

AUSTRALIAN COMMISSION ON SAFETY AND QUALITY IN HEALTH CARE

Entity Resources and Planned Performance

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ACSQHC

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Section 1: Entity Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT¹

The Australian Government aims to improve the long-term sustainability, quality and safety of Australia's health care system. This will be achieved in part through the work of the Australian Commission on Safety and Quality in Health Care (ACSQHC).

The ACSQHC was established by the Council of Australian Governments to lead and coordinate national improvements in safety and quality in health care based on best available evidence. This includes providing strategic advice to Health Ministers on best practice to drive safety and quality improvements. The ACSQHC works in partnership with patients, consumers, health professionals, managers, policy makers and health care organisations to achieve a sustainable, safe and high quality health system.

The ACSQHC has four priority areas of work:

- Patient safety: to have a safe health system that is designed to ensure patients and consumers are kept safe from preventable harm.
- Partnering with patients, consumers and committees: to have a health system where patients, consumers and members of the community partner with health professionals in all aspects of health care.
- Quality, cost and value: to have a health system that provides the right care, minimises waste and optimises value and productivity.
- Supporting health professionals to provide safe and high quality care: to have a health system that supports safe clinical practice by having robust and sustainable improvement systems.

During 2018-19, the ACSQHC will continue to focus its efforts on improvements in safety and quality that can be advanced through national action. This will include a strong focus on the implementation of the second edition of the National Safety and Quality Health Service Standards. It will also include continued examination of variation in health care and opportunities to advance patient outcomes by improving the quality, value and appropriateness of care.

The *National Health Reform Act 2011* specifies the roles and responsibilities of the ACSQHC. The ACSQHC is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*.

¹ For more information about the strategic direction of the ACSQHC, refer to the current Corporate Plan, available at: www.safetyandquality.gov.au/about-us/corporate-plan/

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (Government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (i.e. appropriations/cash available) basis, whilst the 'Budgeted expenses by outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: ACSQHC Resource Statement – Budget Estimates for 2018-19 as at Budget May 2018

	2017-18 Estimated actual \$'000	2018-19 Estimate \$'000
Opening balance/cash reserves at 1 July	6,333	4,086
Funds from Government		
Annual appropriations		
Ordinary annual services ^(a)		
Outcome 1	-	-
Other services ^(b)	-	-
Equity injection	-	-
Total annual appropriations	-	-
Amounts received from related entities ^(c)		
Amounts from the Portfolio Department	13,846	13,918
Amounts from other entities	3,981	-
Total amounts received from related entities	17,827	13,918
Total funds from Government	17,827	13,918
Funds from other sources		
Goods and services	1,119	-
State Government contributions	7,628	7,576
Interest	120	120
Total funds from other sources	8,867	7,696
Total net resourcing for ACSQHC	33,027	25,700
	2017-18	2018-19
Average staffing level (number)	78	86

All figures are GST exclusive.

^(a) Appropriation Bill (No. 1) 2018-19.

^(b) Appropriation Bill (No. 2) 2018-19.

^(c) Funding provided by a Government entity that is not specified within the annual appropriation bills as a payment to the corporate entity.

1.3 BUDGET MEASURES

This section is not applicable to the ACSQHC.

Section 2: Outcomes and Planned Performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which Government entities achieve the intended results of their outcome statements. Entities are required to identify the programs that contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

The ACSQHC has undertaken a review of its performance information. The purpose of the review was to ensure that the performance measures included in the Portfolio Budget Statements and Corporate Plan align with the strategic priorities and activities in the ACSQHC's work plan. The *National Health Reform Act 2011* requires the ACSQHC to prepare a work plan each year that sets out priorities for work to be undertaken over the following three years.

Results against the ACSQHC's performance criteria published in the *2017-18 Health Portfolio Budget Statements* will be reported in the ACSQHC's *2017-18 Annual Performance Statements*.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's Corporate Plans and Annual Performance Statements – included in Annual Reports – to provide an entity's complete performance story.

The ACSQHC's most recent Corporate Plan is available at:
www.safetyandquality.gov.au/about-us/corporate-plan

The ACSQHC's most recent Annual Performance Statement is available at:
www.safetyandquality.gov.au/publications-resources/annual-reports

2.1 BUDGETED EXPENSES AND PERFORMANCE

Outcome 1

Improved safety and quality in health care across the health system, including through the development, support for implementation, and monitoring of national clinical safety and quality guidelines and standards

Program Contributing to Outcome 1

Program 1.1: Safety and Quality in Health Care

Linked Programs

Other Commonwealth entities that contribute to Outcome 1
<p>Department of Health Program 1.1: Health Policy Research and Analysis The Department of Health has policy responsibility for the improvement of the long-term capacity, quality and safety of Australia's health care system.</p>
<p>Independent Hospital Pricing Authority Program 1.1: Public Health Pricing Determinations The Independent Hospital Pricing Authority works with the ACSQHC to ensure that pricing and performance measures for public hospitals are complementary and facilitate a strong national framework for the delivery of public hospital services.</p>
<p>National Blood Authority Program 1.1: National Blood Agreement Management The National Blood Authority works closely with the ACSQHC in relation to the <i>National Safety and Quality Health Service Standard 7: Blood Management</i>.</p>
<p>Australian Institute of Health and Welfare Program 1.1: Develop, Collect, Analyse and Report High Quality National Health and Welfare Information and Statistics for Governments and the Community The Australian Institute of Health and Welfare works closely with the ACSQHC regarding the measurement and analysis of information related to safety and quality in health care.</p>

Budgeted Expenses for the ACSQHC

Table 2.1.1 shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.1.1: Budgeted Expenses for the ACSQHC

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward Year 1 \$'000	2020-21 Forward Year 2 \$'000	2021-22 Forward Year 3 \$'000
Program 1.1: Safety and Quality in Health Care					
Revenue from Government					
Amounts from the Portfolio Department	13,846	13,918	11,665	11,908	12,158
Amounts from other Government entities	3,981	-	-	-	-
Revenues from independent sources	8,867	7,696	8,855	8,563	8,706
Operating deficit (surplus)	-	-	-	-	-
Total for Program 1.1	26,694	21,614	20,520	20,471	20,864
Total expenses for Outcome 1	26,694	21,614	20,520	20,471	20,864
	2017-18	2018-19			
Average staffing level (number)	78	86			

Planned Performance for the ACSQHC

Table 2.1.2 below details the performance criteria for the program associated with Outcome 1. It also summarises how the program is delivered and where 2018-19 Budget measures have materially changed the program.

Table 2.1.2: Performance Criteria for the ACSQHC

Purpose
To contribute to better health outcomes and experiences for patients and improved productivity and sustainability of the health system by leading and coordinating national improvements in safety and quality in health care.
Outcome 1
Improved safety and quality in health care across the health system, including through the development, support for implementation, and monitoring of national clinical safety and quality guidelines and standards.
Program 1.1: Safety and Quality in Health Care
The ACSQHC leads and coordinates national improvements in safety and quality in health care. The ACSQHC contributes to better health outcomes and experiences for patients, consumers and communities across Australia through the development of standards, guidelines and indicators relating to health care safety and quality. The ACSQHC provides guidance, data and reports to inform decision making to improve the safety and quality of health care. In partnership with patients, consumers, clinicians, managers, policy makers and health care organisations, the ACSQHC works to achieve a sustainable, safe and high quality health system.
Delivery
<p>A. Improving patient safety</p> <ul style="list-style-type: none"> • Implement the second edition of the National Safety and Quality Health Service (NSQHS) Standards. • Coordinate the Australia Health Service Safety and Quality Accreditation Scheme. • Coordinate, and produce data and reports from the Antimicrobial Use and Resistance in Australian Surveillance Scheme. <p>B. Partnering with patients, consumers and the community</p> <ul style="list-style-type: none"> • Support health services to meet the requirements of the NSQHS Standards that relate to partnerships with patients and consumers. • Provide tools and resources for patients, consumers and the community that support them to be effective partners in health care. <p>C. Encouraging safety, quality, and value</p> <ul style="list-style-type: none"> • Continue to examine variation in health care nationally, including release of the Third Australian Atlas of Healthcare Variation. • Examine and work to reduce health care variation where it is unwarranted through the development of tools such as clinical care standards. <p>D. Supporting health professionals to provide safe and high quality care</p> <ul style="list-style-type: none"> • Identify, specify and refine clinical and patient-reported measures and safety and quality indicators to support the improvement of the safety and quality of health care at a local level. • Work with all jurisdictions and the private sector to support integration of safety and quality measurement and reporting into national processes and agreements.

Performance criteria				
A. Improving patient safety				
Implement the National Safety and Quality Health Service (NSQHS) Standards and coordinate the Australian Health Service Safety and Quality Accreditation Scheme.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
Second edition of the NSQHS standards launched November 2017. Guidance and resources provided to health professionals and managers in areas covered by the NSQHS Standards, including clinical governance, medication safety, healthcare-associated infection, communication and recognising and responding to clinical deterioration.	Implementation of the second edition of the NSQHS Standards. Provision of guidance and resources to support health services to meet the second edition of the NSQHS Standards. Accrediting agencies approved to assess health services to the NSQHS Standards.		Provision of guidance and resources to support health services to meet the second edition of the NSQHS Standards. Accrediting agencies approved to assess health services to the NSQHS Standards.	
Percentage of hospitals and day procedure services assessed to the National Safety and Quality Health Service Standards.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
100%	100%	100%	100%	100%
Percentage of public hospitals meeting the benchmark for hand hygiene compliance.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
84%	≥80%	≥80%	≥80%	≥80%
B. Partnering with patients, consumers and the community				
Support health services, health professionals, patients and consumers to form effective partnerships.				
2017-18 Estimated result	2018-19 Target		2019-20 (& beyond) Target	
Guidance and resources provided to health services about attributes of high performing person-centred health services. Guidance provided about preparing high quality health information for patients and consumers.	Provision of guidance to health services and health professionals about forming effective partnerships with patients and consumers. Australian Charter of Healthcare Rights reviewed.		Provision of guidance to health services, health professionals, patients and consumers about forming effective partnerships.	

C. Encouraging safety, quality and value				
Examine healthcare variation and work to reduce unwarranted variation to improve quality and appropriateness of care.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Second Australian Atlas of Healthcare Variation released. Clinical care standards on heavy menstrual bleeding released and venous thromboembolism reviewed.		Release of the Third Australian Atlas of Healthcare Variation. Release of interactive maps of healthcare variation. Production of clinical care standards and other resources focusing on high impact, high burden and high variation areas of clinical care.		Production of a rolling program of reports on healthcare variation in Australia. Production of clinical care standards and other resources focusing on high impact, high burden and high variation areas of clinical care.
Clinical care standards developed or reviewed.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
2	3	3	3	3
D. Supporting health professionals to provide safe and high quality care				
Identify, specify and refine clinical and patient-reported measures and safety and quality indicators.				
2017-18 Estimated result		2018-19 Target		2019-20 (& beyond) Target
Resources to support use of the hospital acquired complications released. Australian Hospital Patient Experience Question Set released. Guidance and tools provided to health services to support local use of data for improvement.		Provision of nationally agreed health information standards, measures and indicators for safety and quality. Provision of guidance and tools for health services to support local use of data for safety and quality improvement.		As per 2018-19.
Condition specific clinical indicator sets developed.				
2017-18 Estimated result	2018-19 Target	2019-20 Target	2020-21 Target	2021-22 Target
2	3	3	3	3
Material changes to Program 1.1 resulting from the following measures:				
There are no material changes to Program 1.1 resulting from measures.				

Section 3: Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2018-19 Budget year, including the impact of Budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences Between Entity Resourcing and Financial Statements

This section is not applicable to the ACSQHC.

3.1.2 Explanatory Notes and Analysis of Budgeted Financial Statements

Departmental Resources

Comprehensive Income Statement

The ACSQHC Workplan operational costs are funded jointly by the Australian Government and State and Territory Governments on a 50:50 basis through annual contributions.

The ACSQHC's total resourcing available for 2018-19 is estimated at \$25.7 million, including Commonwealth and State Workplan funding of \$15.7 million and other carry forward and funding receipts of \$10.0 million. The 2018-19 estimated resourcing includes the full year of funding for the delivery of the ACSQHC's programs and projects, as well as the associated agency management costs. This is consistent into the forward year estimates.

Balance Sheet

The ACSQHC's total asset and liabilities are expected to remain stable over the forward years. The assets are budgeted to comprise predominantly of cash and non-financial assets. The liabilities are budgeted to comprise of suppliers payable, employee entitlements and deferred revenue.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive Income Statement (showing net cost of services for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-19 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
EXPENSES					
Employee benefits	11,647	11,880	12,118	12,360	12,607
Supplier expenses	14,798	9,232	7,906	7,615	7,761
Depreciation and amortisation	249	502	496	496	496
Total expenses	26,694	21,614	20,520	20,471	20,864
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	7,770	2,209	642	107	-
Interest	120	120	120	120	120
Grants received	11,176	11,428	11,665	11,908	12,158
Other revenue	7,628	7,857	8,093	8,336	8,586
Total revenue	26,694	21,614	20,520	20,471	20,864
Gains					
Other	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	26,694	21,614	20,520	20,471	20,864
Net cost of (contribution by) services	-	-	-	-	-
Revenue from Government	-	-	-	-	-
Surplus (deficit)	-	-	-	-	-
Surplus (deficit) attributable to the Australian Government	-	-	-	-	-
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-	-
Total comprehensive income (loss) attributable to the Australian Government	-	-	-	-	-

Table 3.2: Budgeted Departmental Balance Sheet (as at 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,086	4,363	4,716	4,765	4,922
Receivables	613	110	110	110	3
Total financial assets	4,699	4,473	4,826	4,875	4,925
Non-financial assets					
Property, plant and equipment	1,859	1,706	1,210	714	218
Prepayments	300	300	300	300	300
Total non-financial assets	2,159	2,006	1,510	1,014	518
Total assets	6,858	6,479	6,336	5,889	5,443
LIABILITIES					
Payables					
Suppliers	1,113	939	954	458	69
Other payables	653	400	193	193	86
Total payables	1,766	1,339	1,147	651	155
Provisions					
Employees	2,378	2,426	2,475	2,524	2,574
Total provisions	2,378	2,426	2,475	2,524	2,574
Total liabilities	4,144	3,765	3,622	3,175	2,729
Net Assets	2,714	2,714	2,714	2,714	2,714
EQUITY					
Contributed equity	1,836	1,836	1,836	1,836	1,836
Reserves	5	5	5	5	5
Retained surpluses or accumulated deficits	873	873	873	873	873
Total equity	2,714	2,714	2,714	2,714	2,714

Table 3.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget year 2018-19)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2018				
Balance carried forward from previous period	873	5	1,836	2,714
Surplus (deficit) for the period	-	-	-	-
Contribution by Government	-	-	-	-
Estimated closing balance as at 30 June 2019	873	5	1,836	2,714

Table 3.4: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	7,481	2,459	435	107	-
Grants from the Portfolio Department	11,176	11,428	11,665	11,908	12,158
State Government contributions	7,628	7,857	8,093	8,336	8,586
Interest	124	120	120	120	120
Net GST received	1,457	900	767	738	752
Total cash received	27,866	22,764	21,080	21,209	21,616
Cash used					
Employees	11,845	11,832	12,069	12,311	12,557
Suppliers	16,298	10,306	8,658	8,849	8,902
Total cash used	28,143	22,138	20,727	21,160	21,459
Net cash from (or used by) operating activities	(277)	626	353	49	157
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	1,970	349	-	-	-
Total cash used	1,970	349	-	-	-
Net cash from (or used by) investing activities	(1,970)	(349)	-	-	-
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	-	-	-	-
Total cash received	-	-	-	-	-
Net cash from (or used by) financing activities	-	-	-	-	-
Net increase (or decrease) in cash held	(2,247)	277	353	49	157
Cash and cash equivalents at the beginning of the reporting period	6,333	4,086	4,363	4,716	4,765
Cash and cash equivalents at the end of the reporting period	4,086	4,363	4,716	4,765	4,922

Table 3.5: Departmental Capital Budget Statement (for the period ended 30 June)

	2017-18 Estimated actual \$'000	2018-19 Budget \$'000	2019-20 Forward estimate \$'000	2020-21 Forward estimate \$'000	2021-22 Forward estimate \$'000
CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	-	-	-	-	-
Total capital appropriations	-	-	-	-	-
Total new capital appropriations represented by:					
Purchase of non-financial assets	-	-	-	-	-
Total items	-	-	-	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - equity injection ^(a)	-	-	-	-	-
Funded internally from departmental resources	1,970	349	-	-	-
Total acquisitions of non-financial assets	1,970	349	-	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,970	349	-	-	-
Total cash used to acquire assets	1,970	349	-	-	-

^(a) Includes both current Bill 2, prior Act 2/4/6 appropriations and special capital appropriations.

Table 3.6: Statement of Asset Movements (Budget year 2018-19)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2018				
Gross book value	479	2,073	-	2,552
Accumulated depreciation/ amortisation and impairment	(479)	(214)	-	(693)
Opening net book balance	-	1,859	-	1,859
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - funded internally	-	349	-	349
Total additions	-	349	-	349
Other movements				
Depreciation/amortisation expense	-	(502)	-	(502)
Total other movements	-	(502)	-	(502)
As at 30 June 2019				
Gross book value	479	2,422	-	2,901
Accumulated depreciation/ amortisation and impairment	(479)	(716)	-	(1,195)
Closing net book balance	-	1,706	-	1,706