967	261,362	274,193	271,705	278,071	286,124	295,294
Visiting medical practitioner costs.....	158,069	157,026	163,357	168,059	173,971	179,510	186,131
Private sector contract costs.....	896,540	1,004,235	1,050,508	1,066,078	1,075,595	1,108,930	1,147,949
Finance and interest costs.....	4,333	3,185	3,185	3,335	2,917	2,635	2,635
Other expenses.....	538,503	544,942	609,499	641,283	567,015	577,234	598,695
<b>TOTAL COST OF SERVICES.....</b>	<b>11,410,398</b>	<b>11,184,800</b>	<b>12,077,235</b>	<b>11,782,410</b>	<b>11,704,529</b>	<b>12,044,748</b>	<b>12,494,770</b>
<b>Income</b>							
Sale of goods and services.....	299,362	365,065	365,065	374,247	374,255	381,740	381,740
Grants and subsidies.....	962,544	244,606	395,270	194,448	166,990	143,466	143,416
National Health Reform Agreement.....	2,368,935	2,545,165	2,408,916	2,641,262	2,795,999	2,950,159	3,113,678
Other revenue.....	560,456	462,630	473,549	439,342	479,311	488,726	488,726
Resources received free of charge - Commonwealth.....	41,686	50,934	50,934	50,934	50,934	50,934	50,934
<b>Total Income.....</b>	<b>4,232,983</b>	<b>3,668,400</b>	<b>3,693,734</b>	<b>3,700,233</b>	<b>3,867,489</b>	<b>4,015,025</b>	<b>4,178,494</b>
<b>NET COST OF SERVICES.....</b>	<b>7,177,415</b>	<b>7,516,400</b>	<b>8,383,501</b>	<b>8,082,177</b>	<b>7,837,040</b>	<b>8,029,723</b>	<b>8,316,276</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	6,504,536	6,094,523	6,856,187	6,622,675	6,496,088	6,645,536	6,894,541
Resources received free of charge.....	9,353	6,888	6,888	6,888	6,888	6,888	6,888
Special Purpose Account(s) (d) Digital Capability Fund.....	-	13,393	-	-	-	-	-
Royalties for Regions Fund Regional Community Services Fund.....	90,066	93,503	84,407	111,899	99,292	91,626	88,066
Regional Infrastructure and Headworks Fund.....	23,017	21,259	21,334	21,259	20,509	20,509	20,509
Other appropriations.....	8,420	22,961	42,779	50,887	63,128	73,658	83,716
Service Delivery Agreement.....	846,122	947,829	958,265	1,013,663	1,035,774	1,077,347	1,110,820
Other revenues.....	141,872	93,909	94,464	115,691	113,203	110,029	125,617
<b>TOTAL INCOME FROM GOVERNMENT.....</b>	<b>7,623,386</b>	<b>7,294,265</b>	<b>8,064,324</b>	<b>7,942,962</b>	<b>7,834,882</b>	<b>8,025,593</b>	<b>8,330,157</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>445,971</b>	<b>(222,135)</b>	<b>(319,177)</b>	<b>(139,215)</b>	<b>(2,158)</b>	<b>(4,130)</b>	<b>13,881</b>

- (a) Full audited financial statements are published in WA Health's Annual Report.
- (b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 43,846, 45,786 and 45,867 respectively.
- (c) Refer to the Details of Controlled Grants and Subsidies table below for further information.
- (d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.



### DETAILS OF CONTROLLED GRANTS AND SUBSIDIES

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear <sup>(a)</sup>	Outyear <sup>(a)</sup>	Outyear <sup>(a)</sup>
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
Aged and Continuing Care Services.....	4,344	1,241	3,835	2,900	2,601	2,378	2,495
Community Dental Health Services .....	644	261	261	798	716	655	687
Health Support Services .....	2,023	1,695	1,695	4,566	4,095	3,745	3,928
Health System Management - Policy and Corporate Services <sup>(a)</sup> .....	130,310	58,035	74,753	9,731	8,728	7,982	8,372
Mental Health Services .....	45	31	132	145	130	119	125
Pathology Services .....	72	83	83	25	23	21	21
Public and Community Health Services <sup>(a)</sup> .....	70,712	33,445	23,893	82,084	73,621	67,329	70,616
Public Hospital Admitted Services .....	295	175	175	3,232	2,898	2,650	2,780
Public Hospital Emergency Services .....	52	23	22	7	6	6	6
Public Hospital Non-Admitted Services .....	509	51	51	591	530	485	508
Small Rural Hospital Services .....	43	172	172	2,456	2,203	2,015	2,113
<b>TOTAL .....</b>	<b>209,049</b>	<b>95,212</b>	<b>105,072</b>	<b>106,535</b>	<b>95,551</b>	<b>87,385</b>	<b>91,651</b>

(a) The allocation of Controlled Grants & Subsidies across Outcomes Based Management (OBM) Services for the 2023-24 Budget Year and outyears reflects a refinement of the allocation of Controlled Grants and Subsidies expenditure against WA Health's OBM Framework. It is noted the figures are indicative and the Health Service Providers have discretion in determining these amounts in future periods.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	427,671	334,480	284,133	206,153	142,292	117,969	79,080
Restricted cash .....	677,866	433,588	662,185	664,620	663,020	648,316	648,316
Holding Account receivables .....	-	107	-	-	-	-	-
Receivables .....	328,517	287,627	311,756	311,756	311,756	311,756	311,756
Inventories .....	538,748	202,531	313,437	200,050	200,050	200,050	200,050
Other.....	63,610	59,343	63,610	63,610	63,610	63,610	63,610
<b>Total current assets .....</b>	<b>2,036,412</b>	<b>1,317,676</b>	<b>1,635,121</b>	<b>1,446,189</b>	<b>1,380,728</b>	<b>1,341,701</b>	<b>1,302,812</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	4,792,529	5,214,695	5,214,802	5,626,093	6,040,376	6,448,301	6,856,226
Property, plant and equipment.....	7,885,469	7,719,744	7,958,120	8,386,216	8,640,986	8,759,932	9,051,012
Intangibles .....	289,573	203,192	256,041	223,126	189,662	151,763	113,864
Restricted cash .....	117,511	95,564	117,511	117,511	117,511	138,988	160,465
<b>Total non-current assets .....</b>	<b>13,085,082</b>	<b>13,233,195</b>	<b>13,546,474</b>	<b>14,352,946</b>	<b>14,988,535</b>	<b>15,498,984</b>	<b>16,181,567</b>
<b>TOTAL ASSETS .....</b>	<b>15,121,494</b>	<b>14,550,871</b>	<b>15,181,595</b>	<b>15,799,135</b>	<b>16,369,263</b>	<b>16,840,685</b>	<b>17,484,379</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	1,233,026	1,133,382	1,233,026	1,233,026	1,233,026	1,233,026	1,233,026
Salaries and wages.....	171,743	147,267	171,743	171,743	171,743	193,220	214,697
Payables.....	668,731	546,127	668,731	668,731	668,731	668,731	668,731
Borrowings and leases.....	29,717	31,022	33,181	30,761	27,429	30,293	33,157
Other.....	120,550	100,923	116,680	112,810	108,940	105,070	101,200
<b>Total current liabilities .....</b>	<b>2,223,767</b>	<b>1,958,721</b>	<b>2,223,361</b>	<b>2,217,071</b>	<b>2,209,869</b>	<b>2,230,340</b>	<b>2,250,811</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	280,961	276,763	280,961	280,961	280,961	280,961	280,961
Borrowings and leases .....	84,443	56,900	55,109	67,422	61,396	46,447	31,747
Other.....	14,931	12,025	14,931	14,931	14,931	14,931	14,931
<b>Total non-current liabilities .....</b>	<b>380,335</b>	<b>345,688</b>	<b>351,001</b>	<b>363,314</b>	<b>357,288</b>	<b>342,339</b>	<b>327,639</b>
<b>TOTAL LIABILITIES.....</b>	<b>2,604,102</b>	<b>2,304,409</b>	<b>2,574,362</b>	<b>2,580,385</b>	<b>2,567,157</b>	<b>2,572,679</b>	<b>2,578,450</b>
<b>EQUITY</b>							
Contributed equity .....	8,525,402	9,109,748	8,934,420	9,685,152	10,270,666	10,740,696	11,364,738
Accumulated surplus/(deficit).....	504,807	109,955	185,630	46,415	44,257	40,127	54,008
Reserves.....	3,487,183	3,026,759	3,487,183	3,487,183	3,487,183	3,487,183	3,487,183
<b>Total equity .....</b>	<b>12,517,392</b>	<b>12,246,462</b>	<b>12,607,233</b>	<b>13,218,750</b>	<b>13,802,106</b>	<b>14,268,006</b>	<b>14,905,929</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>15,121,494</b>	<b>14,550,871</b>	<b>15,181,595</b>	<b>15,799,135</b>	<b>16,369,263</b>	<b>16,840,685</b>	<b>17,484,379</b>

(a) Full audited financial statements are published in WA Health's Annual Report.

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	6,087,327	5,672,250	6,450,675	6,211,384	6,081,805	6,237,611	6,486,616
Capital appropriation .....	379,255	308,640	230,733	339,985	220,967	87,420	113,292
Administered equity contribution.....	22,325	73,829	62,763	62,494	131,412	194,790	213,196
Special Purpose Account(s)							
Digital Capability Fund.....	25,225	113,060	69,799	212,534	92,928	10,812	5,412
New Women and Babies Hospital Fund .....	-	8,395	9,487	60,735	110,600	131,400	242,000
Royalties for Regions Fund							
Regional Community Services Fund.....	90,066	94,822	85,726	111,899	99,292	91,626	88,066
Regional Infrastructure and Headworks							
Fund.....	90,790	101,498	56,251	96,243	50,116	66,117	70,651
Service Delivery Agreement .....	846,122	947,829	958,265	1,013,663	1,035,774	1,077,347	1,110,820
Other.....	133,625	93,909	94,464	115,691	113,203	110,029	125,617
Administered appropriations .....	8,420	22,961	42,779	50,887	63,128	73,658	83,716
<b>Net cash provided by Government .....</b>	<b>7,683,155</b>	<b>7,437,193</b>	<b>8,060,942</b>	<b>8,275,515</b>	<b>7,999,225</b>	<b>8,080,810</b>	<b>8,539,386</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(6,087,876)	(6,181,674)	(6,662,278)	(6,574,047)	(6,710,607)	(6,924,908)	(7,199,894)
Grants and subsidies.....	(90,159)	(95,212)	(98,702)	(106,535)	(95,551)	(87,385)	(91,651)
Supplies and services .....	(1,402,196)	(993,448)	(1,214,355)	(1,056,819)	(1,021,859)	(1,047,504)	(1,093,334)
Accommodation .....	(164,188)	(69,915)	(72,341)	(80,638)	(83,097)	(83,038)	(86,106)
Direct patient support costs .....	(1,154,472)	(1,157,508)	(1,199,148)	(1,222,593)	(1,215,757)	(1,252,470)	(1,298,359)
Indirect patient support costs.....	(377,985)	(261,379)	(274,210)	(271,720)	(278,041)	(286,094)	(295,264)
Visiting medical practitioner costs .....	(147,911)	(157,134)	(163,465)	(168,167)	(173,976)	(179,515)	(186,136)
Private sector contract costs.....	(896,540)	(1,004,404)	(1,050,677)	(1,066,233)	(1,075,533)	(1,108,868)	(1,147,886)
GST payments .....	(548,652)	(282,117)	(282,117)	(282,117)	(282,117)	(282,117)	(282,117)
Finance and interest costs.....	(4,333)	(3,186)	(3,186)	(3,335)	(2,917)	(2,635)	(2,635)
Other payments.....	(808,522)	(551,333)	(631,384)	(647,740)	(573,194)	(583,215)	(604,389)
<b>Receipts (b)</b>							
Grants and subsidies.....	974,850	244,606	395,270	194,448	166,990	143,466	143,416
National Health Reform Agreement .....	2,368,935	2,545,165	2,408,916	2,641,262	2,795,999	2,950,159	3,113,678
Sale of goods and services.....	290,468	365,065	365,065	374,247	374,255	381,740	381,740
Recoveries receipts.....	378,779	377,903	377,903	375,651	388,042	395,804	395,804
GST receipts .....	531,814	282,117	282,117	282,117	282,117	282,117	282,117
Other receipts .....	79,829	80,857	91,776	59,821	87,399	89,052	89,052
<b>Net cash from operating activities .....</b>	<b>(7,058,159)</b>	<b>(6,861,597)</b>	<b>(7,730,816)</b>	<b>(7,552,398)</b>	<b>(7,417,847)</b>	<b>(7,595,411)</b>	<b>(7,881,964)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(378,708)	(657,854)	(452,994)	(765,922)	(620,378)	(478,536)	(650,670)
<b>Net cash from investing activities.....</b>	<b>(378,708)</b>	<b>(657,854)</b>	<b>(452,994)</b>	<b>(765,922)</b>	<b>(620,378)</b>	<b>(478,536)</b>	<b>(650,670)</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(40,792)	(36,351)	(36,351)	(32,740)	(26,461)	(24,413)	(24,164)
<b>Net cash from financing activities.....</b>	<b>(40,792)</b>	<b>(36,351)</b>	<b>(36,351)</b>	<b>(32,740)</b>	<b>(26,461)</b>	<b>(24,413)</b>	<b>(24,164)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>							
	205,496	(118,609)	(159,219)	(75,545)	(65,461)	(17,550)	(17,412)
Cash assets at the beginning of the reporting period .....	1,025,099	980,747	1,221,542	1,062,323	986,778	921,317	903,767
Net cash transferred to/from other agencies.....	(9,053)	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>1,221,542</b>	<b>862,138</b>	<b>1,062,323</b>	<b>986,778</b>	<b>921,317</b>	<b>903,767</b>	<b>886,355</b>

(a) Full audited financial statements are published in WA Health's Annual Report.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by WA Health. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION (a)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Grants and Subsidies</b>							
Commonwealth Grants .....	920,321	173,429	318,973	127,806	98,648	88,424	88,424
<b>National Health Reform Agreement</b>							
National Health Reform Agreement .....	2,368,935	2,545,165	2,408,916	2,641,262	2,795,999	2,950,159	3,113,678
<b>GST Receipts</b>							
GST Input Credits .....	82,199	69,551	86,167	91,613	97,403	103,560	110,106
GST Receipts on Sales .....	128	530	558	672	810	976	1,177
<b>Other Receipts</b>							
Proceeds from Services Provided by							
Environmental Health Services .....	3,549	3,409	3,550	3,592	3,633	3,624	3,664
Proceeds from Services Provided by							
Miscellaneous Services .....	53,577	49,233	17,767	16,273	16,067	16,046	16,846
<b>TOTAL .....</b>	<b>3,428,709</b>	<b>2,841,317</b>	<b>2,835,931</b>	<b>2,881,218</b>	<b>3,012,560</b>	<b>3,162,789</b>	<b>3,333,895</b>

(a) Includes only those cash receipts that can be retained by the Department of Health under the *Financial Management Act 2006*, and excludes all other receipts, such as revenue that can be retained by Health Service Providers under other Acts of Parliament. The moneys received and retained are to be applied to the Department's services as specified in the Budget Statements.

**Agency Special Purpose Account Details**

**STATE POOL SPECIAL PURPOSE ACCOUNT**

Account Purpose: The State Pool Special Purpose Account provides a mechanism to receive Commonwealth funding for State hospitals and State funding for activity based hospital services, as required under the National Health Reform Agreement. The Account also includes State and Commonwealth contributions under the National Partnership for COVID-19 Response.

	2021-22	2022-23	2022-23	2023-24
	Actual	Budget	Estimated	Budget
	\$'000	\$'000	Actual	Year
			\$'000	\$'000
Opening Balance .....	-	-	-	-
<b>Receipts:</b>				
State Contribution (WA Health) .....	3,939,947	3,237,018	3,337,170	3,288,547
State Contribution (Mental Health Commission) .....	238,278	257,886	272,927	274,167
Commonwealth Contribution .....	3,364,201	2,853,502	2,815,828	2,984,167
Cross Border Deposits .....	30,768	24,155	24,155	-
	7,573,194	6,372,562	6,450,080	6,546,881
<b>Payments:</b>				
Payments to Providers .....	7,165,798	5,971,633	6,040,157	6,119,774
Payments to State-Managed Fund (WA Health) .....	239,759	256,107	242,225	253,758
Payments to State-Managed Fund (Mental Health Commission) .....	136,869	120,667	143,543	173,349
Cross Border Payments .....	30,768	24,155	24,155	-
<b>CLOSING BALANCE .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**STATE HEALTH FUNDING SPECIAL PURPOSE ACCOUNT**

Account Purpose: The State Health Funding Special Purpose Account provides a mechanism to receive Commonwealth funding from the State Pool Special Purpose Account for non-activity based hospital services and State funding for non-activity based hospital services, as required under the National Health Reform Agreement.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	-	-	-	-
Receipts:				
State Contribution (WA Health) .....	380,178	322,689	342,998	352,884
State Contribution (Mental Health Commission) .....	306,737	315,543	345,259	353,029
Commonwealth Contribution (via State Pool Account) .....	239,759	256,107	242,225	253,758
Commonwealth Contribution (State-Managed Fund via Mental Health Commission) .....	136,869	120,667	143,543	173,349
	1,063,543	1,015,006	1,074,025	1,133,020
Payments:				
Payments to Providers .....	1,063,543	1,015,006	1,074,025	1,133,020
<b>CLOSING BALANCE</b> .....	-	-	-	-

## Division 22 Mental Health Commission

### Part 5 Health

#### Appropriations, Expenses and Cash Assets

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 52 Net amount appropriated to deliver services .....	821,359	938,899	913,272	962,150	962,816	984,750	1,003,435
Amount Authorised by Other Statutes - Salaries and Allowances Act 1975 .....	811	813	813	814	834	855	877
Total appropriations provided to deliver services.....	822,170	939,712	914,085	962,964	963,650	985,605	1,004,312
<b>ADMINISTERED TRANSACTIONS</b>							
Item 53 Mental Health Advocacy Service.....	3,703	3,696	3,745	5,701	4,102	4,232	4,398
Item 54 Mental Health Tribunal.....	3,577	3,700	3,790	3,932	4,100	4,256	4,448
Item 55 Office of the Chief Psychiatrist .....	3,974	4,122	4,276	4,699	4,665	4,867	5,008
TOTAL ADMINISTERED TRANSACTIONS ...	11,254	11,518	11,811	14,332	12,867	13,355	13,854
<b>CAPITAL</b>							
Item 130 Capital Appropriation.....	666	18,443	16,224	24,277	1,531	50	51
<b>TOTAL APPROPRIATIONS</b> .....	834,090	969,673	942,120	1,001,573	978,048	999,010	1,018,217
<b>EXPENSES</b>							
Total Cost of Services .....	1,118,756	1,257,538	1,266,661	1,357,595	1,375,276	1,413,925	1,450,201
Net Cost of Services <sup>(a)</sup> .....	818,114	979,559	952,048	1,010,080	1,008,881	1,027,366	1,045,381
<b>CASH ASSETS</b> <sup>(b)</sup> .....	65,434	28,185	60,196	55,665	54,576	53,482	53,264

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the Commission's services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

#### Spending Changes

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Commission's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiatives</b>					
Increased Mental Health In-reach to Banksia Hill.....	1,079	1,967	2,111	2,265	2,427
Infants, Children and Adolescents (ICA) Taskforce					
Aboriginal Mental Health Workers.....	-	1,170	1,608	1,478	1,521
Bunbury ICA Mental Health Service Hub Pilot.....	-	1,854	2,602	2,685	-
Child and Adolescent Mental Health Services Uplift.....	-	869	1,798	1,859	1,915
East Metropolitan Acute Care Response Team Pilot.....	-	706	1,441	1,473	-
Touchstone Service Expansion .....	-	666	1,358	1,387	1,412
<b>Ongoing Initiatives</b>					
Active Recovery Team Pilot Extension .....	-	9,917	-	-	-
Commitment to Aboriginal Youth Wellbeing - East Kimberley Psychiatric Services .....	-	1,253	1,310	1,370	1,433
Community Contracts Uplift.....	4,662	4,749	-	-	-
Community Treatment Uplift.....	-	7,969	-	-	-
Election Commitment - Criminal Law (Mental Impairment) Reforms.....	205	740	-	-	-
Mental Health Hospital Services.....	9,320	24,290	20,790	17,355	10,886

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
National Mental Health and Suicide Prevention Agreement .....	600	4,713	2,837	2,979	-
Suicide Prevention .....	-	-	9,828	-	-
Western Australia Country Health Service (WACHS) Mental Health Emergency Telehealth Service .....	-	5,852	6,010	6,172	6,336
<b>Other</b>					
Non-Government Human Services Sector Indexation .....	2,004	4,258	5,871	7,009	14,471
Public Sector Wages Policy .....	2,137	2,110	2,821	4,082	5,383
Revisions to Own-source Revenue Estimates					
Commonwealth Peer Workforce Scholarships .....	66	54	-	-	-
Commonwealth Specialist Dementia Care Agreement .....	4	-	-	-	-
Expansion of the Choices Program (Extra Choices - Western Australia Primary Health Alliance (WAPHA)) .....	983	983	-	-	-
Graylands Reconfiguration and Forensic Taskforce .....	383	309	-	-	-
Mental Awareness, Respect and Safety Program .....	605	332	336	-	-
Western Australian Mental Health Research Strategy 2022-2027 .....	101	102	-	-	-
Salaries and Allowances Tribunal .....	-	-	19	40	62

## Significant Issues Impacting the Agency

### Children and Adolescents

#### ICA Implementation

1. The Ministerial Taskforce into Public Mental Health Services for Infants, Children and Adolescents aged 0-18 years in Western Australia (ICA Taskforce) proposed eight key actions and 32 recommendations to transform the public infant, child and adolescent mental health system. The Commission is continuing to deliver the immediate actions funded as part of the 2022-23 Budget, including uplifts to metropolitan and regional services.
2. From 2023-24 a further \$35.5 million will be invested to progress the recommendations of the ICA Taskforce, including:
  - 2.1. establishment of a 2.5 year pilot of a Community ICA Mental Health Service Hub in Bunbury;
  - 2.2. continuation of a 9.5 FTE uplift at the Child and Adolescent Mental Health Service (CAMHS);
  - 2.3. establishment of a 2.5 year pilot of an East Metropolitan Acute Care Response Team;
  - 2.4. funding for 10 additional Aboriginal Mental Health Workers; and
  - 2.5. an expansion to the Touchstone Service which provides specialised intensive treatment for children aged 12-17 years with complex personality disorders.

#### Head to Health Kids

3. A Western Australian Head to Health Kids Hub (the Hub) is being developed to complement and integrate with current child health and family services already provided in communities which target the mild to moderate cohort.
4. The Commission is working in partnership with the Western Australian Primary Health Alliance (WAPHA) to develop and implement the Hub. A localised model of service will adapt the Head to Health Kids National Service Model to fit the specific context of the Western Australian Hub.

### Young People

5. Young people are a particularly vulnerable cohort that require dedicated, age-appropriate services to support their mental health and potentially co-occurring alcohol and other drug (AOD) needs.

6. In 2021-22 the Government committed \$18.2 million to establish the Youth Long Term Housing and Support Program for young people aged 16-24 years with mental health issues (with or without co-occurring AOD issues) to access transitional accommodation alongside coordinated clinical, psychosocial and AOD supports. This service, which will become operational in 2023-24, will enhance the availability of support accommodation services tailored to meet the needs of young people and assist them in their recovery and to live independently in the community.
7. Other programs expanded for young people in a community setting include Youth Reach South, YouthLink, Youth Axis community treatment services, and Youth Community Assessment and Treatment Teams.
8. As part of its Commitment to Aboriginal Youth Wellbeing, the Government has approved the continuation of a psychiatrist and a staff educator in the East Kimberley region to increase the availability of clinical mental health services and community support options for children, young people and their families.

### **Suicide Prevention**

9. The Commission continues to implement the Western Australian Suicide Prevention Framework 2021-2025 (the Framework), which commenced on 1 January 2021. The Framework addresses suicide prevention activity under the four streams of prevention/early intervention, support/aftercare, postvention, and Aboriginal people. Government has committed \$9.8 million in additional funding to extend the initiatives under the Framework for a further 12 months (to 30 June 2025).

### **Social and Emotional Wellbeing**

10. To improve holistic health outcomes and quality of life for Aboriginal people, the Aboriginal Health Council of Western Australia is implementing a Social and Emotional Wellbeing Model of Service Pilot in five regional sites.

### **Community Mental Health Treatment Services**

11. Community mental health treatment services are vital in reducing hospitalisations, reducing the length of hospital stays, and to help people to stay well and lead productive lives. Ensuring efficient and effective community mental health and emergency response services is a priority of this Government.
12. The Government has committed to supporting people to stay well in the community through the following two services:
  - 12.1. The WACHS Mental Health Emergency Telehealth Service, to which the Government has committed \$24.4 million through the 2023-24 Budget to ensure the service's continuation; and
  - 12.2. Active Recovery Teams (ART), which has received additional funding of \$9.9 million in 2023-24 for a one-year extension. ART is a partnership between community mental health teams and non-government organisations that provides recovery planning and crisis response for individuals with complex needs recovering from an acute or crisis episode. These teams aim to minimise future presentations to emergency departments (ED) and prolonged inpatient stays.
13. Additional supports for community mental health treatment services will continue in 2023-24 through additional funding of \$8 million, this includes the delivery of Hospital in the Home services which along with other programs aims to alleviate pressures on hospitals.
14. Led by the Commission, the Community Mental Health Treatment and Emergency Response Services Project will provide the framework and future service configuration to transform public specialist community mental health and emergency response services to better meet the needs of youth, adults and older adults.

### **Community, Rehabilitation and Accommodation Options**

15. People who have had very long stays in hospital due to mental health issues benefit from a tailored approach to finding suitable accommodation and supports in the community. The intensive, individualised work being undertaken by the Long Stay Steering Committee and Working Group - a specialist inter-agency team established in July 2021 - will continue to 30 June 2024. Since its establishment, the Long Stay Working Group has consulted on over 690 patients experiencing National Disability Insurance Scheme (NDIS)-related discharge delay and developed bespoke solutions to address barriers to discharge.



### **Hospital Services**

16. Mental health inpatient beds continue to be in high demand across the State. Patient flow from ED to inpatient beds is impacted by high occupancy levels, and longer-length stays inhibit patient flow throughout the system.
17. To alleviate blockages, the Government is bringing 254 new mental health hospital beds online to meet current and future demand, including 55 new beds at Joondalup Health Campus due to open in late 2023.

### **Forensic Services**

18. The Government is continuing to address the immediate forensic mental health needs of adults and children. This includes piloting community supported accommodation and progressing the Child and Adolescent Forensic Service (CAFS), including a dedicated multidisciplinary service for young people at Banksia Hill Detention Centre. The CAFS aims to improve the mental health and social outcomes of those in detention, on transition out of detention, living in the community that are at risk of offending, and those otherwise involved in the justice system.
19. The Graylands Reconfiguration and Forensic Taskforce has progressed the planning of forensic mental health inpatient and community bed-based services to meet the needs of Western Australians, including dedicated inpatient services for women and children.

### **Alcohol and Other Drug Issues**

20. The Government has previously committed funding for the Cardiff Model for Violence Prevention Pilot at Royal Perth Hospital. The Cardiff Model aims to prevent alcohol-related violence and injuries that impact ED and frontline services. Information gathered at Royal Perth Hospital will inform community-based strategies to address the causes of harm. The Cardiff Model has been shown internationally to be an effective strategy to achieve significant cost reductions to health services, the criminal justice system, police recorded injuries and hospital admissions for violence-related injuries. The Commission has established a cross agency working group to progress this pilot.
21. The Commission is establishing the Immediate Drug Assistance Coordination Centre to provide 24/7 immediate drug and alcohol support for individuals and families experiencing a crisis in relation to methamphetamine and other AOD use in the Perth metropolitan area.

### **National Agenda**

22. The National Mental Health and Suicide Prevention Agreement clarifies responsibilities between the Commonwealth, States and Territories in relation to:
  - 22.1. improving data collection and sharing, and evaluation;
  - 22.2. reducing gaps in the system of care; and
  - 22.3. expanding and enhancing the workforce.

A Bilateral Schedule between Western Australia and the Commonwealth provides \$61.5 million of new investment in Western Australia for Aftercare services, Eating Disorder services, and the establishment of a new Head to Health Kids Hub.

23. A Joint Implementation Plan is being developed to guide implementation of the Bilateral Schedule and associated initiatives in Western Australia. Collaboration between the Government and the Commonwealth is important in progressing reform in Western Australia and ensuring that everyone has high quality and accessible mental health care in the community.

### **National Disability Insurance Scheme**

24. Addressing low NDIS utilisation and access rates for participants with a primary psychosocial disability remains an area of focus for the Commission. The Commission is supporting the Department of Communities as the lead agency progressing NDIS Bilateral Agreement negotiations.

## Workforce Development

25. To support the implementation of the Mental Health and AOD Workforce Strategic Framework 2020-2025, the Commission allocated \$2.8 million from 2021-24 to progress initiatives addressing four priority areas: Aboriginal workforce, lived experience workforce, sector capacity building, and trauma-informed care and practice.

## Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Commission's services, the desired outcomes and the relevant Government Goal. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcomes	Services
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Improved mental health and wellbeing.	1. Prevention
	Reduced incidence of use and harm associated with AOD use.	
	Accessible, high quality and appropriate mental health and AOD treatments and supports.	2. Hospital Bed-Based Services 3. Community Bed-Based Services 4. Community Treatment 5. Community Support

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Prevention.....	26,702	30,840	30,857	33,094	28,453	19,805	19,466
2. Hospital Bed-Based Services .....	474,397	514,198	523,068	550,250	570,401	593,162	615,098
3. Community Bed-Based Services .....	80,338	81,006	85,284	93,661	103,639	106,603	109,803
4. Community Treatment.....	478,902	569,716	563,021	613,788	603,295	623,761	633,232
5. Community Support.....	58,417	61,778	64,431	66,802	69,488	70,594	72,602
<b>Total Cost of Services .....</b>	<b>1,118,756</b>	<b>1,257,538</b>	<b>1,266,661</b>	<b>1,357,595</b>	<b>1,375,276</b>	<b>1,413,925</b>	<b>1,450,201</b>

## Outcomes and Key Effectiveness Indicators <sup>(a)</sup>

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual <sup>(b)</sup>	2023-24 Budget Target	Note
<b>Outcome: Improved mental health and wellbeing:</b>					
Percentage of the population with high or very high levels of psychological distress <sup>(c)</sup> .....	19.2%	≤12.2%	14.2%	≤14.2%	
<b>Outcome: Reduced incidence of use and harm associated with AOD use:</b>					
Percentage of the population aged 16 years and over reporting recent use of alcohol at a level placing them at risk <sup>(d)</sup> .....	n.a.	n.a.	35.1%	≤35.1%	
Percentage of the population aged 16 years and over reporting recent use of illicit drugs <sup>(e)</sup> .....	10.3%	≤15.6%	7%	≤7%	
Rate of hospitalisation for AOD use (per 100,000 population) <sup>(f)</sup> .....	969.5	<965.4	820.8	<965.4	1
<b>Outcome: Accessible, high quality and appropriate mental health and AOD treatments and supports:</b>					
Readmissions to acute specialised mental health inpatient services within 28 days of discharge <sup>(g)</sup> .....	14.5%	≤12%	13.9%	≤12%	
Percentage of post-discharge community care within seven days following discharge from acute specialised mental health inpatient services <sup>(h)</sup> .....	85.7%	≥75%	85.5%	≥75%	2
Percentage of closed AOD treatment episodes completed as planned <sup>(i)</sup> .....	76%	≥76%	71%	≥76%	
Percentage of the population receiving public clinical mental health care or AOD treatment <sup>(j)</sup> .....	3.1%	≥3.3%	3%	≥3.3%	

(a) Further detail in support of the key effectiveness indicators is provided in the Commission's Annual Report.

(b) Based on preliminary annual report data for 2022-23. Some aggregates may be adjusted for in the Commission's Annual Report.

(c) This indicator utilizes the Kessler Psychological Distress Scale (K10), which assesses non-specific psychological distress, such as negative emotional states, in individuals aged 18 years and older. The data source for this indicator has changed from the Australian Bureau of Statistics National Health Survey, which is conducted every three years, to the Western Australia Health and Wellbeing Surveillance System (WAHWSS), which is conducted annually. The data for the 2022-23 Estimated Actual is preliminary and subject to change. It pertains to the most recently available WAHWSS data for the 2022 calendar year.

(d) This is a new indicator replacing 'percentage of the population aged 14 years and over reporting recent use of alcohol at a level placing them at risk of lifetime harm'. This indicator presents the prevalence of recent use (in the last year) of alcohol for those aged 16 years and over at a level placing them at risk, based on 2020 National Health and Medical Research Council alcohol guidelines (NHMRC). Data is sourced from the WAHWSS, which is conducted annually. Starting in 2022, the WAHWSS began collecting alcohol use data based on the 2020 NHMRC guidelines. Note that the data for the 2022-23 Estimated Actual is preliminary and subject to change. It pertains to the most recently available WAHWSS data for the 2022 calendar year.

(e) This is a new indicator replacing 'percentage of the population aged 14 years and over reporting recent use of illicit drugs'. This indicator presents the prevalence of recent use (in the last year) of illicit drugs for those aged 16 years and over. Data is sourced from the annual WAHWSS. Note that the data for the 2022-23 Estimated Actual is preliminary and subject to change. It pertains to the most recently available WAHWSS data for the 2022 calendar year.

(f) The 2022-23 Estimated Actual is based on the most recent available data for the 2022 calendar year. The reliability of the estimate depends on the quality assurance and coding of hospitalisation data.

(g) Data for the 2022-23 Estimated Actual relates to the most recent available data for the 2022 calendar year. The target for this indicator is aspirational and has been determined at a national level. Since 2014, readmission rates in Western Australia have been impacted by the introduction of new models of care such as Hospital in the Home and associated data recording and reporting practices. The Commission has implemented a monitoring program for this key effectiveness indicator and is regularly reviewing current results with the Western Australian health system to further improve performance and enhance data capture.

(h) This indicator reports on clients who were followed up by public mental health services within seven days following discharge from acute public mental health inpatient services only. Data for the 2022-23 Estimated Actual relates to the most recent available data for the 2022 calendar year.

(i) This is an indicator of the quality of AOD treatment supports and reports the percentage of closed episodes in AOD treatment services that were completed as planned. It provides an indication of the extent to which treatment objectives are likely to be achieved. Data for the 2022-23 Estimated Actual relates to the most recent available data (April 2022 to December 2023).

(j) Data for the 2022-23 Estimated Actual relates to the most recent available data (2022 calendar year for mental health care and July 2020 to June 2021 for AOD treatment).

## Explanation of Significant Movements

(Notes)

1. The 2022-23 Estimated Actual is 15% below the 2022-23 Budget. The result is preliminary and subject to change due to coding delays. The result is expected to increase during the annual reporting period.
2. The 2022-23 Estimated Actual is 11 percentage points higher than the lower limit of the national target of 75%. Achieving a higher percentage indicates better performance. The Commission's regular review and reporting of this indicator has assisted Health Service Providers to exceed the lower limit of the 2023-24 Budget Target through the implementation of strategies aimed at improving post-discharge community care.

## Services and Key Efficiency Indicators

### 1. Prevention

Prevention and promotion in the mental health and AOD sectors include activities to promote positive mental health, raise awareness of mental illness, suicide prevention, and the potential harms of AOD use in the community.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	26,702	30,840	30,857	33,094	1
Less Income.....	115	14	15	15	2
Net Cost of Service.....	26,587	30,826	30,842	33,079	
<b>Employees (Full-Time Equivalents) .....</b>	<b>31</b>	<b>34</b>	<b>34</b>	<b>31</b>	
<b>Efficiency Indicators</b>					
Cost per capita spent on mental health and AOD prevention, promotion and protection activities.....	\$10.67	\$12.55	\$12.15	\$12.86	1

## Explanation of Significant Movements

(Notes)

1. Variance between the 2021-22 Actual and the 2022-23 Budget is primarily due to additional Government funding for Aboriginal Social and Emotional Wellbeing and the Cardiff Model for Violence Prevention pilot programs.
2. Variance between the 2021-22 Actual and the 2022-23 Budget is due to the recoup of unspent service provider funding from prior years.

### 2. Hospital Bed-Based Services

Hospital bed-based services include mental health acute inpatient units, sub-acute inpatient units, forensic units and Hospital in the Home. They also include the high medical AOD detoxification unit at Next Step.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	474,397	514,198	523,068	550,250	
Less Income.....	171,776	159,817	179,843	197,155	1
Net Cost of Service.....	302,621	354,381	343,225	353,095	
<b>Employees (Full-Time Equivalents) .....</b>	<b>101</b>	<b>103</b>	<b>105</b>	<b>105</b>	
<b>Efficiency Indicators</b>					
Average cost per purchased bed-day in specialised mental health and AOD units.....	\$1,810	\$1,779	\$1,963	\$1,872	2
Average cost per purchased bed-day in forensic mental health units.....	\$1,492	\$1,531	\$1,798	\$1,857	3

### Explanation of Significant Movements

(Notes)

1. Variance between the 2022-23 Estimated Actual, 2022-23 Budget and 2023-24 Budget Target is due to an increase in Commonwealth funding for 2022-23 and 2023-24 under the National Health Reform Agreement due to a change in the mix of services eligible as in-scope activity.
2. The 2022-23 Estimated Actual is significantly higher than the 2022-23 Budget. This is due to the closure of some wards because of building issues and delays in the opening of new wards.
3. The 2022-23 Estimated Actual is significantly higher than the 2022-23 Budget. This is primarily due to unavoidable hospital services cost pressures, including regional pressures largely pertaining to workforce, superannuation guarantee rate increases, increased RiskCover Fund insurance premiums, conditions negotiated under settled Enterprise Bargaining Agreements, and COVID-19 related costs.

### 3. Community Bed-Based Services

Community bed-based services are focused on providing recovery-oriented services and residential rehabilitation in a home-like environment.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	80,338	81,006	85,284	93,661	1
Less Income .....	65	35	42	42	
Net Cost of Service .....	80,273	80,971	85,242	93,619	
<b>Employees (Full-Time Equivalents) .....</b>	<b>22</b>	<b>24</b>	<b>24</b>	<b>24</b>	
<b>Efficiency Indicators</b>					
Average cost per purchased bed-day in mental health 24 hour and non-24-hour staffed community bed-based services .....	\$295	\$285	\$311	\$330	
Average cost per bed-day in mental health step up/step down community bed-based units.....	\$895	\$849	\$1,014	\$963	2
Average cost per closed treatment episode in AOD residential rehabilitation and low medical withdrawal services .....	\$15,346	\$15,524	\$17,375	\$17,599	3

### Explanation of Significant Movements

(Notes)

1. The variance between the 2022-23 Estimated Actual and 2023-24 Budget Target is due to increased Government funding for the Non-Government Human Services Sector Indexation, the Impact of the 2012 Fair Work Australia Equal Remuneration Order on Non-Government Organisations and commencement of the Broome and Karratha Step Up/Step Down services.
2. The 2022-23 Estimated Actual is significantly higher than the 2022-23 Budget. This is due to lower than anticipated bed days in Bunbury and Joondalup services, and temporary closures of the Joondalup service due to neighbouring construction at the Joondalup Health Campus.
3. Variance between the 2022-23 Budget and 2022-23 Estimated Actual is due temporary short-term closures of some services and restrictions on admissions due to COVID-19 outbreaks among clients and staff.

#### 4. Community Treatment

Community treatment provides clinical care in the community for individuals with mental health and AOD problems. These services generally operate with multidisciplinary teams and include specialised and forensic community clinical services.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	478,902	569,716	563,021	613,788	1
Less Income.....	127,864	118,086	133,698	149,290	2,3
Net Cost of Service.....	351,038	451,630	429,323	464,498	
<b>Employees (Full-Time Equivalents) .....</b>	150	169	171	175	
<b>Efficiency Indicators</b>					
Average cost per purchased treatment day of ambulatory care provided by public clinical mental health services .....	\$535	\$546	\$639	\$659	4
Average cost per closed treatment episode in community treatment-based AOD services .....	\$2,482	\$2,803	\$2,731	\$2,797	5

#### Explanation of Significant Movements

(Notes)

1. Variance between the 2021-22 Actual and the 2022-23 Budget is largely attributable to additional Government investment in community treatment, including: Expansion of Community AOD Integrated Services in the Peel region, ICA Taskforce, the Active Recovery Team pilot program and the update to mental health hospital services settings reflecting unavoidable cost pressures.
2. Variance between the 2022-23 Budget and the 2022-23 Estimated Actual is due to an increase in Commonwealth funding under the National Health Reform Agreement due to a change in the mix of services eligible as in-scope activity.
3. Variance between the 2022-23 Estimated Actual and the 2023-24 Budget Target is primarily due to an increase in Commonwealth funding under the National Health Reform Agreement resulting from an increase in services eligible as in-scope activity.
4. The 2022-23 Estimated Actual is significantly higher than the 2022-23 Budget. This is due to lower treatment days because of staff shortages and vacancies for existing community mental health services, and COVID-19 public health measures.
5. The 2022-23 Budget is significantly higher than the 2021-22 Actual as less closed treatment episodes were forecast for 2022-23 due to the impact of COVID-19 restrictions. A lower number of closed treatment episodes increases the average cost of this indicator.

## 5. Community Support

Community support services provide individuals with mental health, AOD problems access to the help and support they need to participate in their community. These services include peer support, home in-reach, respite, recovery and harm-reduction programs.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	58,417	61,778	64,431	66,802	
Less Income.....	822	27	1,015	1,013	1,2
Net Cost of Service.....	57,595	61,751	63,416	65,789	
<b>Employees (Full-Time Equivalents) .....</b>	9	10	10	10	
<b>Efficiency Indicators</b>					
Average cost per hour for community support provided to people with mental health issues.....	\$157	\$162	\$164	\$170	
Average cost per episode of care in safe places for intoxicated people.....	\$605	\$499	\$674	\$669	3,4

### Explanation of Significant Movements

(Notes)

1. Variance between the 2021-22 Actual and the 2022-23 Budget is due to the recoup of unspent service provider funding from prior years.
2. Variance between the 2022-23 Budget and the 2022-23 Estimated Actual is due to additional funding provided by WAPHA for the Commission under the Choices service model, which provides extended support to people with complex mental health and AOD issues post discharge from ED.
3. Variance between the 2021-22 Actual and the 2022-23 Budget is due to the impact of COVID-19 related restrictions, resulting in fewer episodes of care.
4. The 2022-23 Estimated Actual is significantly higher than the 2022-23 Budget. This is due to the relocation of the Broome Sobering Up Centre out of town due to building safety concerns.

## Asset Investment Program

1. To support the delivery of Mental Health and AOD services, the planned Asset Investment Program (AIP) for the forward estimates period is \$40.9 million.
2. The AIP includes the continued delivery of the Government's 2021 election commitments:
  - 2.1. construction of a 20-bed AOD Rehabilitation facility;
  - 2.2. refurbishment of the Immediate Drug Assistance Coordination Centre;
  - 2.3. construction of a 10-bed step up/step down facility in South Hedland;
  - 2.4. acquisition of dwellings for the Youth Long-term Housing and Support Program; and
  - 2.5. construction of a 10-bed Youth Mental Health and AOD step up/step down facility.
3. Other works include the construction of step up/step down facilities in Broome and Karratha.

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>WORKS IN PROGRESS</b>							
<b>Election Commitments</b>							
20-Bed AOD Rehabilitation Facility in the Metropolitan Region .....	10,000	4,750	4,750	5,250	-	-	-
<b>Other Works in Progress</b>							
Broome Step Up/Step Down Facility.....	11,393	4,125	3,710	7,268	-	-	-
<b>NEW WORKS</b>							
<b>Election Commitments</b>							
Immediate Drug Assistance Coordination Centre .....	1,500	-	-	1,500	-	-	-
Step Up/Step Down Mental Health Facilities							
Karratha Step Up/Step Down Facility <sup>(a)</sup> .....	4,599	-	-	4,599	-	-	-
South Hedland Step Up/Step Down Facility .....	10,159	-	-	6,142	4,017	-	-
Youth							
Long Term Housing and Support Program <sup>(a)</sup> .....	5,990	-	-	5,990	-	-	-
Mental Health and AOD Step Up/Step Down Facility .....	6,088	-	-	4,606	1,482	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>49,729</b>	<b>8,875</b>	<b>8,460</b>	<b>35,355</b>	<b>5,499</b>	<b>-</b>	<b>-</b>
<b>FUNDED BY</b>							
Capital Appropriation .....			13,361	24,229	1,482	-	-
Internal Funds and Balances.....			(4,901)	3,422	-	-	-
Major Special Purpose Account(s)							
Drawdown from Royalties for Regions Fund .....			-	7,704	4,017	-	-
<b>Total Funding.....</b>			<b>8,460</b>	<b>35,355</b>	<b>5,499</b>	<b>-</b>	<b>-</b>

(a) The Department of Communities' AIP contains partial funding for these projects with the balance in the Commission's AIP.

## Financial Statements

### Income Statement

#### Expenses

1. Total Cost of Services is estimated to increase by \$90.9 million in the 2023-24 Budget Year compared to the 2022-23 Estimated Actual. This is primarily a result of increases in purchased public mental health services and services purchased from non-government organisations, for initiatives including the Immediate Drug Assistance Coordination Centre and ICA Taskforce initiatives.

#### Income

2. Income from Government is anticipated to increase by \$59.2 million in the 2023-24 Budget Year compared to the 2022-23 Estimated Actual. This is primarily due to increased funding for purchased public and non-government mental health services.



### Statement of Financial Position

3. Property, plant and equipment is expected to increase by \$39.1 million over the forward estimates period due to the acquisition of a 20-bed AOD rehabilitation facility, and youth housing and step up/step down facilities. These are funded by equity contributions from the Government, including through the Royalties for Regions Fund.

#### INCOME STATEMENT <sup>(a)</sup> (Controlled)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	44,280	50,177	52,799	53,014	53,926	53,021	54,138
Grants and subsidies <sup>(c)</sup> .....	21,734	227	238	228	278	278	128
Supplies and services .....	197,800	251,840	247,137	282,857	277,563	275,825	277,663
Accommodation .....	2,829	3,349	3,349	3,198	3,198	3,198	3,198
Depreciation and amortisation .....	523	494	479	475	476	476	476
Service Delivery Agreement - WA Health.....	845,262	947,829	958,265	1,013,663	1,035,773	1,077,347	1,110,820
Other expenses.....	6,328	3,622	4,394	4,160	4,062	3,780	3,778
<b>TOTAL COST OF SERVICES .....</b>	<b>1,118,756</b>	<b>1,257,538</b>	<b>1,266,661</b>	<b>1,357,595</b>	<b>1,375,276</b>	<b>1,413,925</b>	<b>1,450,201</b>
<b>Income</b>							
Grants and subsidies.....	386	2,832	334	3,071	2,837	2,979	-
National Health Reform Agreement .....	298,569	274,592	312,741	342,905	362,994	383,008	404,238
Other revenue.....	1,687	555	1,538	1,539	564	572	582
<b>Total Income.....</b>	<b>300,642</b>	<b>277,979</b>	<b>314,613</b>	<b>347,515</b>	<b>366,395</b>	<b>386,559</b>	<b>404,820</b>
<b>NET COST OF SERVICES .....</b>	<b>818,114</b>	<b>979,559</b>	<b>952,048</b>	<b>1,010,080</b>	<b>1,008,881</b>	<b>1,027,366</b>	<b>1,045,381</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	822,170	939,712	914,085	962,964	963,650	985,605	1,004,312
Resources received free of charge .....	2,254	4,221	4,221	4,221	4,305	4,391	4,391
Special Purpose Account(s) <sup>(d)</sup>							
Digital Capability Fund.....	-	2,595	-	-	-	-	-
Royalties for Regions Fund							
Regional Community Services Fund.....	17,258	29,230	25,617	36,701	36,999	33,604	33,831
Other appropriations.....	-	-	-	197	280	410	578
Other revenues .....	3,792	2,427	3,721	2,792	2,197	1,901	1,906
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>845,474</b>	<b>978,185</b>	<b>947,644</b>	<b>1,006,875</b>	<b>1,007,431</b>	<b>1,025,911</b>	<b>1,045,018</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>27,360</b>	<b>(1,374)</b>	<b>(4,404)</b>	<b>(3,205)</b>	<b>(1,450)</b>	<b>(1,455)</b>	<b>(363)</b>

(a) Full audited financial statements are published in the Commission's Annual Report.

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 313, 344 and 345 respectively.

(c) Refer to the Details of Controlled Grants and Subsidies table below for further information.

(d) Forecast recurrent drawdowns of funding from some Treasurer's Special Purpose Accounts (TSPAs) included in the 2022-23 Budget were subsequently reclassified to capital contributions for agencies subject to the *Financial Management Act 2006* (i.e. no overall change to forecast agency cash receipts, see Statement of Cashflows). This reflects the approved purpose of the original appropriation of funding to the TSPAs was capital in nature.

**DETAILS OF CONTROLLED GRANTS AND SUBSIDIES**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual <sup>(a)</sup>	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>Non-Government Grants</b>							
Active Recovery Team Pilot Project .....	2,507	-	-	-	-	-	-
Cardiff Model of Violence Prevention .....	-	100	-	100	150	150	-
Commitment to Aboriginal Youth Wellbeing ..	286	-	-	-	-	-	-
Community Services Contracts -							
2021-22 Uplift .....	5,277	-	-	-	-	-	-
Community Services Grants .....	1,649	-	-	-	-	-	-
Community Support Programs .....	1,043	-	-	-	-	-	-
COVID-19 Pandemic Service Response .....	2,087	-	-	-	-	-	-
Mental Awareness, Respect and Safety							
Program .....	600	-	-	-	-	-	-
Mental Health Residential Rehabilitation							
Beds - Trial Program .....	490	-	-	-	-	-	-
Other .....	895	127	238	128	128	128	128
Perinatal Mental Health Pilot Programs .....	661	-	-	-	-	-	-
Refurbish Building Grants for A Safe Place							
Initiatives							
Community Care Unit .....	1,711	-	-	-	-	-	-
Youth Mental Health and AOD							
Homelessness .....	369	-	-	-	-	-	-
Refurbish building grants for the Recovery							
House Program - Woodville House Facility .....	348	-	-	-	-	-	-
Suicide Prevention Strategy .....	523	-	-	-	-	-	-
Think Mental Health Campaign .....	600	-	-	-	-	-	-
Transitional Community Based Beds for							
Long Stay Inpatients Pilot Program .....	594	-	-	-	-	-	-
Youth Support and Wellbeing Programs .....	2,094	-	-	-	-	-	-
<b>TOTAL .....</b>	<b>21,734</b>	<b>227</b>	<b>238</b>	<b>228</b>	<b>278</b>	<b>278</b>	<b>128</b>

(a) The majority of the 2021-22 Actual Grant and Subsidies expenditure relates to one-off grant payments for COVID-19 readiness and response and various small grant payments for other mental health services. Further, several grant initiatives from 2021-22 have transitioned to contracted services.

**STATEMENT OF FINANCIAL POSITION <sup>(a)</sup>**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	55,808	23,565	52,048	51,445	51,082	50,719	51,422
Restricted cash .....	8,697	3,989	7,219	3,291	2,420	1,544	1,544
Receivables .....	703	252	703	703	703	703	703
Other.....	115	16	115	115	115	115	115
<b>Total current assets .....</b>	<b>65,323</b>	<b>27,822</b>	<b>60,085</b>	<b>55,554</b>	<b>54,320</b>	<b>53,081</b>	<b>53,784</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	7,407	7,901	7,886	8,361	8,837	9,313	9,789
Property, plant and equipment.....	19,840	39,900	27,914	62,794	67,866	67,461	67,034
Restricted cash .....	929	631	929	929	1,074	1,219	298
<b>Total non-current assets .....</b>	<b>28,176</b>	<b>48,432</b>	<b>36,729</b>	<b>72,084</b>	<b>77,777</b>	<b>77,993</b>	<b>77,121</b>
<b>TOTAL ASSETS .....</b>	<b>93,499</b>	<b>76,254</b>	<b>96,814</b>	<b>127,638</b>	<b>132,097</b>	<b>131,074</b>	<b>130,905</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	8,904	8,333	9,049	9,194	9,339	9,484	9,629
Payables .....	1,630	1,235	1,630	1,630	1,630	1,630	1,630
Borrowings and leases .....	38	41	38	38	38	38	38
<b>Total current liabilities .....</b>	<b>10,572</b>	<b>9,609</b>	<b>10,717</b>	<b>10,862</b>	<b>11,007</b>	<b>11,152</b>	<b>11,297</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	2,132	2,041	2,132	2,132	2,132	2,132	2,132
Borrowings and leases .....	78	96	119	71	71	92	90
<b>Total non-current liabilities .....</b>	<b>2,210</b>	<b>2,137</b>	<b>2,251</b>	<b>2,203</b>	<b>2,203</b>	<b>2,224</b>	<b>2,222</b>
<b>TOTAL LIABILITIES.....</b>	<b>12,782</b>	<b>11,746</b>	<b>12,968</b>	<b>13,065</b>	<b>13,210</b>	<b>13,376</b>	<b>13,519</b>
<b>EQUITY</b>							
Contributed equity .....	31,013	47,767	38,546	72,478	78,242	78,508	78,559
Accumulated surplus/(deficit).....	48,055	15,884	43,651	40,446	38,996	37,541	37,178
Reserves.....	1,649	857	1,649	1,649	1,649	1,649	1,649
<b>Total equity .....</b>	<b>80,717</b>	<b>64,508</b>	<b>83,846</b>	<b>114,573</b>	<b>118,887</b>	<b>117,698</b>	<b>117,386</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>93,499</b>	<b>76,254</b>	<b>96,814</b>	<b>127,638</b>	<b>132,097</b>	<b>131,074</b>	<b>130,905</b>

(a) Full audited financial statements are published in the Commission's Annual Report.

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	821,755	939,218	913,606	962,489	963,174	985,129	1,003,836
Capital appropriation .....	666	18,443	16,224	24,277	1,531	50	51
Special Purpose Account(s)							
Digital Capability Fund.....	-	2,595	1,360	1,951	216	216	-
Royalties for Regions Fund							
Regional Community Services Fund.....	20,295	29,230	25,617	38,263	36,999	33,604	33,831
Regional Infrastructure and Headworks							
Fund.....	-	1,500	-	6,142	4,017	-	-
Other.....	3,662	2,427	3,721	2,792	2,197	1,901	1,906
Administered appropriations .....	-	-	-	197	280	410	578
<b>Net cash provided by Government .....</b>	<b>846,378</b>	<b>993,413</b>	<b>960,528</b>	<b>1,036,111</b>	<b>1,008,414</b>	<b>1,021,310</b>	<b>1,040,202</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(43,362)	(50,019)	(52,641)	(52,856)	(53,797)	(52,892)	(54,009)
Grants and subsidies.....	(21,734)	(227)	(238)	(228)	(278)	(278)	(128)
Supplies and services .....	(194,955)	(247,763)	(243,060)	(278,780)	(273,373)	(271,549)	(273,387)
Accommodation .....	(2,797)	(3,318)	(3,318)	(3,167)	(3,167)	(3,167)	(3,167)
Service Delivery Agreement - WA Health.....	(845,262)	(947,829)	(958,265)	(1,013,663)	(1,035,773)	(1,077,347)	(1,110,820)
Other payments.....	(6,813)	(3,522)	(4,294)	(4,060)	(3,962)	(3,680)	(3,678)
<b>Receipts (b)</b>							
Grants and subsidies.....	386	2,832	334	3,071	2,837	2,979	-
National Health Reform Agreement .....	298,569	274,592	312,741	342,905	362,994	383,008	404,238
Other receipts .....	1,072	555	1,538	1,539	564	572	582
<b>Net cash from operating activities .....</b>	<b>(814,896)</b>	<b>(974,699)</b>	<b>(947,203)</b>	<b>(1,005,239)</b>	<b>(1,003,955)</b>	<b>(1,022,354)</b>	<b>(1,040,369)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets .....	(1,511)	(20,377)	(8,460)	(35,355)	(5,499)	-	-
<b>Net cash from investing activities.....</b>	<b>(1,511)</b>	<b>(20,377)</b>	<b>(8,460)</b>	<b>(35,355)</b>	<b>(5,499)</b>	<b>-</b>	<b>-</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases .....	(53)	(66)	(52)	(48)	(49)	(50)	(51)
<b>Net cash from financing activities.....</b>	<b>(53)</b>	<b>(66)</b>	<b>(52)</b>	<b>(48)</b>	<b>(49)</b>	<b>(50)</b>	<b>(51)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>29,918</b>	<b>(1,729)</b>	<b>4,813</b>	<b>(4,531)</b>	<b>(1,089)</b>	<b>(1,094)</b>	<b>(218)</b>
Cash assets at the beginning of the reporting period .....	35,516	29,914	65,434	60,196	55,665	54,576	53,482
Net cash transferred to/from other agencies .....	-	-	(10,051)	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>65,434</b>	<b>28,185</b>	<b>60,196</b>	<b>55,665</b>	<b>54,576</b>	<b>53,482</b>	<b>53,264</b>

(a) Full audited financial statements are published in the Commission's Annual Report.

(b) A determination by the Treasurer, pursuant to section 23 of the *Financial Management Act 2006*, provides for the retention of some cash receipts by the Commission. Refer to the Net Appropriation Determination table below for further information. Other receipts are retained under the authority of other relevant Acts of Parliament.

**NET APPROPRIATION DETERMINATION (a)**

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>Grants and Subsidies</b>							
Other Grant Funding .....	4,048	5,259	4,055	5,863	5,034	4,880	1,906
<b>National Health Reform Agreement</b>							
Commonwealth Grants .....	298,569	274,592	312,741	342,905	362,994	383,008	404,238
<b>Other Receipts</b>							
Other Revenue .....	1,072	555	1,538	1,539	564	572	582
<b>TOTAL .....</b>	<b>303,689</b>	<b>280,406</b>	<b>318,334</b>	<b>350,307</b>	<b>368,592</b>	<b>388,460</b>	<b>406,726</b>

(a) The moneys received and retained are to be applied to the Commission's services as specified in the Budget Statements.

**DETAILS OF ADMINISTERED TRANSACTIONS**

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>INCOME</b>							
<b>Other</b>							
Administered Appropriation .....	11,254	11,518	11,811	14,363	12,913	13,423	13,946
Other Revenue .....	141	42	523	-	-	-	-
Services Received Free of Charge .....	1,273	1,306	1,306	1,502	1,359	1,359	1,414
<b>TOTAL ADMINISTERED INCOME .....</b>	<b>12,668</b>	<b>12,866</b>	<b>13,640</b>	<b>15,865</b>	<b>14,272</b>	<b>14,782</b>	<b>15,360</b>
<b>EXPENSES</b>							
<b>Other</b>							
Mental Health Advocacy Service .....	4,235	4,134	4,490	6,240	4,514	4,644	4,734
Mental Health Tribunal .....	3,510	4,134	4,924	4,574	4,561	4,717	4,918
Office of the Chief Psychiatrist .....	4,299	4,598	4,928	5,251	5,207	5,430	5,708
<b>TOTAL ADMINISTERED EXPENSES (a) .....</b>	<b>12,044</b>	<b>12,866</b>	<b>14,342</b>	<b>16,065</b>	<b>14,282</b>	<b>14,791</b>	<b>15,360</b>

(a) The administered entities' full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 36, 41 and 45 respectively.

### Agency Special Purpose Account Details

#### STATE MANAGED FUND SPECIAL PURPOSE ACCOUNT

Account Purpose: The State Managed Fund Special Purpose Account provides a mechanism to receive Commonwealth funding for mental health related activity from the State Pool Special Purpose Account for non-activity-based hospital services and State funding for non-activity-based hospital services, as required under the National Health Reform Agreement.

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000
Opening Balance .....	-	-	-	-
Receipts:				
State Contributions .....	306,737	315,543	345,259	353,029
Commonwealth Contributions .....	136,869	120,667	143,543	173,349
	443,606	436,210	488,802	526,378
Payments .....	443,606	436,210	488,802	526,378
<b>CLOSING BALANCE</b> .....	-	-	-	-

**Division 23 Health and Disability Services Complaints Office**

**Part 5 Health**

**Appropriations, Expenses and Cash Assets**

	2021-22 Actual \$'000	2022-23 Budget \$'000	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>DELIVERY OF SERVICES</b>							
Item 56 Net amount appropriated to deliver services .....	2,746	3,684	3,815	3,706	3,667	3,725	3,815
<b>Amount Authorised by Other Statutes</b>							
- Salaries and Allowances Act 1975 .....	238	240	240	242	248	254	261
Total appropriations provided to deliver services.....	2,984	3,924	4,055	3,948	3,915	3,979	4,076
<b>CAPITAL</b>							
Item 131 Capital Appropriation.....	4	4	4	4	4	4	4
<b>TOTAL APPROPRIATIONS</b> .....	2,988	3,928	4,059	3,952	3,919	3,983	4,080
<b>EXPENSES</b>							
Total Cost of Services .....	3,191	4,211	4,387	4,224	4,204	4,266	4,363
Net Cost of Services <sup>(a)</sup> .....	3,174	4,181	4,357	4,208	4,174	4,236	4,333
<b>CASH ASSETS</b> <sup>(b)</sup> .....	896	821	829	828	827	826	828

(a) Represents Total Cost of Services (expenses) less retained revenues applied to the Office's services. Reconciliation to the total appropriations provided to deliver services includes adjustments related to movements in cash balances and other accrual items such as resources received free of charge, receivables, payables and superannuation.

(b) As at 30 June each financial year.

**Spending Changes**

Recurrent spending changes, other than cashflow timing changes and non-discretionary accounting adjustments, impacting on the Office's Income Statement since presentation of the 2022-23 Budget to Parliament on 12 May 2022, are outlined below:

	2022-23 Estimated Actual \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>New Initiative</b>					
Election Commitment - National Code of Conduct for Health Care Workers Communications Strategy.....	45	-	-	-	-
<b>Other</b>					
ICT Asset Replacement .....	-	22	23	23	24
Public Sector Wages Policy .....	126	129	168	211	291
Salaries and Allowances Tribunal.....	-	-	5	11	18

## Significant Issues Impacting the Agency

1. The Office is contributing to regulatory reform to protect community health and safety. The *Health and Disability Services (Complaints) Amendment Act 2022* (Amendment Act) received the Royal Assent on 28 October 2022 and will come into operation on a day fixed by proclamation. The Amendment Act provides the legislative framework for administering the National Code of Conduct for health care workers (the National Code) in Western Australia. Implementation of the National Code is a Government election commitment.
2. A statutory review of the *Health and Disability Services (Complaints) Act 1995* and Part 6 of the *Disability Services Act 1993* (the Statutory Review) commenced in the 2022-23 financial year. The Statutory Review has a broadened scope as a result of the Government's response to the Education and Health Standing Committee Report on the Inquiry into the Esther Foundation and Unregulated Private Health Facilities. The Statutory Review will consider the benefits of broadening the Office's jurisdiction to include community services.
3. The Office is committed to supporting patient-centred care and the principle of putting patients first. The Office contributes through the provision of a quality independent complaint resolution service and the provision of education and training to support service improvement. The sharing of complaint data also assists the health, disability and mental health sectors to improve service quality.

## Resource Agreement

The following performance information (financial and non-financial) is the subject of a Resource Agreement signed by the Minister, Accountable Authority and Treasurer under Part 3, Division 5 of the *Financial Management Act 2006*.

## Outcomes, Services and Key Performance Information

### Relationship to Government Goals

Broad government goals are supported at agency level by specific outcomes. Agencies deliver services to achieve these outcomes. The following table illustrates the relationship between the Office's services, the desired outcomes and the relevant Government Goal. The key effectiveness indicators measure the extent of impact of the delivery of services on the achievement of desired outcomes. The key efficiency indicators monitor the relationship between the service delivered and the resources used to produce the service.

Government Goal	Desired Outcome	Services
Safe, Strong and Fair Communities: Supporting our local and regional communities to thrive.	Improvement in the delivery of health and disability services.	1. Complaints Management: Assessment, Negotiated Settlement, Conciliation and Investigation of Complaints 2. Education: Education and Training in the Prevention and Resolution of Complaints

### Service Summary

Expense	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual \$'000	Budget \$'000	Estimated Actual \$'000	Budget Year \$'000	Outyear \$'000	Outyear \$'000	Outyear \$'000
1. Complaints Management: Assessment, Negotiated Settlement, Conciliation and Investigation of Complaints.....	2,293	2,911	2,988	2,930	2,869	2,911	2,932
2. Education: Education and Training in the Prevention and Resolution of Complaints...	898	1,300	1,399	1,294	1,335	1,355	1,431
<b>Total Cost of Services .....</b>	<b>3,191</b>	<b>4,211</b>	<b>4,387</b>	<b>4,224</b>	<b>4,204</b>	<b>4,266</b>	<b>4,363</b>



**Outcomes and Key Effectiveness Indicators <sup>(a)</sup>**

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
<b>Outcome: Improvement in the delivery of health and disability services:</b>					
Proportion of service improvements resulting in implementation by service providers .....	85%	80%	80%	80%	

(a) Further detail in support of the key effectiveness indicators is provided in the Office's Annual Report.

**Services and Key Efficiency Indicators****1. Complaints Management: Assessment, Negotiated Settlement, Conciliation and Investigation of Complaints**

The Office provides an impartial resolution service for complaints relating to health, disability and mental health services provided in Western Australia and the Indian Ocean Territories. The Office delivers complaint management services through assessment, negotiated settlement, conciliation and investigation of complaints.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
Total Cost of Service.....	\$'000 2,293	\$'000 2,911	\$'000 2,988	\$'000 2,930	
Less Income .....	17	30	30	16	
Net Cost of Service .....	2,276	2,881	2,958	2,914	
<b>Employees (Full-Time Equivalents) .....</b>	16	16	16	16	
<b>Efficiency Indicators</b>					
Percentage of complaints assessed within legislation timeframes.....	98%	90%	90%	90%	
Average cost per finalised complaint .....	\$753	\$972	\$1,099	\$992	1

**Explanation of Significant Movements**

(Notes)

1. The decrease in the average cost per finalised complaint in the 2023-24 Budget Target compared to the 2022-23 Estimated Actual is attributable to an anticipated increase in complaint volumes.

## 2. Education: Education and Training in the Prevention and Resolution of Complaints

The Office is responsible for collaborating with stakeholders to review and identify the causes of complaints and suggesting ways to minimise those causes. The Office assists and educates providers to improve complaints management procedures and shares information about the Office's work with specific stakeholders and the public in general.

	2021-22 Actual	2022-23 Budget	2022-23 Estimated Actual	2023-24 Budget Target	Note
	\$'000	\$'000	\$'000	\$'000	
Total Cost of Service.....	898	1,300	1,399	1,294	
Less Income .....	nil	nil	nil	nil	
Net Cost of Service .....	898	1,300	1,399	1,294	
<b>Employees (Full-Time Equivalents) .....</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>5</b>	
<b>Efficiency Indicators</b>					
Average cost per development, production and distribution of information ....	\$14,671	\$17,715	\$20,232	\$19,821	1
Average cost per presentation, awareness raising, consultation and networking activities .....	\$3,297	\$3,839	\$3,959	\$3,994	

### Explanation of Significant Movements

(Notes)

- The increase from 2021-22 Actual to 2022-23 Budget is due to the implementation of the National Code and Statutory Review. The increase from 2022-23 Budget to 2022-23 Estimated Actual is a result of expenditure on the National Code communication strategy. The finalisation of the implementation phase for the National Code results in the minor decrease for 2023-24 Budget Target.

### Asset Investment Program

	Estimated Total Cost \$'000	Estimated Expenditure to 30-6-23 \$'000	2022-23 Estimated Expenditure \$'000	2023-24 Budget Year \$'000	2024-25 Outyear \$'000	2025-26 Outyear \$'000	2026-27 Outyear \$'000
<b>COMPLETED WORKS</b>							
Case Management System .....	513	513	22	-	-	-	-
<b>Total Cost of Asset Investment Program.....</b>	<b>513</b>	<b>513</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUNDED BY</b>							
Internal Funds and Balances.....			22	-	-	-	-
<b>Total Funding .....</b>			<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Financial Statements

INCOME STATEMENT <sup>(a)</sup>  
(Controlled)

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>COST OF SERVICES</b>							
<b>Expenses</b>							
Employee benefits <sup>(b)</sup> .....	2,355	3,167	3,293	3,273	3,303	3,362	3,449
Supplies and services .....	398	531	536	441	395	401	409
Accommodation .....	318	340	340	340	340	340	340
Depreciation and amortisation .....	52	52	56	56	58	56	56
Finance and interest costs.....	-	1	2	1	1	-	2
Other expenses.....	68	120	160	113	107	107	107
<b>TOTAL COST OF SERVICES .....</b>	<b>3,191</b>	<b>4,211</b>	<b>4,387</b>	<b>4,224</b>	<b>4,204</b>	<b>4,266</b>	<b>4,363</b>
<b>Income</b>							
Grants and subsidies.....	17	30	30	16	30	30	30
<b>Total Income.....</b>	<b>17</b>	<b>30</b>	<b>30</b>	<b>16</b>	<b>30</b>	<b>30</b>	<b>30</b>
<b>NET COST OF SERVICES .....</b>	<b>3,174</b>	<b>4,181</b>	<b>4,357</b>	<b>4,208</b>	<b>4,174</b>	<b>4,236</b>	<b>4,333</b>
<b>INCOME FROM GOVERNMENT</b>							
Service appropriations.....	2,984	3,924	4,055	3,948	3,915	3,979	4,076
Resources received free of charge .....	257	257	257	257	257	257	257
Other revenues .....	2	-	-	-	-	-	-
<b>TOTAL INCOME FROM GOVERNMENT .....</b>	<b>3,243</b>	<b>4,181</b>	<b>4,312</b>	<b>4,205</b>	<b>4,172</b>	<b>4,236</b>	<b>4,333</b>
<b>SURPLUS/(DEFICIENCY) FOR THE PERIOD.....</b>	<b>69</b>	<b>-</b>	<b>(45)</b>	<b>(3)</b>	<b>(2)</b>	<b>-</b>	<b>-</b>

(a) Full audited financial statements are published in the Office's Annual Report.

(b) The full-time equivalents for 2021-22 Actual, 2022-23 Estimated Actual and 2023-24 Budget Year are 22, 22 and 21 respectively.

**STATEMENT OF FINANCIAL POSITION (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CURRENT ASSETS</b>							
Cash assets .....	817	765	750	749	748	747	749
Restricted cash .....	36	23	36	36	36	36	36
Holding Account receivables .....	-	10	5	6	7	7	7
Receivables .....	10	14	10	10	10	10	10
Other.....	74	22	74	74	74	74	74
<b>Total current assets .....</b>	<b>937</b>	<b>834</b>	<b>875</b>	<b>875</b>	<b>875</b>	<b>874</b>	<b>876</b>
<b>NON-CURRENT ASSETS</b>							
Holding Account receivables .....	105	149	153	202	251	300	349
Property, plant and equipment.....	35	23	27	19	11	35	26
Intangibles .....	365	347	339	291	243	195	147
Restricted cash .....	43	33	43	43	43	43	43
<b>Total non-current assets .....</b>	<b>548</b>	<b>552</b>	<b>562</b>	<b>555</b>	<b>548</b>	<b>573</b>	<b>565</b>
<b>TOTAL ASSETS .....</b>	<b>1,485</b>	<b>1,386</b>	<b>1,437</b>	<b>1,430</b>	<b>1,423</b>	<b>1,447</b>	<b>1,441</b>
<b>CURRENT LIABILITIES</b>							
Employee provisions .....	498	490	498	498	498	498	498
Payables .....	10	22	5	5	5	5	5
Borrowings and leases .....	7	5	9	9	8	10	10
Other.....	49	66	49	49	49	49	49
<b>Total current liabilities .....</b>	<b>564</b>	<b>583</b>	<b>561</b>	<b>561</b>	<b>560</b>	<b>562</b>	<b>562</b>
<b>NON-CURRENT LIABILITIES</b>							
Employee provisions .....	31	22	31	31	31	31	31
Borrowings and leases .....	23	12	13	5	-	21	13
<b>Total non-current liabilities .....</b>	<b>54</b>	<b>34</b>	<b>44</b>	<b>36</b>	<b>31</b>	<b>52</b>	<b>44</b>
<b>TOTAL LIABILITIES.....</b>	<b>618</b>	<b>617</b>	<b>605</b>	<b>597</b>	<b>591</b>	<b>614</b>	<b>606</b>
<b>EQUITY</b>							
Contributed equity .....	(536)	(535)	(526)	(522)	(521)	(520)	(518)
Accumulated surplus/(deficit).....	1,403	1,304	1,358	1,355	1,353	1,353	1,353
<b>Total equity .....</b>	<b>867</b>	<b>769</b>	<b>832</b>	<b>833</b>	<b>832</b>	<b>833</b>	<b>835</b>
<b>TOTAL LIABILITIES AND EQUITY .....</b>	<b>1,485</b>	<b>1,386</b>	<b>1,437</b>	<b>1,430</b>	<b>1,423</b>	<b>1,447</b>	<b>1,441</b>

(a) Full audited financial statements are published in the Office's Annual Report.

**STATEMENT OF CASHFLOWS (a)**  
**(Controlled)**

	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27
	Actual	Budget	Estimated	Budget	Outyear	Outyear	Outyear
	\$'000	\$'000	Actual	Year	\$'000	\$'000	\$'000
			\$'000	\$'000			
<b>CASHFLOWS FROM GOVERNMENT</b>							
Service appropriations.....	2,932	3,871	4,002	3,898	3,865	3,930	4,027
Capital appropriation .....	4	4	4	4	4	4	4
<b>Net cash provided by Government .....</b>	<b>2,936</b>	<b>3,875</b>	<b>4,006</b>	<b>3,902</b>	<b>3,869</b>	<b>3,934</b>	<b>4,031</b>
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>							
<b>Payments</b>							
Employee benefits.....	(2,400)	(3,167)	(3,293)	(3,263)	(3,303)	(3,362)	(3,449)
Supplies and services .....	(208)	(336)	(381)	(234)	(180)	(186)	(195)
Accommodation .....	(266)	(278)	(278)	(278)	(278)	(278)	(278)
Finance and interest costs.....	-	(1)	(2)	(1)	(1)	-	(2)
Other payments.....	(62)	(120)	(120)	(135)	(130)	(130)	(128)
<b>Receipts</b>							
Grants and subsidies.....	17	30	30	16	30	30	30
Other receipts .....	1	-	-	-	-	-	-
<b>Net cash from operating activities .....</b>	<b>(2,918)</b>	<b>(3,872)</b>	<b>(4,044)</b>	<b>(3,895)</b>	<b>(3,862)</b>	<b>(3,926)</b>	<b>(4,022)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>							
Purchase of non-current assets.....	(11)	-	(22)	-	-	-	-
<b>Net cash from investing activities.....</b>	<b>(11)</b>	<b>-</b>	<b>(22)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>							
Repayment of borrowings and leases.....	(5)	(9)	(7)	(8)	(8)	(9)	(7)
<b>Net cash from financing activities.....</b>	<b>(5)</b>	<b>(9)</b>	<b>(7)</b>	<b>(8)</b>	<b>(8)</b>	<b>(9)</b>	<b>(7)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD .....</b>	<b>2</b>	<b>(6)</b>	<b>(67)</b>	<b>(1)</b>	<b>(1)</b>	<b>(1)</b>	<b>2</b>
Cash assets at the beginning of the reporting period .....	901	827	896	829	828	827	826
Net cash transferred to/from other agencies.....	(7)	-	-	-	-	-	-
<b>Cash assets at the end of the reporting period .....</b>	<b>896</b>	<b>821</b>	<b>829</b>	<b>828</b>	<b>827</b>	<b>826</b>	<b>828</b>

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