



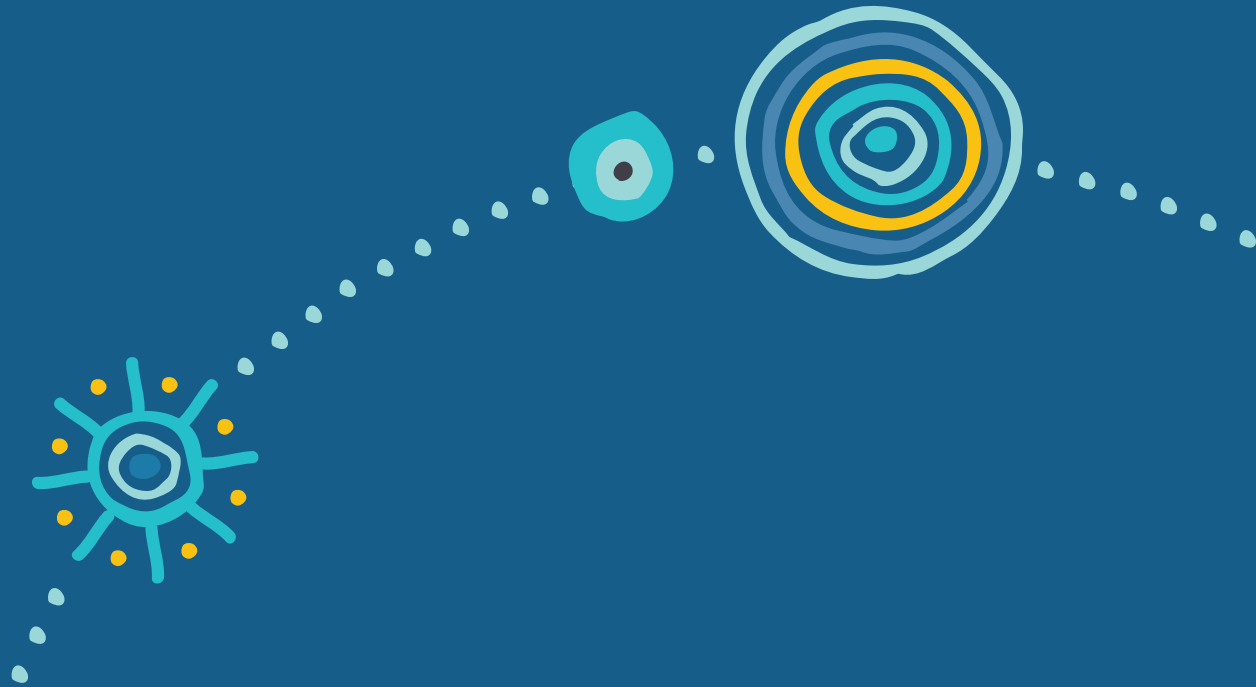
Government of Western Australia
Department of Communities



Department of Communities

2017–18

Annual Report



Statement of compliance



Hon Simone McGurk MLA

Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services



Hon Stephen Dawson MLC

Minister for Environment; Disability Services



Hon Peter Tinley AM MLA

Minister for Housing; Veterans Issues; Youth



Hon Mick Murray MLA

Minister for Seniors and Ageing; Volunteering; Sport and Recreation



Hon Alannah MacTiernan MLC

Minister for Regional Development; Agriculture and Food; Minister assisting the Minister for State Development, Jobs and Trade

For the year ended 30 June 2018

In accordance with section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament the annual report of the Department of Communities for the financial year ended 30 June 2018.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

A handwritten signature in black ink, appearing to read 'Grahame Searle'.

Grahame Searle
Accountable Authority

14 September 2018

Accessibility statement

This annual report has been designed and written to make it accessible to as many people as possible. This has made the report larger than usual, but ensures that people with vision impairment and people who use screen readers are able to read it. The report is also available online in two formats – PDF and Word. This report can be provided in other formats upon request.

Acknowledgement of country and peoples

We acknowledge the Aboriginal and Torres Strait Islander peoples as traditional custodians of this land and pay respect to Elders past, present and future.

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If you are deaf or have a hearing or speech impairment, contact us through the National Relay Service. For more information visit www.relayservices.gov.au.

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Overview



Executive summary



I am pleased to present the first annual report of the Department of Communities, which marks the end of a very busy year. Communities came together on 1 July

2017, and since that time we have continued the great work of our former agencies, while working more collectively to get better outcomes for the people we're here to serve.

As the flagship department for the reform of human services in Western Australia, Communities has a unique opportunity to fundamentally improve the way in which people receive our services and ensure a timely, coherent, person-centred response.

Despite the challenges presented in merging an organisation of this size, I have been delighted by the willingness of staff to get on board with a different way of working, to ensure the whole genuinely is greater than the sum of its parts.

This is in no small way due to our shared DNA.

Each of the former agencies and their component parts were focussed on

delivering quality services and diverse, healthy and well-functioning places, with safe, secure homes for people across Western Australia. Now, as a single department we have embraced "People, Place, Home" as our tagline, and "collaborating to create pathways that enable individual, family and community wellbeing" as our ultimate purpose.

At the core of everything we do and why we do it are the **People** who make up our communities across Western Australia.

We focus our efforts on building **Places** that are inclusive and connected and offer everyone the opportunity to prosper.

And we support children and families so that they can have a physically and emotionally secure place to call **Home**.

We also recognise that people's lives are diverse and inter-connected, and our services need to respond accordingly. Here lies the strength of our new agency: being able to combine our expertise and take a strengths-based approach to designing person-centred responses and better ways of working for the community.

And we're already seeing the positive results that flow from taking this kind of approach.

For example, a young man with complex issues, destined for a care facility for the elderly, has been given a safe, affordable and appropriate home thanks to the hard work and collaboration of our frontline service delivery staff, flexible interpretation of policies and a willingness by everyone involved to think differently.

This same spirit of collaboration and innovation saw staff secure appropriate housing so that a three-month old baby could be looked after by her grandmother, rather than being placed in non-relative foster care, and enable that baby to grow up connected to family and culture.

The structure of our new agency reflects this new approach. Our first year has seen the integration of our strategy, policy, corporate operations and commissioning areas to streamline our agency while maintaining specialisation and portfolio expertise where it's needed.

Our transformation of service design and delivery is starting in the Kimberley – our test bed for the devolution of decision-making to the regions in the design, coordination and oversight of services so that they can deliver local responses that suit community needs. We know that what works in the suburbs of Perth

may not work in Esperance or Katanning or other parts of the State; and as a department, we will continue to learn and grow from our activities in the Kimberley and look to roll out further place-based delivery models across the State.

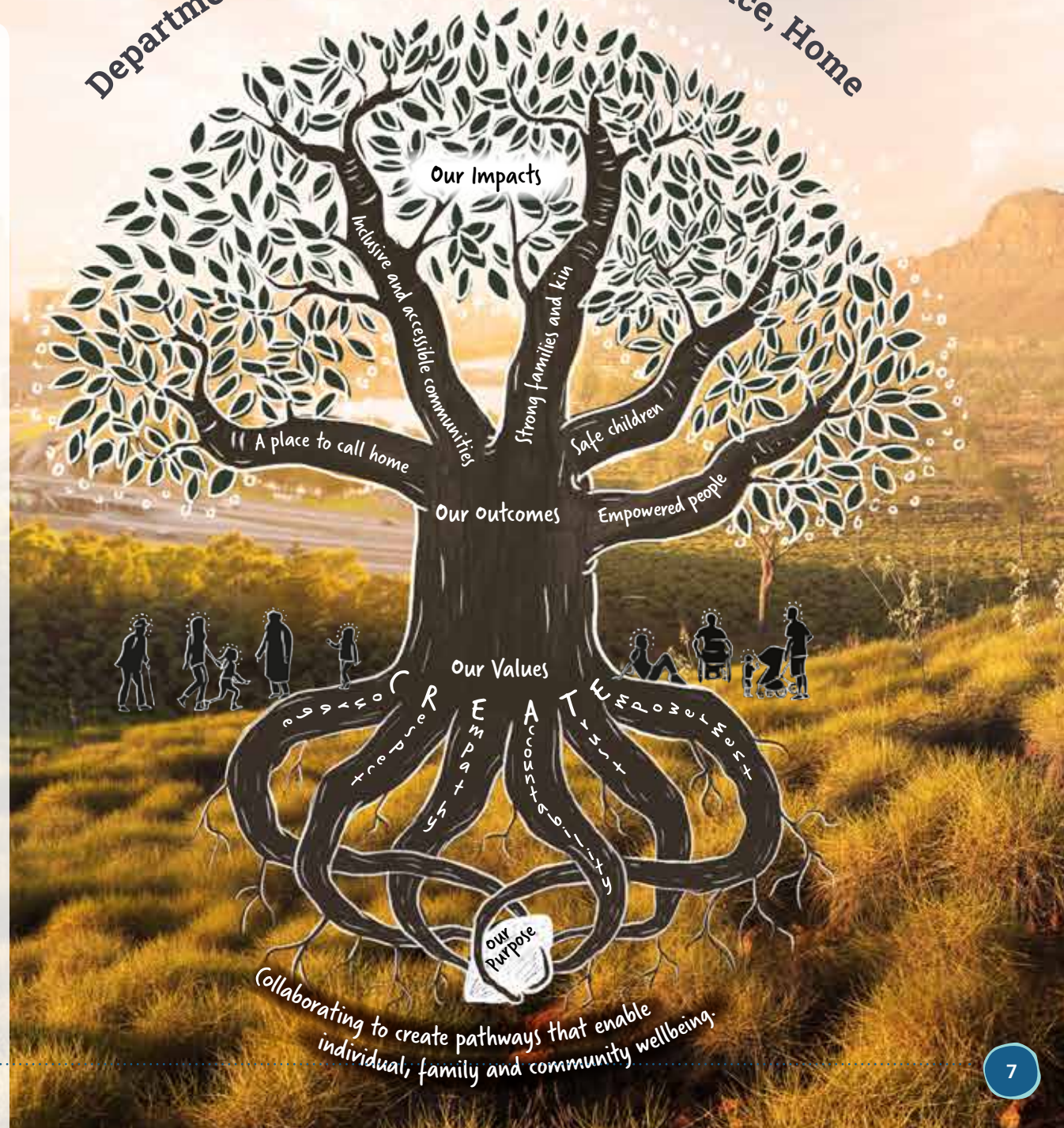
There is no doubt we have a long way to go in our transformation, but I assure you that our workforce of almost 6,000 people located across the State has accepted the challenge of working together in new and different ways to achieve better outcomes for individuals and families.

This is reflected in the results of the Public Sector Commission's 2018 employee perception survey, where Communities reported the equal second highest employee engagement level of 62 per cent when compared with eight other agencies amalgamated as part of machinery of government changes.

We recognise the unique opportunity our agency has to bring about true and lasting social change and look forward to bringing you stories on our success in making a positive difference to the lives of Western Australians.

Grahame Searle
Director General

Department of Communities – People, Place, Home



Operational structure

Responsible Ministers

At 30 June 2018, the Department of Communities was responsible to the following Ministers:

Hon Simone McGurk MLA

Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services

Hon Stephen Dawson MLC

Minister for Environment; Disability Services

Hon Peter Tinley AM MLA

Minister for Housing; Veterans Issues; Youth

Hon Mick Murray MLA

Minister for Seniors and Ageing; Volunteering; Sport and Recreation

Hon Alannah MacTiernan MLC

Minister for Regional Development; Agriculture and Food; Minister assisting the Minister for State Development, Jobs and Trade

Enabling legislation

The Department of Communities was established on 1 July 2017 under the *Public Sector Management Act 1994* as part of machinery of government changes. It was formed from several agencies and their components:

- Department for Child Protection and Family Support
- Department of Housing (including Housing Authority)
- Disability Services Commission
- Communities component of the Department of Local Government and Communities
- Regional Services Reform Unit
- Regional coordination and engagement component of the Department of Aboriginal Affairs.

The Disability Services Commission was established under the *Disability Services Act 1993* to provide and improve supports and services to people with disability.

The Housing Authority is a statutory authority established under the *Housing Act 1980* to provide and improve housing and accommodation in Western Australia (WA).

The Disability Services Commission and Housing Authority have specific reporting requirements in accordance with the *Financial Management Act 2006* and have, therefore, prepared separate Annual Reports to meet those requirements. All other information for the financial year is contained in this Annual Report.

Administered legislation

Communities administers the following legislation:

Adoption Act 1994

Carers Recognition Act 2004

Child Care Services Act 2007

Children and Community Services Act 2004

Country Housing Act 1998

Declared Places (Mentally Impaired Accused) Act 2015

Disability Services Act 1993

Education and Care Services National Law (WA) Act 2012

Government Employees' Housing Act 1964

Housing Act 1980

Housing Societies Repeal Act 2005

Volunteers and Food and Other Donors (Protection from Liability) Act 2002

Working with Children (Criminal Record Checking) Act 2004

Reviews of administered legislation

The statutory review of the *Children and Community Services Act 2004* was tabled in State Parliament in November 2017. The review made 70 recommendations for improving the operation and effectiveness of the Act, including:

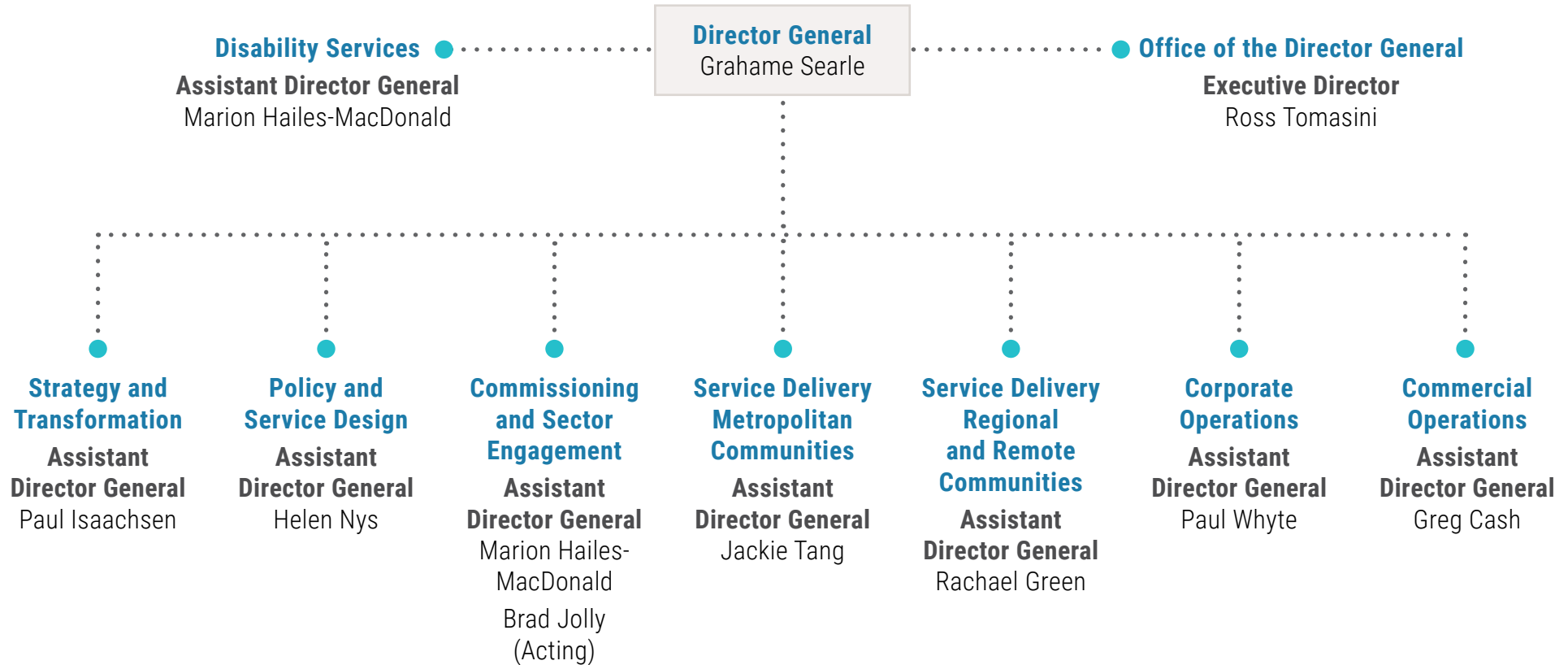
- improving outcomes for Aboriginal children in care through increasing the participation and involvement of Aboriginal people in decision-making processes
- promoting the timely delivery of cross-government services to children and young people who are, or have been, in care
- increasing independent oversight of out-of-home care.

The State Government is considering the recommendations.

In 2018, Communities commenced reviews of the *Adoption Act 1994* and the *Carers Recognition Act 2004*. Both reviews will be completed by the end of the year.

Organisational structure

Department of Communities Corporate Structure



Corporate Executive



Grahame Searle
Director General

Grahame is driving the integration of the new Department of Communities and the broader transformation of the way human services are delivered across WA. Grahame successfully led major organisational change in his former roles as Regional Services Reform Unit Leader (2015-2017), Department of Housing Director General (2008-2015) and Landgate Chief Executive Officer (2004-2008).



Paul Isaachsen
Assistant Director General,
Strategy and Transformation

Paul leads the division that sets the Department of Communities' direction, outcomes and priorities. His background is in law and public policy, and he has experience in a diverse range of policy areas, including domestic violence, health, macroeconomics, transport and welfare reform.



Helen Nys
Assistant Director General,
Policy and Service Design

Helen is responsible for developing evidence-based strategies, policies, models and initiatives that shape integrated services, focusing on how we can get better outcomes for people rather than better program outcomes. Helen has previously worked in executive roles at the Disability Services Commission, where she was involved in negotiations on the delivery of the National Disability Insurance Scheme.



Marion Hailes-MacDonald
Assistant Director General,
Disability Services

Marion is overseeing the transition to the National Disability Insurance Scheme (NDIS) and the integration of those services that are not transitioning to the NDIS into broader government to ensure continuity of services for people with disability. She has extensive experience in the disability sector and has led significant funding and policy direction and reform across both State and national agendas.



Brad Jolly (Acting)
Assistant Director General,
Commissioning and Sector Engagement

Brad has stewardship of developing and overseeing responsive service systems and high performing services. He manages service contracts and relationships and shapes provider markets to respond to client needs and policy outcomes. Brad is the former Chair of the National Early Childhood Policy Group, which provides advice on early childhood education policy to the Council of Australian Governments' Education Council.



Jackie Tang
Assistant Director General,
State-wide Service Delivery

Jackie oversees the delivery of outcomes for people and communities in the Perth metropolitan area. Her role incorporates child protection and family support, community, disability and housing services. Jackie has overseen State-wide operational service delivery of community reintegration, healthcare, education and rehabilitation for disadvantaged and vulnerable people.



Rachael Green
**Assistant Director General,
Service Delivery Regional and
Remote Communities**

Rachael oversees the delivery of outcomes in regional and remote communities, with a focus on services tailored for the combination of complex client needs, vast distances and small population centres. Rachael was previously the Youth Justice Services Deputy Commissioner. She has extensive experience in operational service delivery and expertise in service design and reform.



Paul Whyte
**Assistant Director General,
Corporate Operations**

Paul oversees internal governance, standards and integrity, and corporate assurance and performance. Paul was previously Housing Authority Acting Chief Executive Officer and Department of Housing Acting Director General, and has previously served on the board of Keystart and significant land joint venture projects.



Greg Cash
**Assistant Director General,
Commercial Operations**

Greg is responsible for delivering housing and community assets, focusing on inclusion, diversity and affordability. He establishes partnerships with the private sector to develop new and renewed communities. Greg has more than 20 years' experience in the leadership, management and delivery of social and affordable housing in WA.



Ross Tomasini
**Executive Director,
Office of the Director General**

Ross oversees the strategic governance functions of the Office of the Director General, including liaison with ministerial offices, corporate communications and audit. Ross has held a number of senior management roles at Western Australia Police Force and was awarded the Australian Police medal in the 2011 Australia Day honours list.

Who we are

People, Place, Home

The concept of People, Place, Home describes the essence of why the Department of Communities exists and why our work is so important to all Western Australians. We provide services to a diverse range of people, including people with disability, children who are in the legal care of the State and those who need a place to call home.

Our purpose is to create an environment of collaboration to shape pathways that enable individual, family and community wellbeing. We do this by focusing on our five outcome areas:

- A place to call home – that provides a secure foundation for life
- Inclusive and accessible communities – that enable social, economic and cultural prosperity
- Strong families and kin – to provide safe and nurturing environments
- Safe children – to enable a good start to life
- Empowered people – with valued roles and fulfilling lives



Our organisational values have been developed with our staff. They form the acronym CREATE.

- **Courage:** we understand that what is right is not always easy. To achieve something new, we must be willing to both think creatively and do what we have never done before.
- **Respect:** we treat everyone with dignity and fairness. We recognise contribution and value diversity.
- **Empathy:** we extend ourselves to understand the perspectives and experiences of others; to actively 'walk in their shoes'. We communicate and act in a way that is respectful and makes sense to others.
- **Accountability:** we are individually accountable and collectively responsible. We own our actions and see them through for the best possible outcomes.
- **Trust:** we say what we mean and act accordingly. We are honest in our dealings and use of resources. We keep our promises and act with integrity.
- **Empowerment:** we help our colleagues, individuals and the community to be the best they can be.

When we combine our efforts with others, when we move from a focus on good individual programs to great collective outcomes, we can have an even more profound impact on the lives of the people we serve.





Simon's story

In March 2018, Broome local Simon* was sentenced to 18 months in prison. A public housing tenant since July 2011, he presented no past tenancy issues and qualified as a good tenant. Simon is the primary carer of his two young children, aged two and one, who were being monitored by Communities due to his 'on again, off again' relationship with their mother, Erica.*

After his arrest, Simon added Erica and his youngest child as householders for the tenancy, while the oldest child was taken into care by Simon's mother. But Erica didn't pay rent while Simon was in jail and, at one point, the power supply was cut. Despite efforts by Communities to reconnect the service, the youngest child also ended up going into Simon's mother's care.

Simon's mother was living with other family members, as she was in the process of relocating to Derby. She decided to postpone the move to care for her grandchildren, but the addition

of two kids to the family home caused overcrowding in their household. Even in a caring family environment, increasing in the number of people sharing a space can add pressure and cause tensions.

Given his diagnosed mental health condition, Simon's nurse in prison expressed concerns for Simon's mental health after his arrest, as he seemed stressed and anxious with his housing situation and the wellbeing of his children.

In July 2018, Communities' Regional Recovery Officer Alan Ingram became involved. It was confirmed that Erica had vacated the property, which meant Simon had been accumulating arrears and an official notice to terminate the housing agreement had been issued.

However, Communities assessed Simon's family situation holistically and looked at his specific circumstances.





Simon's parole hearing was scheduled within the next four months. According to the Department of Justice guidelines and considerations for early release, Simon's chances of being granted parole would increase significantly if he had a permanent home to return to.

In consideration of Simon's circumstances, Communities decided to flexibly apply our tenancy policies dealing with incarceration and housesitting, so that Simon's mother could housesit in Simon's rental and look after his children there, with the support of Communities staff, while he waited for parole.

Before, Simon was concerned about where he would live when he came out of prison, but prison staff noted an improvement in his overall wellbeing since knowing that his mother and Communities' teams were working together to ensure his family was taken care of.

Focussing on the rigid application of process, Simon's case is symbolic of Communities' journey towards

transforming the way services are delivered across WA.

Just over a year after the creation of the department, a greater focus on collaboration and a holistic approach to individual, family and community wellbeing are having a positive impact on all involved, including Communities' staff.

The message we are getting from the top is that Communities' staff need to be policy-centric, but not apply policy for policy's sake. We shouldn't allow the policies to become more important than the vulnerable people they are supposed to be protecting.

"Executive is supporting staff and empowering regional management to make these decisions," Alan said. "As the ones with the local knowledge and expertise, we are being encouraged to look at timely, realistic applications of policies to real life issues."


* Real names have been changed.

Agency performance



Year in review


Child protection services

 **5,029**
children in care

48%
of children in care were living with family



 **18,294**
child protection notifications

12,557 
safety and wellbeing assessments commenced

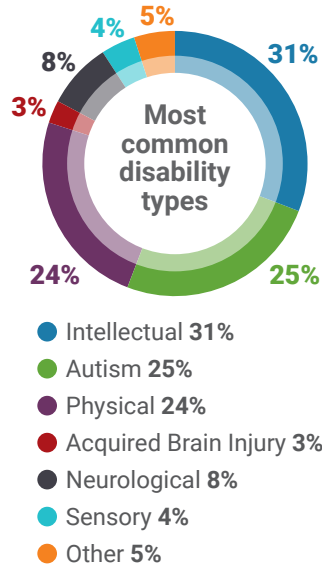
 **1,195**
protection orders granted

3,105 
mandatory reports received

 **46,886**
family and domestic violence incidents with and without children triaged by the Family and Domestic Violence Response Teams

Disability services

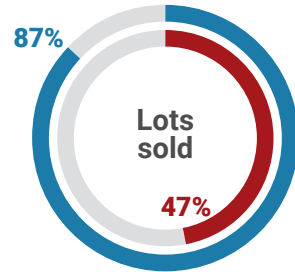

27,390
total number of people supported




210
disability sector organisations that received funding

Housing services

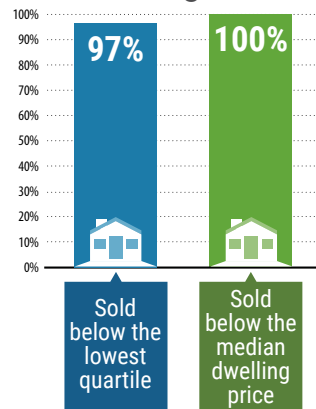
Stimulate diversity of housing supply



 Sold below median price

 Sold below lower quartile

Dwellings sold



 **2,789**
new loans
(\$982 million)

 **13,009**
assisted into private rentals with a bond assistance loan



3,511 
public housing applications accommodated
including 1,445 priority applications

13,912
households on the public housing waiting list




of this, **1,437** on the priority waiting list

 On average, **20,000** maintenance job orders issued per month


 **44,411**
residential properties managed and maintained


Community initiatives

+40,000



\$1 million+
invested in community sector programs to support seniors


\$1.38 million+
invested in volunteer related activities

 **\$1.7 million+**
invested in youth development and support services

 **289**
grants funded to the value of **\$7 million+**

Report on operations

A place to call home

A place to call home is not just about bricks and mortar. It means something different for everyone but should always have a few things in common, regardless of who we are. It should be safe; it should be functional; it should provide a sense of security, both physically and emotionally.

The Department of Communities (Communities) assists low to moderate income earners to access safe, secure housing through programs and initiatives targeted at providing affordable options for people, enabling them to participate in the economic and social prosperity of our State.





METRONET Social and Affordable Housing and Jobs Package

The METRONET Social and Affordable Housing and Jobs Package represents Communities' first large-scale application of our approach to create diverse and inclusive communities. It will increase the supply and range of affordable housing in transit oriented locations, including METRONET and existing train station precincts.

The \$394 million four-year package will provide 1,390 new homes, including 320 social housing dwellings and at least 400 affordable homes with up to 200 housing opportunities for vulnerable singles and couples on the priority public housing waiting list. The provision of inclusive housing options will be a key outcome of the package, including up to 300 homes that will be created with universal design.



Affordable Housing Action Plan

Since 1 January 2010, the former Housing Authority has driven an affordable housing strategy, with a target of providing 30,000 affordable homes for people on low to moderate incomes by 2020. In 2017-18, this target was exceeded. By 30 June 2018, more than 31,000 affordable homes had been provided through partnerships with the private and community sectors.

In 2017-18, the State Government's Affordable Housing Action Plan 2017 to 2020 was launched. The plan commits to providing 7,700 homes for people on low to moderate incomes, as well as investing in new construction that will support \$2.3 billion in economic activity and almost 6,000 jobs over three years. It also increases the previous 2010-2020 target to a minimum of 35,000 affordable homes by 2020.

Brabham

In May 2018, Communities signed a Development Management Agreement with real estate developer Peet for the Brabham development. Brabham is located on METRONET'S Morley-Ellenbrook rail line, close to the proposed location for the new Whiteman Station. It will be one of the biggest land and housing developments in Perth. Scheduled to start in 2019, it is expected to deliver about 3,000 lots over 20 years.



The Precincts

In May 2018, the Precincts was launched. The Precincts is the State's largest urban infill development opportunities that sets a new benchmark for medium-high density development. Each opportunity is strategically located within, or in proximity to, activity centres, transport infrastructure and established amenity within the greater Perth metropolitan region.

Development of the Precincts is expected to create more than 5,000 new dwellings across two phases – in Bentley and Joondalup (phase one) and Beaconsfield and Cannington (phase two) over the next 15 years.



Ellenbrook micro lots

Located near the proposed METRONET Ellenbrook train station, the Ellenbrook micro lots is an incorporated partnership between Communities and Morella Pty Ltd, and project managed by LWP Property Group. Two micro lot display homes in the town centre were opened in April 2018.

The project will see the development of affordable two and three-bedroom homes on green title sites under 100 square metres, using affordable, aspirational designs that are spacious and meet a 6-Star Energy Compliance rating.

The project received the 2017 Russel Perry Award for Urban Development Excellence and the 2017 Master Planned Development Award at the 2018 Urban Development Institute of Australia awards.

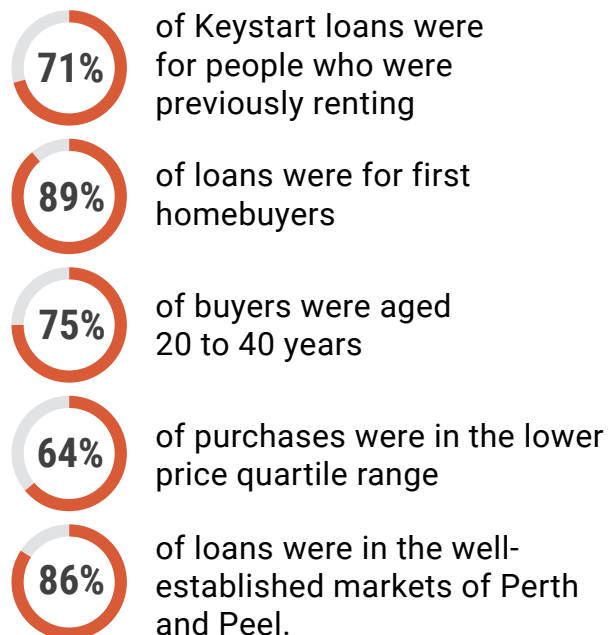


Keystart Home Loans

Keystart Home Loans' low deposit, no lender's mortgage insurance home loans assist low to moderate income earners, particularly first homebuyers. In 2017-18, Keystart approved 2,789 new loans valued at \$982 million.



Consistent with Keystart's target market, for 2017-18:



Through the standard low-deposit home loan scheme, Keystart approved 2,505 new standard loans in 2017-18, comprising 77 per cent for new construction and 23 per cent for established properties, with loans approved totalling \$921.9 million.

SharedStart is available to households wishing to buy a home constructed under Communities' shared equity home ownership scheme. In 2017-18, 185 SharedStart loans totalling \$39.9 million were provided by Keystart.

Goodstart assists public housing rental tenants and non-first home buyers move out of public housing rental into their own homes. In 2017-18, 28 loans to the value of \$5.2 million were approved.

Access helps people with permanent disability or those who care for a dependant with permanent disability to purchase a home. In 2017-18, 32 loans to the value of \$5.2 million were approved.

The Aboriginal home ownership scheme assists Aboriginal and Torres Strait Islander people to own their own home (through full and shared ownership options). During 2017-18, 31 loans were provided to the value of \$8.2 million.

The Sole Parent shared equity scheme helps sole parents retain their family home following a separation or bereavement. In 2017-18, eight loans to the value of \$1.6 million were approved.

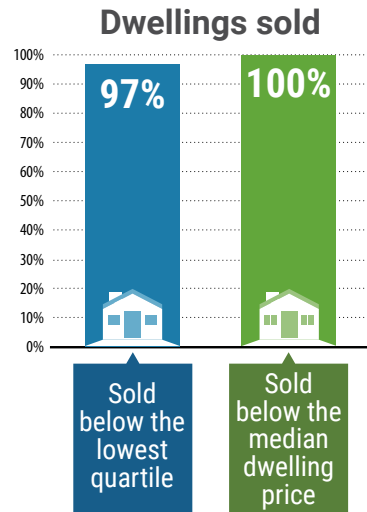


Affordable sales

Through the affordable sales program, Communities provides people on low to moderate incomes with the opportunity to purchase a home.

In 2017-18, 345 homes were completed for sale to the market, worth \$90.9 million. A total of 171 of those sales were part of the shared equity home ownership scheme, worth a total of \$41 million.

The average price per dwelling sold under the program was \$300,000 (full sale price). All the homes were sold under the median dwelling price and 97 per cent were sold below the lower price quartile.



Financial assistance for private rental tenants

Communities assists eligible Western Australians to enter private rental accommodation by supplying an interest-free loan to help pay the rental bond and two weeks' rent in advance.

A private rental assistance loan is also offered as an early intervention mechanism for Aboriginal clients to sustain their private rental tenancy when rent arrears caused by extraordinary circumstances places them at risk of eviction.

In 2017-18, 13,009 bond assistance loans (including rent in advance payments) and 62 private rental Aboriginal assistance loans were issued to the value of \$15.5 million.

Key worker and service worker accommodation

Communities provides worker accommodation in regional communities under the Affordable Housing Action Plan and Royalties for Regions – Housing for Workers initiative. The initiative addresses the shortage of supply of appropriate and affordable housing in regional locations, particularly in areas linked to major economic development or where there is an absence of an affordable private rental market.

In October 2017, Communities completed the Exmouth Service Worker Housing Project. The complex of 20 dwellings will provide housing for permanent residents in Exmouth on low to moderate incomes who are employed locally in non-mining industries.



Employment and education housing

Communities provides safe, supported and affordable housing for predominantly Aboriginal people relocating from remote areas of WA to access training, apprenticeships and work opportunities. Service providers are engaged to manage accommodation facilities in the Kimberley and Pilbara regions, and provide support services to the residents.

In March 2018, construction began on Aboriginal accommodation at St Catherine's College at the University of Western Australia's Crawley campus. The \$12.8 million investment through the National Partnership on Remote Housing will double the capacity of the University's Dandjoo Darbalung program to 100 students.



National Partnership on Remote Housing

Between 2008 and 2016, the National Partnership Agreement on Remote Indigenous Housing provided \$942 million in funding to address housing conditions and overcrowding, and improve property and tenancy management.

WA entered a new National Partnership on Remote Housing for 2016-17 and 2017-18, which replaced the final two years of the previous agreement. The new agreement sought to deliver similar outcomes but included higher Aboriginal employment and business engagement targets.

This funding agreement ended on 30 June 2018; however, some capital works under National Partnership on Remote Housing will continue until 2020-21 in support of Aboriginal employment outcomes.

Housing for non-government organisations

In 2017-18, Communities delivered the final 15 dwellings under the Non-Government Organisation Housing Strategic Intervention Stage 2 Project.

The dwellings (eight in Fitzroy Crossing and seven in Halls Creek) will enable local community organisations to support non-government organisations to provide services to regional communities.

Government Regional Officers' Housing

Communities provides accommodation to about 4,650 government officers working in health, education, law enforcement and other services.

In 2017-18, Communities managed 5,120 dwellings, of which 2,719 were owned by Communities and 2,401 were leased from the private market. Twenty new properties were constructed, including in remote WA communities and the Wheatbelt.

Homelessness

In 2017-18, Communities provided \$85 million to the community services sector for a range of homelessness services, including specialist family and domestic violence, youth, single adults and families.

Communities is leading the development of a 10-Year Homelessness Strategy, which is a partnership with the community services sector and a key project of the State Government's Supporting Communities Forum.

National Housing and Homelessness Agreement

The National Affordable Housing Agreement and the National Partnership Agreement on Homelessness expired on 30 June 2018. Communities is working with the Department of Treasury, Department of the Premier and Cabinet, the States and Territories and the Commonwealth on a new National Housing and Homelessness Agreement. The new agreement will secure ongoing and indexed funding for specialist homelessness services.

50 Lives 50 Homes

50 Lives 50 Homes is an initiative of Communities, Ruah Community Services, Access Housing, Community Housing Limited, Foundation Housing and other service providers. It aims to reduce homelessness in the City of Perth and surrounding suburbs.

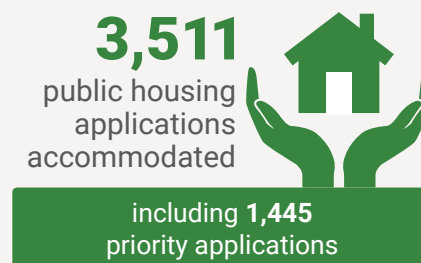
In 2017-18, Communities provided 12 properties to house 20 people participating in the program, with a retention rate of 100 per cent of clients still engaging with the program.

Public housing

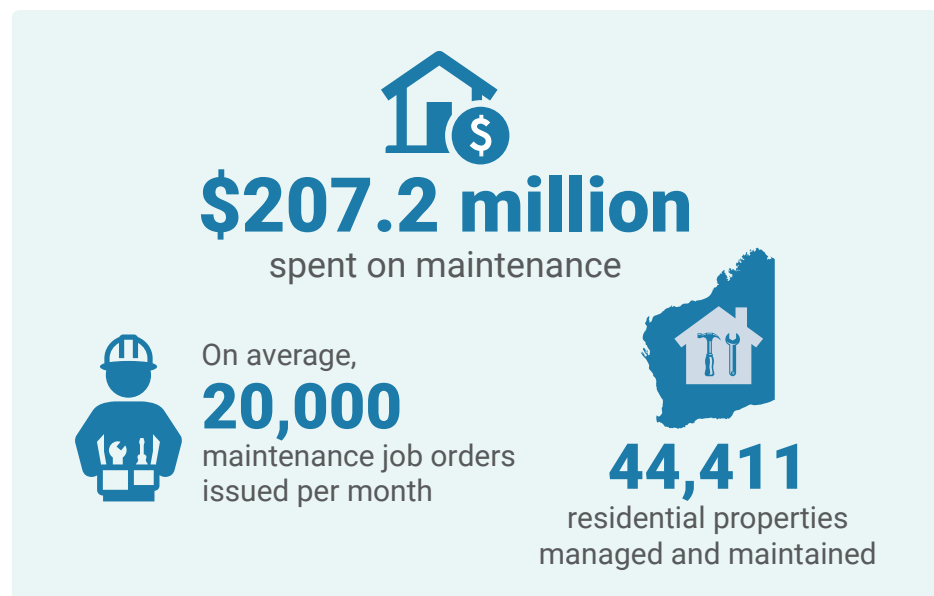
Communities provides public housing for people in need across WA, including residents of remote and town-based Aboriginal communities. Communities also works in partnership with the community services sector to provide rental housing for people on low and very low incomes.

At 30 June 2018, there were 13,912 applications for subsidised housing, including 1,437 with an identified priority need.

During 2017-18, 3,511 households, including 1,445 with a priority need, were accommodated in public housing. On average, households waited 113 weeks to be housed.



Maintaining properties



Maintenance services are performed on more than 44,000 residential properties across the State, including Government Regional Officers' Housing homes and 112 remote and town-based Aboriginal communities.

In 2017-18, Communities issued an average of more than 20,000 job orders per month and spent \$207.2 million on day-to-day maintenance, vacated maintenance, refurbishments and improvements, planned and cyclical maintenance, estates maintenance and insurance work.

In accordance with the recommendations of the Public Accounts Committee (Report numbers 8 and 13), information in relation to performance under the head maintenance contract model is provided in the Housing Authority Annual Report for 2017-18.

Electrical safety device program

In addition to a 365-day inspection regime to ensure electrical safety devices are installed and functioning in all public housing properties, Communities is continuing our Electrical Safety Device program, which will inspect and re-baseline safety switches (residual current devices), smoke alarms and main earth wires within all our public housing properties by 2020.

The \$26 million, three-year inspection and testing program is on track and anticipated to be completed by December 2019. As at 30 June 2018, 23,764 properties had been inspected.

Community housing

Community housing provides affordable rental housing at below market rent for low to moderate income tenants, provided mainly by not-for-profit organisations and local government authorities.

In 2017-18, 28 housing assets were provided to the community housing sector as part of the community housing initiative, which has enabled eight community housing organisations to increase the capacity of the sector by 457 dwellings in five years.



Managing tenancies in remote communities

Communities delivers housing management services for 2,704 homes in 112 remote Aboriginal communities across the State, with 1,498 of these properties managed by five regional service providers, including four Aboriginal not-for-profit organisations.

We continued to implement a rental program in remote Aboriginal communities for those communities who have signed a Housing Management Agreement. Agreements have been established in 79 communities, covering the management of more than 2,000 tenancies. All tenancies subject to Housing Management Agreements are progressively being aligned to the processes, policies and standards that apply to public housing properties.

Transitional housing in the Kimberley

Transitional housing in the Kimberley provides stable, affordable housing for Aboriginal people who are employed or in training and who ensure their children attend school regularly.

The East Kimberley transitional housing program involves 39 properties in Kununurra and 15 in Halls Creek, and 74 adults and 49 children. In 2017-18, one participant moved into their own home and one participant transitioned into private rental accommodation. Children of participating families have a combined overall school attendance of 87 per cent, well above the regional average for Aboriginal children. Of the 74 adults, 54 are employed.

The West Kimberley program involves 40 properties in Broome and 20 in Derby, and 86 adults and 76 children. In 2017-18, two participants moved into their own homes and nine participants

transitioned into private rental accommodation. Children of participating families have a combined overall school attendance of 90 per cent, well above the regional average for Aboriginal children. Of the 86 adults, 74 are employed.

The transitional housing program won the Leading Community Engagement Practice Award at the 2017 Australasian Housing Institute's WA Awards for Professional Excellence in Housing.



Move to Town

The Move to Town project provides housing options and support to Aboriginal people in remote communities or town-based reserves who want to relocate to regional town centres. As part of this project, and funded by the National Partnership on Remote Housing, 37 houses were built in 2017-18 in four regional towns: Derby (4), Carnarvon (4), Broome (11) and Kununurra (18).

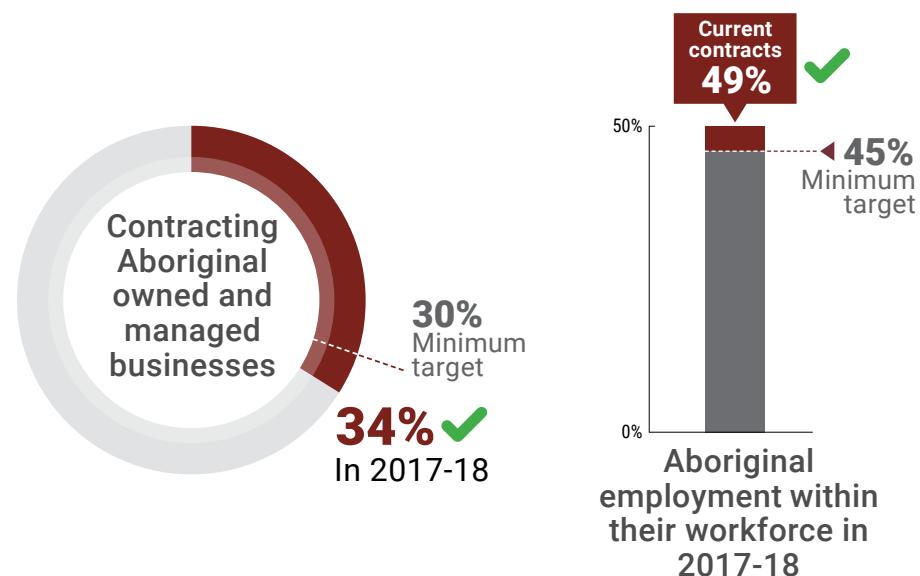
Broome Aboriginal short stay

In 2017-18, work was undertaken on the Broome Aboriginal Short Stay Accommodation Facility, which will provide short-term accommodation for Aboriginal people who travel to Broome to access services and amenities only available in larger regional centres, and to attend to cultural and family business. The facility will cater for 80 to 100 guests and is expected to be completed in December 2018.



Photo: Derby Aboriginal Short Stay Accommodation Facility.

Remote communities building and construction



Communities constructs houses and maintains essential services and infrastructure in remote communities. During 2017-18, 71 new houses and 100 refurbishments were completed as part of the National Partnership on Remote Housing. In total, 88 new houses and 125 refurbishments have been completed towards targets of 146 and 144 respectively. Targets must be achieved by 30 June 2019.

Our target for contracting Aboriginal owned and managed businesses to deliver constructions projects is 30 per cent. In 2017-18, 34 per cent of the works were contracted to Aboriginal owned or managed businesses.

Contractors were also required to meet a minimum of 45 per cent Aboriginal employment within their workforce. In 2017-18, this target was exceeded at 49 per cent.

Maintaining municipal and essential services in remote areas

In 2017-18, the Remote Essential and Municipal Services program provided \$66 million in funding to maintain essential and municipal infrastructure and services to more than 11,000 people in about 150 remote communities across WA.

The program is managed under contract by regional service providers. New contracts integrating former essential and municipal service programs were tendered in October 2017 and will be awarded in late 2018.

Essential and Municipal Services Upgrade Program

The Essential and Municipal Services Upgrade Program is a \$52 million initiative to improve essential and municipal services infrastructure in remote Aboriginal communities.



Essential and Municipal Services Upgrade Program in remote Aboriginal communities

The initial priority communities are Ardyaloon, Bayulu, Beagle Bay, Bidadanga, Djarindjin, Lombadina, Mowanjum and Warmun in the Kimberley, and Wakathuni and Yandeyarra in the Pilbara.

2017-18 has seen: land use and municipal services infrastructure audits in these communities; detailed water and waste water audits in Bayulu, Bidadanga, Mowanjum and Warmun; and associated infrastructure and service design work.



North West Aboriginal Housing Fund

The North West Aboriginal Housing Fund is a \$200 million initiative to empower Aboriginal families in the Kimberley and Pilbara to achieve better school and employment outcomes by increasing housing options, creating jobs and supporting families.

The first project of the fund's investment program is the Hedland transitional housing project, which was announced on 27 June 2018. This \$18 million project will see 40 existing houses refurbished and repurposed as transitional housing for Aboriginal families.

The second project involves the construction of up to 50 new transitional housing dwellings in the East Kimberley. This project includes a \$25 million contribution from the Commonwealth Government through the National Partnership on Remote Housing.

North West Urban Construction and Development Builders Panel

The North West Urban Construction and Development Builders Panel provides Aboriginal housing and is increasing employment and economic opportunities for Aboriginal people and businesses.

Contracts for the construction of seven houses (one in Wyndham and six in Kununurra) were awarded in 2017-18. These houses are among 50 transitional houses that will be built in the East Kimberley.

Communities has developed the Aboriginal Employment Targets in Construction and Civil Works Practice Guide.

Contractors for construction and civil works must include Aboriginal workforce participation when completing contracts. Communities' Aboriginal employment targets for civil works contracts from 2016 to 2019 are shown in table 1.

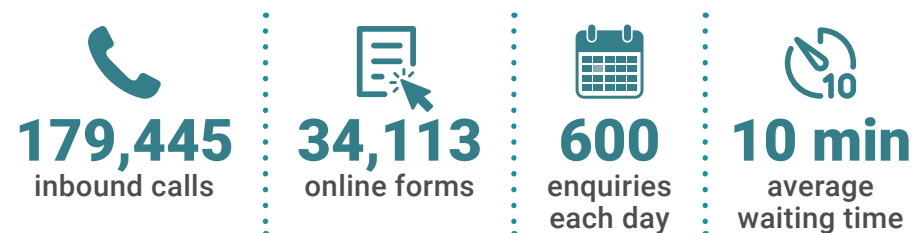
Table 1. Communities' Aboriginal employment targets for civil works contracts from 2016 to 2019

Region/s	Target
Kimberley and Pilbara	20%
Goldfields and Esperance	10%
Gascoyne, Mid West, Wheatbelt, Peel, South West, Great Southern and Perth metropolitan	Towards 5%

Housing Direct

During 2017-18, the Housing Direct call centre received 179,445 inbound calls and 34,113 online forms relating to the management of customer enquiries, maintenance requests and disruptive behaviour complaints. This represents almost 600 enquiries each day. The average waiting time experienced for maintenance requests was 10 minutes.

Housing Direct won the National Best Centre Team Award, National Customer Contact Manager Award and National Workforce Management Champion Award at the 2017 National Auscontact Awards.



Empowering people to move beyond social housing

The Assisted Rental Pathways Pilot, launched in 2017, is an innovative housing solution to support people with the means and capacity to move beyond social housing. Through the pilot, participants receive tiered rental subsidies and individualised assistance over a four-year period to assist them become self-sustaining in the private rental market.

The pilot involves collaborating with the community services sector, making it strongly person-centred and outcome-focussed. With a focus on early intervention and empowerment, it targets participants' capacities, strengths and aspirations while responding to diverse and changing circumstances. It also leverages current market conditions, such as low rents and high vacancy rates, to reduce the delivery cost of social housing.

The first of its kind in Australia, the pilot will also inform a key part of the social housing reform agenda. The aim is to transform the social housing system and make it more sustainable by providing a long-term safety net for those with complex needs and transitional responses for people with short-term needs and capacity for independence.

Due to its innovative service model and the successful reduction of the social housing waiting list, the pilot won silver in the Best Practice in Collaboration category at the 2018 Institute of Public Administration Australia WA Achievement Awards.

In its first full year of operation, the pilot has reduced reliance on welfare by empowering people to improve their circumstances and transition beyond social housing.

In total, 238 participants and their families (633 people) have been housed; except for one, all have sustained their tenancy.

- 188 people have been diverted from the social housing waiting list
- 49 social houses have been freed for people with more urgent needs
- 76 per cent of participants have reported positive changes in circumstance, with 30 per cent reporting improvements in employment status and 30 per cent increased participation in training and education.





Inclusive and accessible communities

Inclusive and accessible communities have opportunities for people to fully participate in the social, cultural and economic life in their community. They ensure everybody is engaged and participating in our society.

Communities provides person-centred services that contribute to creating welcoming communities that meet the individual needs of people, support their strengths, and enable them to build a better future.



27,390

total number of people supported

Disability advocacy

The barriers faced by people with disability are numerous and complex. Access to independent advocacy plays an important role in upholding the rights of people with disability and frequently contributes to the early identification of systemic issues.

There was significant investment in advocacy, access and inclusion initiatives in 2017-18, including \$600,000 in targeted advocacy funding and \$200,000 for the delivery of individualised advocacy in regional and remote communities.

In 2017-18, about \$8.9 million in Information, Linkages and Capacity Building grants was awarded to 49 disability organisations in WA to deliver targeted information and advocacy initiatives.



Community Aids and Equipment Program

Communities administers the Community Aids and Equipment Program that provides equipment and home modifications to people with a long-term disability to support them to manage at home.

The program is delivered via the WA Country Health Service, North Metropolitan Area Health Service, South Metropolitan Area Health Service, East Metropolitan Health Service and Child and Adolescent Health Service.

Bradford Views

The Ability Centre's new contemporary accommodation facility, Bradford Views, in Coolbinia, opened in May 2018. It provides long-term accommodation for up to 20 people with complex disability support needs.

The \$12 million facility comprises four separate villas: three that are permanent accommodation and one transitional villa. It is designed to provide clients with greater independence and connection to their community.

Pilbara Respite Facility

The Pilbara Respite Facility in Port Hedland was opened in March 2018. The facility provides an opportunity for the families and carers of people with disability to take a break from their caring role, confident that their loved ones can access respite in an appropriate setting.

Communities established the facility in collaboration with local stakeholders, and Empowering People in Communities Incorporated is delivering the services at the facility.

Sienna Wood Shipwreck Park

Sienna Wood Shipwreck Park opened on 3 December 2017. The park is an all-abilities inclusive play space that features sound and sensory areas for users of all abilities.

Sienna Wood is a joint venture land development partnership between Communities and Stockland. Designed with assistance from the Touched by Olivia Foundation, the playground is part of the Livvi's Place network of play spaces throughout Australia.



Volunteering

Communities recognises, encourages and supports volunteers and the volunteering sector, and leads the WA Volunteering Strategy. The strategy is a framework for action by all levels of government, non-government organisations, the private sector and the community.



\$1.38 million+
invested in volunteer related activities



640 volunteers
presented with Volunteer Service
Awards who had 25 years
or more of service

In 2017-18, \$1.4 million was invested in volunteer-related initiatives in WA, including 15 volunteer development services, Thank A Volunteer Day events, subsidised National Police Checks for volunteers and support for Volunteering Western Australia.

Volunteer service awards were presented to 640 volunteers who had provided 25 years or more of service to a single organisation. A Volunteer Community Reference Group was also established in 2017-18.



Seniors and ageing

Communities fosters the development of age-friendly communities in which older people are respected, feel safe and have opportunities for social, cultural and economic participation in community life.

In 2017-18, \$1.38 million was provided to the community services sector for initiatives to support seniors, including: Seniors Week grants; WA Seniors Awards; support to respond to elder abuse; healthy ageing and activity programs; age-friendly innovation and implementation grants to local governments; promotion of career and employment opportunities for seniors; and cost of living rebates totalling \$23 million.



WA Seniors Card



The WA Seniors Card enables seniors to take advantage of a range of State Government concessions, rebates and benefits, as well as exclusive business discounts to card members.

In 2017-18, more than 40,000 cards were issued, and the number of businesses that offered discounts increased this year to more than 800. About 380,000 people hold a WA Seniors Card.

2017-18 was the 30th anniversary of the WA Seniors Card.



Changing Places

The State's network of Changing Places continues to expand, creating inclusive communities.

Changing Places are customised public bathroom facilities that include a hoist, adult changing table, secure automatic door and enough space that people with disability and their carers can use when out in the community.

With about 200,000 Australians with disability requiring assistance to meet their toileting needs, Changing Places provide people with disability with a dignified, hygienic and suitable bathroom option.

There are now 19 Changing Places across the State. In January 2018, the Lakeside Joondalup Shopping City facility was officially open – the first one in a WA shopping centre.

One person celebrating the launch was 29-year-old Marissa Florias, a cerebral palsy client with Rocky Bay Duncraig.

Image caption: Rocky Bay Duncraig client Marissa Florias celebrates the opening of the Lakeside Joondalup Shopping City Changing Place with The Hon Stephen Dawson, Minister for Disability Services. Credit: Chris Kershaw.

“ *I like buying clothes and going for lunch with my friends at the food court at Lakeside Joondalup. I need to be in a wheelchair and to go to the toilet I need a hoist, so this means we will be able to stay out longer.* ”

Samantha Shaw, Team Leader at Rocky Bay, said carers were often faced with choice to put their family members or clients in undignified situations or not venture far from home.

“Professional carers are often unable to take their clients out due to the no lifting policy,” she said. “It is quite frustrating because we will be out and we have to take someone to the toilet so the trip is over and we need to go back to Rocky Bay. The Changing Place facility will reduce this pressure.”

“ *Marissa is our social butterfly, she loves to be out and will chat to anyone. This means she'll be able to stay out for longer, doing what she loves.* ”





Strong families and kin

Strong families and kin comes from trusting and enduring relationships that people build with their family, extended family and friends.

Through partnerships with other government agencies, non-government and community organisations, Communities builds relationships and competencies to strengthen our families and help them support our young people to achieve their best.



Early Years Initiative



The Early Years Initiative was announced on 13 March 2018. The initiative is a \$49.3 million, 10-year partnership between the State Government, Minderoo Foundation and Telethon Kids Institute.

The Initiative will test new models of collaboration between community leaders, all levels of government, researchers, business and philanthropic organisations. It aims to drive better health, learning and developmental outcomes for Western Australian children from conception to age four.



Target 120

Communities is leading Target 120, a \$20.5 million earlier intervention initiative. Target 120 is a place-based way of connecting high-risk young people and their families with coordinated supports before they reach the point of detention.

Announced in May 2018, the program is being delivered in partnership with several State Government departments, including Premier and Cabinet, Education, Justice, Treasury and Health, and the Western Australia Police Force.



At-risk Youth Action Plan

In 2017-18, Communities began developing an action plan to improve outcomes for at-risk young people in WA.

The action plan will focus on young people at extreme risk with multiple and complex needs, including young people with repeated contact with the child protection and youth justice systems, at-risk Aboriginal young people and their families, young people leaving care, young parents and homeless young people.

Prevention of family and domestic violence

Communities is leading the implementation of the State Government's Stopping Family and Domestic Violence Policy. Key achievements in 2017-18 included:

- joining the national 'Our Watch' program as a primary prevention initiative
- establishing a family and domestic violence counselling service at Allambee Counselling in the Peel region
- developing a service model for an additional Breathing Space residential facility for male perpetrators, planned to open in 2019-20
- extending financial counselling services to support family and domestic violence victims
- starting a pets in crisis program to look after the pets of family and domestic violence victims.

Communities works with the Departments of Health, Education and Justice and the Western Australia Police Force to coordinate the policy. Joint initiatives have included:

- planning for the introduction of a Respectful Relationships program in WA schools in 2019 (with the Department of Education)
- initial work on the design of a central secure database to support information exchange about family and domestic violence (with the Western Australia Police Force and Departments of Justice, Education and Health)
- supporting the Department of Mines, Industry Regulation and Safety in the development of the Residential Tenancies Legislation Amendment (Family Violence) Bill 2018.

Communities began working on a 10-year strategy to reduce family and domestic violence. The strategy will build on current initiatives to enable a more integrated across-government approach to service delivery.



46,886

family and domestic violence incidents with and without children triaged by the Family and Domestic Violence Response Teams

16 in WA

DAYS to Stop Violence Against Women

The State Government's inaugural 16 Days in WA to Stop Violence Against Women campaign was created to recognise the international 16 Days of Activism Against Gender-based Violence campaign. A program of events and activities ran from 25 November to 10 December 2017, supported by social and multi-media. The campaign aimed to raise awareness, promote relevant resources and encourage the Western Australian community to take a stand to stop violence against women.



Carers

Communities leads the WA Carers Strategy, which is a framework for whole-of-community action and efforts to better recognise and support the estimated 320,000 carers in the State.

In 2017-18, Communities provided more than \$1 million to Carers WA to deliver State-wide carer services that support carers to build their capacity to care and maintain a balance between their caring responsibilities and their own wellbeing.

Working in partnership with Carers WA and the Carers Advisory Council, Communities is conducting a review of the *Carers Recognition Act 2004*. The review provides carers, services and stakeholders with an opportunity to shape the future function and application of the Act.

Grandcarers

Grandparents with primary responsibility for raising their grandchildren receive financial assistance through the Grandcarers Support Scheme. Additional support services to grandparents include information and legal advice, home help and tutoring, counselling and support groups and respite services.

Education and Care Regulatory Unit

The Education and Care Regulatory Unit supports quality and continuous improvement in education and care services throughout the State, through regulation of the sector and the provision of advice and support to established and potential providers. The unit implements the National Quality Framework for early childhood education and care and investigates incidents and complaints.

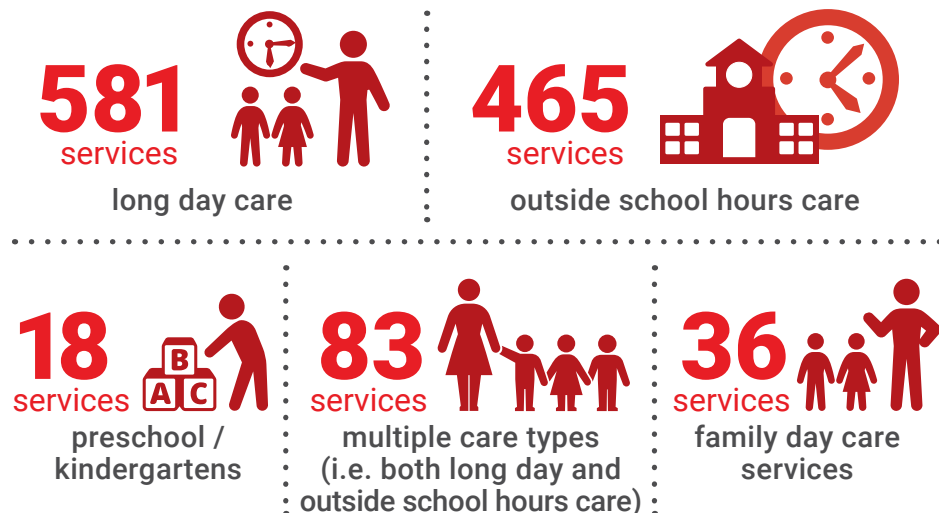


Childcare services



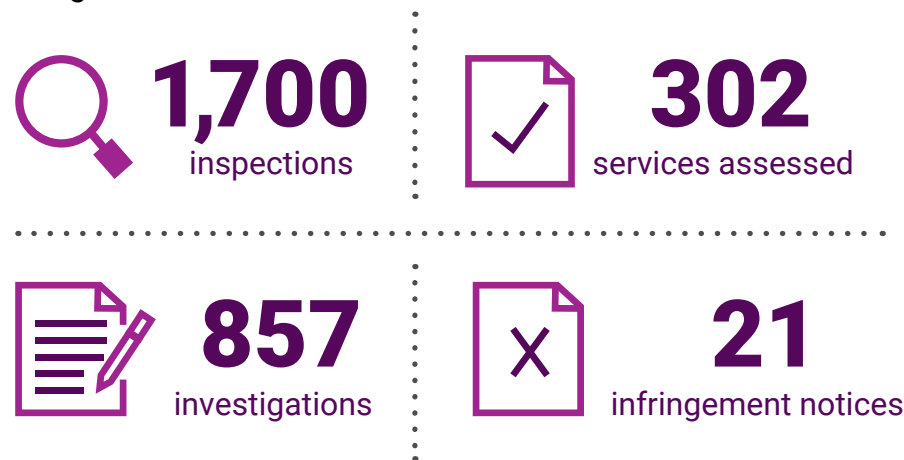
At 30 June 2018, there were 1,183 services:

- long day care – 581 services
- outside school hours care – 465 services
- preschool / kindergartens – 18 services
- multiple care types (i.e. both long day and outside school hours care) – 83 services
- family day care services – 36 services.



In 2017-18 there were:

- 1,700 inspections conducted at 1,052 services
- 302 services assessed and rated against the National Quality Standard, providing families with information on the quality provided by those services and enabling them to be informed consumers
- 857 investigations into alleged non-compliance completed
- 21 infringement notices issued, and 15 compliance matters referred to the State Administrative Tribunal and four to the Magistrates Court.



The unit completed a Quality Support Project from March to May 2018. The project used an educative approach to support service providers that did not meet the various requirements during the first round of assessment and rating.

Working with Children Check Screening Unit

The Working with Children Check is a compulsory continuous screening strategy that aims to safeguard children by identifying people with criminal histories and other records of behaviour that pose a risk of harm to children.

Community information, engagement and education strategies are undertaken by the Working with Children Screening Unit to ensure that responsibilities and obligations are understood and acted upon by employees, volunteers and self-employed people.

The compliance program encompasses voluntary compliance together with a strong but flexible enforcement regime. Prosecutions are an appropriate response for certain types of non-compliance, including situations where a person or organisation is wilfully non-compliant or poses a significant risk to children.

Table 2 indicates key data for 2017-18 and total data to 30 June 2018.

Table 2. Working with Children Check data

2017-18		As at 30 June 2018	
Applications received	132,354	WWC cardholders	362,295
Applications finalised ¹	131,022	Current negative notices	1,030
WWC cards issued	129,068		
Negative notices issued	166		

1. Includes some applications made prior to 2017-18 financial year. These are also finalisations, such as persons applying in error.



132,354

Applications received



131,022

Applications finalised



129,068

WWC cards issued



166

Negative notices issued





Families are KEY to Kununurra's youth wellbeing

In an effort to reduce anti-social behaviour, rates of incarceration of young people and to connect all children and young people with their community, the East Kimberley District Leadership Group established the Kununurra Empowering Youth Program (KEY) in December 2016.

Open to all families and members of the community, KEY offers a range of activities during the school holidays that are planned and reviewed with advice and input from local Aboriginal leadership, service providers and local children and teenagers.

The collaborative approach is achieving significant and lasting social change; after KEY's first summer program, the town recorded a 20 per cent drop in juvenile offences during the school holiday period. The 2017-18 summer holiday period saw the number of youth sent to Banksia Hill decrease from 15 to two and attendance at activities is on the rise, with a total of 2,764 people participating – an increase of 46 per cent from the previous year.

Department of Communities' Acting Regional Executive Director – Kimberley, Tracey Gillett, said collaborative approaches where services and community are committed to tackling complex social challenges are fundamental to bringing about good outcomes for the wellbeing of children and families within our community.

“ While KEY is not the solution to tackle a myriad of symptoms stemming from social disadvantage, it's a great example of how community-driven events can change attitudes and behaviours, through a shared responsibilities approach. ”

Image: KEY held a Community Day at Whitegum Park to celebrate the 2018 NAIDOC Week.
Credit: Kununurra Empowering Youth & Families Holiday Program Facebook page.



Safe children

Safe children recognises that the environment of a child during early development profoundly impacts on their wellbeing for the rest of their lives. Safety and security is a prerequisite for children and young people to reach their full potential.

Communities enables children and young people's access to safe, nurturing environments, protects them from abuse and neglect, and supports them to achieve good life outcomes.

Communities is responsible for receiving and assessing notifications of allegations of harm to a child. In 2017-18, Communities responded to 18,294 notifications relating to 17,510 children at risk of abuse and harm.


Metropolitan Central Intake Team

The Metropolitan Central Intake Team began operation on 3 July 2017. The system is the first referral point for all child protection concerns in the Perth metropolitan area and provides a consistent response through strengthened risk assessment.

The team uses a risk assessment tool to provide appropriate support to the interactions it receives. It is expected that the team will enhance information gathering at the point of intake, provide more consistent and reliable assessment of risk that meets the threshold for statutory intervention, and support greater compliance.

Following initial assessment of notifications, Communities may have a role in determining if a child's safety is at risk and a Safety and Wellbeing Assessment is required. This assessment allows a decision to be made about whether harm or a likelihood of significant risk of harm is substantiated, whether a

family needs more support to safely care for their child, or whether the child needs to be cared for outside the family home.

 **12,557**
safety and wellbeing
assessments commenced

 **1,195**
protection
orders granted

Mandatory Reporting

Doctors, nurses, midwives, teachers, police officers and boarding supervisors are required to submit a report to us if they believe that a child has been, or is being, sexually abused. The Mandatory Reporting Service works in partnership with the Western Australia Police Force.

There were 3,105 mandatory reports of sexual abuse received and 1,523 resulting in safety and wellbeing assessments undertaken in 2017-18.

 **3,105**
Mandatory reports   **1,523**
Safety and wellbeing
assessments

Building Safe and Strong Families

The Earlier Intervention and Family Support Strategy is a partnership between Communities and the community services sector.

It involves building new partnerships and strengthening coordination across government to support families who are most vulnerable to their children coming into care.

Services designed and/or enhanced as part of the strategy include the Aboriginal In-home Support Service, Family Support Network lead agency and Intensive Family Support Services.

Aboriginal In-home Support Service

As part of the Earlier Intervention and Family Support Strategy, the Government is providing \$20.1 million over four years for the Aboriginal In-home Support Service. The service provides intensive in-home practical support to Aboriginal families in the Perth metropolitan area who are at high risk of their children entering the care system.

In April 2018, a contract was awarded to Wungening Aboriginal Corporation, in a partnership with Coolabaroo Community Services, Ebenezer Home and Moorditj Koort, to provide the service as the consortium Wungening Moort.

Family Support Network

The Family Support Network was enhanced in 2017-18 to include a lead agency to provide intensive case management, assessment and coordination of support services to referred families.

Support services will be provided by integrated partner agencies and include services for young people, targeted parenting support, homelessness services, family and domestic violence intervention, counselling and targeted community support.

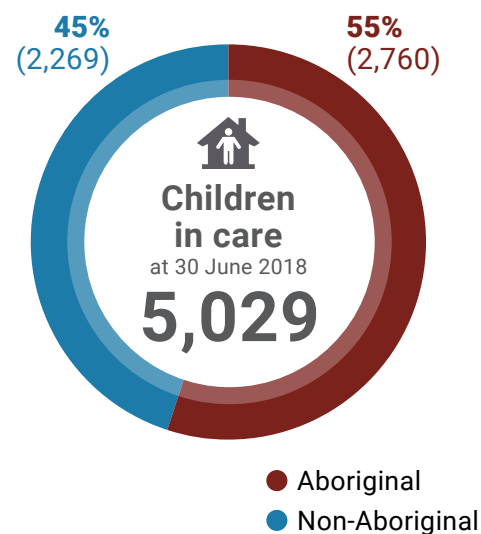
Intensive Family Support Service

The Intensive Family Support Service will be delivered by eight community service organisations (in partnership with 11 Aboriginal community-controlled organisations) and Yorgum Aboriginal Corporation (in partnership with Anglicare). The service will provide intensive in-home family support services to families who are at high risk of child protection intervention or require Communities' support to ensure reunification with their children, and improve family wellbeing and keep their children safely at home.

Children and young people in care

The primary focus of Communities is always to support families to provide a safe and nurturing home for their children. In the vast majority of cases this is achieved. Only when it is not possible for a child to stay at home safely and only as a last resort do we seek to provide out-of-home care for children.

The number of children living in out-of-home care on 30 June 2018 was 5,029. Of these, 55 per cent were Aboriginal children.



Family Care Support Service

The Family Care Support Service is part of the broader Out-of-Home Care Reform to realign prevention, reunification, and out-of-home care services to achieve better outcomes for children and families.

The service will provide intensive, in-home support for family carers to build stable family environments for children who are separated from their parents. The service will be delivered across the Perth metropolitan area, East Kimberley, West Kimberley, Pilbara and Wheatbelt regions.

Aboriginal and Torres Strait Islander children are prioritised to create strong cultural links and support children's connection to family, country and community.



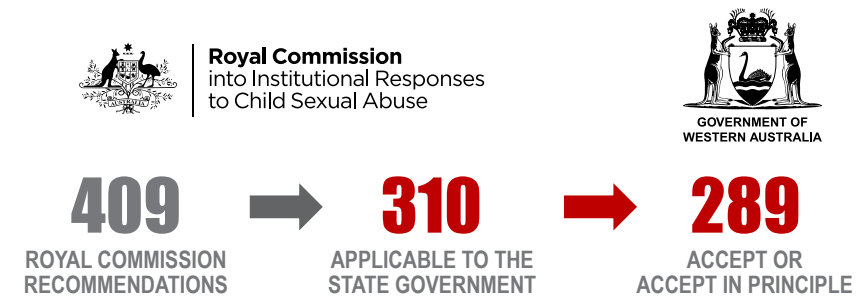
Royal Commission into Institutional Responses to Child Sexual Abuse – State Government response

On 15 December 2017, the Royal Commission into Institutional Responses to Child Sexual Abuse released its Final Report containing 409 recommendations. The State Government's response to the report was released on 27 June 2018.

The State Government accepted or accepted in principle 93 per cent (289 of 310) of the Royal Commission recommendations applicable to the State Government. Communities is the lead agency for 104 of the 310 recommendations.

The State Government is working in partnership with the States, Territories and Commonwealth Government to progress recommendations identified as national priorities, in the themes of:

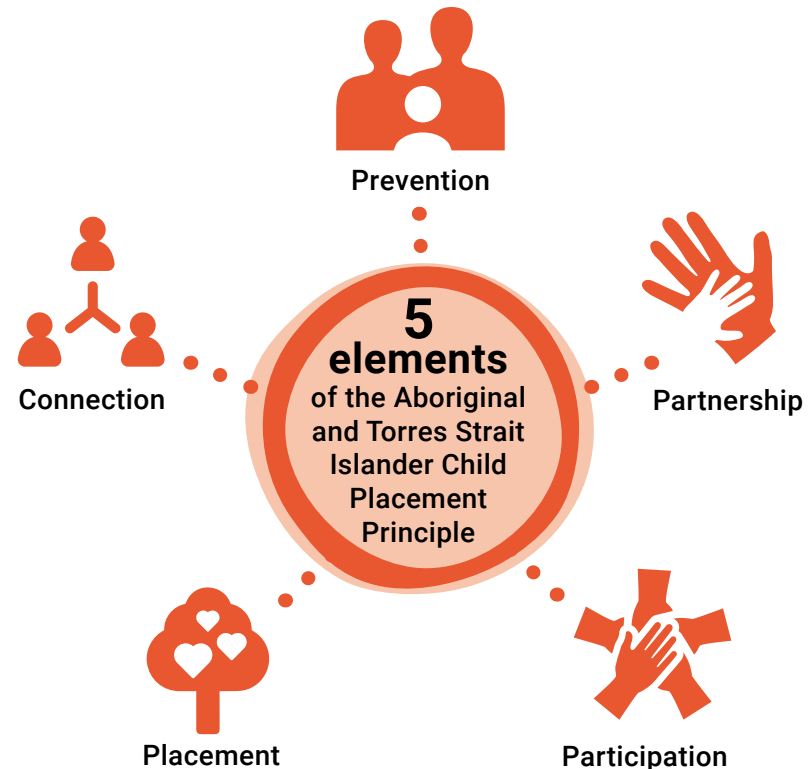
- supporting child-safe organisations
- improving information sharing, recordkeeping and data collection
- addressing the complex issue of children with harmful sexual behaviours
- commitment to annually and publicly reporting on progress.



Permanency planning policy and practice review

A review of Communities' permanency planning policy, practice guidance and related training is underway and due for completion in 2019.

The review aims to improve permanency outcomes, particularly for Aboriginal children and families, by improving adherence to the five elements of the Aboriginal Torres Strait Islander Child Placement Principle (prevention, partnership, participation, placement and connection). This aligns with the recommendations of the statutory review of the *Children and Community Services Act 2004*.



Integrated services deliver positive outcomes for some of WA's most vulnerable families

The Kalgoorlie-Boulder Earlier Intervention and Family Support Service was designed by the Goldfields District Leadership Group, with representatives from local, State and Commonwealth government agencies, as well as local not-for-profit and Aboriginal organisations, and launched in May 2017. The model provides a coordinated early intervention response to identified families, working with a wide range of local services, parents, families and the local community to keep children safe and prevent them from needing to enter out-of-home care.

Working with some of the State's most complex families, services focus on parenting goals related to education, employment and home skills, which include:

- supporting parents to develop and maintain children's routines, to provide a stable environment in which children can thrive

- assisting parents in maintaining their homes and managing budgets to ensure tenancies are sustained and children have a stable living environment
- building on homemaking skills
- attending to appropriate health, mental health, drug and alcohol and other appointments with services
- supporting families to abstain from criminal and anti-social activity, including family and domestic violence.

By taking this holistic approach to services that were previously delivered

and assessed in silos, the model is achieving significant outcomes for families. Less than a year into service delivery, four families who had been issued eviction notices have had their evictions reversed and successfully maintained their tenancy, and eight children have been returned to their families with intensive in-home supports.

The program received the 2018 Best Practice in Corporate Social Values Award at the 2018 Institute of Public Administration Australia WA Achievement Awards.





Empowered people

Empowered people is about individuals feeling and being valued, a fundamental human need. It is the ultimate goal, where people are connected and feel they have some control over their own lives.

By working together and doing things differently to get better outcomes for individuals and families, Communities assists people to reach their potential.

District Leadership Groups

Communities supports District Leadership Groups and regional human services managers to develop and lead collaborative, on-the-ground responses to some of the most challenging issues in their regions.

The groups coordinate effort and resources between State, Commonwealth and local government authorities, the community services sector, Aboriginal community-controlled organisations, and business and industry.

District Leadership Groups are in place in the East and West Kimberley, Pilbara and Goldfields regions and regional human services managers groups exist across the remainder of the State.



Resilient families, strong communities

In September 2017, Communities published 'Resilient Families, Strong Communities: key insights from consultation with remote Aboriginal communities in Western Australia'.

The report summarises the findings of consultation with 138 remote communities across the State (90 per cent of the remote Aboriginal population in WA).

In October 2017, Communities and the University of Western Australia's Centre for Social Impact published 'Resilient Families, Strong Communities: mapping service expenditure and outcomes in the Pilbara and the Kimberley', a comprehensive analysis of government-funded Aboriginal expenditure and outcomes for Aboriginal people.

These reports are guiding the implementation of place-based, family-centred services in the Kimberley, Pilbara and Goldfields regions.

West Pilbara Plan

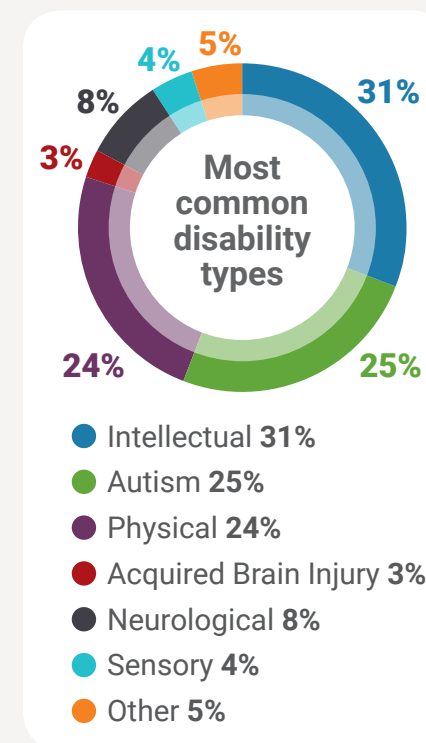
Communities is coordinating the West Pilbara Plan to help the Roebourne community rebuild following the disclosure of a large number of incidences of child sexual abuse in the region.

The plan addresses intergenerational disadvantage to better support children and families in Roebourne and surrounds. It includes community-identified needs for a residential facility to support family and cultural healing, support for 10 strong, supported households in and around Roebourne, and specialised alcohol and other drug services for children and youth.

National Disability Insurance Scheme transition

On 12 December 2017, the State Government and Commonwealth Government signed a Bilateral Agreement for the delivery of the Australia-wide National Disability Insurance Scheme in WA from 1 July 2018.

The agreement provides that all existing WA NDIS participants will be transferred to the Australia-wide scheme delivered by the National Disability Insurance Agency (NDIA) by 31 December 2018. All other people currently receiving specialist disability services will transition by geographic region to the scheme by July 2020.



Communities is taking an inclusive, stewardship approach towards identified workforce issues and is engaging in targeted sector development and procurement activities in regional areas to support current and potential service providers as the NDIS rolls out.

Communities' NDIS transition unit is managing governance oversight, planning and monitoring, operational relationship management, risk management, communication support and change management, central reporting and issues management to ensure fulfilment of the State's obligations.

In June 2018, an operational plan between WA, the NDIA and the Commonwealth for transition to full implementation was signed. The operational plan sets out the key deliverables agreed between the NDIA, WA and the Commonwealth to support the transition to the full NDIS in WA.

The plan will ensure the continuity of support for people with disability as they transition to the NDIS, as well as the management of mainstream interfaces with other agencies and services.

Communities continues to work with other jurisdictions and the Commonwealth on the development of the NDIS Quality and Safeguarding Framework. The framework was released by the Disability Reform Council in February 2017 and outlines a nationally consistent approach to quality and safeguarding for people with disability accessing the NDIS.

National Disability Strategy Implementation Plan

In late 2017, Communities developed a two-year National Disability Standards Implementation Plan. State Government agencies are, in the main, responsible for working towards the six outcome areas of the National Disability Strategy, which include inclusive and accessible communities, rights protection, justice and legislation, economic security, personal and community support, learning and skills and health and wellbeing. Nationally, local governments and public authorities also contribute to achieving these outcomes. In WA, the mandatory Disability Access and Inclusion Plans implemented by local government significantly supports the National Disability Strategy. An evaluation of the 2017-18 WA National Disability Strategy Implementation Plan has been conducted.

Women's interests

Communities works to improve women's economic independence, workforce participation and representation in leadership roles. In 2017-18, Communities began developing a WA Women's Strategy that will set the women's interests agenda for the next 10 years and outline a framework to address gender inequality.



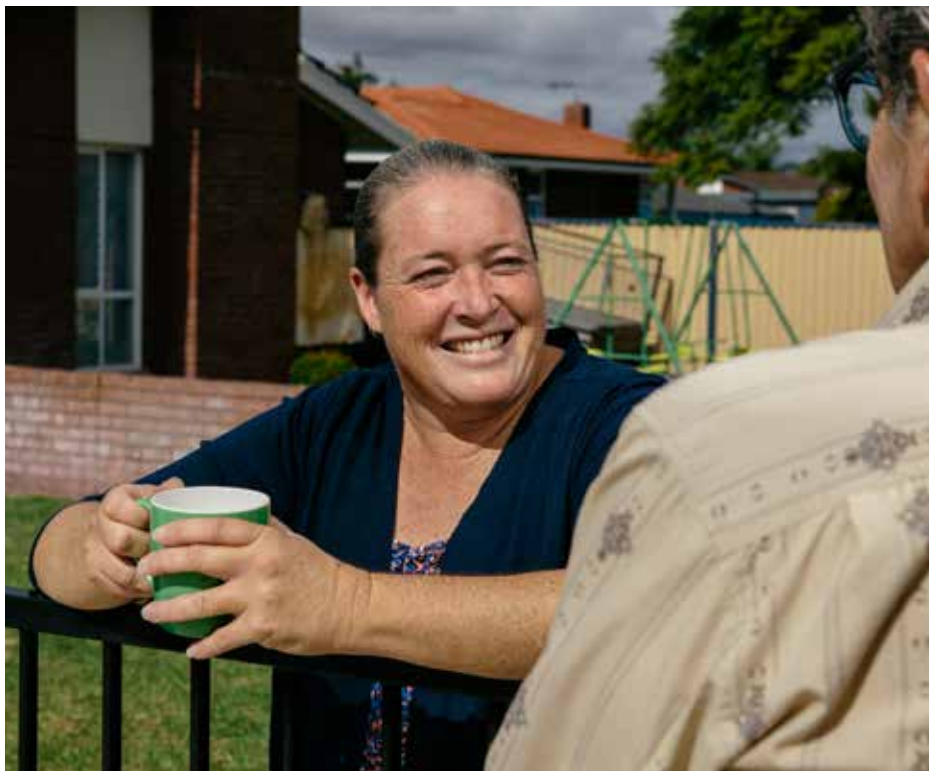
Financial counselling

Communities provides financial counselling services throughout WA. The free-of-charge services support individuals and families who may be experiencing financial difficulties or financial instability.

In 2017-18, Communities provided about \$6.9 million towards financial counselling initiatives. The funding supported 24 financial counselling services, the Financial Counsellors Association of Western Australia, and culturally appropriate financial counselling and outreach services for Aboriginal people.

In February 2018, the State Government reinstated funding for metropolitan financial counselling services, providing an additional \$7.4 million over four years. The funding enabled the expansion of financial counselling services in areas of greatest need as well as several new locations.

Support and Tenant Education Program



The Support and Tenant Education Program provides tenancy support and education to our tenants who are experiencing problems meeting their tenancy obligations or who are at risk of homelessness.


In 2017-18, 1,294 tenancies were voluntarily referred to the program and received financial counselling and social support programs from not-for-profit providers. During this period, 724 tenancies successfully exited the program, demonstrating moderate to significant improvement in their tenancies.

Youth

Communities provides programs to develop youth leadership, life skills and participation in community life, and support events and awards that promote and celebrate youth achievement.

In 2017-18, \$1.37 million was invested in youth development services. In addition to this, more than \$388,000 was used to provide youth support services that help young people aged 12 to 25 years to cope with challenges in their transition to adulthood, including counselling and family support.

\$1.7 million+ invested in youth development and support services



Events held throughout the year included Youth Week WA, an International Youth Exchange Program with Hong Kong and the WA Youth Awards. A Ministerial Youth Advisory Council was established to provide advice to the Minister for Youth.

Communities' Cadets WA program enables more than 10,000 young people aged 11 to 18 years to participate in leadership and development opportunities and engage in community service.



Elder abuse

More than 75,000 Western Australians are potentially affected by elder abuse, either physical, emotional or financial, and neglect. Communities invests in services that raise awareness of the issue and provide support to older people experiencing or at risk of experiencing elder abuse.



75,000
Western Australians
potentially affected
by elder abuse

Communities is the lead agency for the coordination of the State's response to elder abuse, and has a key role in negotiations with the States and Commonwealth Government on the development of the National Plan to Address Elder Abuse.

In June 2018, Communities coordinated an Elder Abuse Awareness Summit for government, business, academia and the community services sector. Themes, issues and strategies were identified to inform the national plan and the State's elder abuse response.

Veterans issues

Communities supports ex-service personnel and their families to make the transition to civilian life, and works with organisations to promote public awareness of, and engagement in, significant commemorative events.

In 2017-18, through the Anzac Day Trust, Communities provided \$300,000 in financial assistance to eight ex-service organisations to assist them to deliver events and veteran support initiatives.



Emergency management



Communities contributes to the ongoing review and refinement of emergency management arrangements in WA and, in particular, the provision of welfare support services to people affected by an emergency event.

Communities responded to 14 emergency events in 2017-18, during which 510 people were provided with immediate and/or ongoing support, including personal support, information, alternative accommodation, financial assistance and counselling.



14
emergency
events



510
provided with immediate
and/or ongoing support



Communities' Aboriginal Cadetship Program

Communities runs an Aboriginal Cadetship Program that supports Aboriginal university students studying towards a qualification relevant to child protection work. The students are provided with employment opportunities during their cadetship, and relevant positions are reserved to accommodate them on completion of the program.

Placement supervisors play a key coaching role, providing day-to-day support and assistance and guiding the cadets towards achieving personal and professional goals. They are also mentored by a dedicated program coordinator and Aboriginal staff in their placement location, and have access to a wide range of training opportunities.

Bunbury-based cadet Tammy highlighted access to training, flexibility and support from colleagues as major positives of the program.

Image caption: Cadets Lily (Broome/Perth), Jack (Joondalup), Taylah (Midland), Tammy (Busselton/Bunbury), Djandunmarra (Bunbury/Perth), Shenoah (Armadale) and Bianca (Armadale). Other two cadets, Jessica (Karratha) and Natasha (Kalgoorlie), are based in regional WA, as they are given the option to do their placement in a country district.

"The program allows me to balance work, family and study commitments," Tammy said. "My team promotes self-care, and my supervisor watches my workload to ensure I don't get overworked or burn out."

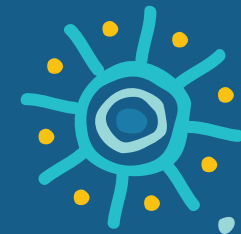
Shenoah Penny, who is based in Armadale, is completing the final year of her Bachelor of Social Work. Based on her skills, passion and performance, her manager decided to offer her a permanent position – before she even finished her qualification.

"The Aboriginal Cadetship program has been an amazing experience for me to learn and apply theory to practice," Shenoah said. "Communities staff have been very supportive, providing me with opportunities to grow within the organisation."

“Becoming a permanent employee was definitely a highlight of my employment. It showed me that Communities is committed to my learning and professional development.”



Significant issues impacting the agency

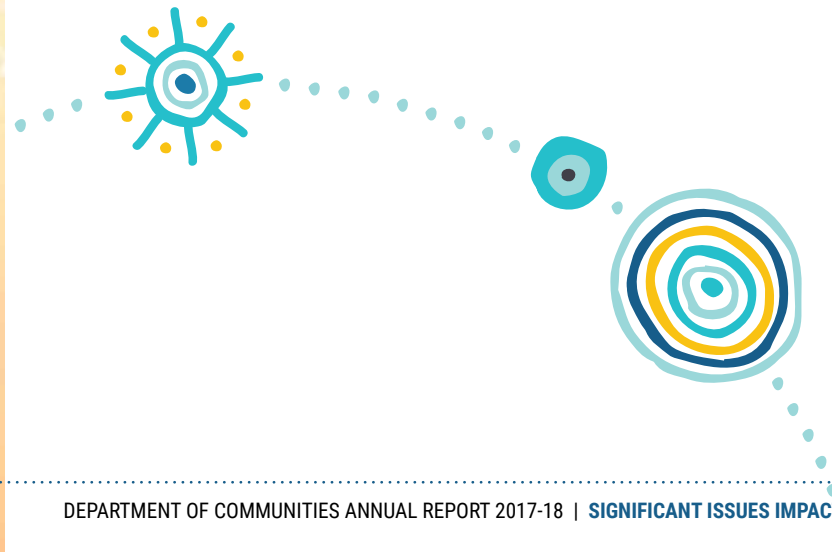




Significant issues impacting the agency

On 1 July 2017, to help address fragmented service delivery to individuals, families and communities, the State Government created the Department of Communities and brought together six entities with about 6,000 staff located across WA. Significant work was undertaken in 2017-18 to integrate and align our functions, business units and staff into the new organisational structure.

Communities is collaborating with service providers to trial new approaches, better co-design and co-produce services and transform the way services are delivered to create pathways that enable individual, family and community wellbeing.



National Disability Insurance Scheme transition

A priority for State and Commonwealth governments is to ensure a smooth transition to the NDIS for people with disability, their families and carers, as well as service providers and staff from 1 July 2018.

The transfer of participants in the Western Australian NDIS to the Australia-wide NDIS is well underway, with more than 7,500 participants to be transferred by 31 December 2018. Communities is working collaboratively with the NDIA to facilitate a successful transition of disability services to Commonwealth Government responsibility over the next two years. The transition will affect about 26,000 people previously supported by Communities.

Communities is providing information and data to the NDIA to support this process. To assist this substantial body of work and ensure successful transition to the NDIS, a governance structure has been implemented to oversee the transfer and transition and escalate issues as they arise.

Consultation with the sector has indicated that substantial changes will be required to ensure sustainable growth

for service providers in a market-based environment that promotes choice and control for people with disability, their family and carers.

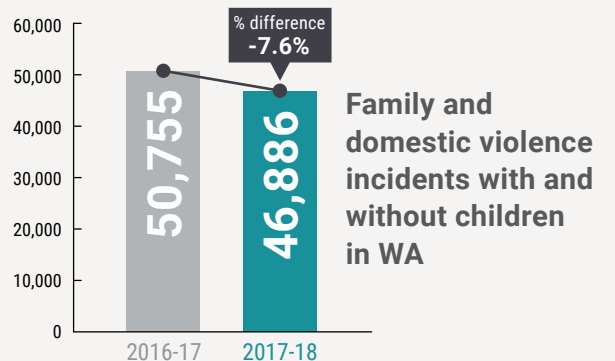


The State Government has committed \$20.3 million funding over two years from July 2018 to assist registered service providers in the disability sector to transition to the NDIS, via the WA Sector Transition Fund. The fund is designed to safeguard the future and sustainability of the State's disability sector. It will assist service providers to adapt to new requirements under the NDIS, maintain quality services and standards, and promote and grow disability service delivery to meet an increased demand for support. Communities will run targeted expressions of interest in 2018-19 to release the funding.



Stopping family and domestic violence

Family and domestic violence is a key focus area for Communities and is the biggest driver of demand for child protection services. It requires concerted effort and is being addressed in a coordinated program of initiatives, involving government, private sector and non-government organisations, designed to achieve immediate and long-term outcomes. These include additional crisis accommodation for women and children, behavioural change programs for male perpetrators of family and domestic violence, culturally appropriate support services for Aboriginal and multicultural communities, inter-agency information sharing for better case management, the introduction of Respectful Relationships programs into schools and a central pet referral project.



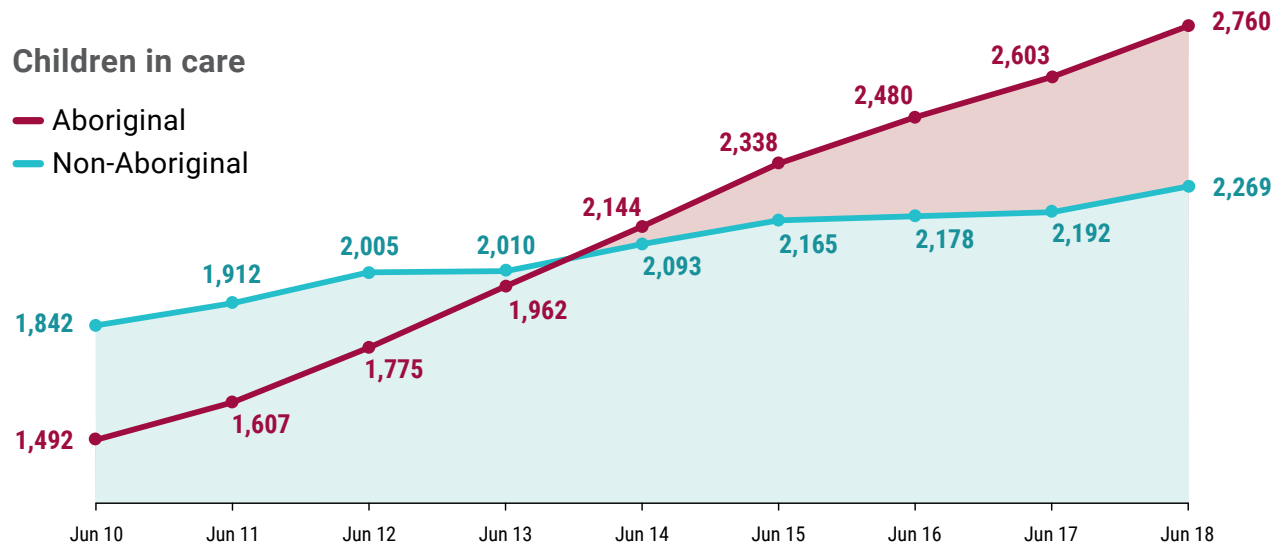
Safe children

In 2017-18, Communities responded to 18,294 notifications relating to 17,510 children at risk of abuse and harm.

During the last two-year period, the number of non-Aboriginal children entering care has risen. Despite this, Aboriginal children are still over-represented, making up 55 per cent of the 5,029 children living in out-of-home care in WA.

Communities is focused on improving outcomes for Aboriginal children, families and communities through key reforms within the agency and in our funded services. These reforms are aimed at reducing the number of children needing to enter out-of-home care.

Communities has strengthened the Earlier Intervention and Family Support Strategy to better support families who are most vulnerable to their children coming into care. Services designed and/or enhanced in 2017-18 as part of the strategy include the Aboriginal In-home Support Service, the Family Support Networks lead agency and the Intensive Family Support Services.



Awarding new contracts for the delivery of these services more than trebled the number of community service organisations delivering Intensive Family Support Services and Family Support Networks, including 12 Aboriginal community-controlled organisations.

More than 10 locations in regional WA will have access to these types of services for the first time – representing 60 per cent of the regional population. The Aboriginal In-home Support and Family Care Support services are both new services in WA.

These services will tailor supports available to families in response to their needs and to improve their capacity to address issues and safely care for their children, thereby reducing the number of children entering care and/or being separated from their family, community and country.



Addressing the demand for affordable housing

The creation of Communities in 2017 was an opportunity to bring together, for the first time, the urban and built form development capability of the Housing Authority with human service delivery agencies. Communities now has the combined capability to create diverse and inclusive communities so all members of our community can thrive.

One of the first significant housing projects of our new department is the METRONET Social and Affordable Housing and Jobs Package, which will produce 1,390 new homes. This includes 320 new social housing dwellings and at least 400 affordable homes. The package will provide up to 200 homes for vulnerable singles and couples on the priority public housing waiting list, as well as 300 homes created with universal design to meet the needs of people of every age and ability.

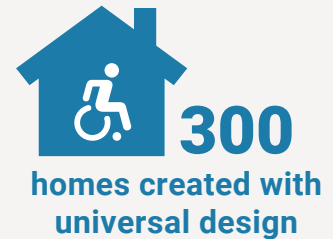


Social and Affordable Housing and Jobs Package

1,390
new homes



including



Financial counselling and Hardship Utility Grant Scheme

The incidence of people facing serious financial hardship increases the likelihood of adverse social consequences, including family breakdown, homelessness, crime and poor health and education outcomes.

Financial counselling has been shown to help those most at risk, and Communities has provided support to the financial counselling sector to deliver services where they are most needed. In an effort to improve the current situation, Communities has provided funding to the Financial Counsellors' Association of WA to provide sector support and development, policy advice and information, and interagency collaboration.

During 2017-18, Communities provided \$16.25 million towards the Hardship Utility Grant Scheme to support those in financial hardship, in most need and at risk of disconnection from their utility provider.



Remote housing funding

The National Partnership on Remote Housing, a 10-year funding agreement addressing critical housing need for Aboriginal remote communities, concluded on 30 June 2018 and there is no further Commonwealth funding commitment beyond this date.

The absence of ongoing Commonwealth funds creates a substantial funding shortfall, removing Communities' ability to commit to new builds or support more houses and compromises the effective delivery of a planned asset management program. The State Government will continue to support existing housing in remote communities, recognising its importance for social, economic, health and education outcomes.





Disclosures and legal compliance





Performance management framework

Outcomes based management framework

Communities' performance is measured against key performance indicators and deliverables that are set out in our outcomes-based management framework. Communities provides services to a diverse range of Western Australians, including people with disability, children who are in the care of the Chief Executive Officer (CEO) and those who need a place to call home. This is reflected in our role in supporting the whole of Government goal of 'Strong Communities: safe communities and supported families'.

The 2017-18 framework was developed following machinery of government changes and combines the desired outcomes, services and measures of the former agencies (Figure 1).



Strong Communities													
Safe Communities and Supported Families													
Goal	Desired outcomes	Families and individuals experiencing homelessness or other crises are assisted to overcome these crises ⁽¹⁾	People who have experienced or are at risk of experiencing family and domestic violence are and remain safe ⁽¹⁾	Children and young people at risk of needing protection are kept safe, diverted from the child protection system and prevented from entering care ⁽¹⁾	Children and young people needing protection are safe from abuse and harm ⁽¹⁾	Children and young people in the CEO's care receive a high quality of care and have much improved life outcomes ⁽¹⁾	The Early Education and Care sector met required quality standards ⁽¹⁾	Seniors received concessions and rebates administered by the Department ⁽¹⁾	Local community services and community building programs met the identified needs of individuals and families ⁽¹⁾	People with disability have choice and control in determining services that meet individual needs ⁽²⁾	The quality of life of people with disability is enhanced ⁽²⁾	People with disability have the opportunity to participate in community life ⁽²⁾	Housing eligible Western Australians ⁽³⁾
	Services	1. Homelessness and other support services	2. Preventing and responding to family and domestic violence	3. Earlier Intervention and Family Support Services	4. Working with Children Checks 5. Child Protection Assessments and Investigations	6. Care arrangements for children in the CEO's care 7. Support services for children in the CEO's care	8. Regulation and support of the Early Education and Care Sector	9. Payments to individuals	10. Delivery of community services, grants and resources	11. Planning and coordination	12. Residential services 13. Community living support 14. Independent living support 15. Therapy and specialised care	16. Community participation 17. Advocacy, access and inclusion	18. Rental housing 19. Home loans 20. Land and housing supply 21. Government Regional Officers' Housing

Figure 1: Communities outcomes and services and relationship to Government goals

- (1) Further details on the indicators are contained in the Disclosures and Legal Compliance section of this report.
- (2) Further details on the indicators are contained in the Disclosures and Legal Compliance section of the Disability Services Commission Annual Report for 2017-18.
- (3) Further details on the indicators are contained in the Disclosures and Legal Compliance section of the Housing Authority Annual Report for 2017-18.

Changes to outcomes-based management framework

Communities' outcome based management framework was approved by the Under Treasurer on 28 February 2018 following the creation of the Department under machinery of government changes. The framework combined the desired outcomes, services and measures of the former agencies. The change also included minor amendments that clarified which outcomes relate to which service within Communities and ensuring consistent use of language across all services.

Applicable in 2017-18, the former Department for Child Protection and Family Support also received approval for changes to its framework. The changes aligned the reporting structures and key performance indicators to the implementation of significant reforms across core service delivery areas. In particular, the structure increased from three outcomes to five outcomes and decreased the number of service areas from 10 to seven. The key performance indicators were also amended to align to the new outcomes and services. These changes were approved by the Under Treasurer on 16 May 2017 and applied prior to the development of Communities' framework.

Shared responsibilities with other agencies

Communities' 2017-18 cross-agency initiatives contained in the Resource Agreement are provided at Table 3.

Table 3: Cross agency initiatives⁽¹⁾ for 2017-18

Initiative	Related outcome/s	Contributing agencies
National Partnership Agreement on Homelessness	Families and individuals experiencing homelessness or other crises are assisted to overcome these crises	Department of Communities ⁽²⁾⁽³⁾ Department of Health Department of Justice Mental Health Commission
Mandatory Reporting of Child Sexual Abuse	Children and young people needing protection are safe from abuse and harm	Department of Communities ⁽²⁾⁽³⁾ Department of Health Department of Education Western Australia Police Force
Kimberley Regional Initiative	People who have experienced or are at risk of experiencing family and domestic violence are and remain safe	Department of Communities ⁽²⁾⁽³⁾ Western Australia Police Force Department of Health Department of Education Department of Justice
Early Childhood Development	The Early Childhood Education and Care sector met required quality standards	Department of Communities ⁽²⁾⁽³⁾ Department of the Premier and Cabinet Department of Health Department of Education
Community Aids and Equipment Program Service Level Agreements	Community Aids and Equipment Program Service Level Agreements extended until 30 June 2018	Department of Health ⁽²⁾⁽⁴⁾ Department of Communities
Inclusive Communities	Memorandum of Understanding from February 2016 to December 2020	Metropolitan Redevelopment Authority ⁽²⁾⁽⁵⁾ Department of Communities

Notes:

(1) Sourced from the Department's 2017-18 Resource Agreement.

(2) It indicates the lead agency responsible for coordinating the delivery and reporting on each of the preceding State Government cross-agency initiatives.

(3) The responsible Minister is the Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence; Community Services.

(4) The responsible Minister is the Minister for Health.

(5) The responsible Minister is the Minister for Transport; Planning; Lands.

Financial performance

Table 4: Summary of financial performance for 2017-18

Indicator	Target ⁽¹⁾ \$'000	Actual ⁽²⁾⁽³⁾ \$'000	Variation \$'000	Explanation of significant variance
Total cost of services (expense limit)	3,604,064	3,190,200	(413,864)	The majority of the underspend relates to the delays in implementing the National Disability Insurance Scheme (NDIS) in Western Australia (WA) and lower volume of properties transacted by Housing Authority, as a result of sluggish market conditions.
Net cost of services	1,886,307	1,838,314	(47,993)	
Total equity	13,562,827	13,020,871	(541,956)	
Agreed salary expense level	573,823	572,179	(1,644)	
Borrowing limit	4,666,226	4,665,639	(587)	
Working cash limit ⁽⁴⁾	110,601	91,204	(19,397)	The variation mainly represents as-yet unspent funds for payment to the National Disability Insurance Agency (NDIA) as part of the transition to federally administered NDIS in WA.

Notes:

- (1) Reflects updated financial targets to the 2017- 18 Resource Agreement as part of the 2017-18 Mid-Year Review. The updates are as per letter dated 14 May 2018 from the Under Treasurer.
- (2) The consolidated financial information contained in this table was not subject to audit by the Office of the Auditor General. The individual financial statements were subject to audit by the Office of the Auditor General.
- (3) The actuals are sourced from the Financial Statement from the Department of Communities, Disability Services Commission and Housing Authority.
- (4) The Housing Authority component of the Department does not have a working cash limit and has been excluded from the calculations.

Key performance indicators summary

Table 5: Summary of outcomes and effectiveness key performance indicators for 2017-18

Indicator	Target ⁽¹⁾	Actual	Explanation of significant variance
Outcomes and effectiveness indicators			
Outcome⁽²⁾ – Families and individuals experiencing homelessness or other crises are assisted to overcome these crises.			
Percentage of homelessness clients with some or all goals achieved at the completion of a homelessness service support period.	85%	82%	
Outcome⁽²⁾ – People who have experienced or are at risk of experiencing family and domestic violence are and remain safe.			
Percentage of family and domestic violence (FDV) clients with some or all goals achieved at the completion of an accommodation or support service.	90%	90%	
Percentage of departmental clients who were assessed and received a response as a result of an FDV incident and did not require another FDV-related response within 12 months.	80%	75%	
Outcome⁽²⁾ – Children and young people at risk of needing protection are kept safe, diverted from the child protection system and prevented from entering care.			
Percentage of clients who received an earlier intervention and family support service whose child(ren) did not enter care within 12 months of service completion.	90%	88%	
Outcome⁽²⁾ – Children and young people needing protection are safe from abuse and harm.			
Proportion of working with children cards issued within 30 days of lodgement where the applicant had no criminal record.	95%	98%	
Proportion of decisions finalised within 60 days where the applicant for a working with children card had a criminal record.	95%	97%	
Improved safety – Proportion of children not subject to a subsequent substantiation of harm within 12 months of a previous substantiation of harm.	95%	88%	
Improved safety – Proportion of children not subject to a substantiation of harm 12 months after an assessment of harm that was unsubstantiated.	95%	93%	

Indicator	Target ⁽¹⁾	Actual	Explanation of significant variance
Outcomes and effectiveness indicators			
Outcome – Children and young people in the Chief Executive Officer's (CEO's) care receive a high quality of care and have much improved life outcomes⁽²⁾.			
Proportion of Aboriginal children in the CEO's care placed in accordance with the Aboriginal and Torres Strait Islander Child Placement Principle.	80%	64%	The number and proportion of Aboriginal children in care continues to increase at a higher rate than the number of available placement options with Aboriginal carers or relatives.
Proportion of children and young people in the CEO's care who felt safe in their care arrangement	95%	97%	
Proportion of children in the CEO's care with comprehensive care planning undertaken within set timeframes.	90%	81%	The result in 2017-18 was lower than the target, which reflects the continued adjustment and ongoing effort of child protection workers to integrate the Needs Assessment Tool (introduced in 2016-17) into the care planning process. Additionally, in 2017-18 the Department introduced the Care Team Approach. This approach focuses on increased and more targeted collaboration with families and other professionals to be more inclusive and respectful of the various views and planning for best interests of the child. This has, however, impacted on the time involved in care planning.
Outcome⁽²⁾ – The Early Education and Care sector met required quality standards.			
Percentage of assessed early childhood education and care services that met or exceeded national standards.	85%	68%	The target was set in the early stages of the implementation of the national scheme, requiring an extrapolated figure from the small percentage of the sector rated at that point in time. Higher than estimated growth in new services as well as changes to the quality standards have since impacted on the actual ratings achieved.
Outcome⁽²⁾ – Seniors received concessions and rebates administered by the Department.			
The take-up rate of Seniors Card.	94%	96%	
Outcome⁽²⁾ – Local community services and community building programs met the identified needs of individuals and families.			
Percentage of service users that had their identified needs met.	96%	94%	

Indicator	Target ⁽¹⁾	Actual	Explanation of significant variance
Outcomes and effectiveness indicators			
Percentage of community building grants that were acquitted against identified outcomes.	90%	80%	During the 2017-18 financial year, there was a higher proportion of first time grant recipients with no previous experience of grant processes, necessitating longer follow up periods and delays in acquittals.
Outcome⁽³⁾ – People with disability have choice and control in determining services that meet individual needs.			
Percentage of service users who achieve their individual plan outcomes.	79%	79%	
Satisfaction with individualised planning process.	80%	78%	
Outcome⁽³⁾ – The quality of life of people with disability is enhanced.			
Proportion of quality evaluations that meet national standards.	85%	90%	
Satisfaction with service received.	83%	82%	
Proportion of the population in need who receive services.	59%	46%	The 2017-18 actual and prior year actuals are lower than the target due to the bilateral agreement between the Commonwealth and Western Australian governments for transition and full scheme roll-out of an Australia-wide National Disability Insurance Scheme (NDIS). This change resulted in a lower number of participants in the WA NDIS, partly due to participants remaining in the NDIS Perth Hills site, and individuals transferring and transitioning into the National Disability Insurance Agency (NDIA), hence reducing our overall target population.
Outcome⁽³⁾ – People with disability have the opportunity to participate in community life.			
Proportion of service users who achieve community participation outcomes.	77%	76%	
Service users' satisfaction with community access and inclusion.	75%	76%	
Outcome⁽⁴⁾ – Housing eligible Western Australians.			

Indicator	Target ⁽¹⁾	Actual	Explanation of significant variance
Outcomes and effectiveness indicators			
The extent to which the Housing Authority is responsive to the housing needs of eligible Western Australians (total housing assistances relative to the public rental waiting list).	1.38	1.22	Levels of assistance provided were consistent with expectation, with the exception of a smaller than anticipated number of bond assistance loans. There was lower than anticipated demand for bond assistance loans, with numbers similar to loans provided in previous years. The target anticipated a higher number of loans given weaker rental market conditions.
Waiting times for accommodation – applicants housed:			
Average	144 weeks	113 weeks	Waiting times were reduced mainly due to the cumulative effect of higher turnover within the public housing portfolio, enabling a greater number of allocations to be made.
Median	110 weeks	60 weeks	
The extent to which the Government Regional Officers' Housing is responsive to the provision of housing to meet the needs of eligible Western Australian Government employees (total demand relative to current supply).	95%	97%	

- Notes:
- (1) The targets are as per the 2017-18 Western Australian State Budget Paper No.2 (Division 14, Part 8).
 - (2) Further details on the indicators are contained in the Disclosures and Legal Compliance section of this report.
 - (3) Further details on the indicators are contained in the Disclosures and Legal Compliance section of the Disability Services Commission Annual Report for 2017-18.
 - (4) Further details on the indicators are contained in the Disclosures and Legal Compliance section of the Housing Authority Annual Report for 2017-18.

Efficiency Indicator	Target ⁽¹⁾	Actual	Explanation of significant variance
Services and efficiency indicators			
Service 1⁽²⁾ – Homelessness and other support services.			
Average cost per homelessness client.	\$3,670	\$3,385	
Service 2⁽²⁾ – Preventing and responding to family and domestic violence.			
Average cost per family and domestic violence case.	\$2,870	\$2,958	
Service 3⁽²⁾ – Earlier intervention and family support services.			
Average cost per earlier intervention and family support case.	\$5,663	\$6,162	
Service 4⁽²⁾ – Working with Children Checks.			
Average cost per application processed.	\$35	\$30	
Average cost per screening outcome.	\$55	\$50	
Service 5⁽²⁾ – Child protection assessments and investigations.			
Average cost per child involved in child protection cases.	\$4,338	\$4,937	The increase in service costs is primarily related to the commencement of the Department's new Central Intake Team and Statewide Relief Team as a result of a district restructure to ensure consistency across the child protection and family support services to enhance service delivery outcomes.
Service 6⁽²⁾ – Care arrangements for children in the CEO's care.			
Average cost per day of a foster care arrangement.	\$129	\$131	
Average cost per day of a residential based care arrangement.	\$1,534	\$1,673	
Average cost per day of an Exceptionally Complex Needs care arrangement.	\$1,589	\$1,611	
Average cost per day of a secure care arrangement.	\$3,578	\$5,055	The total number of days for children in Secure Care decreased substantially in 2017-18. The main contributing factors included building renovations in late 2017 (for two months), which reduced capacity by half, and a significant reduction in referrals to Secure Care.
Service 7⁽²⁾ – Support services for children in the CEO's care.			
Average cost per day to plan for and support a child in the CEO's care.	\$55	\$61	
Service 8⁽²⁾ – Regulation and support of the early education and care sector.			

Efficiency Indicator	Target ⁽¹⁾	Actual	Explanation of significant variance
Services and efficiency indicators			
Average cost per licenced service for regulation and support.	\$12,668	\$9,484	The result for 2017-18 was lower than the target; however, the cost allocation model used during the amalgamation of Communities in 2017 that provided the target total cost will be refined to provide a more representative target for future comparison.
Service 9⁽²⁾ – Payments to individuals.			
Average management cost per seniors card.	\$6.64	\$6.87	
Service 10⁽²⁾ – Delivery of community services, grants and resources.			
Number of grants and service agreements per Full Time Equivalent (FTE).	39.2	42.1	
Proportion of administrative and management expenditure to service delivery expenditure.	6.8%	5.6%	The result for 2017-18 was lower than the target; however, the decrease in actual administrative and management expenditure is due to the misattribution of expenditure in the calculation of the 2017-18 target following the amalgamation of Communities. If the expenditure had been correctly attributed, the target would have been 5.4% and this will be amended to provide a more representative target for future comparison.
Service 11⁽³⁾ – Planning and coordination.			
Proportion of individual plans commenced within the required timeframe.	80%	83%	
Cost per intensity of individual support requirements.	\$1,830	\$2,287	The 2017-18 actual is higher than the target as a result of lower than expected participants in the WA NDIS, offset by a redirection of State funding to the NDIA. As the change in participants was greater than the change in cost, it has resulted in a higher average cost in these service areas.
Service 12⁽³⁾ – Residential services.			
Cost per intensity of individual support requirements.	\$78,832	\$81,416	
Cost per service activity.	\$211,328	\$220,514	
Service 13⁽³⁾ – Community living support.			
Cost per intensity of individual support requirements.	\$74,357	\$70,829	
Cost per service activity.	\$170,324	\$170,141	

Efficiency Indicator	Target ⁽¹⁾	Actual	Explanation of significant variance
Services and efficiency indicators			
Service 14⁽³⁾ – Independent living support.			
Cost per intensity of individual support requirements.	\$19,857	\$18,841	
Cost per service activity.	\$38,492	\$31,853	The 2017-18 actual is lower than the target largely as a result of the bilateral agreement between the Commonwealth and Western Australian governments for transition and full scheme roll-out of an Australia-wide NDIS. This has resulted in a redirection of State funding to the NDIA, causing a decrease in cost across service areas.
Service 15⁽³⁾ – Therapy and specialised care.			
Cost per intensity of individual support requirements.	\$4,136	\$5,371	The 2017-18 actual is higher than the target as a result of lower than expected participants in the WA NDIS, offset by a redirection of State funding to the NDIA. As the change in participants was greater than the change in cost, it has resulted in a higher average cost in these service areas.
Cost per service activity.	\$7,883	\$7,785	
Service 16⁽³⁾ – Community participation.			
Cost per intensity of individual support requirements.	\$7,075	\$8,039	The 2017-18 actual is higher than the target as a result of lower than expected participants in the WA NDIS, offset by a redirection of State funding to the NDIA. As the change in participants was greater than the change in cost, it has resulted in a higher average cost in these service areas.
Cost per service activity.	\$12,549	\$10,943	The 2017-18 actual is lower than the target largely as a result of the bilateral agreement between the Commonwealth and Western Australian governments for transition and full scheme roll-out of an Australia-wide NDIS. This has resulted in a redirection of State funding to the NDIA, causing a decrease in cost across service areas.

Efficiency Indicator	Target ⁽¹⁾	Actual	Explanation of significant variance
Services and efficiency indicators			
Service 17⁽³⁾ – Advocacy, access and inclusion.			
Cost per service activity.	\$32,410	\$135,753	As a direct result of the \$11 million in Information, Linkages and Capacity Building and Sector Development grants assisting to safeguard individuals' transition to the Australia-wide scheme, there was a significant increase in costs in the advocacy, access and inclusion service area. As the grant agreements are for a period of more than 12 months, projects that were not completed by the end of the financial year are not included in the calculation.
Proportion of access, inclusion and advocacy projects completed within the required time.	90%	87%	
Service 18⁽⁴⁾ – Rental housing.			
Operating cost per rental property.	\$15,236	\$15,631	
Service 19⁽⁴⁾ – Home loans.			
Operating cost per current loan account.	\$2,613	\$2,540	
Service 20⁽⁴⁾ – Land and housing supply.			
Operating cost per lot developed.	\$20,644	\$33,680	The variance was primarily as a result of the Housing Authority's reduction in the number of lots developed in response to a continuing subdued residential land market. Operating costs were on target.
Operating cost per property sold.	\$15,291	\$32,325	While the Housing Authority can successfully contain total operating expenses below target, the aggregate number of properties sold was less than anticipated, which resulted in a higher result for this indicator.
Service 21⁽⁴⁾ – Government Regional Officers' Housing.			
Operating cost per property.	\$29,101	\$25,170	The variance was primarily due to a combination of continued reduction in lease costs from the private rental market, coupled with a reduced number of leases when compared to the target set last year.

- Notes:
- (1) The targets are as per the 2017-18 Western Australian State Budget Paper No.2 (Division 14, Part 8).
 - (2) Further details on the indicators are contained in the Disclosures and Legal Compliance section of this report.
 - (3) Further details on the indicators are contained in the Disclosures and Legal Compliance section of the Disability Services Commission Annual Report for 2017-18.
 - (4) Further details on the indicators are contained in the Disclosures and Legal Compliance section of the Housing Authority Annual Report for 2017-18.

Auditor General's opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

DEPARTMENT OF COMMUNITIES

Report on the Financial Statements

Opinion

I have audited the financial statements of the Department of Communities which comprise the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Department of Communities for the year ended 30 June 2018 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Department in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Director General for the Financial Statements

The Director General is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Director General determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director General is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Department.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

I communicate with the Director General regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Department of Communities. The controls exercised by the Department are those policies and procedures established by the Director General to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Department of Communities are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2018.

The Director General's Responsibilities

The Director General is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgment, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Department of Communities for the year ended 30 June 2018. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Department of Communities are relevant and appropriate to assist users to assess the Department's performance and fairly represent indicated performance for the year ended 30 June 2018.

The Director General's Responsibility for the Key Performance Indicators

The Director General is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Director General determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Director General is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Department of Communities for the year ended 30 June 2018 included on the Department's website. The Department's management is responsible for the integrity of the Department's website. This audit does not provide assurance on the integrity of the Department's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



CAROLINE SPENCER
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
19 September 2018



Financial statements

Certification of financial statements

For the reporting period ended 30 June 2018

The accompanying financial statements of the Department of Communities have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2018 and the financial position as at 30 June 2018.

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



Liam Carren
Chief Financial Officer

14 September 2018



Grahame Searle
Accountable Authority

14 September 2018

Statement of Comprehensive Income

For the year ended 30 June 2018

	Note	2018 (\$'000)
Cost of services		
Expenses		
Employee benefits expense	6	279,538
Supplies and services	7	62,124
Depreciation and amortisation expense	8	10,065
Accommodation expenses	9	33,384
Grants and subsidies	10	173,107
Funding for services	11	223,688
Loss on disposal of non-current assets	17	5
Other expenses	12	10,962
Total cost of services		792,873
Income		
Revenue		
User charges and fees	14	8,681
Commonwealth grants and contributions	15	43,132
Other revenue	16	2,851
Total revenue		54,664
Total income other than income from State Government		54,664
Net cost of services		738,208
Income from State Government	18	
Service appropriation		716,904
Services received free of charge		6,852
Royalties for Regions Fund		17,334
Other funds received from State Government		4,660
Total income from State Government		745,750
Surplus for the period		7,541

	Note	2018 (\$'000)
Other comprehensive income		
Items not reclassified subsequently to profit or loss		0
Total other comprehensive income		0
Total Comprehensive income for the period		7,541

See also the 'Schedule of Income and Expenses by Service'.
The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2018

	Note	2018 (\$'000)
Assets		
Current Assets		
Cash and cash equivalents	34	31,839
Restricted cash and cash equivalents	19, 34	5,998
Receivables	20	5,387
Amounts receivable for services	21	68
Other current assets	22	6,195
Non-current assets classified as held for sale	23	6,375
Total current assets		55,862
Non-current assets		
Restricted cash and cash equivalents	19, 34	1,841
Amounts receivable for services	21	106,828
Property, plant and equipment	24, 27	112,487
Leasehold improvements	25, 27	11,062
Work in progress	26, 27	385
Intangible assets	29, 27	17,848
Total non-current assets		250,451
Total Assets		306,313
Liabilities		
Current Liabilities		
Payables	31	13,234
Income Received in Advance		271
Provisions	32	108,250
Total current liabilities		121,755
Non-current liabilities		
Payables	31	2,586
Provisions	32	26,077
Total non-current liabilities		28,663
Total liabilities		150,418
Net assets		155,895

	Note	2018 (\$'000)
Equity		
Contributed equity	33	148,354
Accumulated surplus		7,541
Total equity		155,895

See also the 'Schedule of Assets and Liabilities by Service'.
The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2018

	Note	2018 (\$'000)
Cash flows from State Government		
Receipts		
Service appropriation	18	706,563
Capital appropriations	33	5,007
Cash transferred in from abolished agencies		28,520
Royalties for Regions Fund		17,334
Other funds received from State Government		4,660
Net cash provided by State Government		762,083
Utilised as follows:		
Cash flows from operating activities		
Payments		
Employee benefits		(278,195)
Supplies and services		(51,874)
Accommodation		(36,133)
Grants and subsidies		(173,936)
Funding for services		(230,533)
GST payments on purchases		(39,601)
Other payments		(5,189)
Receipts		
User charges and fees		8,680
Commonwealth grants and contributions		43,104
GST receipts on sales		510
GST receipts from taxation authority		41,703
Other receipts		3,295
Net cash (used in) operating activities	34	(718,168)
Cash flows from investing activities		
Payments		
Purchase of non-current assets		(4,237)
Net cash (used in) investing activities		(4,237)
Net increase in cash and cash equivalents		39,678
Cash and cash equivalents at the beginning of the period		0
Cash and cash equivalents at the end of the period	34	39,678

The statement of cash flows should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2018

	Contributed equity (\$'000)	Accumulated surplus/(deficit) (\$'000)	Total equity (\$'000)
Balance at 1 July 2017	-	-	-
Surplus	-	7,541	7,541
Total comprehensive income for the period	-	7,541	7,541
Transactions with owners in their capacity as owners:			
Capital appropriations	5,007	-	5,007
Other contributions by owners			
Transfers in from abolished agencies	223,699	-	223,699
Transfer in of employee leave benefits provisions for Housing Authority at start of period	(19,535)	-	(19,535)
Transfer in of employee leave benefits provisions for Disabilities Services Commission at start of period	(60,816)	-	(60,816)
Total	148,354	7,541	148,355
Balance at 30 June 2018	148,354	7,541	155,895

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

Schedule of Income and Expenses by Service

For the year ended 30 June 2018

	Homelessness and Other Support Services	Preventing and Responding to Family and Domestic Violence	Earlier Intervention and Family Support Services	Working with Children Checks	Child Protection Assessments and Investigations	Care Arrangements for Children in the Chief Executive Officer's (CEO's) Care	Support Services for Children in the CEO's Care	Regulation and Support of the Early Education and Care Sector	Payments to Individuals	Delivery of Community Services, Grants and Resources	TOTAL
	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)
Cost of Services											
Expenses											
Employee benefits expense	8,078	4,745	33,123	5,372	58,971	88,189	65,076	8,170	1,790	6,023	279,538
Supplies and services	2,624	1,557	6,728	6,131	12,404	15,660	13,175	1,728	484	1,632	62,124
Depreciation and amortisation expense	226	141	948	88	1,668	3,074	1,965	244	207	1,505	10,065
Accommodation expenses	1,048	409	4,159	131	6,963	10,391	8,338	875	129	941	33,384
Grants and subsidies	18,746	1,450	1,809	-	338	106,669	13,950	1,215	23,822	5,109	173,107
Funding for services	51,388	41,213	29,054	-	3,780	54,625	3,147	4	1	40,476	223,688
Loss on disposal of non-current assets	-	-	1	-	1	1	1	-	-	-	5
Other expenses	313	226	1,296	228	2,331	3,500	2,690	198	62	118	10,962
Total cost of services	82,423	49,741	77,118	11,950	86,456	282,109	108,342	12,434	26,495	55,804	792,873
Income											
User charges and fees	-	-	1	7,617	2	51	2	1,007	-	-	8,681
Commonwealth grants and contributions	30,404	11,101	-	-	-	-	-	1,599	28	-	43,132
Other revenue	89	78	348	-	591	850	723	89	27	56	2,851
Total income other than income from State Government	30,493	11,179	349	7,617	593	901	725	2,695	55	56	54,664
Net Cost of Services	51,930	38,562	76,769	4,333	85,863	281,208	107,617	9,739	26,440	55,748	738,208
Income from State Government											
Service appropriation	50,640	36,962	71,949	4,300	83,735	276,904	105,103	8,163	26,167	52,979	716,904
Services received free of charge	174	152	678	114	2,427	1,659	1,327	169	52	101	6,852
Royalties for Regions Fund	3,259	1,537	1,392	-	2,366	3,405	2,717	2,005	106	547	17,333
Other funds received from State Government	732	59	263	-	446	642	512	66	20	1,921	4,660
Total income from State Government	54,805	38,710	74,282	4,414	88,974	282,610	109,659	10,403	26,345	55,548	745,750
Surplus/ (deficit) for the period	2,875	148	(2,487)	81	3,111	1,402	2,042	664	(95)	(200)	7,541

The Schedule of Income and Expenses by Services should be read in conjunction with the accompanying notes.

Schedule of Assets and Liabilities by Service

As at 30 June 2018

	Homelessness and Other Support Services	Preventing and Responding to Family and Domestic Violence	Earlier Intervention and Family Support Services	Working with Children Checks	Child Protection Assessments and Investigations	Care Arrangements for Children in the Chief Executive Officer's (CEO's) Care	Support Services for Children in the CEO's Care	Regulation and Support of the Early Education and Care Sector	Payments to Individuals	Delivery of Community Services, Grants and Resources	TOTAL
	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)	2018 (\$'000)
Assets											
Current Assets	2,296	1,429	6,862	817	10,271	15,307	11,901	1,899	4,001	1,079	55,862
Non-Current Assets	4,647	3,356	19,053	1,830	33,082	88,644	38,629	4,610	2,962	53,638	250,451
Total Assets	6,943	4,785	25,915	2,647	43,353	103,951	50,530	6,509	6,963	54,717	306,313
Liabilities											
Current Liabilities	3,971	2,815	13,429	3,276	25,185	35,091	27,786	3,872	1,069	5,262	121,755
Non-Current Liabilities	789	541	3,731	590	6,535	8,059	6,989	744	169	515	28,663
Total Liabilities	4,760	3,356	17,160	3,866	31,720	43,150	34,775	4,616	1,238	5,777	150,418
Net assets	2,183	1,429	8,755	(1,219)	11,633	60,801	15,755	1,893	5,725	48,940	155,895

The Schedule of Assets and Liabilities by Services should be read in conjunction with the accompanying notes.

Summary of Consolidated Account Appropriations and Income Estimates

For the year ended 30 June 2018

	2018 Estimate (\$'000)	2018 Actual (\$'000)	2018 Variance (\$'000)
Delivery of services			
Item 48 Net amount appropriated to deliver services	712,681	716,426	3,745
Amount authorised by other statutes			
<i>Salaries and Allowances Act 1975</i>	356	478	122
Royalties for Regions Fund	17,661	17,333	(328)
Total appropriations provided to deliver services	730,698	734,237	3,539
Capital			
Item 131 Capital appropriations	4,707	5,007	300
Grand total	735,405	739,244	3,839
Details Of Expenses by Service			
Homelessness and Other Support Services	86,018	82,423	(3,595)
Preventing and Responding to Family and Domestic Violence	46,065	49,741	3,676
Earlier Intervention and Family Support Services	81,874	77,118	(4,756)
Working with Children Checks	12,564	11,950	(614)
Child Protection Assessments and Investigations	85,120	86,456	1,336
Care arrangements for Children in the Chief Executive Officer's (CEO's) Care	280,569	282,109	1,540
Support Services for Children in the CEO's Care	101,339	108,342	7,003
Regulation and Support of the Early Education and Care Sector	17,067	12,434	(4,633)
Payments to Individuals	28,910	26,495	(2,415)
Delivery of Community Services, Grants and Resources	56,145	55,804	(341)
Total cost of services	795,671	792,873	(2,799)
Less total income	(59,005)	(54,664)	4,341
Net cost of services	736,666	738,208	1,542
Adjustments (a)	(5,968)	(3,971)	1,997
Total appropriations provided to deliver services	730,698	734,237	3,539
Capital expenditure			
Purchase of non-current physical assets	4,957	5,344	387
Adjustments for other funding sources	(250)	(337)	(87)
Capital appropriations	4,707	5,007	300

(a) Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation. Note 39 'Explanatory statement' provides details of any significant variations between estimates and actual results for 2018.

Department for Communities Notes to the Financial Statements

For the year ended 30 June 2018

1 Australian Accounting Standards

General

The Department's financial statements for the year ended 30 June 2018 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The Department has adopted any applicable new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Department cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Department for the annual reporting period ended 30 June 2018.

2 Summary of significant accounting policies

(a) General Statement

The Department is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act 2006* and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land and buildings, which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Department's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 4 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The Department of Communities was established on 1 July 2017. The financial statements for the Department of Communities are comprised of the assets and liabilities of the former Department for Child Protection and Family Support along with the community services functions transferred from the former Department of Local Government and Communities, the community patrols program and region-related services transferred from the former Department of Aboriginal Affairs, and the Regional Services Reform Unit transferred from the former Department of Regional Development.

(c) Reporting Entity

The reporting entity is solely comprised of the Department of Communities.

Purpose

Collaborating to enable pathways that enable individual, family and community wellbeing.

The Department is primarily funded by parliamentary appropriations. The financial statements encompass all funds

through which the Department controls resources to carry on its functions.

Services

The Department provides the following services:

Service 1: Homelessness and Other Support Services

Families and individuals experiencing homelessness or other crises are assisted to overcome these crises.

Service 2: Preventing and Responding to Family Domestic Violence

People who have experienced or are at risk of experiencing family domestic violence are and remain safe.

Service 3: Earlier Intervention and Family Support Services

Children and young people at risk of needing protection are kept safe, diverted from the child protection system and prevented from entering care.

Service 4: Working With Children Check

Children and young people needing protection are safe from abuse and harm.

Service 5: Child Protection Assessments and Investigations

Children and young people needing protection are safe from abuse and harm.

Service 6: Care Arrangements for Children in the CEO's Care

Children and young people in the CEO's care receive a high quality of care and have much improved life outcomes.

Service 7: Support Services for Children in the CEO's Care

Children and young people in the CEO's care receive a high quality of care and have much improved life outcomes.

Service 8: Regulation and Support of the Early Education and Care Sector

The Early Education and Care sector met required quality standards.

Service 9: Payments to Individuals

Seniors received concessions and rebates administered by the Department.

Service 10: Delivery of Community Services, Grants and Resources

Local community services and community building programs met the identified needs of individuals and families.

(d) Contributed Equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to contributed equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Service Appropriations

Service Appropriations are recognised as revenues at fair value in the period in which the Department gains control of the appropriated funds.

The Department gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Net Appropriation Determination

The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the Department.

In accordance with the most recent determination, as quantified in the 2017-18 Budget Statements, the Department retained \$54.664 million in 2018 from the following:

- proceeds from fees and charges
- Commonwealth specific purpose grants and contributions
- State Government grants and contributions
- other departmental revenue.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Department obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Royalties for Regions funds are recognised as revenue at fair value in the period in which the Department obtains control over the funds.

The Department obtains control of the funds at the time the funds are deposited into the Department's bank account.

Gains

Realised and unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Property, Plant and Equipment and Leasehold Improvements

Capitalisation/Expensing of assets

Items of property, plant and equipment and leasehold improvement costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment and leasehold improvement costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items that are significant in total).

Initial recognition and measurement

Property, plant and equipment and leasehold improvements are initially recognised at cost.

For items of property, plant and equipment and leasehold improvements acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and buildings and historical cost for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation (buildings only) and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, fair value of land and buildings is determined on the basis of existing use.

This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost.

Where the fair value of buildings is determined on the depreciated replacement cost basis, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Leasehold improvements are carried at historical cost less accumulated depreciation and accumulated impairment losses.

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Asset revaluation reserve

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets on a class of assets basis.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight line method, using rates that are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	25 years
Office machines, furniture and equipment	5 years
Computer equipment	4 years

Leasehold improvements are depreciated on a straight line basis over the life of the lease or the life of the asset, whichever is less. The estimated useful life for leasehold improvements is between 1 to 25 years.

Land is not depreciated.

(g) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised.

The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition. The Department does not have any intangible assets with an indefinite useful life.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life, which is reviewed annually) on the straight line basis. All intangible assets controlled by the Department have a finite useful life and zero residual value.

The expected useful lives for each class of intangible asset are:

Computer software	3-15 years
Licences	2-5 years
Website costs	3-7 years

Computer software

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

Website costs

Website costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a website and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building

or enhancing a website that can be reliably measured are capitalised to the extent that they represent probable future economic benefits.

(h) Impairment of Assets

Property, plant and equipment and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income.

As the Department is a not-for-profit entity, unless a specialised asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/ amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment. The Department does not have any such intangible assets for the reporting period.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(i) Non-current assets (or disposal groups) classified as held for sale or for distribution to owners

Non-current assets (or disposal groups) held for sale or for distribution to owners are recognised at the lower of carrying amount and fair value less costs to sell or distribute, and are disclosed separately from other assets in the Statement of Financial Position. Assets classified as held for sale or for distribution to owners are not depreciated or amortised.

All Crown land holdings are vested in the Department by the Government. The Department of Planning, Lands and Heritage (DPLH) is the only agency with the power to sell Crown land. The Department transfers the Crown land and any attached buildings to DPLH when the land becomes available for distribution.

(j) Leases

The Department holds operating leases for motor vehicles, residential care facilities, head office and a number of branch office buildings. Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

The Department has no finance lease commitments at this time.

(k) Financial Instruments

In addition to cash, the Department has two categories of financial instrument:

- receivables
- financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
 - Cash and cash equivalents
 - Restricted cash and cash equivalents
 - Receivables
 - Amounts receivable for services
- Financial Liabilities
 - Payables

Initial recognition and measurement of financial instruments is at fair value, which normally equates to the transaction cost or the face value.

Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(l) Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand that are subject to insignificant risk of changes in value.

(m) Accrued Salaries

Accrued salaries [see note 31 'Payables'] represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The Department considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account [See note 19 'Restricted cash and cash equivalents'] consists of amounts paid annually into a suspense account over a period of 10 reporting periods to largely meet the additional cash outflow in each eleventh year when 27 pay days occur instead of the normal 26.

No interest is received on this account.

(n) Amounts Receivable for Services (Holding Account)

The Department receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable).

The holding account receivable balance, resulting from service appropriation funding is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

(o) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off against the allowance account.

The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Department will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(p) Payables

Payables are recognised at the amounts payable when the Department becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

(q) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Provisions - employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is, therefore, considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments, consideration is given to expected future wage and salary levels, including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds, with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Department does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Long service leave

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period and is, therefore, recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments, consideration is given to expected future wage and salary levels, including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as the Department does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Department has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Sick leave

Liabilities for sick leave are recognised when it is probable that sick leave paid in the future will be greater than the entitlement that will accrue in the future.

Past history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income for this leave as it is taken.

Deferred leave

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional 12 months' leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a current provision as employees can leave the scheme at their discretion at any time.

Purchased leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional 10 weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Superannuation

The Government Employees Superannuation Board (GESB) and other funds administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership, in particular schemes for public sector employees, varies according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the

GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees became able to choose their preferred superannuation fund. The Department makes concurrent contributions to GESB or other funds on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the Department's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Department to GESB extinguishes the agency's obligations to the related superannuation liability.

The Department has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Department to the GESB.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share.

See also note 2(r) 'Superannuation expense'.

Provisions – other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Department's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. See also note 12 'Other expenses' and note 32 'Provisions'.

(r) Superannuation Expense

Superannuation expense is recognised in the profit or loss of the Statement of Comprehensive Income and comprises of employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBS, or other superannuation fund. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

(s) Assets and services received free of charge or for nominal cost

Assets or services received free of charge, or for nominal cost that the Department would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(t) Comparative Figures

The Department of Communities was established on 1 July 2017 and as such, comparative figures are not presented in the current reporting period.

3 Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Department evaluates these judgements regularly.

Operating lease commitments

The Department has entered into a number of leases for buildings for branch office accommodation. Some of these leases relate to buildings of a temporary nature, and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, these leases have been classified as operating leases.

Intangible Asset

The Department has capitalised development costs of a client management system (Assist). This is recognised as an internally generated intangible asset. The amortisation and estimated useful life reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Department.

4 Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Long service leave

Several estimations and assumptions used in calculating the Department's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

5 Future Impact of Australian Accounting Standards not yet operative

The Department cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 1101. Where applicable, the Department plans to apply the following Australian Accounting Standards from their application date:

Title	Operative for reporting dates beginning on/after
<p>AASB 9 Financial Instruments This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments. The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9 and AASB 2014-1 Amendments to Australian Accounting Standards. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 15 Revenue from Contracts with Customers This Standard establishes the principles that the Department shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The mandatory application date of this Standard is currently 1 January 2019 after being amended by AASB 2016-17. The Department's income is principally derived from appropriations which will be measured under AASB 1058 Income of Not-for-Profit Entities and will be unaffected by this change. However, the Department has not yet determined the potential impact of the Standard on 'User charges and fees' and 'Sales' revenues. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the Department has discharged its performance obligations.</p>	1 Jan 2019
<p>AASB 16 Leases This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Department has not yet determined the application or the potential impact of the Standard. Whilst the impact of AASB 16 has not yet been quantified, the entity currently has operating lease commitments for \$98,101,456 over five years. The Department anticipates most of this amount will be brought onto the statement of financial position, excepting amounts pertinent to short-term or low-value leases. Interest and amortisation expense will increase and rental expense will decrease.</p>	1 Jan 2019
<p>AASB 1058 Income of Not-for-Profit Entities This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability, a performance obligation (a promise to transfer a good or service), or an obligation to acquire an asset. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2019
<p>AASB 1059 Service Concession Arrangements: Grantors This Standard addresses the accounting for a service concession arrangement (a type of public private partnership) by a grantor that is a public sector agency by prescribing the accounting for the arrangement from the grantor's perspective. Timing and measurement for the recognition of a specific asset class occurs on commencement of the arrangement and the accounting for associated liabilities is determined by whether the grantee is paid by the grantor or users of the public service provided. The Department has not identified any public private partnerships within scope of the Standard.</p>	1 Jan 2019

Title	Operative for reporting dates beginning on/after
<p>AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127] This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 2014-1 Amendments to Australian Accounting Standards Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by the Department to determine the application or potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15 This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15 This Standard amends the mandatory application date of AASB 15 to 1 January 2018 (instead of 1 January 2017). It also defers the consequential amendments that were originally set out in AASB 2014-15. The Department has not yet determined the application or the potential impact of AASB 15.</p>	1 Jan 2018
<p>AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15 This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and provides further transitional provisions to AASB 15. The Department has not yet determined the application or the potential impact.</p>	1 Jan 2018
<p>AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities This Standard defers, for not-for-profit entities, the mandatory application date of AASB 15 to 1 January 2019, and the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this Standard.</p>	1 Jan 2018
<p>AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities This Standard inserts Australian requirements and authoritative implementation guidance for not-for profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.</p>	1 Jan 2019

6 Employee benefits expense

	2018 (\$'000)
Wages and salaries ^(a)	255,488
Superannuation - defined contribution plans ^(b)	24,050
	279,538

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlements including superannuation contribution component.

(b) Defined contribution plans include West State, GSS, GESB and other eligible funds.

Employment on-costs expenses, such as workers' compensation insurance, are included at note 12 'Other expenses'.

Employment on-costs liability is included at note 32 'Provisions'.

7 Supplies and services

Communications	4,001
Consultants and contractors	26,687
Contracts, equipment and licenses	5,322
Consumables	4,246
Leased equipment	494
Motor vehicle costs	5,678
Staffing costs	8,874
Training	1,919
Travel	2,836
Other	2,067
	62,124

8 Depreciation and amortisation expense

	2018 (\$'000)
Depreciation	
Buildings	2,329
Office machines, furniture and equipment	551
Computer equipment	261
Leasehold improvements	3,714
Total depreciation	6,855
Amortisation	
Intangible assets	3,211
Total amortisation	3,211
Total depreciation and amortisation	10,065

9 Accommodation expenses

Lease rentals	20,801
Repairs and maintenance - buildings	3,863
Insurance - general	3,040
Minor works	688
Cleaning, gardening, security, rates and taxes	2,601
Power, water and gas	2,391
	33,384

10 Grants and subsidies

	2018 (\$'000)
Bereavement assistance	927
Natural disaster assistance	109
Case support costs	28,539
Children's and leaving care subsidies	60,624
Seniors Cost of Living Rebate	23,188
Hardship Utility Grant Scheme	16,258
High needs placement programs	32,574
Grants and subsidies private bodies	7,912
Grants and subsidies to government agencies	789
Youth Cadet Grants	1,134
Other	1,053
	173,107

11 Funding for services

Homelessness and other support services	51,388
Preventing and responding to family and domestic violence	41,213
Earlier intervention and family support services	29,054
Child protection assessments and investigations	3,780
Care arrangements for children in the CEO's care	54,625
Support services for children in the CEO's care	3,147
Regulation and support of the early education and care sector	4
Payments to individuals	1
Delivery of community services, grants and resources	40,476
	223,688

12 Other expenses

	2018 (\$'000)
Repairs and maintenance - equipment	28
Doubtful debts expense	110
Employment on-costs ^(a) (see note 6 'Employee benefits expense')	5,053
Audit fees	427
Net revaluation decrement for land assets during the year	4,780
Net revaluation decrement for building assets during the year	564
	10,962

(a) Includes workers' compensation insurance. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 32 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

13 Related Party Transactions

The Department is a wholly owned and controlled entity of the State of Western Australia. In conducting its activities, the Department is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the State and entities related to the State.

Related parties of the Department include:

- all Ministers and their close family members, and their controlled or jointly controlled entities
- all senior officers and their close family members, and their controlled or jointly controlled entities
- other departments and public sector entities, including related bodies included in the whole of government consolidated financial statements

- associates and joint ventures, that are included in the whole of government consolidated financial statements
- GESB.

The Department had no material related party transaction with Ministers/senior officers or their close family members or their controlled (or jointly controlled) entities for disclosure.

Significant transactions with government related entities

Significant transactions with government related entities, which are not considered material (please refer to disclosure of material transactions with Western Australian State Government entities below) include:

- recoupment of staff expenses from Department of Planning, Lands and Heritage, Disability Services Commission, Western Australia Police Force, Department of Justice and Housing Authority, and leave transfers for staff transferring to the Department of Education and the Housing Authority (Note 6)
- payment of departmental vehicle registration to Department of Transport (Note 7)
- payment of funding relating to trustee services for children in care paid to the Public Trustee (Note 7)
- remuneration for services provided by the Auditor General (Note 7)
- payment of electricity expenses for departmental properties and office accommodation paid to Horizon Power and recoupment cost of plumbing compliance paid to the Department of Mines, Industry Regulation and Safety (Note 9)
- payment of Hardship Utility Grants to Horizon Power (Note 10)
- payment to the CBA Grandcarers for the Grand Carers support scheme (Note 10)
- accommodation for children in care paid to the WA Department of Health and the Commonwealth Department of Human Services, prepayment for client costs and staff secondments/leave transfers to Disability Services Commission, pathology test for clients paid to Pathwest Laboratory Medicine WA and emergency relief payments paid to DAAS (Note 10)
- provision of funding for the Mobile Clinical Outreach Team operated by the Mental Health Commission (Note 11)
- refund of incorrect payments made by the Insurance Commission of WA (Note 16)
- delivery of services paid to Housing Authority (Note 18).

Material transactions with Western Australian State Government entities

The Department is a wholly owned and controlled entity of the State of Western Australia. The Department transacts with a number of Western Australian State Government authorities, agencies and government trading enterprises.

Transactions with these entities include, but are not limited to: borrowings and repayment of money; sales and purchase of goods, property and other assets; payment of rates; use of utilities; and other government fees and charges.

Total annual transactions in excess of \$1m include:

	Transaction value at year ended 2018 (\$'000) Receipts / (Payments)
Government of Western Australia	393,223
Appropriation received from Government (Note 18)	393,223
Department of Finance - Shared Services	(22,013)
Payment of office accommodation leasing, repairs and maintenance (Note 9)	(22,013)
Synergy	(14,924)
Payment of Hardship Utility Grants to Synergy clients (Note 10)	(14,629)
Payment of electricity for office accommodation (Note 9)	(295)
Department of Local Government and Communities	(13,850)
Transfer of appropriation from Government and BAS refund to DLGC bank account	(13,850)
Department of Local Government, Sport and Cultural Industries	(10,627)
Payment of cash balance post machinery of government movement - split of Communities and Department of Local Government, Sport and Cultural Industries (Note 33)	(9,557)
Recoup of expenses incurred on behalf of DLGSCI (Note 6)	(1,003)
Grants and subsidies for basketball program and refund of incorrect payments (Note 10)	(68)

	Transaction value at year ended 2018 (\$'000) Receipts / (Payments)
GROH Government Regional Officers' Housing	(9,877)
Payment of GROH Housing costs (Note 7)	(9,877)
Department of Treasury	(4,020)
Internal Government funding transaction to set aside funds for additional pay occurring every 11 years (Note 19)	(2,292)
Repayment of unspent Royalties for Regions funding and project management costs for Target 120 (Note 18)	(1,728)
State Fleet Western Australia	(2,685)
Payment of departmental vehicle leasing costs (Note 7)	(2,685)
Government Employees Superannuation	(1,793)
Payment of superannuation (Note 6)	(1,793)
Water Corporation	(1,584)
Payment of Hardship Utility Grants to Water Corporation clients (Note 10)	(1,211)
Payment of water charges for departmental buildings (Note 9)	(373)

Material transactions with related parties other than State Government entities

All transactions (including general citizen type transactions) between the Department and Ministers/senior officers or their close family members or their controlled (or jointly controlled) entities are not material for disclosure.

14 User charges and fees

	2018 (\$'000)
Adoption fees	49
Fines and penalties	482
Child care licensing fees	525
Working with children screening fees	7,614
Other	11
	8,681

15 Commonwealth grants and contributions

	2018 (\$'000)
Recurrent	
National Affordable Housing Agreement	21,677
National Partnership Agreement - Homelessness	14,970
National Partnership Agreement on Pay Equity for Social and Community Services Sector	3,552
National Initiatives Program - Women's Safety Package	1,130
National Outcome Standards for Perpetrator Interventions	0
Early Childhood Education & Care	1,518
Indian Ocean Territories Service Delivery Program	268
Unaccompanied Humanitarian Minors	17
	43,132

16 Other revenue

Rebates and reimbursements	1,832
Miscellaneous	1,019
	2,851

17 Net gain/(loss) on disposal of non-current assets

	Proceeds from disposal of non-current assets 2018 (\$'000)	Carrying amt of non-current assets disposed 2018 (\$'000)	Net gain/(loss) on disposal 2018 (\$'000)
Office machines, furniture & equipment	0	5	(5)
	0	5	(5)

18 Income from State Government

	2018 (\$'000)
Appropriation received during the period:	
Service Appropriation ^(a)	706,563
Amount receivable for services ^(a)	10,341
	716,904
Services received free of charge from other State government agencies during the financial period:	
Determined on the basis of the following estimates provided by agencies: ^(b)	
Department of Finance - Building Management & Works - Leasing Services	557
Department of Education - Provide training and maintenance of students	3
State Solicitor's Office - Legal Services	1,275
Landgate - Land Information & Valuation Services	10
Department of Local Government, Sport and Cultural Industries	39
Housing Authority - recognition of reduction in employee leave provisions for the financial period	4,968
	6,852

2018
(\$'000)

Royalties for Regions Fund:

Regional Community Services Account ^(c) 17,334

Other funds received from State Government:

Natural Disaster Relief 494

Enhance Transition to School Project 500

Financial Counselling 700

Youth Accommodation DAO Funds 448

Parenting NGALA Helpline 502

Support Sector 180

Funding for Local Projects 1,619

Funding for Homeless Advisory Service 217

4,660

745,750

- (a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.
- (b) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.
- (c) This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas.

19 Restricted cash and cash equivalents

2018
(\$'000)

Current

Royalties for Regions Fund ^(a) 2,262

Seniors Rebates ^(b) 3,451

Indian Ocean Territories Service Delivery Program ^(c) 101

Redress Unclaimed Monies 105

Commonwealth Paid Parental Leave Scheme ^(d) 79

5,998

Non-Current

Accrued salaries suspense account ^(e) 1,841

7,840

- (a) These unspent funds are committed to projects and programs in WA regional areas.
 - (b) Amounts representing unclaimed senior rebates.
 - (c) Funds held for the provision of Child Protection Programs for the Indian Ocean Territories.
 - (d) Funds held in this account are to be used for purposes of meeting payments to eligible working parents with 18 weeks of Parental Leave Pay.
 - (e) 27th pay in a financial year that occurs every 11 years. This will become due in the 2026-2027 financial year.
- See also Note 34 'Notes to the Statement of Cash Flow'.

20 Receivables

	Gross 2018 (\$'000)	Provision for Doubtful Debts 2018 (\$'000)	Net 2018 (\$'000)
Current Receivables			
Foster subsidy	156	102	54
Salary overpayments	129	118	11
Workers compensation	1,075	0	1,075
Accrued Income	2,010	0	2,010
Other	1,549	74	1,475
GST recoverable	760	0	762
Total Current	5,681	294	5,387

Reconciliation of changes in the allowance for impairment of receivables:

Transfer in from abolished agencies	283
Doubtful debts expense recognised in the income statement	110
Amounts written off during the period	99
Balance at end of period	294

The Department does not hold any collateral or other credit enhancements as security for receivables.

21 Amounts receivable for services

	2018 (\$'000)
Current	68
Non-current	106,828
	106,896

Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

22 Other current assets

Prepayments	6,091
Other ^(a)	104
	6,195

(a) Prepaid cards

23 Non-current assets classified as held for sale

Crown land	
Transfer in from abolished agencies	4,872
Assets reclassified as held for sale	0
Revaluation increments/(decrements) recognised in Other Comprehensive Income	(620)
Assets sold	0
Closing balance	4,252

2018
(\$'000)

Crown buildings

Transfer in of balances from former Department for Child Protection and Family Support at start of period	2,190
Assets reclassified as held for sale or for distribution to owners	0
Revaluation increments/(decrements) recognised in Other Comprehensive Income	(67)
Assets sold	0
Closing balance	2,123
	6,375

Various properties have been identified as Crown land and buildings held for future sale or for distribution to owners.

The Department of Planning, Lands and Heritage is the only agency with the power to sell Crown land. The land is transferred to the Department of Planning, Lands and Heritage for sale and the Department accounts for the transfer as a distribution to owner. The Department anticipates that all land and buildings held for sale or for distribution to owners in the closing balance will be disposed of in the next reporting period.

See also note 2(i) 'Non-current assets (or disposal groups) classified as held for sale or for distribution to owners'.

24 Property, plant and equipment

2018
(\$'000)

Land

At fair value ^(a)	55,128
	55,128

Buildings

At fair value ^(a)	56,118
Accumulated depreciation	(420)
	55,698

Office machines, furniture and equipment

At cost	4,327
Accumulated depreciation	(2,988)
	1,339

Computer equipment

At cost	3,379
Accumulated depreciation	(3,057)
	322
	112,487

(a) Land and buildings were revalued as at 1 July 2017 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2018 and recognised at 30 June 2018.

In undertaking the revaluation, fair value was determined by reference to market values for land: \$25,736,000; current use for land: \$29,392,000; market values for buildings: \$23,641,000 and current use for buildings: \$32,056,000.

Information on fair value measurements is provided in Note 28.

25 Leasehold improvements

	2018 (\$'000)
At cost	42,816
Accumulated depreciation	(31,754)
	11,062

26 Work in progress

At cost:	
Office accommodation and upgrades	385
	385

27 Reconciliation of property, plant & equipment, leasehold improvements, work in progress and intangible assets

Reconciliations of the carrying amounts of property, plant, equipment, leasehold improvements, work in progress and intangible assets at the beginning and end of the current financial period are set out in the table below.

2018	Office machines, furniture and equipment							Work in progress ^(b)	Total
	Land (\$'000)	Buildings (\$'000)	equipment (\$'000)	Computer equipment (\$'000)	Leasehold improvements (\$'000)	Intangible Assets (\$'000)	(\$'000)		
Balance at start of period	0	0	0	0	0	0	0	0	
Additions	-	287	256	42	-	8	3,632	4,225	
Transfers ^(a)	-	-	-	-	-	-	-	-	
Transfer in from abolished agencies	59,289	57,961	1,639	540	12,623	19,984	249	152,285	
Transfers to / (from) work in progress	-	277	-	-	2,153	1,067	(3,496)	(1)	
Disposals	-	-	(5)	-	-	-	-	(5)	
Classified as held for sale	-	-	-	-	-	-	-	-	
Revaluation increments/ (decrements)	(4,160)	(497)	-	-	-	-	-	(4,657)	
Depreciation	0	(2,329)	(551)	(261)	(3,714)	(3,211)	-	(10,065)	
Carrying amount at end of period	55,129	55,698	1,339	322	11,062	17,848	385	141,783	

- (a) The Department of Planning, Lands and Heritage is the only agency with the power to sell Crown land. The land is transferred to the Department of Planning, Lands and Heritage for sale and the Department accounts for the transfer as a distribution to owner. The work in progress includes transfers due to capitalisation of assets.
- (b) The work in progress includes transfers due to capitalisation of assets.

Information on fair value measurements is provided in Note 28.

28 Fair Value Measurements

2018	Level 1	Level 2	Level 3	Fair Value At End of period
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Assets measured at fair value:				
Non-current assets classified as held for sale (Note 23)	0	0	6,375	6,375
Land (Note 24)	0	25,736	29,392	55,128
Buildings (Note 24)	0	23,642	32,056	55,698
	0	49,378	67,824	117,201

Valuation techniques to derive Level 2 fair values

Level 2 fair values of Non-current assets held for sale or for distribution to owners, Land and Buildings (Office Accommodation) are derived using the market approach.

Market evidence of sales prices of comparable land and buildings (office accommodation) in close proximity is used to determine price per square metre.

Non-current assets held for sale have been written down to fair value less costs to sell. Fair value has been determined by reference to market evidence of sales prices of comparable assets.

Fair value measurements using significant unobservable inputs (Level 3)

2018	NCAHFS* (\$'000)	Land (\$'000)	Buildings (\$'000)	Total (\$'000)
Fair Value at start of period	0	0	0	0
Additions	0	0	0	0
Transfers in from abolished agencies	7,062	31,233	34,390	72,685
Revaluation increments/(decrements)	(687)	(1,841)	(1,328)	(3,856)
Transfers from/(to) Level 2	0	0	0	0
Disposals	0	0	0	0
Depreciation Expense	0	0	(1,005)	(1,005)
Fair Value at end of period	6,375	29,392	32,056	67,824
Total gains or losses for the period included in profit or loss, under 'Other Gains'	0	0	0	0

* Non-current assets classified as held for sale (See Note 23)

Valuation processes

There were no changes in valuation techniques during the period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer.

Transfers are generally limited to assets newly classified as non-current assets held for sale or for distribution to owners as Treasurer's Instructions require valuations of land and buildings to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Fair value for existing use specialised buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation

calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset.

Current replacement cost is generally determined by reference to the market-observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Fair value for restricted use land is based on market value, by either using market evidence of sales of comparable land that is unrestricted less restoration costs to return the site to a vacant and marketable condition (low restricted use land), or comparison with market evidence for land with low level utility (high restricted use land).

Significant Level 3 inputs used by the Department are derived and evaluated as follows:

Consumed economic benefit/obsolescence of asset

These are estimated by the Western Australian Land Information Authority (Valuation Services).

Selection of land with restricted utility

Fair value for restricted use land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by the Western Australian Land Information Authority (Valuation Services).

Information about significant unobservable inputs (Level 3) in fair value measurements

Description	Fair value 2018 (\$'000)	Valuation technique	Unobservable inputs
Land	29,392	Market Approach	Selection of land with similar approximate utility
Buildings	32,056	Depreciated Replacement Cost	Consumed economic benefit/ obsolescence of asset

Reconciliations of the opening and closing balances are provided in Notes 24 and 27.

Basis of Valuation

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service.

29 Intangible assets

	2018 (\$'000)
Computer software	
At cost	33,402
Accumulated amortisation	(16,404)
	16,998
Licenses	
At cost	1,682
Accumulated amortisation	(1,014)
	668
Website costs	
At cost	520
Accumulated amortisation	(337)
	183
	17,848

30 Impairment of assets

There were no indications of impairment to property, plant and equipment or intangible assets at 30 June 2018.

The Department held no goodwill or intangible assets with an indefinite useful life during the reporting period.

At the end of the reporting period there were no intangible assets not yet available for use.

31 Payables

	2018 (\$'000)
Current	
Accounts payable	8,201
Accrued expenses	4,087
Accrued salaries ^(a)	945
	13,234
Non-current	
Lease incentive liability	2,586
	2,586

(a) Amounts owing for one working day

32 Provisions

	2018 (\$'000)
Current	
Employee benefits provision	
Annual and other leave ^(a)	35,833
Long service leave ^(b)	50,096
Superannuation ^(f)	15,993
Purchased leave	259
	102,181
Other provisions	
Employment on-costs ^(e)	6,069
	6,069
	108,250
Non-current	
Employee benefits provision	
Long service leave ^(b)	24,108
Deferred leave ^(c)	119
	24,227
Other provisions	
Employment on-costs ^(e)	1,851
	1,851
	26,077

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2018 (\$'000)
Within 12 months of the end of the reporting period	24,355
More than 12 months after the end of the reporting period	9,940
	34,295

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2018 (\$'000)
Within 12 months of the end of the reporting period	16,779
More than 12 months after the end of the reporting period	54,149
	70,928

(c) Deferred salary scheme liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Actual settlement of the liabilities is expected to occur as follows:

	2018 (\$'000)
More than 12 months after the end of the reporting period	119
	119

(d) The carrying amount of employee benefits provision balances at the end of the period include the transfer in of employee benefits provision balances relating to all employees of the Housing Authority and all PSGA employees of the Disability Services Commission as outlined in Note 33.

(e) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs, including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in note 12 'Other Expenses'.

(f) Defined benefit superannuation plans the superannuation liability has been established from data supplied by the Government Employees Superannuation Board.

Movements in the present value of the defined benefit obligations in the reporting period were as follows:

	Pension Scheme 2018 (\$'000)	Pre-transfer benefit Gold State scheme 2018 (\$'000)
Liability at start of period	15,386	3,225
Included in surplus / (deficit):		
Current service cost	-	-
Past service cost	-	-
Interest cost	330	66
	330	66
Included in other comprehensive income:		
Remeasurement loss / (gain) recognised:		
- Actuarial (gains) / loss arising from:		
Demographic assumptions	-	-
Financial assumptions	-	(29)
Experience adjustments	(541)	(72)
	(541)	(101)
Benefits paid	(1,466)	(907)
	(1,466)	(907)
Total liability	13,709	2,283
Liability transferred to Department of Communities	(13,709)	(2,283)
Liability at end of period	-	-

Fair value of scheme assets

The Department holds no assets in GSS for current employees to support the transferred benefits. Hence there are no fair value, no asset allocation of scheme assets, no financial instruments issued by the employer, no assets used by the employer and no asset-liability matching strategies.

	2018
Significant actuarial assumptions at the reporting date:	
Assumptions to determine start of the year defined benefit obligation and defined benefit cost for the current year:	
Discount rate	2.26%
Future salary increases	1.10%
Future pension increases	2.50%
Assumptions to determine defined benefit obligation at the valuation date:	
Discount rate	2.60%
Future salary increases	1.50%
Future pension increases	2.50%

At 30 June 2018, the weighted-average duration of the defined benefit obligation was 8.6 years for the Pension Scheme and 3.7 years for the Gold State Scheme.

The Pension Scheme and the pre-transfer benefit for the GSS expose the Department to actuarial risks, such as salary risk and interest rate risk. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, holding all other assumptions constant.

	Defined benefit obligation		
	Base case (\$'000)	-0.5% (\$'000)	+0.5% (\$'000)
Sensitivity analysis			
Gold State Scheme			
Discount rate (0.5% movement)	2,283	2,326	2,243
Future salary growth (0.5% movement)	2,283	2,243	2,325
Pension Scheme			
Discount rate (0.5% movement)	13,710	14,308	13,157
Future salary growth (0.5% movement)	13,710	13,184	14,274

Employer funding arrangements for the defined benefit plans

- (i) The Pension Scheme and the pre-transfer benefit for the GSS in respect of individual plan participants are settled by the Department on their retirement.
Funding requirements are based on invoices provided to Communities by GESB that represent the cost of benefits paid to members during the reporting period.
- (ii) Employer contributions of \$1,414,000 are expected to be paid to the Pension Scheme in the subsequent annual reporting period.
- (iii) Employer contributions of \$528,000 are expected to be paid to the Gold State Superannuation Scheme in the subsequent reporting period.

	2018 (\$'000)
Movements in Other Provisions	
Movements in each class of provisions during the reporting period, other than employee benefits, are set out below.	
Employee on-cost provision	
Carrying amount transferred in from former Department for Child Protection and Family Support	883
Additional provisions recognised	7,789
Payments/other sacrifices of economic benefits	(753)
Carrying amount at end of period	7,919

33 Equity

The Government holds the equity interest in the Department on behalf of the community. Equity represents the residual interest in the net assets of the Department. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity	
Balance at start of period	0
Contributions by owners	
Capital appropriation	5,007
Transfers in from abolished agencies ^(a)	223,698
Transfer in of employee leave benefits provisions for Housing Authority at start of period	(19,535)
Transfer in of employee leave benefits provisions for Disability Services Commission at start of period	(60,816)
Total contributions by owners	148,354
Balance at end of period	148,354
Accumulated surplus/(deficit)	
Balance at start of period	0
Result for the period	7,541
Balance at end of period	7,541
Total equity at end of period	155,895

(a) On 30 June 2017, the Department for Child Protection and Family Support and the Department of Local Government and Communities were abolished. All of the assets and liabilities of the former Department for Child Protection and Family Support along with the assets and liabilities related to the community service functions of the former Department of Local Government and Communities were transferred to the Department of Communities. The assets and liabilities transferred in are outlined as follows:

	Former Department for Child Protection and Family Support	Former Department of Local Government and Communities	Total
Cash and cash equivalents	21,573	6,948	28,521
Receivables	4,312	5,260	9,572
Other current assets	5,777	0	5,777
Non-current assets held for sale	7,062	0	7,062
Amounts receivable for services	77,441	21,603	99,044
Property, plant & equipment	81,424	38,004	119,428
Leasehold improvements	10,400	2,223	12,623
Work in progress	249	0	249
Intangible assets	19,615	369	19,984
Payables	(16,225)	(1,353)	(17,578)
Provisions	(56,665)	(4,319)	(60,984)
Net total transferred in from abolished agencies	154,963	68,735	223,698

34 Notes to the Statement of Cash Flow

Reconciliation of cash

Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2018 (\$'000)
Current	
Cash and cash equivalents (see note 2(l))	31,839
Restricted cash and cash equivalents (see note 2(l) & 19)	5,998
	37,837
Non Current	
Restricted cash and cash equivalents (see note 2(l) & 19)	1,841
	1,841

	2018 (\$'000)
Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities	
Net cost of services	(738,208)
Non-cash items	
Depreciation and amortisation expense (note 8)	10,065
Doubtful debts expense (note 12)	110
Resources received free of charge (note 18)	6,852
Net loss on sale of property, plant and equipment (note 17)	5
Revaluation decrement	5,344
(Increase)/decrease in assets	
Current receivables ^(a)	(182)
Current prepayments	228
Increase/(decrease) in liabilities	
Current payables ^(a)	(6,592)
Current provisions	(3,740)
Non-current provisions	5,338
Change in GST in receivables/payables ^(b)	2,613
	(718,168)

(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e. cash transactions.

35 Services provided free of charge

During the period the following services were provided to other agencies free of charge for functions outside the normal operations of the Department:

Department of Education - Maintenance support for leased property	38
Public Transport Authority - Maintenance support for leased property	31
	69

36 Commitments

	2018 (\$'000)
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Capital expenditure commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

- Within 1 year	1,015
- Later than 1 year and not later than 5 years	2,430
	3,445

The capital commitments include amounts for:

Leasehold improvements to office accommodation	3,445
	3 445

Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

- Within 1 year	15,062
- Later than 1 year and not later than 5 years	42,618
- Later than 5 years	40,421
	98,101

The Department leases its motor vehicle fleet and certain office premises. The lease expenditure is expensed as it is incurred. Motor vehicle leasing arrangements are under the terms of the State Fleet Funding Facility Contract administered by State Fleet - State Supply Commission.

	2018 (\$'000)
Other expenditure commitments	
Other expenditure commitments relating to consumables contracted for at the end of the reporting period but not recognised as liabilities, are payable as follows:	
- Within 1 year	2,631
	2,631
Total Commitments	104,178

37 Contingent liabilities and contingent assets

Contingent liabilities

	2018 (\$'000)
The Department's policy is to disclose as a contingency any obligations that may arise due to special circumstances or events. At the date of this report, the Department is not aware of any material future obligations except for the following:	
There are currently a number of legal cases pending for which the outcomes are not certain. The State Solicitor's Office has estimated that a total amount of \$3,697,586 may be payable as compensation to claimants at some future point in time. While this is acknowledged as a contingent liability of the Department, it has yet to be determined whether the Department will ultimately be responsible for funding the actual amounts paid as compensation, if any.	3,698
	3,698

Contaminated Sites Act 2003

Under the *Contaminated Sites Act 2003*, the Department is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required, contaminated – restricted use or possibly contaminated – investigation required, the Department may have a liability in respect of investigation or remediation expenses.

The Department has no sites that are classified as contaminated sites as at reporting date.

38 Events occurring after the end of the reporting period

The Department is not aware of any events occurring after the reporting date that have significant financial effect of the financial statements.

39 Explanatory statement

All variances between estimates (original budget) and actual results for 2018 are shown below.

Narratives are provided for key variations selected from observed major variances, which are generally greater than:

- 5% and \$15.9 million for the Statements of Comprehensive Income and Cash Flows; and
- 5% and \$6.2 million for the Statement of Financial Position.

Statement of Comprehensive Income

	Variance Note	Estimate (1) 2018 (\$'000)	Actual 2018 (\$'000)	Variance between estimate and 2018 actual (\$'000)
Cost of services				
Expenses				
Employee benefits expense		278,053	279,538	(1 485)
Supplies and services		65,008	62,124	2,884
Depreciation and amortisation expense		9,841	10,065	(224)
Accommodation expenses		36,577	33,384	3,193
Grants and subsidies		174,200	173,107	1,093
Funding for services		226,412	223,688	2,724
Loss on disposal of non-current assets		0	5	(5)
Other expenses		5,580	10,962	(5,382)
Total cost of services		795,671	792,873	2,798

	Variance Note	Estimate (1) 2018 (\$'000)	Actual 2018 (\$'000)	Variance between estimate and 2018 actual (\$'000)
Income				
Revenue				
User charges and fees		7,896	8,681	(785)
Commonwealth grants and contributions		50,415	43,132	7,283
Other revenue		694	2,851	(2,157)
Total revenue		59,005	54,664	4,341
Total income other than income from State Government		59,005	54,664	4,341
Net cost of services		736,666	738,208	(1,543)
Income from State Government				
Service appropriation		713,037	716,904	(3,867)
Services received free of charge		2,464	6,852	(4 388)
Royalties for Regions Fund		17,661	17,334	327
Other funds received from State Government		0	4,660	(4,660)
Total income from State Government		733,162	745,750	(12,588)
Surplus/(deficit) for the period		(3,504)	7,541	(11,045)
Other comprehensive income				
Items not reclassified subsequently to profit or loss				
Changes in asset revaluation surplus		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income for the period		(3,504)	7,541	(11,045)

(1) The budget estimates have been reclassified to align with the financial statement classification.

Major Estimate and Actual (2018) Variance Narratives

There were no major variances between actual and estimated results.

Statement of Financial Position

	Variance Note	Estimate (1) 2018 (\$'000)	Actual 2018 (\$'000)	Variance between estimate and 2018 actual (\$'000)
Assets				
Current assets				
Cash and cash equivalents		26,569	31,839	(5,270)
Restricted cash and cash equivalents		1,851	5,998	(4,147)
Receivables		3,895	5,387	(1,492)
Amounts receivable for services		68	68	0
Other current assets		2,968	6,195	(3,227)
Non-current assets classified as held for sale		7,559	6,375	1,184
Total current assets		42,910	55,862	(12,952)
Non-current assets				
Restricted cash and cash equivalents		1,416	1,841	(425)
Amounts receivable for services		108,317	106,828	1,489
Property, plant and equipment	(a)	125,348	112,487	12,861
Leasehold improvements		12,125	11,062	1,063
Work in progress		182	385	(203)
Intangible assets		18,680	17,848	832
Total non-current assets		266,068	250,451	15,617
Total assets		308,978	306,313	2,665
Liabilities				
Current Liabilities				
Payables		8,095	13,234	(5,139)
Income received in advance		217	271	(54)
Provisions	(b)	124,539	108,250	16,289
Total current liabilities		132,851	121,755	11,096
Non-current liabilities				
Payables		0	2,586	(2,586)
Provisions		27,852	26,077	1,775
Total non-current liabilities		27,852	28,663	(811)
Total liabilities		160,703	150,418	10,285

	Variance Note	Estimate (1) 2018 (\$'000)	Actual 2018 (\$'000)	Variance between estimate and 2018 actual (\$'000)
Net assets		148,275	155,895	(7,620)
Equity				
Contributed equity		151,779	148,354	3,425
Accumulated surplus/(deficit)		(3,504)	7,541	(11,045)
Total equity		148,275	155,895	(7,620)

(1) The budget estimates have been reclassified to align with the financial statement classification.

Major Estimate and Actual (2018) Variance Narratives

- (a) Property, plant and equipment is \$12.9 million (10.3%) lower than the original budget mainly due to a devaluation of property assets and depreciation and amortisation.
- (b) Provisions were less than budget by \$16.3million (13.1%) mainly due to leave liability payout as a result of the 2017-18 Voluntary Targeted Separation Scheme along with a decrease in leave liability balances arising from the actuarial valuation.

Statement of Cash Flows

	Estimate (1) 2018	Actual 2018	Variance between estimate and 2018 actual
	(\$'000)	(\$'000)	(\$'000)
Cash Flows from State Government			
Receipts			
Service appropriation	702,696	706,563	(3,867)
Capital appropriations	4,707	5,007	(300)
Cash transferred from abolished agencies	31,223	28,520	2,703
Royalties for Regions Fund	17,660	17,334	326
Other funds received from State Government	68	4,659	(4,591)
Net cash provided by State Government	756 354	762 083	(5,729)
Utilised as follows:			
Cash flows from operating activities			
Payments			
Employee benefits	(277,525)	(278,195)	670
Supplies and services	(62,743)	(51,874)	(10,869)
Accommodation	(36,156)	(36,133)	(23)
Grants and subsidies	(174,200)	(173,936)	(264)
Funding for services	(224,524)	(230,533)	6,009
GST payments on purchases	(32,331)	(39,601)	7,270
Other payments	(5,486)	(5,189)	(297)
Receipts			
User charges and fees	7,895	8,680	(785)
Commonwealth grants and contributions	50,415	43,104	7,311
GST receipts on sales	80	510	(430)
GST receipts from taxation authority	32,251	41,703	(9,452)
Other receipts	694	3,296	(2,602)
Net cash (used in) operating activities	(721,630)	(718,168)	(3,462)
Cash Flows from Investing Activities			
Payments			
Purchase of non-current assets	(4,957)	(4,237)	(720)
Net cash (used in) investing activities	(4,957)	(4,237)	(720)
Net increase/(decrease) in cash and cash equivalents	29,767	39,678	(9,911)
Cash and cash equivalents at the beginning of the period	0	0	0
Cash and cash equivalents at the end of the period	29,767	39,678	(9,911)

(1) The budget estimates have been reclassified to align with the financial statement classification.

Major Estimate and Actual (2018) Variance Narratives

There were no major variances between actual and estimated results.

40 Financial instruments

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Department are cash and cash equivalents, restricted cash and cash equivalents, receivables and payables. The Department has limited exposure to financial risks. The Department's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Department's receivables defaulting on their contractual obligations resulting in financial loss to the Department.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 40(c) 'Financial instruments disclosures' and note 20 'Receivables'.

Credit risk associated with the Department's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). In addition, receivable balances are monitored on an ongoing basis with the result that the Department's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Department is unable to meet its financial obligations as they fall due.

The Department is exposed to liquidity risk through its trading in the normal course of business.

The Department has appropriate procedures to manage cash flows, including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Department's income or the value of its holdings of financial instruments.

The Department does not trade in foreign currency and is not materially exposed to other price risks.

The Department is not exposed to interest rate risk because all other cash and cash equivalents and restricted cash are non-interest bearing, and have no borrowings.

(b) Categories of Financial Instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2018 (\$'000)
Financial Assets	
Cash and cash equivalents	31,839
Restricted cash and cash equivalents	7,840
Receivables ^(a)	4,918
Amounts receivable for services	106,896
	151,493
Financial Liabilities	
Financial liabilities measured at amortised cost	13,021
	13,021

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable)

(c) Financial Instrument Disclosures

Credit risk

The following tables details the Department's maximum exposure to credit risk, and the ageing analysis of financial assets. The Department's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets.

The Department does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Department does not hold any financial assets that had to have their terms renegotiated that would otherwise have resulted in them being past due or impaired.

	Carrying amount (\$'000)	Not past due and not impaired (\$'000)	Past due but not impaired			
			Up to 1 month (\$'000)	1-3 months (\$'000)	3 months to 1 year (\$'000)	1-5 years (\$'000)
Ageing analysis of financial assets						
2018						
Cash and cash equivalents	31,839	31,839	0	0	0	0
Restricted cash and cash equivalents	7,840	7,840	0	0	0	0
Receivables ^(a)	4,918	4,063	190	189	128	348
Amounts receivable for services	106,896	106,896	0	0	0	0
	151,493	150,638	190	189	128	348

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

Liquidity Risk

The following table details the Department's contractual maturity analysis of financial assets and financial liabilities.

	Carrying amount (\$'000)	Interest Rate Exposure			Nominal amount (\$'000)	Maturity Dates			
		Fixed interest rate (\$'000)	Variable interest rate (\$'000)	Non-interest bearing (\$'000)		Up to 1 month (\$'000)	1-3 months (\$'000)	3 months to 1 year (\$'000)	1-5 years (\$'000)
Maturity analysis of financial assets and financial liabilities									
2018									
Financial Assets									
Cash and cash equivalents	31,839	0	0	31,839	31,839	31,839	0	0	0
Restricted cash and cash equivalents	7,840	0	0	7,840	7,840	7,840	0	0	0
Receivables ^(a)	4,918	0	0	4,918	4,918	4,918	0	0	0
Amounts receivable for services	106,896	0	0	106,896	106,896	0	0	0	106,896
	151,493	0	0	151,493	151,493	44,597	0	0	106,896
Financial Liabilities									
Payables	13,021	0	0	13,021	13,021	13,021	0	0	0
	13,021	0	0	13,021	13,021	13,021	0	0	0

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable)

Interest rate sensitivity analysis

The Department's financial assets and liabilities at balance sheet date are not subject to any interest rate risk.

Fair values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

41 Compensation of Key Management Personnel

The Department has determined that key management personnel include responsible Ministers, members of the accountable authority and other senior officers of the Department. However, the Department is not obligated to compensate the responsible Ministers and therefore disclosures in relation to Ministers' compensation may be found in the *Annual Report on State Finances*.

Total Compensation of Key Management Personnel

Total compensation for key management personnel, comprising the accountable authority and other senior officers of the Department for the reporting period, are presented within the following bands:

Compensation of Senior Officers	
Compensation Band (b)	
(\$)	2018
500,001 - 510,000	1
470,001 - 480,000	1
370,001 - 380,000	1
270,001 - 280,000	1
260,001 - 270,000	1
230,001 - 240,000	2
210,001 - 220,000	1
200,001 - 210,000	1
180,001 - 190,000	2
170,001 - 180,000	1
30,001 - 40,000	1
	13

	2018 (\$'000)
Short-term employee benefits	2,265
Post-employment benefits	198
Other long-term benefits	208
Termination benefits	692
Total compensation of key management personnel (a) (b) (c)	3,363

(a) Total compensation of key management personnel includes the superannuation expense incurred by the Department in respect of senior officers. There are no senior officers presently employed who are currently members of the Pension Scheme.

(b) Compensation bank allocations and total key management personnel's compensation disclosed reflect the key management personnel's total compensation. Where the key management person performs services across the Department of Communities, Disability Services Commission and/or Housing Authority, the person's compensation is included in the entity where the individual spends the majority of their time, irrespective of which entity employs or remunerates that individual.

(c) Total compensation of key management personnel includes compensation of senior officers.

No senior officers are members of the Pension Scheme.

42 Remuneration of auditor

	2018 (\$'000)
Remuneration payable to the Auditor General for the reporting period is as follows:	
Auditing the accounts, controls, financial statements and key performance indicators	289
	289

43 Special Purpose Accounts

Special Purpose Account section 16(1)(c) of FMA

Trust Statement No 3

Community Services Trust

The purpose of the account is to hold monies in trust for children under the care of the Department and such other monies as are received from any other person or organisation for the provision of amenities in Departmental facilities that house and for such other children specific purposes as directed by the donors.

	2018 (\$'000)
Balance at the start of period	156
Receipts	225
Payments	(264)
Balance at the end of period	117

Trust Statement No 27

Children and Young People in Chief Executive Officer's Care Private Cash Account

The purpose of the account is to hold private funds on behalf of individual children under the guardianship of the Director General, Department of Communities.

Balance at the start of period	136
Receipts	138
Payments	0
Balance at the end of period	274

Special Purpose Account section 16(1)(d) of FMA

Trust Statement No 28

Indian Ocean Territories Service Delivery Program

The purpose of the account is to hold funds received from the Commonwealth for funding for the Indian Ocean Territories Service Delivery Program.

	2018 (\$'000)
Balance at the start of period	77
Receipts	268
Payments	(244)
Balance at the end of period	101

44 Related Bodies

The Department did not have any related bodies during the financial period.

45 Affiliated Bodies

The Department provides grants to the following non-government affiliated bodies:

	2018 (\$'000)
Forgotten Australians Coming Together (FACT) Inc	363
Stopping Family Violence Inc	521
Bremer Bay Community Resource Centre Inc	28
Brockman House Inc	206
Gowrie Community Services (WA) Inc	269
Karingal Neighbourhood Centre Inc	138
Manjimup Family Centre Inc	205
Narrogin Community Support Association Inc	96
Roberta Jull Community Care Association Inc	299
Rostrata Family Centre Inc	64
Uniting Church in Australia Property Trust (WA)	172
West Stirling Neighbourhood House Inc	98
	2,459

The organisations listed above are not subject to operational control by the Department.

46 Supplementary financial information

(a) Write-offs

During the reporting period, \$99,000 was written off the Department's registers under the authority of:

	2018 (\$'000)
The Accountable Authority	
Subsidy overpayments (foster carers)	85
Portable and attractive items	2
Other	12
	99

(b) Gifts of public property

Gifts of public property provided by the Department	1
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(c) Act of Grace Payments

During the reporting period there were no Act of Grace payments made under the authority of the Minister.



Key performance indicators

Certification of key performance indicators

For the reporting period ended 30 June 2018

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Department of Communities' performance, and fairly represent the performance of the Department of Communities for the financial year ended 30 June 2018.

Grahame Searle
Director General
Accountable Authority

19 September 2018

Communities is a newly-formed department created through machinery of government changes that took effect from 1 July 2017. Communities is, therefore, using a new outcome based management framework and key performance indicators (KPIs) will not have a comparative figure for prior years. Results with significant variances of 10 per cent or more compared to target have been explained in greater detail.

Several of the KPIs are based on child protection performance indicators reported nationally by all Australian jurisdictions. The efficiency indicators focus on the average costs of key activities within the 10 key service areas.

Outcome: Families and individuals experiencing homelessness or other crises are assisted to overcome these crises

Effectiveness indicator

Percentage of homelessness clients with some or all goals achieved at the completion of a homelessness service support period

2017-18	82%	Target = 85%
----------------	------------	---------------------

This indicator reports on the proportion of clients who have received a homelessness service (excluding family and domestic violence services) and have achieved some or all case management plan goals at the end of their support.

The result for this KPI is based on data from the previous financial year. This is due to the timeframe of data supplied by specialist homelessness services to the Australian Institute of Health and Welfare (AIHW).

The result of this KPI is lower than the target.

Efficiency Indicator

Average cost per homelessness client

	Total cost		Number of clients		Average cost per homelessness client	
	Target	Result	Target	Result	Target	Result
2017-18	\$55,784,000	\$54,777,276	15,200	16,184	\$3,670	\$3,385

This indicator reports the average cost per homelessness client (excluding family and domestic violence services) who was supported by a community sector organisation funded by the Department.

The result for this KPI is based on data from the previous financial year. This is due to the timeframe of data supplied by specialist homelessness services to AIHW.

There was a larger than anticipated increase in the number of homelessness clients who received support during 2017-18 and as a result, the average cost per client was lower than the target.

Outcome: People who have experienced or are at risk of experiencing family and domestic violence are and remain safe

Effectiveness indicators

Percentage of family and domestic violence clients with some or all goals achieved at the completion of an accommodation or support service

2017-18	90%	Target = 90%
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This indicator reports on the proportion of clients who have received a family and domestic violence accommodation or support service and have achieved some or all case management goals or safety plan goals at the completion of their service.

The result met the target.

Percentage of departmental clients who were assessed and received a response as a result of a family and domestic violence (FDV) incident and did not require another FDV related response within 12 months

2017-18	75%	Target = 80%
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This indicator shows the extent to which FDV related child protection interventions were successful in preventing further interventions occurring. The indicator reports the proportion of clients who received a child protection service response to a FDV related incident, and did not require another similar response within 12 months.

The result for 2017-18 is lower than the target.

Efficiency Indicator

Average cost per family and domestic violence (FDV) services case

	Total cost		Number of cases receiving FDV services		Average cost per family and domestic violence case	
	Target	Result	Target	Result	Target	Result
2017-18	\$45,920,000	\$49,740,947	16,000	16,813	\$2,870	\$2,958

This indicator reports the average cost per family and domestic violence case that was supported by a community sector organisation funded by the Department.

This result for this KPI is based on the:

- 2017 calendar year cases for the State Government funded family and domestic violence services. This is due to progress report data not being available to the Department until two months after the end of the financial year.
- Previous financial year cases for the family and domestic violence specialist homelessness services. This is due to the time frame of data supplied by specialist homelessness services to the AIHW.

The result for 2017-18 is higher than the target.

Outcome: Children and young people at risk of needing protection are kept safe, diverted from the child protection system and prevented from entering care

Effectiveness indicator

Proportion of clients who received an earlier intervention and family support service whose child(ren) did not enter care within 12 months of service completion

2017-18	88%	Target = 90%
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This indicator shows the extent to which an Intensive Family Support (IFS) service is successful in preventing the child from entering the care of the CEO. The indicator reports on the proportion of children who received an IFS service and did not enter the care of the CEO within 12 months of the completion of that service.

The result for 2017-18 was slightly below the target.

Efficiency Indicator

Average cost per earlier intervention and family support case

	Total cost		Number of earlier intervention and family support cases		Average cost per earlier intervention and family support case	
	Target	Result	Target	Result	Target	Result
2017-18	\$80,415,000	\$77,118,591	14,200	12,515	\$5,663	\$6,162

This indicator reports the average cost per earlier intervention and family support case which was either supported by the Department or a community sector organisation funded by the Department.

The number of earlier intervention and family support cases for 2017-18 is lower than the target. The contributing factors are a decrease in the number of Best Beginnings Plus and Parent Support cases and a decrease in the number of cases managed by community sector organisations. Additionally, following the amalgamation of existing contracts with one service provider in 2017-18 to reduce administrative burden on it and streamline service delivery for clients, service costs and cases managed by that provider are no longer reported under this outcome area.

The result in 2017-18 is higher than the target.

Outcome: Children and young people needing protection are safe from abuse and harm

Effectiveness indicators

Proportion of Working with Children cards issued within 30 days of lodgement where the applicant had no criminal record

2017-18	98%	Target = 95%
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This indicator reports on the proportion of Working with Children cards issued within 30 days of lodgement where the applicant did not have a criminal record. The measure uses a proportion of all notices issued within the reporting period.

The result for 2017-18 is higher than the target.

Proportion of decisions finalised within 60 days where the applicant for a Working with Children card had a criminal record

2017-18	97%	Target = 95%
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This indicator reports on the proportion of decisions finalised within 60 days for Working with Children card applications where the applicant has a criminal record. The measure uses a proportion of all notices issued within the reporting period.

The result for 2017-18 is higher than the target.

Improved safety – Proportion of children not subject to a subsequent substantiation of harm within 12 months of a previous substantiation of harm

2017-18 88% Target = 95%

This indicator shows the effectiveness of the Department’s responses to substantiated cases of child abuse and neglect in preventing further harm occurring. The indicator shows the proportion of children who were the subject of a substantiation of harm in the previous year and who were not the subject of a subsequent substantiation of harm within the following 12 months.

The result for 2017-18 is lower than the target.

Improved safety – Proportion of children not subject to a substantiation of harm 12 months after an assessment of harm that was unsubstantiated

2017-18 93% Target = 95%

This indicator measures the effectiveness of safety and wellbeing assessments in identifying risks to children and the adequacy of the intervention undertaken to protect children from harm in the future. The indicator shows the proportion of children who were the subject of an assessment of harm that was unsubstantiated in the previous year and who were not the subject of a substantiation of harm within the subsequent 12 months.

The result for 2017-18 is lower than the target.

Efficiency Indicators

Average cost per Working with Children Checks application processed

	Total cost		Number of applications		Average cost per application processed	
	Target	Result	Target	Result	Target	Result
2017-18	\$4,200,000	\$3,948,553	120,000	131,029	\$35	\$30

The Working with Children Check aims to screen and prevent people who are a risk to children from gaining employment in work involving children. The indicator reflects the average cost per Working with Children Checks application processed.

The lower than anticipated expenditure in 2017-18 compared to the target was due primarily to the increased number of online card renewals, which have lower external service provider costs than in-person card renewals.

The result for 2017-18 is lower than the target.

Average cost per Working with Children Checks screening outcome

	Total cost		Number of screenings		Average cost per screening outcome	
	Target	Result	Target	Result	Target	Result
2017-18	\$6,600,000	\$6,431,849	120,000	129,068	\$55	\$50

The Working with Children Check screening activities occur at the application stage, with subsequent screenings undertaken to assess the ongoing validity of a person's Working with Children card. The indicator reflects the average cost per Working with Children Checks screening completed.

There was a higher than anticipated number of Working with Children card screenings required in 2017-18.

The result for 2017-18 was lower than the target.

Average cost per child involved in child protection cases

	Total cost		Number of children in child protection cases		Average cost per child involved in child protection cases	
	Target	Result	Target	Result	Target	Result
2017-18	\$82,422,000	\$86,455,070	19,000	17,510	\$4,338	\$4,937

This indicator reports the average cost per child involved in a child protection initial inquiry, safety and wellbeing assessment and/or protection application that commenced during the year or that commenced in a prior year and was ongoing during 2017-18.

The result for 2017-18 was higher than the target.

The decrease in the number of clients and increase in the service costs is associated with the commencement of the Department's Central Intake Team on 3 July 2017. The intent of the Central Intake Model is to improve the consistency of the assessment of notifications of concerns for children and decision-making in relation to intake for further investigation. The model consists of a decision-making tool, centralised intake team, and new workflow processes.

This has resulted in a reduction in the number of child protection activities; however, more targeted service delivery to the children and families most at risk.

The increase in service costs is primarily related to the commencement of the Department's new Central Intake Team and Statewide Relief Team as a result of a district restructure to ensure consistency across the child protection and family support services to enhance service delivery outcomes.

Outcome: Children and young people in the Chief Executive Officer's (CEO's) care receive a high quality of care and have much improved life chances

Effectiveness indicators

Proportion of Aboriginal children in the CEO's care placed in accordance with the Aboriginal and Torres Strait Islander Child Placement Principle

2017-18	64%	Target = 80%
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This indicator shows the proportion of Aboriginal children in placements that met the first three of the four placement options under the Aboriginal child placement principle contained in the *Children and Community Services Act 2004*. These include placements with the child's extended family, members of their community or other Aboriginal people or services, as a proportion of all Aboriginal children in the CEO's care. It is important for Aboriginal children who come into care to maintain a connection with family and culture. The indicator is based on the nationally reported 'Placement in accordance with the Aboriginal child placement principle.

The result for 2017-18 was lower than the target.

The number and proportion of Aboriginal children in care continues to increase at a higher rate than the number of available placement options with Aboriginal carers or relatives.

Proportion of children and young people in care who felt safe in their care arrangement

2017-18	97%	Target = 95%
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Viewpoint is an interactive software program for children and young people in the care of the CEO aged between five and 17 to provide input into their care planning process. This indicator measures the proportion of survey responses where children indicated they felt safe in their care arrangement.

The result for 2017-18 was higher than the target.

Proportion of children in the CEO's care with comprehensive care planning undertaken within set timeframes

2017-18 81% Target = 90%

This indicator shows the proportion of children in care with care planning completed within set timeframes. The care plan identifies the child's educational, health and cultural needs and the steps required to address those needs. The target takes into account factors that may impact on its ability to provide timely care planning, including vast geographic distances and the availability of the child's carers, family and other professionals involved in the child's care.

The result in 2017-18 was lower than the target, which reflects the continued adjustment and ongoing effort of child protection workers to integrate the Needs Assessment Tool (introduced in 2016-17) into the care planning process. Additionally, in 2017-18 the Department introduced the Care Team Approach. This approach focuses on increased and more targeted collaboration with families and other professionals, to be more inclusive and respectful of the various views and planning for best interests of the child. This has, however, impacted on the time involved in care planning.

Efficiency Indicators

Average cost per day of a foster care arrangement

	Total cost		Total number of days in foster care arrangements		Average cost per day of a foster care arrangement	
	Target	Result	Target	Result	Target	Result
2017-18	\$195,048,000	\$199,649,050	1,512,000	1,519,744	\$129	\$131

This indicator shows the average cost per child per day in foster care. Foster carers receive a subsidy towards the ordinary day-to-day costs of caring for a child. The level of subsidy depends on the child's age and level of complexity of needs.

The result for 2017-18 was higher than the target.

Average cost per day of a residential-based care arrangement

	Total cost		Total number of days in residential-based care arrangements		Average cost per day of a residential-based care arrangement	
	Target	Result	Target	Result	Target	Result
2017-18	\$53,690,000	\$53,091,642	35,000	31,740	\$1,534	\$1,673

This indicator shows the average cost per child per day in residential care. Residential care services provide temporary therapeutic residential care, which focuses on creating and sustaining care environments capable of healing the traumatic impact of abuse and neglect and the disrupted attachment that ensues. It is an environment intended to be healing for the child, and safe for the child and staff.

The result for 2017-18 was higher than the target due primarily to the lower than anticipated number of residential care living arrangement days in 2017-18. This reduction in the number of days was a result of a number of residential care homes operating on reduced bed capacity during the year to allow staff to adequately manage the risks associated with the challenging behaviours of an increased number of children and young people with extreme behaviours and complex needs that were placed in residential care homes as emergency placements.

Average cost per day of an exceptionally complex needs care arrangement

	Total cost		Total number of days in exceptionally complex needs care arrangements		Average cost per day of an exceptionally complex needs care arrangement	
	Target	Result	Target	Result	Target	Result
2017-18	\$11,918,000	\$13,390,512	7,500	8,314	\$1,589	\$1,611

This indicator shows the average cost per child per day in exceptionally complex needs care. The Department's Transitional High Needs Program caters for children and young people with extremely complex behaviours and high needs who often pose a risk to themselves and the broader community. These placements provide individualised and specialised care.

The result for 2017-18 was higher than the target.

The total number of days for exceptionally complex needs placements has increased in 2017-18 due to an increase in the number of placements with service providers.

Average cost per day of a secure care arrangement

	Total cost		Total number of days in secure care arrangements		Average cost per day of a secure care arrangement	
	Target	Result	Target	Result	Target	Result
2017-18	\$5,725,000	\$5,924,159	1,600	1,172	\$3,578	\$5,055

This indicator shows the average cost per child per day in secure care. Secure care is a therapeutic care service, providing planned, short-term intensive intervention for young people aged 12 to 17 years who are considered to be at immediate and substantial risk of causing significant harm to themselves and/or others, and there are no other options for managing that risk and meeting their needs.

The result for 2017-18 was higher than the target.

The total number of days for children in Secure Care has decreased substantially in 2017-18. The main contributing factors include building renovations in late 2017 (for two months) which reduced capacity by half, and a significant reduction in referrals to Secure Care.

A number of recommendations relating to Secure Care were identified in the statutory review of the *Children and Community Services Act 2004* tabled in Parliament in November 2017, including an evaluation of the role and effectiveness of secure care as a protective intervention for children and young people. The evaluation is currently in progress.

Average cost per day to plan for and support a child in the CEO's care

	Total cost		Total number of days		Average cost per day to plan for and support a child in the CEO's care	
	Target	Result	Target	Result	Target	Result
2017-18	\$98,504,000	\$108,342,013	1,769,000	1,769,716	\$55	\$61

This indicator shows the average cost per child per day in the CEO's care.

Expenditure includes case support costs, contract costs for community service organisations funded to provide reunification and leaving care services and Viewpoint survey management costs. These costs are coupled with the caseworker time allocated to address a child's health, education and other needs as detailed in their care plan, including maintaining a child's connection with their family through ongoing contact arrangements.

The result for 2017-18 was higher than the target.

The increase in service costs primarily relates to service delivery reforms, which have resulted in additional resources being allocated to this service to better meet a wider range of needs for children in care.

Outcome: The Early Education and Care sector meets required quality standards

Effectiveness indicator

Percentage of assessed early childhood education and care services that met or exceeded national standards

2017-18 68% **Target = 85%**

This indicator reports on the proportion of early childhood education and carer services assessed in 2017-18 that met or exceeded national standards.

The result for 2017-18 was lower than the target.

The target was set in the early stages of the implementation of the national scheme, requiring an extrapolated figure from the small percentage of the sector rated at that point in time. Higher than estimated growth in new services as well as changes to the quality standards have since impacted on the actual ratings achieved.

Efficiency Indicator

Average cost per licensed service for regulation and support

	Total cost		Number of licensed services		Average cost per licensed service for regulation and support	
	Target	Result	Target	Result	Target	Result
2017-18	\$15,201,030	\$11,219,433	1,200	1,183	\$12,668	\$9,484

This indicator reports on the regulation and quality assurance of early education and care services against required service standards. This includes development of planning, capacity building and support for early education and care services.

As at 30 June 2018, there were 1,183 licensed child care services in WA, consisting of 1,146 child care centres and 37 family day care schemes. Combined, these services offered 63,883 child care places throughout the state.

The result for 2017-18 was lower than the target; however, the cost allocation model used during the amalgamation of Communities in 2017, which provided the target total cost will be refined to provide a more representative target for future comparison.

Outcome: Seniors receive concessions and rebates administered by the Department

Effectiveness indicator

The take-up rate of Seniors Card

2017-18 96% Target = 94%

This indicator reports on the take up rate of the Seniors card based on the estimated residential population of eligible seniors in the financial year.

The result for 2017-18 was higher than the target.

Efficiency Indicator

Average management cost per Seniors card

	Total cost		Number of seniors cards		Average management cost per seniors card	
	Target	Result	Target	Result	Target	Result
2017-18	\$2,574,114	\$2,650,803	387,765	385,866	\$6.64	\$6.87

This indicator reports on the cost to the deliver benefits and concessions, including the Seniors Card, administered by the Department.

The Department offers a range of benefits to seniors via the Seniors card program. This includes the Cost of Living Rebate payment and the Seniors Card Centre.

The result for 2017-18 was higher than the target.

Outcome: Local community services and community building programs meet the identified needs of individuals and families

Effectiveness indicators

Percentage of service users that had their identified needs met

2017-18 94% **Target = 96%**

This indicator reports on the extent that the local community services and community building programs are meeting the service users' needs and achieving expected outcomes.

The result for 2017-18 was lower than the target.

Percentage of community building grants that were acquitted against identified outcomes

2017-18 80% **Target = 90%**

This indicator reports on the proportion of community building grants that were acquitted in the financial year they were due.

The result for 2017-18 was lower than the target.

During the 2017-18 financial year there were a higher proportion of first time grant recipients with no previous experience of grant processes, necessitating longer follow up periods and delays in acquittals.

Efficiency Indicators

Number of grants and service agreements per Full Time Equivalent (FTE)

	Number of grants and service agreements		Number of FTEs		Number of grants and service agreements per Full Time Equivalent (FTE)	
	Target	Result	Target	Result	Target	Result
2017-18	629	631	16	15	39.2	42.1

The Department leads and funds a range of community services relating to children and families, youth, seniors, women, carers, volunteering and local governments. A team of contract managers oversee the service agreements and grants that these community services are based upon.

The result for 2017-18 was higher than the target.

Proportion of administrative and management expenditure to service delivery expenditure

	Administrative and management expenditure		Service delivery expenditure		Proportion of administrative and management expenditure to service delivery expenditure	
	Target	Result	Target	Result	Target	Result
2017-18	\$2,921,781	\$2,541,762	\$43,094,368	\$45,585,125	6.8%	5.6%

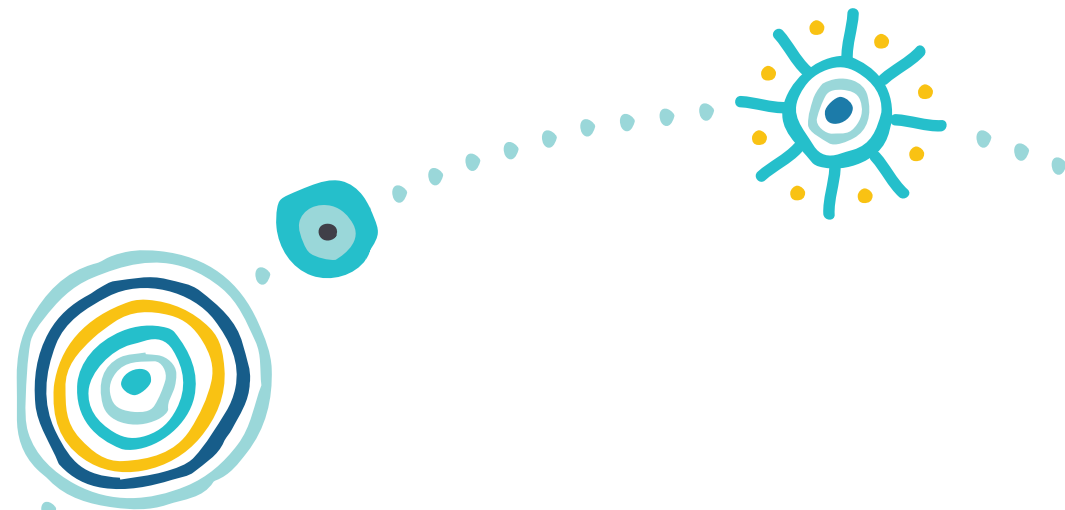
This indicator reports on the cost of management and administrative staff relative to service funding.

The result for 2017-18 was lower than the target; however, the decrease in actual administrative and management expenditure is due to the misattribution of expenditure in the calculation of the 2017-18 target following the amalgamation of Communities. If the expenditure had been correctly attributed, the target would have been 5.4% and this will be amended to provide a more representative target for future comparison.



Ministerial directives

No ministerial directives were received during 2017–18.



Other financial disclosures

Pricing policies

Communities charges for goods and services rendered on a partial cost recovery basis. These fees and charges were determined in accordance with Costing and Pricing Government Services: Guidelines for Use by Agencies in the Western Australian Public Sector published by the Department of Treasury, unless prescribed by legislation.

Fees set out in the *Education and Care Services National Law (WA) Act 2012* are indexed annually in accordance with the Education and Care Services National Regulations 2012. Fee changes are set at a national rather than State level.

Act of grace payments

As at 30 June 2018, there were no act of grace payments recorded.

Capital works projects

In accordance with Treasurer's Instruction 903(13)-(ii), the Department of Communities identifies the capital works projects that remain ongoing at the end of the financial year (Table 7) and the projects completed during the year (Table 8).

Table 7: Summary of capital works projects in progress in 2017-18

Program	Expected year of completion	Estimated cost to complete (\$'000)	Estimated total cost of project (\$'000)	Variance from previous financial year (\$'000)	Explanation
Mirrabooka New Office	2019	527	2,235	0	-

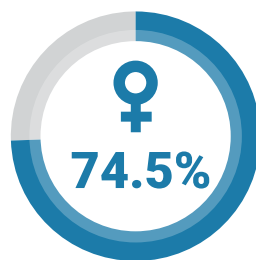
Table 8: Summary of capital works projects completed in 2017-18

Program	Total cost of project (\$'000)	Variance from previous financial year (\$'000)	Explanation
Nil	-	-	-

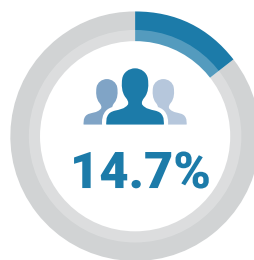
Employment and industrial relations



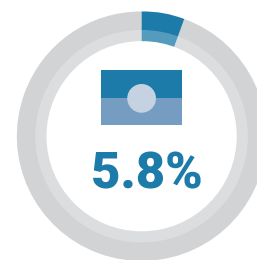
Staff



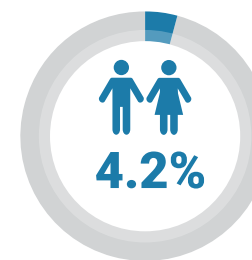
Women



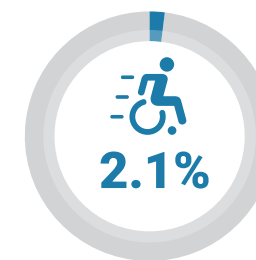
Culturally
diverse



Aboriginal
Australians



Youth
(< 24 yrs)



People with
disability

Staff profile

At the close of the financial year, 5,999 people were employed by the Department of Communities, including 458 staff directly employed by the Disability Services Commission (Table 9).

Table 9: Staff profile as at 30 June 2018

	2017-18		Total
	Department of Communities	Disability Services Commission (direct employees) ⁽¹⁾	
Number of people	5,541	458	5,999
TOTAL	5,541	458	5,999

Note:
(1) Staff directly employed under the *Disability Services Act 1993* and represent occupational groups, including registered nurses, support workers and social trainers.

Diversity and inclusion

Valuing diversity and inclusion provides Communities with a strong foundation that helps to shape our culture and the way we work. It also helps to create a workforce that is representative of the community we serve. Table 10 provides our diversity profile for 2017-18 with a comparison against the Western Australian public sector profile.

Table 10: Equity and diversity profile for 2017-18 ⁽¹⁾

Diversity group	WA Public Sector 2018 ⁽²⁾ (%)	Department of Communities ⁽³⁾ (%)	Disability Services Commission (direct employees)% ⁽⁴⁾
Women	72.4	74.5	55.6
Aboriginal Australians	2.7	5.8	0.5
People from culturally diverse backgrounds	13.1	14.7	21.7
People with disability	1.8	2.1	3.2
Youth (age 24 and under)	4.3	4.2	-

Notes:

- (1) Equity and diversity information in the above table has been derived from information provided by staff on a voluntary basis.
- (2) Western Australian Public Sector Statistical bulletin data as at March 2018.
- (3) These figures are correct as at June 2018.
- (4) Staff directly employed under the *Disability Services Act 1993* and represent occupational groups, including registered nurses, support workers and social trainers.

Industrial relations

Ten applications were lodged with the Western Australian Industrial Relations Commission under the provisions of the *Industrial Relations Act 1979*. One application related to an appeal lodged with the Full Bench against a prior decision of the Public Service Arbitrator, which was favourable to Communities. The appeal was dismissed, and the original decision was upheld. One application was dismissed by the Western Australian Industrial Relations Commission, five were resolved prior to a hearing and three are pending resolution.

One application was lodged with the Equal Opportunity Commission under the provision of the *Equal Opportunity Act 1984*. This matter was dismissed by the Equal Opportunity Commissioner and referred by the applicant to the State Administrative Tribunal, and was subsequently discontinued in 2017-18.

Two applications were lodged with the Human Rights Commission under the provisions of the *Disability Discrimination Act 1992* (Cth). The Australian Human Rights Commission has terminated both applications.

The Disability Services Commission Annual Report for 2017-18 reports industrial relations matters relating to staff employed under the *Disability Services Act 1993*.

Voluntary redundancy

Under the State Government Voluntary Targeted Separation Scheme for public sector renewal (2017), the total number of accepted voluntary severances for Communities was equal to 198.8 full time employees.

The Disability Services Commission Annual Report for 2017-18 provides the number of accepted voluntary severances for staff employed under the *Disability Services Act 1993*.



Personal expenditure on Government credit cards

In accordance with Treasurer's Instruction 321, officers are prohibited from using Government issued credit cards for personal expenditure. Treasurer's Instructions 903(13)(iv) requires Communities to disclose information relating to personal expenditure. Table 11 details the personal expenditure made using a Western Australian Government credit card in 2017-18.

Table 11: Personal expenditure using Western Australian Government credit cards in 2017-18

	2017-18
Number of instances the Western Australian Government Purchasing Card has been used for a personal purpose	66
Aggregate amount of personal use expenditure for the reporting period	\$6,235
Aggregate amount of personal use expenditure settled by the due date	\$3,527
Aggregate amount of personal use expenditure settled after the period required by the due date	\$1,997
Aggregate amount of personal use expenditure outstanding at the end of the reporting period	\$711
Number of referrals for disciplinary action instigated by the notifiable authority during the reporting period	-



Governance disclosures

Board and committee remuneration

Individual and aggregated costs of remunerating positions on all boards and committees, as defined in the Premier's Circular 2010/02 – State Government Boards and Committees, have been outlined in the tables below.

Remuneration for the Disability Services Commission Board and Ministerial Advisory Council on Disability is reported in the Disability Services Commission Annual Report for 2017-18.

Carers Advisory Council

The Carers Advisory Council advises the Minister for Community Services about issues affecting carers. It provides an annual report to the Minister on compliance with the *Carers Recognition Act 2004* by the Department of Health, Disability Services Commission and public hospitals. The council builds working relationships with these organisations and encourages compliance with the Act and the Carers Charter.

Position	Name	Allowance (\$)	Work (\$)	Gross/actual remuneration 2017-18 ^{(1),(2),(3)} (\$)
Carers Advisory Council				
Chairperson	Esme Bowen	108.42	13,974.06	14,082.48
Deputy Chairperson	Glennys Marsdon	4,198.00	1,634.00	5,832.00
Members	Glenice Batchelor, (resigned January 2018)	1,039.00	230.00	1,269.00
	Mandy Corkhill (term ended on 31 January 2018)	1,039.00	230.00	1,269.00
	Kay Lunt	4,426.00	1,513.00	5,938.00
	Julie Roberts (resigned September 2017)	458.00		458.00
Total		11,268.42	17,581.06	28,848.48

Notes:

- (1) Remuneration earned in 2017-18 after 1 April 2018 was paid in the 2018-19 financial year and will be reported on in the 2018-19 annual report.
- (2) The Chair is eligible for \$13,500 per annum. The Deputy Chair and members are eligible for sitting fees of \$228 per half day and \$351 per full day.
- (3) The Chair, Deputy Chair and members are eligible for respite at \$20-\$45 per hour as applicable and travel allowance.

Adoption Applications Committee

The functions of the Adoption Applications Committee are outlined in section 13 of the *Adoptions Act 1994* and include considering the suitability of prospective adoptive parents.

Position	Name	Period of membership in 2017-18	Type of Remuneration	Gross/actual remuneration 2017-18 (\$)
Adoption Applications Committee				
Chairperson	Joanne Eggleston	12 months	\$150 p.hr	8,662.50
Deputy Chairperson	Margaret van Keppel	12 months	\$120 p.hr	5,527.50
Independent Member	Annette Bilic	12 months	\$120 p.hr	7,029.00
Independent Member	Deborah Foster-Gaitskell	12 months	\$120 p.hr	6,150.00
Independent Member	Kerry Sommerville-Brown	12 months	\$120 p.hr	6,120.00
Member	Eduardo Farate	12 months	N/A	-
Member	Jane Simmons	12 months	N/A	-
Member	Sooyin Wiegele	12 months	N/A	-
Total				33,489.00

Care Plan Review Panel

The Care Plan Review Panel is an independent panel established under section 92 of the *Children and Community Services Act 2004* to review care planning decisions made for children in care. The panel is guided by the best interests of the child.

During 2017-18, 23 applications for a review of a decision were received. Fifteen applications were lodged by a biological parent, one by a foster carer, three by a relative carer, and four by a grandparent (two by a maternal grandmother, one by a paternal grandmother and one by a paternal grandfather).

The panel held seven hearings, with all hearings upholding our care planning decisions. Twelve applications were withdrawn or did not meet the criteria for a hearing. As at 30 June 2018, five applications and/or hearings are pending. The primary reason for appeal concerned contact decisions.

All members of the panel were appointed by the CEO of the then Department for Child Protection and Family Support for three years and terms expired on 31 March 2018. A new panel will be appointed in 2018-19.

Position ⁽¹⁾	Period of membership in 2017-18	Type of Remuneration	Gross/actual remuneration in 2017-18 (\$)
Care Review Panel			
Chairperson	01.07.2017–31.03.2018	\$1400/Full day hearing \$ 920/Half day hearing	6,520.00
Deputy Chairperson 1	01.07.2017–31.03.2018	\$1400/Full day hearing \$ 920/Half day hearing	–
Deputy Chairperson 2	01.07.2017–31.03.2018	\$1400/Full day hearing \$ 920/Half day hearing	1,400.00
Member 1	01.07.2017–31.03.2018	\$ 920/Full day hearing \$ 600/Half day hearing	1,520.00
Member 2	01.07.2017–31.03.2018	\$ 920/Full day hearing \$ 600/Half day hearing	–
Member 3	01.07.2017–31.03.2018	\$ 920/Full day hearing \$ 600/Half day hearing	2,760.00
Member 4	01.07.2017–31.03.2018	\$ 920/Full day hearing \$ 600/Half day hearing	3,680.00
Member 5	01.07.2017–31.03.2018	\$ 920/Full day hearing \$ 600/Half day hearing	1,520.00
Member 6	01.07.2017–07.10.2017	\$ 920/Full day hearing \$ 600/Half day hearing	920.00
Total			18,320.00

(1) Member names have been withheld because of the sensitive nature of their decisions and to protect their anonymity.

Ministerial Advisory Council on Child Protection

The Ministerial Advisory Council was an advisory body to the Minister for Child Protection on child protection policies and practices in WA. It identified current and emerging child protection issues impacting on children and young people in care and their families. Memberships expired on 31 March 2018 and the council was dissolved from that date.

Position	Name	Period of membership in 2017-18	Type of Remuneration	Total (\$)
Ministerial Advisory Council on Child Protection				
Chairperson	Hon Michael Board	9 months	Annual	6,700
Deputy Chairperson	Hon Kay Hallahan	9 months	Full day \$300 Half day \$200	600.00
Member	Dawn Wallam	9 months	Full day \$300 Half day \$200	–
Member	Donna Chung	9 months	Full day \$300 Half day \$200	–
Member	Tricia Murray	9 months	Full day \$300 Half day \$200	–
Member	Fay Alford	9 months	Full day \$300 Half day \$200	400.00
Member	Debbie Henderson	9 months	Full day \$300 Half day \$200	400.00
Member	Aisha Dixon	9 months	Full day \$300 Half day \$200	–
Member	Katherine Browne		Full day \$300 Half day \$200	–
Member	Kay Benham		N/A	–
Member	Mandy Gadsdon		N/A	–
Total				8,100.00

Western Australian Council on Homelessness

The Western Australian Council on Homelessness was established by the Minister for Child Protection as an external advisory body to government on homelessness matters. The new term of the council commenced on 1 January 2017 and it met on nine occasions in 2017-18.

The terms of reference for the council are to:

- contribute to the development and ongoing review of state and regional homelessness action plans, ensuring integrated responses with non-government, government and mainstream services to ensure a more connected and responsive service system
- undertake sector consultation, and examine pertinent current and emerging issues related to homelessness in WA.

Position	Name	Period of membership in 2017-18	Type of Remuneration	Gross/actual remuneration 2017-18 (\$)
Western Australian Council on Homelessness				
Chairperson	Kathleen Gregory	12 months	Annual	8,933.00
Member	Anne Moore	12 months	Full day \$300 Half day \$200	200.00
Member	Louise Giolitto	12 months	Full day \$300 Half day \$200	880.00
Member	Yvette Carolin	12 months	Full day \$300 Half day \$200	2,300.00
Member	Julia Knapton	12 months	N/A	-
Member	Tanya George	12 months	N/A	-
Member	Joanne Burgess	12 months	N/A	-
Member	Stuart Clarke	8 months	N/A	-
Member	Steve Glew	3 months	N/A	-
Total				12,313.00

Director's indemnity insurance

In 2017-18, the Housing Authority and Disability Services Commission paid insurance premiums in respect of the liability of officers in their capacity as directors and officers. The insurance policy covers costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome, and other liabilities that may arise from their position, with the exception of conduct involving a willful breach of duty or improper use of information or position to gain a personal advantage.

Other legal requirements

Advertising

In accordance with section 175ZE of the *Electoral Act 1907*, Communities incurred expenditure in advertising and media advertising. Total expenditure for 2017-18 was \$92,686 (Table 12).



Table 12: Advertising expenditure for 2017–18

Category	2017-18 (\$)
Advertising agencies	11,428
Marsh Advertising Agencies	1,815
Advance Press	5,680
Quality Press WA	3,668
Sheridans 1913 Pty Ltd	65
Wanneroo Bus Association	200
Market research organisations	-
Polling organisations	-
Direct mail organisations	-
Media advertising agencies	81,258
Adcorp Australia Ltd	23,931
Carat Redefining Media	41,566
Ethicaljobs.com.au	130
Facebook	9,359
4Branding Pty Ltd	2,944
ClassApps	614
ER Media	500
MKM Parkhouse	2,000
Survey Monkey Australia	214

Disability Access and Inclusion Plan

People with disability can face many challenges in accessing services, facilities and information and when participating in community life. During 2017-18, Communities prioritised the establishment of a Disability Access and Inclusion Plan 2018-2020 demonstrating our commitment to assisting people, families and communities to be the best they can be. People who use our services range from people who need support to live valued lives in an inclusive community to those in crisis and/or with exceptionally complex needs.

The new plan helps to ensure our service responses are intensive and supportive and that they enable activities that foster vibrant, inclusive places and communities. Through the seven outcome areas discussed in the plan, strategies have been developed that identify measures and targets that support people with disability to have the same opportunities as others to access our services, facilities and information. These strategies demonstrate our commitment to improving access and inclusion for people with disability, their families and carers.

The plan was shaped by the valuable input from the community through a public consultation process in accordance with the requirements of the *Disability Services Act 1993* and a targeted external consultation with service providers. Communities' staff contributed by identifying potential barriers to accessing our services, information or facilities that people with disability may experience, and by providing suggestions to overcome them, through an online survey. In addition, a targeted consultation process was undertaken with staff with disability to understand their experiences and ways we could improve, an internal working group from across the Department supported

development of the new strategies, and the current state review was informed by the plans of the former agencies.

The plan will continue to evolve and progress further as more opportunities arise, enabling Communities to continue to achieve the highest standards in access and inclusion.

Substantive equality

Communities recognises the need to ensure all people are treated fairly and are recognised for their diversity. We are committed to ensuring that substantive equality principles are reflected appropriately in our policies, procedures and practices in accordance with the State Government's Policy Framework for Substantive Equality. The policy framework aims to achieve equality in the WA public sector by addressing and eliminating systemic discrimination in the provision of public sector services and promoting sensitivity to the different needs of client groups.



Recordkeeping plan

In accordance with section 19 of the *State Records Act 2000*, Communities follows the principles and standards governing recordkeeping by State organisations in our approved Recordkeeping Plan 2018.

Communities evaluates the efficiency and effectiveness of our recordkeeping system through ongoing reviews to confirm that staff are following correct recordkeeping practices within client and administrative files. Communities operates an online recordkeeping awareness training program that covers staff obligations, rights and responsibilities under the *State Records Act 2000*. Ongoing training is provided to enhance the search skills of Communities' staff and improve their management of client and administrative records.

Communities regularly reviews our recordkeeping training initiatives and materials to ensure compliance with relevant legislation and standards, as well as keeping content and staff up-to-date with changes in recordkeeping systems. Recordkeeping awareness training is a mandatory component of staff induction training. The effectiveness of the induction program in addressing employee roles and responsibilities is regularly reviewed to ensure compliance with the *State Records Act 2000*.





Government policy requirements

Compliance with Public Sector Standards and ethical codes

Communities complied with the Public Sector Standards and the Western Australian Public Sector Code of Ethics. Policies and procedures designed to ensure such compliance (including the Code of Conduct) were in place and appropriate internal assessments were conducted.

Activities undertaken by Communities relating to ensuring compliance with Public Sector Standards, the Western Australian Public Sector Code of Ethics and the Code of Conduct in 2017-18 included:

- providing information and training on the Code of Conduct and the Western Australian Public Sector Code of Ethics to new employees as part of the induction program
- providing information and training on Public Sector Standards in Human Resource Management, Performance Management and Grievance Resolution Standard
- affirming employees' understanding of the Code of Conduct and related legislation and policies, in line with Commissioner's Instruction No.8 – Codes of Conduct and integrity training, through high participation in the online accountable and ethical decision-making training, achieving an 80 per cent completion rate (as at 30 June 2018).

Occupational safety and health

Our commitment

Communities has a number of Occupational Safety and Health and Injury Management policies in place to support key business areas across the department, which in turn reflects adherence to the *Occupational Safety and Health Act 1984*, Occupational Safety and Health Regulations 1996, Code of Practice – Occupational Safety and Health in the Western Australian Public Sector 2007, *Workers' Compensation and Injury Management Act 1981*, the Workers' Compensation Code of Practice (Injury Management) 2005 and other associated legislation.

Strong leadership is demonstrated by senior management undertaking governance and due diligence training, reviewing quarterly reports on safety and health trends and fostering key safety projects complemented by regular meetings on injury management and prevention matters.

Consultation mechanisms

Current divisional committees meet on a quarterly basis and comprise 220 safety and health representatives from across the Perth metropolitan and regional areas.

The divisional committees played a key role in 2017-18 in reviewing safety and health policies and critical incidents, including hazards in the workplace. They participated in 1,363 hazard, accident and incident investigations. Safety and health representatives are effectively utilised for their expertise

by staff and management in resolving workplace issues. A register of safety and health representatives is available to all staff on Communities' intranet and noticeboards.

Workers' compensation and injury management

Communities is committed to providing, maintaining and promoting safe and healthy work practices in all aspects of our business.

While the former agencies each have a documented injury management system in place, a Communities injury management system is currently being consolidated in accordance with the *Workers' Compensation and Injury Management Act 1981*. All injury management policies and processes are available via Communities' intranet for staff and management to access. Communities has policies in place to confirm the process for managing injured workers, return to work programs and rehabilitation goals in accordance with the Act.

Training in injury management and workers' compensation has been provided to line managers across the Perth metropolitan and regional areas. An alternate duties register is to be developed and implemented by December 2018, which will foster early intervention and facilitate the injured worker's successful return to work.



Graduates facilitating knowledge and skill sharing across government

In February 2018, 15 people commenced a graduate program with Communities, including six Aboriginal participants.

During the two-year program, graduates undertake placements throughout the agency, working in different teams for a set amount of time. These rotations allow them to build skills, knowledge and capabilities while also strategically deploying talent to where it is needed most.

Many graduates have been in a unique position to be able to apply their knowledge and networks from one team to another.

Such was the case for Graduate Officer Jade Beisley, who linked resources and expertise from the Learning and Development team to the Women's Information Service, a referral helpline that assists women in need, including victims of domestic violence. Run by volunteers, the helpline is part of the WA Seniors Card Centre.

Jade noted that a high number of calls to the helpline involved reports of domestic violence, and thought that volunteer teams would benefit from domestic violence sensitivity and support training.

"I contacted the Domestic Violence Education Officer from Learning and Development and we worked together to create a short training package for the volunteers," Jade said.

We are currently working to determine which other training courses would be suitable for our Women's Information Service volunteers.



Table 13: Occupational safety and health key performance indicators and trends

Measures	Former agencies	Results for former agencies		Results, targets and commentary for Department of Communities		
		Results 2015-16	Results 2016-17	Results 2017-18	Targets	Comments towards targets
Number of fatalities	Housing Authority	–	–	–	Zero (0)	
	Disability Services Commission	–	–			
	Child Protection and Family Support	–	1			
Lost time injury and disease incidence rate (days)	Housing Authority	0.66	0.48	2.7	Zero (0) or 10% improvement on the previous three (3) years	Strategies are in place to address complex claims within the agency.
	Disability Services Commission	4	3			
	Child Protection and Family Support	2.85	2.54			
Lost time injury and severity rate (days)	Housing Authority	30	12	21	Zero (0) or 10% improvement on the previous three (3) years	Strategies are in place to address complex claims within the agency.
	Disability Services Commission	27	24			
	Child Protection and Family Support	49.2	18.64			
Percentage of injured workers returned to work within 13 weeks	Housing Authority	70%	95%	66%	Greater than or equal to 80% return to work within 26 weeks	Strategies are in place to address: 1. complex claims that have a psychological component 2. early return to work of the injured worker.
	Disability Services Commission	65%	76%			
	Child Protection and Family Support	71.4%	55.9%			
Percentage of injured workers returned to work within 26 weeks	Housing Authority	70%	100%	70%	Greater than or equal to 80%	Strategies are in place to address: 1. complex claims that have a psychological component 2. early return to work of the injured worker.
	Disability Services Commission	73%	86%			
	Child Protection and Family Support	78.6%	62.7%			
Percentage of managers trained in occupational safety, health and injury management responsibilities, including refresher training within three years	Housing Authority	80%	88%	80.2%	Greater than or equal to 80%	New online module has been developed in March 2018, and early figures are showing a positive trend.

Assessment of the occupational safety and health management systems

In June 2017, the Disability Services Commission's occupational safety and health management systems were assessed in line with the quality management standard AS/NZS4801:2001 and was awarded silver accreditation. At the time of this report, 12 of the 13 recommendations have been completed (92 per cent closed actions). A breakdown of the performance by element is provided below.

Element	Disability Services
Year of Assessment	June 2017 %
Management commitment	89
Planning	82
Consultation and reporting	81
Hazard management	87
Training and supervision	93

Work is underway to conduct an audit and consolidate Communities' former agencies' occupational safety and health management systems.

Advancing employee health and wellbeing

Communities recognises that the wellbeing of our staff is critical, especially during periods of change. During 2017-18, the following initiatives were implemented to improve staff wellbeing:

- launch of a health and wellbeing intranet site
- The Healthy Challenge pedometer competition
- Safe Spine program
- Healthy Minds Expo
- job readiness and interview skills training
- HBF Run for a Reason
- meditation and yoga lunchtime sessions
- ergonomic assessments
- flu vaccinations
- relocation packs
- lunchtime sessions covering topics such as dealing with change, mindfulness, mental health first aid, mental health for leaders, managing stress and building resilience for managers and staff, perfect balance, personal safety and family domestic violence.

The amalgamation of critical service delivery agencies identified potential risks that required urgent intervention and Assessment. Specific risk reduction actions included the below.

- A transformation safety and risk assessment project for the Kimberley region. The prototype will test the effectiveness of a consolidated shopfront where people can access a single location for their information needs.

- A shared office safety and security risk assessment. This project commenced to identify risks, develop treatment options and controls and inform the design principles for open plan reception areas in shared office settings.
- A risk assessment of rural, regional and remote travel was initiated following a critical incident. The assessment analysed and reviewed the risks associated with regional, rural and remote driving, in order to identify treatment options and develop an implementation plan.

Other key activities during the year included:

- the rolling out of injury management training for line managers in the Perth metropolitan and regional areas
- automating hazard, incident and accident reporting systems
- creating a one-stop electronic injury management and reporting system
- developing and implementing new online compliance training in occupational safety and health and injury management
- developing a Work Health and Safety Policy and an Injury Management Policy
- developing an integrated risk register.

Government building training policy

Communities does not have any maintenance contracts over the value of \$2 million and any construction contracts are managed by the Department of Finance's Building Management and Works. Accordingly, disclosure requirements of this policy will be met by the Department of Finance.

The Housing Authority enters into maintenance and construction contracts and these are reported in the Housing Authority Annual Report for 2017-18.



