

2019–2020  
ANNUAL  
REPORT



## Public availability of report

- This Annual Report is available on our website at:  
<https://www.communities.qld.gov.au/about-us/our-organisation/publications/annual-report>
- For further information on how to contact us — refer to Appendix 6 on page 115.  
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## Cultural acknowledgement

*We acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Owners and Custodians of this country and recognise their connection to land, wind, water and community. We pay our respect to them, their cultures, and to Elders both past and present.*



Office of the  
**Director-General**

Department of  
**Communities,  
Disability Services  
and Seniors**

9 September 2020

The Honourable Coralee O'Rourke MP  
Minister for Communities and  
Minister for Disability Services and Seniors  
GPO Box 806  
Brisbane Qld 4001

Dear Minister O'Rourke

I am pleased to submit for presentation to the Parliament the Annual Report 2019–2020 and financial statements for the Department of Communities, Disability Services and Seniors.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at page 118 of this annual report.

Yours sincerely

Clare O'Connor  
**Director-General**

# Table of contents

Message from the Director-General.....	5
<b>ABOUT US</b> .....	<b>6</b>
Strategic overview .....	6
Organisational structure.....	7
Our Minister.....	8
Executive management .....	9
<b>COMMUNITY SERVICES</b> .....	<b>12</b>
Top achievements 2019–20.....	12
Delivered objectives.....	13
Future directions.....	15
<b>SENIORS</b> .....	<b>16</b>
Top achievements 2019–20.....	16
Delivered objectives.....	17
Future directions.....	18
<b>DISABILITY SERVICES</b> .....	<b>19</b>
Top achievements 2019–20.....	19
Delivered objectives.....	21
Future directions.....	22
<b>STRATEGIC POLICY AND LEGISLATION</b> .....	<b>24</b>
Top achievements 2019–2020.....	24
Delivered objectives.....	25
Future directions.....	25
<b>MANAGEMENT AND ACCOUNTABILITY</b> .....	<b>27</b>
Our people .....	27
Risk management.....	32
Audit and Risk Committee .....	32
Internal Audit .....	33
External scrutiny.....	33
Information systems and recordkeeping.....	33
Open data .....	34
<b>FINANCIAL PERFORMANCE</b> .....	<b>35</b>
Summary of financial performance.....	36
Annual Financial Statements 2019–20 .....	41
<b>APPENDICES</b> .....	<b>103</b>
Appendix 1. Details of key management personnel.....	103
Appendix 2. Governance boards and committees .....	104
Appendix 3. Our legislation .....	108
Appendix 4. National partnership agreement.....	109
Appendix 5. Government bodies .....	110
Appendix 6. Contact details .....	115
Appendix 7. Glossary.....	116
Appendix 8. Compliance checklist.....	118

# Message from the Director-General

## Clare O'Connor

The 2019–20 financial year was a challenging year for the Department of Communities, Disability Services and Seniors, for Queensland, and for the nation.

The impact of the COVID-19 pandemic saw this agency significantly re-focus its services in the second half of the financial year to lead human and social community recovery for Queensland.

This is a frontline department delivering vital disability and community services. I am proud of the way in which the department, and our staff, have responded and risen to the challenges posed by this pandemic.

Our response to COVID-19 has been swift, with the quick activation of supports for Queenslanders, including seniors and people with disability.

Through the Community Recovery Hotline and the Care Army initiatives, tens of thousands of vulnerable Queenslanders were supported during isolation with telephone support services, psychosocial supports and the delivery of essential food, household items and medications.

We worked extensively with the disability and community sectors to ensure the continuity of essential services for people with disability and seniors, and the availability of accessible information about COVID-19.

It is important for us to recognise the exceptional work the department has continued to deliver.

From supporting Queensland communities as they recover from devastating bushfires, to helping more Queenslanders with disability to access the National Disability Insurance Scheme, and expanding our network of neighbourhood and community centres, we are committed to supporting communities to thrive.

We have invested in capital works projects supporting local construction jobs in our communities.

I acknowledge the engagement and effort demonstrated across the agency in responding to COVID-19 while maintaining high-quality services for Queensland's communities.

The next 12 months will pose more challenges for us as a department and as a state. We will continue to rise to the occasion and deliver for Queenslanders.

Clare O'Connor  
**Director-General**

# ABOUT US

## Strategic overview

### Our vision

Thriving Queensland communities, where people of all ages, backgrounds and abilities can participate, are included and resilient, and enjoy high levels of social and economic wellbeing.

### Our objectives

The Department of Communities, Disability Services and Seniors will respect, protect and promote human rights in our decision-making and actions to:

- improve the wellbeing of individuals requiring disability, community and seniors services
- strengthen communities and help them thrive
- invest in quality responsive services and supports
- demonstrate leading and responsive approaches in our management and governance.

### Our purpose

To improve the social and economic wellbeing of people and places by delivering quality targeted support.

### Our values

These values guide the services we deliver for Queensland:

- customers first
- ideas into action
- unleash potential
- be courageous
- empower people.

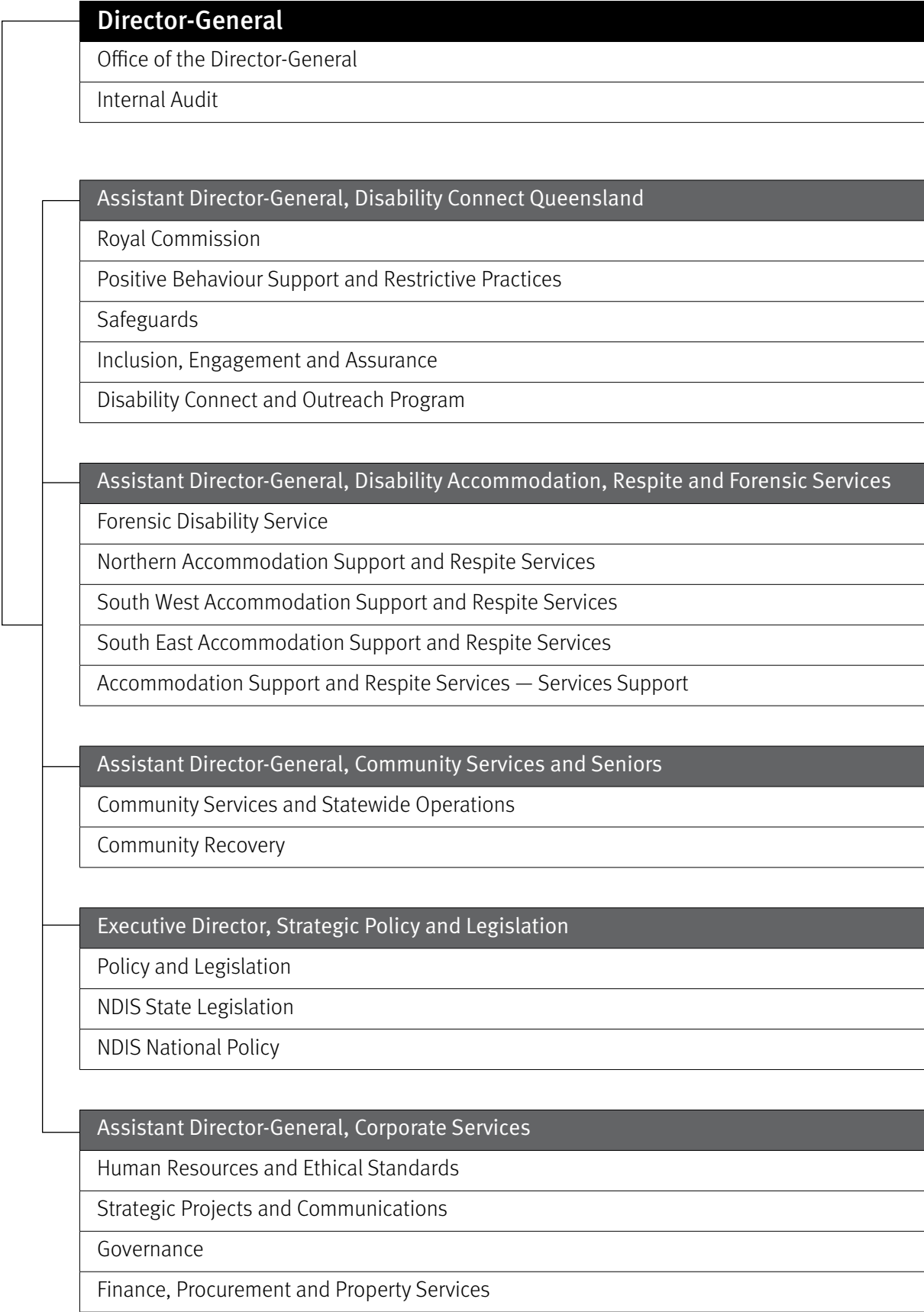
They underpin our efforts and decision-making and drive our vision for thriving Queensland communities. We are a passionate and productive workplace that puts the people of Queensland first, values each community and advances the disability and community services industries.

### Our strategic priorities

All areas of the department will work with stakeholders and communities to achieve our strategic priorities:

- **Put Queenslanders first** — increase the social and economic participation of all Queenslanders, and build relationships and inclusion to support communities.
- **Value Queensland communities** — invest in local community services and place-based responses to assist communities to thrive and increase resilience.
- **Champion the disability and community services industries** — recognise the community services industry as a progressive, high-performing industry, delivering jobs and quality services in the regions.
- **Lead in public sector management and governance** — innovate our approaches to improve the capacity, capability and resilience of clients, communities, stakeholders and staff.

# Organisational structure



# Our Minister

## **The Honourable Coralee O'Rourke MP**

### **State Member for Mundingburra, Minister for Communities and Minister for Disability Services and Seniors**

The Minister for Communities and the Minister for Disability Services and Seniors is passionate about creating thriving communities right across Queensland.

This means building vibrant places where all Queenslanders, regardless of their age, ability or personal circumstances, are able to participate and be included, are resilient and enjoy social and economic wellbeing.

The Minister has a strong belief that when we all work together we can create positive change to benefit all Queensland families, our seniors and the communities we live in.



# Executive management

## **Clare O'Connor**

### **Director-General**

Bachelor of Arts and Master of Arts Public Sector Leadership

Clare has been the Director-General, Department of Communities, Disability Services and Seniors, since late 2017, after previously serving as Director-General to another social services agency. Clare has extensive experience in community and disability services, delivering the National Disability Insurance Scheme to Queensland, as well as progressing other transformational social service reforms. She has led community recovery in natural disasters and now in a pandemic, including leading the government and community and disability sector in human and social recovery work during COVID-19. Clare is the very proud Government Champion for Cherbourg Aboriginal Community.

## **Katie Holm**

### **Assistant Director-General, Community Services and Seniors**

Bachelor of Laws, Grad Cert. Public Sector Management, GAICD

Katie joined the department in July 2018 as the Assistant Director-General, Community Services Statewide.

Katie has 30 years' experience working in the government and private sectors including roles with Disability Services Queensland, Queensland Public Service Commission and the Department of Aboriginal and Torres Strait Islander Partnerships, as well as roles as a Presiding Member with the then New South Wales Guardianship Tribunal, and the Consumer, Trader and Tenancy Tribunal.

## **Matthew Lupi**

### **Assistant Director-General, Disability Accommodation, Respite and Forensic Services**

Bachelor of Science (Psych), Grad Dip Soc Sci, Grad Cert Mgmt, GAICD

Matthew is currently the Assistant-Director General, Disability Accommodation, Respite and Forensic Services. He is leading the service delivery of the Accommodation Support and Respite Services as an NDIS service provider.

Matthew has worked in social and human services in Queensland for over 25 years, spending the last 19 years with the Queensland Public Service. Matthew has held a variety of senior executive roles across policy, program and service delivery throughout the state.

During the government's response to the COVID-19 pandemic, Matthew led the whole-of-government seniors support strategy and the establishment of the Queensland Care Army.

## **Max Wise**

### **Assistant Director-General, Disability Connect Queensland**

Master of Business Administration, Bachelor of Laws, Certificate of Corporate Investigations

Max is the inaugural Assistant Director-General of Disability Connect Queensland, a new division of the department. Max led the establishment of Disability Connect Queensland and also oversaw the completion of Queensland's transition to the NDIS.

Max has worked across a number of Queensland Government portfolios, initially in regulatory roles within the justice, consumer protection and health sectors, before moving on to lead the implementation of new functions in the child protection and youth justice systems.

## **Matthew Nye**

### **Assistant Director-General, Corporate Services**

Master of Business (Professional Accounting), Bachelor of Business (Public Relations)

Matthew commenced with the department in September 2019 in the role of Assistant Director-General, Corporate Services. Matthew has more than 25 years' experience in the Queensland Public Service, including the past 10 years in senior executive positions.

Matthew has extensive experience and skills in business strategy, service delivery, planning, and project delivery to lead organisations through transformational change. Most recently, Matthew held roles as General Manager at Smart Service Queensland and, prior to that, as Executive Director, Finance Services at Queensland Shared Services.

## **Narinder Singh**

### **Chief Finance Officer, Corporate Services**

Bachelor of Science (Hons), CPA, ACMA, CGMA

Narinder was appointed Chief Finance Officer in August 2018, and has more than 11 years' experience in the Queensland Government, including five years' experience in senior management roles.

Prior to this, Narinder worked in the private sector, primarily in the financial services industry in a variety of senior finance roles for a number of blue chip organisations. Narinder has held positions that have provided experience in financial management and governance, business planning, commercial pricing, organisational redesign and change, shareholder relations and financial risk management.

## **Neil Smith**

### **Chief Human Resource Officer, Corporate Services**

Master of Health Science, Graduate Diploma (OHS), GAICD

Neil was appointed as the department's Chief Human Resource Officer of Human Resources and Ethical Standards in August 2009. He first joined the former Department of Communities in 2004 and went on to hold senior officer and executive roles.

Neil has extensive experience as a human resources professional, having worked in central and line agencies in the Queensland Public Service, as well as in private sector heavy engineering and construction.

## **Elizabeth Bianchi**

### **Executive Director, Strategic Policy and Legislation**

Bachelor of Arts, Bachelor of Laws

Elizabeth has been working in the Queensland Public Service for over 15 years in a variety of roles within a social policy context, including currently as the department's Executive Director, Strategic Policy and Legislation. Prior to joining the Queensland Public Service, Elizabeth was employed as a solicitor in private practice.

During her time in the public service, Elizabeth has led a number of key social policy and legislative reform projects, across a range of portfolios, including disability services, child protection, community services, and domestic and family violence prevention.

### **The following senior officers retired from the department in 2019:**

#### **Helen Ferguson**

##### **Assistant Director-General, Strategic Policy and Legislation**

Bachelor of Social Work, GAICD, Registered Nursing qualifications

#### **Tony Hayes**

##### **Deputy Director-General, Disability Services**

Bachelor of Business (Accountancy), Grad Dip Exec Mgmt, M Admin, CGEIT, AFSE, CHE, FACS, FCPA, FIIA

# Community Services

Community Services delivers strategies, programs and initiatives that support thriving Queensland communities. The department, through its role as lead agency for social cohesion, has as a priority the preservation and promotion of social cohesion and resilience of Queensland communities. This includes supporting Queenslanders during disasters, targeting investment to create positive outcomes for Queenslanders and improve their social and economic wellbeing.

## Community Recovery

The department is the functional lead agency for Human and Social Recovery, known as community recovery. During 2019–20, our Community Recovery team led human and social relief and recovery activities, including our response to the COVID-19 pandemic, floods across North Queensland, bushfires in eastern and southern Queensland, a traumatic domestic violence incident, and an explosion at the Moranbah mine.

The Queensland Government's ready reserve is a whole-of-government surge workforce that is coordinated by the Department of Communities, Disability Services and Seniors to assist in delivering community recovery services. Staff from across the public sector are deployed to work with other government and non-government service providers in supporting and enabling the social, emotional, psychological, and physical health and wellbeing of individuals and communities following a disaster or significant community incident.

In addition to the usual activities carried out, such as working in recovery hubs and providing outreach visits following a bushfire or severe weather event, the Community Recovery Ready Reserve has provided other services during the COVID-19 pandemic. Ready reserve volunteers were deployed as COVID Safe Ambassadors, providing support to Queenslanders who were quarantined, as well as international travellers in hotel quarantine, and promoting social distancing requirements at local government election polling booths.

Key strategies delivered by Community Recovery are outlined in the following sections.

## Top achievements 2019–20

### 1. Queensland Community Support Scheme

The Queensland Community Support Scheme (QCSS) commenced on 1 July 2019. It is a program underpinned by a person-centred and capacity-building approach providing in-home and community connection supports to enable independence and wellbeing. The scheme is an important part of the department's ongoing commitment to support people who may experience long-term disability, chronic illness, poor mental health or another condition that has an ongoing impact on their day-to-day living and ability to participate in their community. While the scheme builds on the strengths of previous home support programs, it allows for holistic care and more responsive and integrated service delivery.

During the COVID-19 pandemic, the key focus for the program was to ensure continuity of services for QCSS participants. Access to the scheme was not interrupted.

## 2. Neighbourhood and community centres

Neighbourhood and community centres are fundamental social services infrastructure that support healthy and thriving communities. They offer many programs and services to assist a wide range of people and the community.

The department invested \$5.74 million to construct new neighbourhood and community centres located at Kallangur and Thursday Island. The existing New Farm Neighbourhood Centre was given a major upgrade. Replacement centres were completed in July 2019 at Inala and East Murgon. Other replacement centres are planned for Wilsonton and Bowen neighbourhood centres while suitable land sites were identified at Ripley and Yarrabilba for planned new neighbourhood centres in those two locations.

## 3. COVID-19 community services response

The department administers a variety of funded programs that maintained business and service continuity throughout the COVID-19 pandemic. These services supported individuals and families and played a vital role in supporting Queenslanders during the pandemic.

The department worked in partnership with organisations, supporting them to make the necessary modifications to adhere to public health directions. The department committed \$3.7 million in funding to community organisations to deliver activities and respond statewide to the impacts of COVID-19.

## 4. Financial literacy and resilience services

During 2019–20, 13,847 people accessed a financial literacy and resilience service. These people were shown how to improve their financial management skills, which helped them build resilience and better manage their money to prioritise essential living needs.

Good Money Stores assisted 6,819 people. Loans were issued to 1,269 people under the No Interest Loan Scheme to a total value of \$1.4 million. Loans of up to \$1,500 were offered for household items such as furniture, fridges, washing machines, stoves, freezers, heaters, medical or dental expenses, car repairs and tyres, and essential education goods such as laptops and textbooks.

# Delivered objectives

## Be a responsive government

- Partnered with industry and government to continue delivery of the *Partnering for the Future: advancing Queensland's community services industry 2017–2025 strategy*.
- Drove performance and service delivery improvements aligned to the government's priorities, through evaluations, reviews, data and feedback.
- Delivered the development and publication of the Queensland Disability Inclusive Disaster Risk Reduction Framework (DIDRR) and toolkit and, in partnership with the Community Services Industry Alliance (CSIA), continued to build business continuity capability of community organisations.
- Supported Volunteering Queensland to raise awareness, build capacity within the sector and operate the Emergency Volunteering Community Response to Extreme Weather (during natural disasters).
- Distributed \$8.8 million in Flexible Funding Grants and provided additional funding of \$2.8 million for 12 Community Development Officers in communities significantly impacted by the monsoon floods and central Queensland bushfires under the Commonwealth-State Disaster Recovery Funding Arrangements — Category C.
- Provided over \$2.5 million under the Commonwealth-State Disaster Recovery Funding Arrangements to Queenslanders affected by the 2019 Queensland Bushfires.

## **Create jobs in a strong economy**

- Invested in quality responsive services and supports through:
  - engaging with industry networks and alliances
  - partnering with peak organisations to support industry in responding to reforms.
- Provided targeted quality services for people during times of need, such as wellbeing support, emergency relief, generalist counselling, gambling support and concessions.
- Assisted vulnerable Queenslanders to enhance social and economic participation in their communities through the Queensland Community Support Scheme and community transport.
- Funded a statewide network of 125 Neighbourhood and Community Centres to assist individuals and families and respond to the needs and priorities of their local communities.
- Assisted eligible Queenslanders to receive cost-of-living aid through the available concessions and the Carer Business Discount Card and Companion Card discounts.

## **Give all our children a great start**

- Supported and participated in place-based approaches with other Queensland Government agencies and stakeholders to support communities to design and deliver local solutions.
- Supported and expanded the School Breakfast Program to 131 locations.
- Supported carers through programs such as the Carer Business Discount Card scheme.
- Funded community connect workers in locations of high demand to support individuals and families to connect with domestic and family violence programs and services, counselling, parenting help, financial literacy and other specialist programs.
- Supported families in financial hardship through funding contributions to organisations specialising in emergency relief, food rescue and sourcing essential household items.

## **Keep Queenslanders healthy**

- Funded supported transport options to ensure that vulnerable Queenslanders have access to required and essential health and wellbeing services.
- Supported people not eligible for the NDIS who may experience long-term disability, chronic illness, poor mental health or another condition that has an ongoing impact on their daily living and ability to participate in their community.
- Supported Meals on Wheels organisations to continue essential supports to vulnerable Queenslanders including through the COVID-19 pandemic.
- Funded programs and services that supported Queenslanders with practical, psychosocial and emotional support to deal with issues such as financial hardship, harmful alcohol consumption and other wellbeing concerns.

## **Keep communities safe**

- Developed a second Social Cohesion Action Plan to preserve and strengthen Queensland's social cohesion: *Thriving Cohesive Communities: Action Plan for Queensland 2019–2021 (Stage 2)*.
- Partnered with peak agencies to assist individuals with a heightened risk of vulnerability and/or the community sector to prepare and respond to the impacts of the COVID-19 pandemic.
- Funded programs and services that prevent unnecessary incarceration due to public intoxication, and to break the cycle of harmful alcohol use.
- Funded services to assist people who are vulnerable to violence and harm due to detrimental alcohol use in late-night entertainment precincts.
- Hosted lesbian, gay, bisexual, transgender and intersex roundtables to influence policy and legislation across government to address specific needs and areas of discrimination.

# Future directions

## Improve the wellbeing of individuals requiring community services

- Facilitate the Queensland Carers Advisory Council meetings to seek advice on carer issues and recognise and advance the interests of carers.
- Lead and coordinate multi-agency disaster relief and recovery following a disaster or a critical community incident.
- Provide community care services to vulnerable Queenslanders who are not eligible for the NDIS.
- Implement improvements to the community transport program.
- Examine partnership opportunities with other departments to improve supports for people with harmful alcohol use and risk of incarceration due to public intoxication.
- Implement improvements to services that assist people vulnerable to violence and harm in late-night entertainment precincts.

## Strengthen communities and help them thrive

- Support Volunteering Queensland to build capacity, raise awareness, promote and support volunteering activities in Queensland.
- Partner with all levels of government and industry to develop new tools and resources to increase human and social resilience in local communities.
- Implement the *Thriving Cohesive Communities: Action Plan for Queensland 2019–2021 (Stage 2)* to strengthen social cohesion and minimise anti-social behaviour and associated violence.
- Continue to promote and embed disability-inclusive disaster management practices to reduce risk and improve resilience.
- Continue to support Foodbank Queensland's food rescue service and school breakfast program.

## Invest in quality responsive services and supports

- Engage and partner with industry networks, alliances and peak associations to help build a stronger, more sustainable community services sector.
- Ensure that communities are co-design partners for local initiatives designed to promote, welcome and enable social connectedness and acceptance.
- Continue to lead and coordinate quality services for people during times of need, such as emergency relief, counselling and wellbeing supports.
- Continue to invest in community connect workers to respond quickly and effectively to support complex individual and family needs.

# Seniors

Queensland seniors are supported through services and programs that reduce the cost of living, enhance wellbeing, support participation, and prevent and address elder abuse. Developing age-friendly communities supports seniors to be active and connected, and contribute economically, socially and culturally to their communities.

## Top achievements 2019–20

### 1. Supporting seniors during the COVID-19 pandemic

During the COVID-19 pandemic, a number of key initiatives were implemented which included:

- Supported Queensland seniors through the peak of the COVID-19 pandemic by helping them access essential food and medications through the Community Recovery Hotline.
- Launched the Care Army on 1 April 2020, to assist Queensland seniors to safely isolate at home during the peak of the COVID-19 pandemic.
- Established the COVID-19 Seniors Taskforce to coordinate the Care Army and lead the COVID-19 response for Queensland seniors.

The Care Army was set up to protect and support Queenslanders who were most at risk during the pandemic including:

- all Queenslanders over 70 years of age
- Queenslanders over 65 years of age with underlying health issues
- Indigenous Queenslanders over the age of 50 with chronic disease
- other vulnerable Queenslanders who are quarantined or self-isolating.

Care Army volunteers assisted with a range of tasks, including delivering food and supplies, stocking shelves and calling isolated Queenslanders who were in need of social connection. More than 100,000 Queensland seniors were phoned during the COVID-19 pandemic to check on their welfare and asked if they needed support.

The department worked to connect Care Army volunteers with non-government organisations to enable them to continue delivering services. At its peak, almost 28,500 Queenslanders of all ages from across the state registered with the Care Army to help others.

- Provided funding to Uniting Care Queensland to provide specialist telephone support to seniors through the Seniors Enquiry Line during the peak of the COVID-19 pandemic.

### 2. Seniors Legal and Support Service

Getting timely and affordable access to legal support can be difficult for vulnerable seniors. To support seniors who need legal advice to deal with elder abuse, 11 Seniors Legal and Support Services are funded across Queensland to provide free legal advice and support.

This year, the department undertook a review of the program to ensure it was meeting the needs of Queensland seniors. The review found the services were working well, providing seniors with safety and support when they needed it most. The review also identified potential enhancements to future service provision to be further explored in collaboration with service providers.



### **3. Affiliate membership of the Global Network of Age-friendly Cities and Communities**

The Queensland Government, through the department, worked with the World Health Organisation to progress Affiliate membership of the Global Network of Age-friendly Cities and Communities. This work will continue to support the development of age-friendly communities to 2023 by working collaboratively with local governments, community organisations and businesses.

### **4. *B.OLD 2020: be B.OLDer* short film competition**

The *B.OLD 2020: be B.OLDer* short film competition aims to challenge negative perceptions of ageing. Queenslanders were invited to tell their stories that celebrated the diverse capabilities and contributions of older people who are active and engaged in community life as volunteers, athletes, artists, entrepreneurs or employees.

Of the 67 stories received, 10 were selected by a panel of expert judges and matched with production teams to plan and coordinate filming. The resulting short documentary films will be distributed for community screenings throughout Queensland.

## **Delivered objectives**

### **Be a responsive government**

- Supported actions to increase housing options for older people through the Housing Chats line funded by the department and delivered by the Seniors Enquiry Line.
- Delivered Seniors Savings Pop-Ups to give seniors an opportunity to talk face-to-face to the Queensland Government about the Queensland Seniors Card, concessions and finding further opportunities for cost-of-living support. These were delivered at the Ekka and 19 shopping centre locations.
- Supported funded service providers to continue to deliver services flexibly through online service delivery where possible during the COVID-19 pandemic.
- Convened the Queensland Carers Advisory Council to provide a forum for carers to advise the Minister about carer issues.

### **Create jobs in a strong economy**

- Assisted eligible Queenslanders to receive cost-of-living aid through the available concessions and the Seniors Card, Seniors Business Discount Card and Companion Card discounts. More than \$768 million in concessions and rebates were paid to eligible Queenslanders.
- Provided targeted quality services for seniors during times of need, such as wellbeing support, counselling and concessions.

### **Give all our children a great start**

- Supported carers through programs such as the Carers Business Discount Card scheme.
- Invested in the Time for Grandparents program to support grandfamilies — where grandparents are the primary carer for their grandchildren.
- Supported grandparent carers through the Queensland Carers Advisory Council.

### **Keep Queenslanders healthy**

- Implemented the *Queensland: an age-friendly community* strategy and action plan.
- Contributed to the Queensland Parliamentary Inquiry into aged care, end-of-life and palliative care and voluntary assisted dying.

- Delivered the age-friendly community grants program 2019–2020 by funding 18 community groups to a value of \$931,545.
- Supported older people through advice and referral services including elder abuse prevention, Seniors Legal and Support Services, and programs that reduced social isolation.
- Improved the wellbeing of individuals requiring seniors services through the provision of programs and services that supported financial resilience of individuals.

## **Keep communities safe**

- Progressed implementation of the national plan to respond to the abuse of older Australians.
- Supported seniors to prevent and respond to elder abuse through the Elder Abuse Prevention Unit and Seniors Legal and Support Services.
- Partnered with the community services sector to deliver 11 seniors legal and support services across Queensland to protect the legal and financial interests of older Queenslanders.

# **Future directions**

## **Improve the wellbeing of individuals requiring seniors services**

- Promote opportunities that enable community participation for Queenslanders regardless of age, background or ability.
- Continue to partner with the community services sector to protect the legal and financial interests of older Queenslanders.
- Deliver programs and services to reduce social isolation of seniors, and improve access to information and support including against fraud, abuse and scams.
- Continue to implement the national plan to respond to the abuse of older Australians.
- Support seniors to improve their digital literacy, reduce social isolation and increase access to government information through the Tech Savvy Seniors program.

## **Strengthen communities and help them thrive**

- Provide guidance to seniors on how to access events during Seniors Week 2020.
- Screen the *B.OLD 2020: be B.OLDER* short documentary films to challenge negative stereotypes of older people.
- Engage with carers through the Queensland Carers Advisory Council to receive advice about carer-related issues and how to increase recognition of carers, and as required represent their interests to the Commonwealth Government on behalf of carers to ensure their specific support needs are met.
- Continue to support eligible seniors and carers with cost-of-living pressures through available concessions.

## **Invest in quality responsive services and supports**

- Prevent and respond to elder abuse through services including the Queensland Elder Abuse Helpline and Seniors Legal and Support Services.

# Disability Services

Disability Services delivers and funds services and supports that help provide all abilities communities where Queenslanders with disability can reach their full potential. This includes finalising implementation of the National Disability Insurance Scheme (NDIS) in Queensland and providing accommodation and respite services to enable people with intellectual disability and high-support needs to live as independently as possible.

During 2019–20, Accommodation Support and Respite Services provided in-home accommodation support to 501 clients and 334 clients accessed respite services.

The department also has responsibility for the Forensic Disability Service which is a small, specialist, medium-security residential rehabilitation facility for up to 10 clients with complex needs. All clients of the Forensic Disability Service are subject to a forensic order (disability).

## Top achievements 2019–20

### 1. NDIS transition

During 2019–20, the department played a key role in the monitoring and governance of the NDIS in Queensland leading to improved outcomes and increased participation in the NDIS through robust reporting and governance frameworks.

At 30 June 2020, there were over 80,000 Queenslanders in or actively seeking access to enter the scheme, an increase of almost 25,000 participants with an NDIS plan since 30 June 2019.

Ninety-six per cent of former Disability Services clients who actively sought access to the NDIS were successful; and almost 30,000 Queenslanders with disability are receiving funded disability supports for the first time.

### 2. Project agreement to improve NDIS participant transition in Queensland

The Queensland Government negotiated with the Commonwealth a \$20 million investment over three years to 2022 to increase the number of new NDIS participants in Queensland, particularly those from priority cohorts identified as experiencing additional barriers to accessing the NDIS.

The Assessment and Referral Team (ART) launched in February 2020 and provides individual support through intensive case management and clinical assessments to people with disability through the NDIS application process. Targeted outreach commenced in March 2020 to help identify potential participants.

In its first six months of operation, the Assessment and Referral Team assisted almost 200 people to enter the NDIS. The team will continue to roll out throughout 2020–21 to support more Queenslanders to access the supports they need through the NDIS.

### **3. Provision of disability supports outside of the NDIS**

The NDIS has been available to all Queenslanders from 1 July 2019 for eligible people with disability aged up to 65 years.

Under the Queensland Government mandate for the continuity of services, Accommodation Support and Respite Services, in conjunction with Queensland Health, provide accommodation and coordination of ongoing specialist disability supports for clients aged over 65 years.

Accommodation Support and Respite Services supports 38 clients who have been residing with the service for many years and, due to their age, are not eligible for the NDIS.

Services and supports provided by the Forensic Disability Service and key strategies delivered are outlined in the following sections.

### **4. Implementation of key reforms**

The department continued working with Queensland Government agencies to progress implementation of 93 actions under the *All Abilities Queensland: opportunities for all state disability plan 2017–2020*. These actions are improving access and inclusion as a whole-of-community responsibility across Queensland. The progress report is available at: [www.communities.qld.gov.au/resources/dcdss/disability/state-plan/progress-report2.pdf](http://www.communities.qld.gov.au/resources/dcdss/disability/state-plan/progress-report2.pdf)

Following a Queensland Ombudsman's report in August 2019, the Forensic Disability Service reviewed its service model and operating structure. After extensive consultation, an effective, efficient and outcomes-focused service delivery model was developed. In December 2019, the service's roadmap was shared with staff and a revised mission and vision communicated to relevant stakeholders and clients. The department, in consultation with the Director Forensic Disability have completed 48 of the 49 recommendations set out in the Ombudsman's report.

During 2019–20, the Forensic Disability Service collaborated with other agencies to assist in the successful transition of clients back into the community. We engaged with clients and their representatives to ensure targeted support was provided in the transition into their chosen communities.

The Forensic Disability Service has supported Aboriginal and Torres Strait Islander clients to attend cultural exhibits, participate in the Gamarada peer group, and engage with Elders, men's yarning groups and Aboriginal health services.

### **5. COVID-19 response**

Managing the immediate impacts of a business interruption that could compromise the client care and support presented as a significant challenge for Disability Accommodation Respite and Forensic Services. To ensure quality care was provided to all clients throughout the COVID-19 pandemic, a detailed business continuity plan was implemented. The plan minimised the potential impact of business interruption to client care and support, and identified resources and support models to assist clients to ensure continuity of support. Client-focused preparation and planning allowed Disability Accommodation, Respite and Forensic Services to maintain services without any disruption and, as of Tuesday 30 June 2020, no clients were infected with COVID-19.

As part of our response, a dedicated team responded and monitored COVID-19 issues impacting people with disability and the sector in Queensland more broadly. The team addressed 252 issues.

# Delivered objectives

## Be a responsive government

- Continued to focus on meeting legislative obligations under the *Forensic Disability Act 2011* (Qld), while ensuring clients received individualised supports and services that met their disability and forensic needs.
- Delivered the development and publication of the Queensland Disability Inclusive Disaster Risk Reduction Framework (DIDRR) and toolkit and in partnership with the Community Services Industry Alliance (CSIA) continued to build business continuity capability of community organisations.
- Established the department's capacity to engage with the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.
- Continued to support former Disability Services clients to enter the NDIS.
- Partnered with the NDIS Quality and Safeguards Commission in providing safe service environments for NDIS participants, through criminal history screening and regulating the use of restrictive practices.
- Delivered a new online worker screening portal to assist employers to lodge applications electronically as part of the transition to a new national worker screening system for the NDIS.
- Partnered with other government agencies to ensure continuity of care for Disability Accommodation, Respite and Forensic Services clients throughout the COVID-19 pandemic.
- Partnered with Queensland Health to provide urgent accommodation to free up acute hospital beds.

## Create jobs in a strong economy

- Employed 265 new residential care officers to ensure Accommodation Support and Respite Services clients continued to receive continuous and quality care.
- Implemented a revised structure for the Forensic Disability Service that ensured strong clinical focus on client rehabilitation.
- Promoted Disability Action Week highlighting employment of people with disability.
- Secured, through the Disability Reform Council, a pilot in North Queensland for a more flexible approach to the delivery of the NDIS in areas where the market has not responded as expected.

## Give all our children a great start

- At 30 June 2020, over 34,000 Queensland children have NDIS plans of funded supports or are receiving initial supports through the Early Childhood Early Intervention pathway.

## Keep Queenslanders healthy

- Continued to provide holistic health and wellbeing support to clients of Disability Accommodation, Respite and Forensic Services. Staff were provided with a suite of policies and procedures related to the health and wellbeing of clients.
- Maintained the safety and wellbeing of clients and staff during the COVID-19 pandemic through Disability Accommodation, Respite and Forensic Services developing enhanced practices in line with Queensland Health directives. This included increased vigilance in hygiene standards and cleaning practices.
- Procured personal protective equipment recommended for the management of COVID-19 and delivered statewide infection control training to assist staff in supporting our vulnerable clients of Disability Accommodation, Respite and Forensic Services.

- Implemented visitation protocols to mitigate any potential risk to clients and staff in client Accommodation Support and Respite Services houses.
- Supported all Forensic Disability Service clients to ensure NDIS plans had effective support levels to assist in meeting their ongoing habitation needs and successful transition to community-based services.
- Increased the number of Limited Community Treatments events Forensic Disability Service clients were able to participate in by 200 per cent. This assisted in achieving their health and wellbeing goals and effective transition.
- Increased program participation for Forensic Disability Service clients leading to improved literacy, personal and psycho-social skills and increased capacity to live with reduced dependency on support staff.
- Conducted regular comprehensive individual client reviews in relation to Forensic Disability Service clients. The reviews, included individual development plans and Mental Health Review Tribunal reports, adopt a 'whole-of-life' approach to supporting clients with their health and wellbeing.

## **Keep communities safe**

- Implemented a clinical and risk management framework to ensure the effective and safe treatment, care and support of clients.
- Maintained up-to-date and effective risk management strategies and positive behaviour support plans, where required.
- Developed and implemented an emergency services protocol with Queensland Police in relation to the safety of Forensic Disability Service clients and staff.
- Managed the short-term approval of restrictive practices in accordance with the *Disability Services Act 2006* and supported the safety and wellbeing of people with disability through the development of positive behaviour support plans.
- Provided criminal history and related screening for workers and volunteers supporting people with disability so they can live free from abuse, neglect and exploitation.

# **Future directions**

## **Improve the wellbeing of individuals requiring disability services**

- Continue to provide accommodation support and respite services to people with disability.
- Maintain systems to ensure quality of disability services for Queenslanders, including the Human Services Quality Framework.
- Maintain continuity of support for people with disability over the age of 65 years who do not meet the access criteria for the NDIS.
- Work with the Commonwealth Department of Health to ensure people with disability over the age of 65 years receiving specialist disability supports continue to receive disability services and supports.
- Formalise the relationship with Queensland Health regarding the review of client health and wellbeing at the Forensic Disability Service.
- Continue the Assessment and Referral Team's (ART) assistance to Queensland Health and the NDIA to support people with disability exit long-term hospital and health facilities to appropriate community settings during the COVID-19 pandemic.
- Implement a new national worker screening system for NDIS workers and volunteers to support people with disability to live free from abuse, neglect and exploitation.

## **Strengthen communities and help them thrive**

- Continue to enhance and develop collaborative connections with the Aboriginal and Torres Strait Islander communities to help ensure clients re-connect and stay connected to the community.
- Deliver culturally appropriate training to Disability Accommodation, Respite and Forensic Services staff.
- Support clients of the Forensic Disability Service to create and maintain positive linkages with their community.
- Continue to embed the *All Abilities Queensland: opportunities for all state disability plan 2017–2020* and commence preparations for developing a new state disability plan.
- Improve NDIS access in Queensland as part of the Commonwealth Government's \$20 million investment through:
  - a project commencing in January 2021 to support Aboriginal and Torres Strait Islander corporations and individuals to become registered NDIS providers in rural, regional and remote communities
  - the department's contribution to a study into plan underutilisation by NDIS participants.
- Continue to work with the NDIA and Commonwealth Government to improve the NDIS market in Queensland, especially in the state's remote and very remote regions, so participants can access all the supports funded in their NDIS plans.

## **Invest in quality responsive services and supports**

- Implement an effective, efficient and outcomes-focused structure that ensures positive outcomes for clients.
- Conduct regular record-keeping audits and effectively use the Forensic Disability Act Information System to ensure a central source of truth with regards to the care, treatment and support of Forensic Disability Service clients.
- Continue to work with the NDIA and Commonwealth Government to make access to the NDIS easier for Queenslanders with disability who are eligible for the scheme.
- Advocate for more meaningful NDIS data to be made publicly available to stimulate market growth and build the disability sector in Queensland.
- Consult with the disability sector and finalise Queensland's NDIS Assurance Framework to monitor outcomes for NDIS participants and ensure that Queensland achieves the social and economic benefits of its \$2.1 billion investment in the NDIS.
- Continue to work with the NDIS Quality and Safeguards Commission in the regulation and monitoring of the use of restrictive practices within the disability sector.
- Ensure workers are screened for criminal histories, so people with disability can live free from abuse, neglect and exploitation.

# Strategic Policy and Legislation

Strategic Policy and Legislation works across the department, Queensland Government and nationally to deliver contemporary and evidenced policy, legislation and intergovernmental relations.

## Top achievements 2019–2020

### 1. Negotiation of NDIS Full Scheme Agreement

On 9 July 2019, the Queensland and Commonwealth Governments signed Queensland's NDIS Full Scheme Agreement with full scheme funding arrangements to commence in 2020–21. Signing the Full Scheme Agreement also gave Queensland access to its share of the DisabilityCare Australia Fund from 1 July 2019 to 2023–24, which is a total of \$1.95 billion, including back-pay of \$838.6 million owed from 1 July 2014.

### 2. Legislation to support the NDIS transition

Amendments to the *Disability Services Act 2006* (DSA) and the *Disability Services Regulation 2017* commenced on 1 July 2019 to support commencement of the NDIS Quality and Safeguards Commission in Queensland, and ensure the DSA operates effectively with Commonwealth NDIS legislation to provide a strong quality and safeguards framework, including in relation to worker screening and authorising the any use of restrictive practices.

On 18 June 2020, the *Disability Services and Other Legislation (Worker Screening) Amendment Bill 2020* was introduced into Parliament by the the Honourable Coralee O'Rourke, Minister for Communities and Minister for Disability Services and Seniors. This Bill will strengthen and streamline disability worker screening in Queensland, including by implementing nationally consistent NDIS worker screening and continuing operation of the state disability worker screening system for certain disability services provided outside of the NDIS.

### 3. COVID-19 response

Urgent time-limited amendments to the DSA and *Forensic Disability Act 2011* were progressed to assist Queensland's disability sector to operate safely and effectively, as required, during the COVID-19 pandemic.

In addition, the department advocated for the rights of people with disability to be considered as a priority as part of the development of the response to COVID-19 pandemic at both state and Commonwealth levels.

### 4. Representing the views and interests of Queenslanders with disability

As the lead agency supporting the shareholding Minister for the NDIS, the department worked to ensure the views and interests of people with disability and the disability sector were at the forefront of intergovernmental negotiations and inquiry processes. In 2019–20, the department continued to support the Minister to advocate for improvements under the NDIS to ensure Queenslanders with disability can access necessary supports. In addition, submissions were made to key inquiry processes such as the 2019 review of the NDIS Act.



# Delivered objectives

## Be a responsive government

- Introduced the *Disability Services and Other Legislation (Worker Screening) Amendment Bill 2020*. The Bill, which the Minister for Communities and Minister for Disability Services and Seniors introduced into Parliament on 18 June 2020, streamlines and strengthens the legislative framework for disability worker screening in Queensland. It also implements nationally consistent NDIS worker screening in Queensland and enables the implementation of an online and automated application process with an extended validity period to reduce red tape. In addition, the Bill will enable a joint online application process with the blue card system to streamline processes for people who work with children with disability.

## Create jobs in a strong economy

- Led Queensland Government participation in NDIS governance arrangements to advocate for the best interests of Queenslanders on matters of disability policy and in the design and implementation of the NDIS, including supporting the development of the NDIS market and an NDIS workforce plan.

## Give all our children a great start

- Contributed to foundational work to develop a new National Disability Strategy, to commence in 2021 to ensure all Queenslanders have access to disability supports to help them live their best lives, including early intervention for Queensland children.

## Keep Queenslanders healthy

- Contributed to the Queensland Health response to COVID-19 pandemic to ensure that Queenslanders with disability continued to receive critical health and disability supports. The contribution ensured the interests of Queenslanders were represented at the Council of Australian Governments Disability Reform Council as part of considerations regarding the national response to COVID-19 pandemic for people with disability, including NDIS participants.

## Keep communities safe

- Led the Queensland Government's engagement with and response to the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.
- Amended urgently the *Disability Services Act 2006* and *Forensic Disability Act 2011*, through the *Justice and Other Legislation (COVID-19 Emergency Response) Amendment Act 2020*, to assist Queensland's disability sector to operate safely and effectively, if required, in response to the COVID-19 public health emergency.

# Future directions

## Improve the wellbeing of individuals requiring community, disability and senior support

- Undertake a statutory review in 2020–21 to consider the current framework in Queensland for authorising the use of restrictive practices with a view to achieving greater national consistency and effective alignment with the NDIS Quality and Safeguarding framework.
- Lead the Queensland Government contribution to the development of a new National Disability Strategy, to commence in 2021.
- Continue to lead the Queensland Government engagement with, and response to, the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.
- Review state and territory legislation to identify gaps in safeguarding provisions, as per Initiative 5.1 in the *National Plan to Respond to the Abuse of Older Australians (Elder Abuse) 2019–2023*.

## **Strengthen communities and help them thrive**

- Ensure continued participation in national governance arrangements to ensure maximum opportunities for people with disability to access supports under the NDIS to help them live their best life.

## **Invest in quality responsive services and supports**

- Continue to ensure Queensland legislation provides a robust quality and safeguarding framework for Queenslanders with disability that compliments and works effectively with the systems under the NDIS, including worker screening and restrictive practices.

## **Demonstrate leading and responsive approaches in our management and governance**

- Progress amendments required to improve compatibility of portfolio legislation with the *Human Rights Act 2019*.
- Continue to lead Queensland Government participation in NDIS governance arrangements to advocate for the best interests for Queenslanders on matters of disability policy and in the design and implementation of the NDIS.
- Continue to work with Queensland Government agencies and the disability sector to implement Queensland's roles and responsibilities under Queensland's Full Scheme Agreement for the NDIS.

# MANAGEMENT AND ACCOUNTABILITY

## Our people

### Workforce profile

The department is a thriving workplace where people of all ages, backgrounds and abilities feel safe, valued and respected, and where the principles of employee inclusion and embracing differences are strongly reflected in our culture and values. The tables below provide an overview of the workforce profile.

The service delivery breakdown of full-time equivalent employees as at 30 June 2020 is highlighted below:

Service delivery	Department total	
Frontline and frontline support	1,653.07	(93.56%)
Corporate	113.81	(6.44%)
<b>Total</b>	<b>1,766.88</b>	<b>(100%)</b>

A breakdown of our full-time equivalent employment status is as follows:

Profile	Department total	
Permanent staff	1,456.75	(82.45%)
Temporary staff	175.79	(9.95%)
Casual staff	120.34	(6.81%)
Contract staff	14	(0.79%)
<b>Total</b>	<b>1,766.88</b>	<b>(100%)</b>

The department's employment diversity (as at 30 June 2020) compared to the Queensland Public Sector (QPS) benchmark average (as at 31 March 2020) is detailed below:

Profile	Department	QPS average
Gender diversity — women	67.2%	69.48%
Culturally and linguistically diverse	14.00%	10.02%
Aboriginal and/or Torres Strait Islander	2.45%	2.48%
Staff with disability	4.55%	2.84%

## **Strategic workforce planning**

The department's strategic workforce plan is reviewed each year and, in November 2019, the Director-General approved the *Strategic Workforce Plan 2019–2023*. This plan provides a framework for all key workforce activities, strategies and performance measures.

### **Contemporary strategies to attract, recruit and retain**

Attracting and retaining a diverse talent pool drawn from all sections of the community is crucial to the department's ability to deliver effective services that reflect the community and its expectations.

The department offers a range of career paths and benefits to support and retain a skilled and capable workforce. This includes offering competitive salary and working conditions to enable a work-life balance. The span of learning and development opportunities available demonstrates the department's continued commitment to developing capabilities and providing career pathways for our workforce.

In 2019–20, the department focussed on strategies to support frontline service delivery roles to attract and retain casual residential care officers within Accommodation Support and Respite Services. This included centralised recruitment strategies, workshops and training programs.

### **Induction and probation**

The department provides a comprehensive induction process to support and orientate new employees to their environment and be productive with meaningful work as quickly as possible.

The department's induction program supports compliance requirements and integrates diversity and inclusion. A range of mandatory modules are provided. Additional role-specific training is delivered for key frontline staff including residential care officers and forensic officers.

### **Learning and development**

Learning and development is delivered through a comprehensive departmental induction program and flexible training programs to enable staff to access and complete training or qualifications for role requirements.

The department has delivered a range of flexible training programs including the Qualifications Pathways Program which resulted in 89 staff completing a range of qualifications, including Certificate IV in Community Services, Certificate IV in Disability, Certificate IV in Project Management Practice, Diploma of Business, Diploma in Community Services, Diploma of Project Management, and Diploma in Leadership and Management.

### **Leadership development**

Effective leadership is critical to ensure we have a positive and supportive workplace culture focused on high performance, innovation and continuous improvement.

The department's approach to leadership development is underpinned by our leadership charter and the public service leadership competencies for Queensland. Our charter is based on the five leadership values of: Partnership, Integrity, Recognition, Respect and Innovation. In 2019–20, we continued to invest in the development of our current and future leaders through a range of leadership and professional development programs aligned to the Queensland public service leadership competencies.

During the year, 25 staff participated in LEAD4QLD, with a further 69 staff supported to participate in the Public Service Commission's leadership programs. In addition, the department supported two staff members to commence the Public Sector Management Program in 2020.

The department also participated in ANZSOG Executive Fellows program and Executive Master of Public Administration Program.

## **Supporting work–life balance**

The department ensured all staff who were able to perform their roles remotely were able to do so during the COVID-19 pandemic. Remote working will continue to be part of the pandemic response in 2020–21. The department has also broadened its spread of hours and developed options for flexible working arrangements.

As part of our commitment to diversity, we seek to support employees of all ages, life stages, backgrounds and abilities to maintain an optimal balance of work and life through offering a range of flexible work options. A range of options are provided, including flexible work arrangements, compressed work hours, flexible start and finish times, telecommuting and distributed work centres.

## **Employee performance management**

Employees and supervisors proactively engage in a performance management process with regular, meaningful and supportive conversations about performance expectations and capability.

Performance and development agreements between an employee and their line manager establishes agreed role objectives and performance indicators, and identifies capability development actions. The agreement also provides an opportunity for two-way feedback between the employee and line manager.

## **Recognition**

Recognition is an integral part of proactive performance management.

The department held the second annual staff awards on 26 November 2019. Awards included the Director-General’s Award for Excellence, Client Focus Award, Collaboration Award, Innovation Award and a new category of Leadership Award.

The department recognises departmental officers’ service to the Queensland Public Service twice a year by providing 15-year certificates and 25-year service medals. Plaques are provided to staff who leave the department after 30-plus years of service.

## **Agency policies and activities**

The department:

- aligned its policies and procedures with Queensland’s new human rights legislation, applicable from 1 January 2020
- reviewed its human resources delegations and authorisations
- ensured, and will continue to ensure, its policies and procedures are consistent with public service directives and guidelines.

## **Industrial and employee relations framework**

The department has effectively engaged with staff and unions on matters involving organisational change, consolidation of the new organisational structure, the COVID-19 pandemic and enterprise bargaining. More regular meetings occurred with unions to address staff concerns and problem solve during the pandemic, which included a focus on business continuity plans and staff support.

The department also actively participated in finalising enterprise bargaining claims with unions and contributed to the development of the *State Government Entities Certified Agreement 2019* (Core Agreement).

## **Workplace health, safety and wellbeing**

The *Strategic Workforce Plan 2019–2023* identifies the department’s commitment to supporting employees’ health, safety and wellbeing.

We continually invest in a range of measures to support employee wellbeing and safety, including access to wellbeing programs, flu vaccination programs, and dedicated health and safety roles.

During the COVID-19 pandemic, staff were provided with a range of supports and resources to assist employees through the pandemic. This included enhanced hygiene practices, social distancing, flexible work arrangements and providing additional fact sheets around personal protective equipment.

## **Code of Conduct and public sector ethics**

The department continued to support the principles identified in the *Public Sector Ethics Act 1994*. The department is committed to the highest standard of ethical conduct and promotes a culture that embeds integrity and accountability into our day-to-day business. The department regularly provided ethical decision-making education to employees, and ensured all new employees undertook ethics-related training as part of the mandatory induction process. During 2019–2020, 555 employees completed ethical decision-making and code of conduct training.

## **Management of suspected corrupt conduct and misconduct**

Allegations of corrupt conduct, or a breach of the *Code of Conduct for the Queensland Public Service* involving a departmental employee, are reported to Ethical Standards. The matter is assessed with consideration given to the definition of corrupt conduct outlined in section 15 of the *Crime and Corruption Act 2001* and the *Public Interest Disclosure Act 2010*.

During 2019–20, the department received 123 referrals, 26 were assessed as corrupt conduct matters and 97 as misconduct matters.

## **Employee opinion survey**

In 2019, the department's response rate to the employee opinion survey was 44 per cent, with 926 responders. Our results showed we are committed to being an inclusive organisation that welcomes diversity of views and experience. The survey results across the department also highlighted ongoing opportunities for developing our leadership, learning and wellbeing.

Staff continued to feel the impacts of change, with 69 per cent of responders agreeing that our workforce had undergone significant change in the past 12 months, which was 20 per cent higher than the Queensland public sector score.

## **Early retirement, redundancy and retrenchment**

In 2019-20, a total of 59 employees received severance redundancy payments totalling \$4.4M.

Employees who did not initiate and accept an offer of a redundancy were offered case management and support to find alternative employment placements.

## **Human rights**

The department undertook awareness-raising activities regarding human rights legislation with non-government organisations and public entities. This is in addition to providing staff with training and regular communication about the legislation.

Regional awareness-raising training in partnership with the Queensland Human Rights Commission, and the Department of Child Safety, Youth and Women, occurred from October to December 2019 at nine locations across the state. More than 500 representatives from non-government organisations attended these sessions.

Mandatory human rights training was made available on the department's online training website in November 2019. All staff with network access were automatically enrolled in the program. As at 30 June 2020, 86.43 per cent of staff had completed the first stage of the awareness training online. Flexible and role-specific options were developed and released to support delivery of training for Accommodation Support and Respite Services, Forensic Disability Services, Community Recovery and Disability Connect Queensland.

The department undertook reviews of policies, procedures, decision-making frameworks and complaint-handling procedures across the agency and continue to monitor compatibility through a business as usual approach.

The department also consulted with the Queensland Human Rights Commission, Office of the Public Advocate, Queenslanders with Disability Network and Office of the Public Guardian. Advice received from these stakeholders informed the final policy and procedure implemented by the department.

During the COVID-19 pandemic, the department continued to provide essential services to its clients consistent with the human rights of Queenslanders.

The department moved quickly to recommend legislative changes to ensure people with intellectual or cognitive disability subject to public health directions during COVID-19 were provided the same safeguards and protections as already provided within the *Disability Services Act 2006*.

#### Number of complaints received

- One customer complaint assessed by the department as implicating the *Human Rights Act 2019*.
- One customer complaint made by the complainant and assessed as implicating the *Human Rights Act 2019*.

#### Outcomes of complaints received

- One customer complaint resolved between agency and complainant.
- One apology made by the department to the complainant.
- The department is not aware of any matter having progressed to Queensland Human Rights Commission.

Ethical Standards also assessed internal matters received for any implications regarding the *Human Rights Act 2019* to identify areas for improvement.

## **Aboriginal and Torres Strait Islander cultural capability action plan**

The department recognises that the cultural capability of all staff is integral to achieving our vision of thriving Queensland communities and creating an inclusive workplace. Accordingly, the *Aboriginal and Torres Strait Islander Cultural Capability Action Plan 2019–22* sets out the department's approach and commitment to growing the cultural capability of our staff.

The department's plan was reviewed and redeveloped in early 2019, and published in this reporting period.

The refreshed plan aligns with the Queensland Government Aboriginal and Torres Strait Islander Cultural Capability Framework and Reconciliation Action Plan.

## **NDIS workforce transition**

During 2019–20, the department continued to help Queenslanders join the NDIS by providing additional support through its Assessment and Referral Team (ART).

NDIS-impacted staff have employment security through the Queensland Government's Employment Security Policy. The department assisted NDIS-impacted staff to find alternative pathways with intensive case management, information sessions, job readiness workshops and access to the Employee Assistance Program.

As at 30 June 2020, there remains only a few NDIS-impacted staff to be placed in their preferred pathway. All other NDIS-impacted staff were successfully placed in their preferred pathway, which includes placement within the department, employment in the Queensland Public Service or with the National Disability Insurance Agency, or accepting an offer of an employee-initiated voluntary redundancy package.

## Future directions

- Continue to implement the workforce strategy for COVID-19. The strategy focuses on workforce capability, and employee safety and wellbeing, to ensure the department continues to deliver quality services during and after the pandemic.
- Achieve a workforce target of people with disability representing eight per cent of the departmental workforce, with the target to be exceeded in both leadership and staffing in Disability Connect Queensland.
- Complete the NDIS workforce transition processes, including successful pathways for the small number of remaining staff requiring placement.
- Ensure efficient workforce attraction and development opportunities for the department's Accommodation Support and Respite Services employees who perform the majority of service delivery roles.
- Analyse the Working for Queensland 2020 Employee Opinion Survey data and implement improvements in key identified areas.
- Continue to implement the revised performance development processes.
- Develop a new diversity and inclusion strategy with a view to progressing towards the Queensland Public Sector 2022 foundation targets for key target groups.
- Review and update the *Strategic Workforce Plan 2019–2023* to reflect future priorities and workforce needs for the department.

## Risk management

The *Financial Accountability Act 2009* requires all accountable officers and statutory bodies to establish and maintain appropriate systems of internal control and risk management.

The department's risk management program is designed to ensure that risks are identified and managed in effective, structured and coordinated ways.

Our framework aligns with the *AS/NZS ISO 31000:2009 Risk management — Principles and guidelines* and other best practice risk and resilience methodologies.

During 2019–20, the department continued to embed the contemporary evidence-based risk management framework adopted in 2018–19. The focus throughout the year has been on identifying and capturing performance data that supports the effective management and mitigation of the department's risks and the reporting to governance committees and senior executives. The department reviewed and updated its enterprise risks each quarter as an assurance that controls remained effective and continued to align with the department's strategic objectives. The department developed a suite of resource materials to promote a strong risk culture and further support the new framework through increased knowledge and understanding across all staff.

## Audit and Risk Committee

The Audit and Risk Committee provides independent assurance and assistance to the Director-General on the risk, control and compliance frameworks, the department's external accountability responsibilities, and other matters related to the duties and responsibilities of the committee as set out in the Audit and Risk Committee Terms of Reference and as prescribed in the *Financial Accountability Act 2009*, the *Financial Accountability Regulation 2009* and the *Financial and Performance Management Standard 2019*.

The Audit and Risk Committee operates within its approved charter, which is in line with best practice audit committee guidelines.

Further information about the Audit and Risk Committee can be found at Appendix 2 (Governance boards and committees).



# Internal Audit

Internal Audit, which is part of the department, is independent of management and external auditors. The internal audit function is undertaken in accordance with a strategic internal audit plan approved by the Director-General. The Internal Audit Charter is consistent with relevant legislation, better practice guides and international internal auditing standards.

## External scrutiny

The department is subject to a number of external reviews, including those undertaken by the Queensland Audit Office (QAO), Coroners, Crime and Corruption Commission, Queensland Ombudsman, the Public Guardian and Public Advocate. Significant external audits and reviews of the department during 2019–20 include QAO reports tabled in the Queensland Parliament, such as the following:

### Report 3: 2019–20 Managing cyber security risks

The audit's objective was to assess whether Queensland Government departments effectively manage their cyber security risks.

The report recommended that each Queensland Government department:

- develop a framework for managing cyber security risks consistent with the information security policy (IS18:2018)
- develop and implement policies and procedures to identify and classify information assets, to effectively manage all information assets that are at risk
- develop and implement a methodology for identifying and assessing cyber security risks to information assets.

In response to the recommendations, the department, through its memorandum of understanding with the Department of Child Safety, Youth and Women, implemented an information security management system according to the Queensland Government Chief Information Office (QGCI) requirements.

In 2019, the management system was validated through an independent assessment conducted by an external provider to ensure compliance with the QGCI requirements. It incorporates a risk management approach to managing cyber security where threat and risk assessments are conducted as part of the project management gating assurance process.

For a complete list of tabled reports to the Queensland Parliament in the 2019–20 financial year, visit: [www.qao.qld.gov.au/reports-resources/parliament](http://www.qao.qld.gov.au/reports-resources/parliament).

## Information systems and recordkeeping

As a Queensland Government agency, we meet the accountability requirements of the *Public Records Act 2002*, as well as other whole-of-government policies and standards, including the *Records Governance Policy*, which was released by the Queensland State Archives to replace the *Information Standard 31: Retention and disposal of public records and Information Standard 40: Recordkeeping policies*.

During 2019–20, the department demonstrated its commitment to compliant recordkeeping practices by:

- ensuring the life-cycle management of all departmental public records was undertaken in accordance with legislative requirements

- continuing data cleansing of recordkeeping systems to ensure quality and integrity of records
- providing timely and effective recordkeeping awareness and process support to both central and regional staff
- providing training and ongoing recordkeeping support to departmental staff.

## Open data

The following data sets are published on the open data website at Open Data website <https://www.data.qld.gov.au/organization/communities-disability-services-and-seniors> :

- consultancies
- language services
- overseas travel.

# **FINANCIAL PERFORMANCE**

# Summary of financial performance

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

The 2019-20 Statement of Assurance provided to the Director-General satisfies all requirements of the *Financial and Performance Management Standard 2019*. The statement was also provided to the department's Audit and Risk Committee.

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

## Income

Our income in 2019-20 was \$406.008 million, with the major sources of income being the Queensland and Australian governments for the provision of services.

During 2019-20, we received our income from:

- appropriation revenue – \$358.744 million
- user charges – \$7.424 million
- grants and other contributions – \$14.920 million
- other revenue – \$24.920 million  
(such as grant and service procurement refunds and other cost recoveries).

## Operating expenses

Our department provides a wide range of services to the community, delivered by contracted non-government organisations and through direct service delivery. As a result, our two largest expense categories are supplies and services and employee expenses. Our total operating expenses for 2019–20 were \$398.561 million, including:

- employee expenses — \$193.782 million
- supplies and services — \$163.852 million  
(which include service procurement expenses of \$114.479 million, outsourced corporate service expenses of \$15.599 million, property and other lease expenses of \$11.461 million, property support, repairs and maintenance expenses of \$8.904 million, professional and technical fees of \$9.256 million, and other general operating expenses of \$4.153 million)
- grants and other subsidies — \$31.112 million
- depreciation and amortisation — \$5.907 million
- other expenses — \$3.908 million  
(such as insurance costs, audit fees, loss on sale of property, plant and equipment and impairment losses).

In 2019-20, the department had an operating surplus of \$7.447 million, related largely to the recognition of a number of non-cash items including reversal of the revaluation decrement of \$6.410 million offset by a net loss on disposal of property, plant and equipment of \$1.328 million.

The surplus also includes \$1.190 million in revenue received from the Commonwealth (Continuity of Support accommodation management grant) for the refurbishment of residential supported accommodation, recognised as capital expenditure. In addition, the department received greater non-appropriated revenue of \$1.175 million.

## Assets

Our total assets as at 30 June 2020 were valued at \$366.461 million. The primary assets held by our department were properties used to:

- support people with disability, including accommodation and respite services
- strengthen our communities, including multipurpose and neighbourhood centres.

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

The value of our assets by category was:

- cash and cash equivalents — \$72.041 million
- receivables, current and non-current — \$4.841 million
- property, plant and equipment — \$283.925 million
- intangibles — \$3.226 million
- other assets — \$2.428 million.

The department's cash at bank balance includes a cash-fund investment established with Queensland Treasury Corporation for the Elderly Parent Carer Innovation Initiative. The balance of the cash-fund investment as at 30 June 2020 was \$0.381 million.

## Liabilities

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

Our total liabilities as at 30 June 2020 were \$42.770 million. Liabilities by category were:

- payables, current and non-current — \$32.599 million
- accrued employee benefits — \$7.619 million
- provisions — \$2.501 million
- lease liabilities – \$0.051 million.

## National Disability Insurance Scheme

The NDIS has been available to all Queenslanders from 1 July 2019 for eligible people with disability aged up to 65 years.

## **Administered Payments**

In 2019-20, on behalf of the Queensland Government, we administered total payments of \$2,339.769 million including:

- concession payments of \$682.904 million for electricity and reticulated natural gas, rates and water subsidies, electricity for life support, home energy emergency assistance and asset ownership electricity dividend
- payments of \$85.920 million for electricity concessions to small and medium businesses impacted by the COVID-19 pandemic
- payments of \$1,544.285 million for the transition of clients to the NDIS
- payments of \$15.108 million for natural disasters on behalf of the Queensland and Australian governments for grants for emergency assistance, essential household contents, structural assistance, and the Essential Services Safety and Reconnection Scheme
- administrative costs of \$11.552 million directly attributable to Community Recovery activities.

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

## **Financial Risk Management**

The department manages financial risks and liabilities by reviewing financial performance through the corporate governance framework. To assist in managing the department's risks, the departmental Audit and Risk Committee oversees audit activities, audit recommendations, financial reporting, internal controls and compliance. For more information on our financial performance, refer to the financial statements.

## Service Delivery Statement measures

The following scorecards summarise our performance (quantifiable measures and qualitative achievements) against the performance indicators in the department's Service Delivery Statement 2019–20.

Disability Services	Notes	2019–20 Target/estimate	2019–20 Actual
<b>Service standards</b> <i>Effectiveness measure</i> Number of people with a disability receiving departmental accommodation support services	(1)	1070	881
<i>Efficiency measure</i> Percentage of approved accommodation support places used	(2)	80%	82%

### Notes:

1. *The variance between the 2019–20 target/estimate and the 2019–20 actual was based on the available capacity negotiated with the Commonwealth during the transition to the National Disability Insurance Scheme. Once transition occurred, Disability Accommodation Respite and Forensic Services saw a decline in the number of people with disability accessing ongoing respite services due to exercising choice and control and use of funding flexibility to access a wide range of services not provided by the department, such as in home respite. The target for this measure has been reviewed for future years in order to take in this downward trend.*
2. *The actual result for 2019–20 was satisfied with the number of people receiving accommodation support services as an estimated proportion of the number of approved places, including shared living arrangements and short-term accommodation support (or respite). Usage rates below full capacity are required to enable people to trial, and enter and exit accommodation places that are well-maintained and re-equipped between usage, to ensure the wellbeing of clients and staff. Rates below full capacity are also expected as a) market growth in the number and range of supports is encouraged with the implementation of the NDIS meaning that, in particular, people may choose different types of services that provide a respite-type effect for carers (other than short-term accommodation support) and b) the department operates within the principle of competitive neutrality.*

<b>Community Services</b>	<b>Notes</b>	<b>2019–20 Target/estimate</b>	<b>2019–20 Actual</b>
<b>Service standards</b> <i>Effectiveness measure</i> Percentage of eligible Seniors with a Seniors Card	(1)	88%	89%
Percentage of Community Recovery Emergency Hardship Assistance applications processed for payment within 24 hours	(2)	75%	82%
<i>Efficiency measures</i> Percentage of contracted service capacity for in-home and community connection support used	(3)(4)	Baseline	51%

1. *This is a proxy measure of the effectiveness in promoting the Seniors Card scheme to applicable stakeholders and forms part of the cost-of-living strategy. The percentage of eligible seniors with a Seniors Card is calculated by the total number of active cardholders divided by the estimated resident population of seniors within Queensland. The estimated resident population is sourced from the Australian Bureau of Statistics, Report 3101.0 Australian Demographic Statistics. Estimated Resident Population By Single Year Of Age, Queensland. TABLE 53.*
2. *This service standard measures how quickly the department responds to applications for Emergency Hardship Assistance under the Personal Hardship Assistance Scheme to approved applicants impacted by a declared disaster event. The method for distributing the financial assistance will be determined by the nature of the disaster event in consultation with local disaster management leaders. Timely financial relief is important to reduce the levels of financial hardship and psychological distress that can occur as a result of a disaster event. Timeframes for payments may be impacted by the size of the disaster event. This measure will not be reported in years where the department does not administer the Emergency Hardship Assistance grant (that is, the Personal Hardship Assistance Scheme is not activated in response to a disaster event in 2019–20).*
3. *This is a utilisation measure that records the number of services accessed as a proportion of the number of services contracted or purchased for use under the Queensland Community Support Scheme. Service usage is an indicator of the efficiency of the scheme's access point in linking eligible clients to available services and of the return on the investment in service types and locations that best respond to demand for assistance (that is, allocative efficiency). The first year of operation in 2019–20 will establish a baseline for a future target/estimated.*
4. *The baseline percentage for 2019–20 is lower than expected due to the lockdown restrictions for COVID-19 which allowed only essential services and modification to and a reduction in community connection support. It is expected that results for this measure will increase in the future.*



**Department of Communities, Disability  
Services and Seniors  
Annual Financial Statements  
2019–20**

Department of Communities, Disability Services and Seniors  
 Financial Statements  
 for the year ended 30 June 2020

CONTENTS	Page
<b>Financial Statements</b>	
Income Statement - Controlled	2
Income Statement by Major Departmental Services - Controlled	3
Balance Sheet - Controlled	4
Statement of Assets and Liabilities by Major Departmental Services - Controlled	5
Statement of Changes in Equity - Controlled	6
Statement of Cash Flows - Controlled (including Notes to the Statement of Cash Flows)	7
Income Statement - Administered	9
Balance Sheet - Administered	10
Statement of Cash Flows - Administered (including Notes to the Statement of Cash Flows)	11
<b>Notes to the Financial Statements</b>	
<b>About this Report and What We Do</b>	12
A1 Basis of Financial Statement Preparation	12
A2 Departmental Objectives	14
A3 National Disability Insurance Scheme	14
A4 Volunteer Services and Contribution of Services between Agencies	15
<b>Our Performance</b>	15
B1 Revenue	15
B2 Expenses	18
<b>Our Financial Position</b>	22
C1 Cash and Cash Equivalents	22
C2 Receivables	22
C3 Non-Current Assets Held for Sale	24
C4 Property, Plant and Equipment	24
C5 Intangibles	30
C6 Payables	31
C7 Accrued Employee Benefits	32
C8 Other Current Liabilities	32
C9 Equity	33
<b>Other Key Information</b>	35
D1 Financial Risk Disclosures	35
D2 Contingencies	36
D3 Commitments	36
D4 Current and Future Year Impacts of Accounting Standards Changes	38
E1 Budgetary Reporting Disclosures	43
F1 Key Management Personnel Disclosures	49
F2 Related Party Transactions	51
F3 Climate Risk Disclosures	52
F4 Impact of COVID-19 pandemic	52
<b>What We Look After On Behalf of Whole-of-Government</b>	52
G1 Administered	53
<b>Certification</b>	
Management Certificate	57

Department of Communities, Disability Services and Seniors  
Income Statement – Controlled  
for the year ended 30 June 2020

	Note	Actual 2020 \$'000	Original Budget <sup>^</sup> 2020 \$'000	Budget Variance* 2020 \$'000	Actual 2019 \$'000
<b>Income from Continuing Operations</b>					
Appropriation revenue	B1-1	358,744	361,571	(2,827)	978,490
User charges and fees		7,424	6,957	467	8,259
Grants and other contributions	B1-2	14,920	12,088	2,832	30,377
Interest		15	60	(45)	60
Reversal of revaluation decrement	C4-1	6,410	-	6,410	3,551
Other revenue	B1-3	18,474	-	18,474	17,520
Other gains/(losses) – net		21	-	21	-
<b>Total Income from Continuing Operations</b>		<b>406,008</b>	<b>380,676</b>	<b>25,332</b>	<b>1,038,257</b>
<b>Expenses from Continuing Operations</b>					
Employee expenses	B2-1	193,782	189,666	4,116	256,987
Supplies and services	B2-2	163,852	167,326	(3,474)	700,574
Grants and subsidies	B2-3	31,112	13,258	17,854	26,066
Depreciation and amortisation	B2-4	5,907	9,766	(3,859)	8,333
Impairment losses		1,498	-	1,498	312
Other expenses	B2-5	2,410	600	1,810	33,650
Losses on sale		-	500	(500)	-
Revaluation decrement	C4-1	-	-	-	1,035
<b>Total Expenses from Continuing Operations</b>		<b>398,561</b>	<b>381,116</b>	<b>17,445</b>	<b>1,026,957</b>
Operating Result from Continuing Operations		7,447	(440)	7,887	11,300
<b>Operating Result for the Year</b>		<b>7,447</b>	<b>(440)</b>	<b>7,887</b>	<b>11,300</b>
<b>Total Comprehensive Income</b>		<b>7,447</b>	<b>(440)</b>	<b>7,887</b>	<b>11,300</b>

\* An explanation of major variances is included at Note E1-1.

<sup>^</sup> These figures represent budgeted figures as published in the latest Service Delivery Statement tabled in Parliament.  
The accompanying notes form part of these financial statements.

**Additional Information**

Key contributors to the 2019-20 operating surplus of \$7.447M include the recognition of a number of non-cash items including reversal of the revaluation decrement of \$6.410M offset by a net loss on disposal of property, plant equipment of \$1.328M. The surplus includes \$1.190M in revenue received from the Commonwealth (Continuity of Support accommodation management grant) for the refurbishment of residential supported accommodation, recognised as capital expenditure. The department also received greater non-appropriated revenue of \$1.175M.

Department of Communities, Disability Services and Seniors  
Income Statement by Major Departmental Services - Controlled  
for the year ended 30 June 2020

	Disability Services		Community and Seniors Services		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Income from Operations</b>						
Appropriation revenue	183,298	846,759	175,446	131,731	358,744	978,490
User charges and fees	2,363	2,830	5,061	5,429	7,424	8,259
Grants and other contributions	12,780	24,949	2,140	5,428	14,920	30,377
Interest	15	60	-	-	15	60
Reversal of revaluation decrement	4,842	2,257	1,568	1,294	6,410	3,551
Other revenue	15,516	17,212	2,958	308	18,474	17,520
Other gains/(losses) - net	21	-	-	-	21	-
<b>Total Income from Operations</b>	<b>218,835</b>	<b>894,067</b>	<b>187,173</b>	<b>144,190</b>	<b>406,008</b>	<b>1,038,257</b>
<b>Expenses from Operations</b>						
Employee expenses	163,942	228,114	29,840	28,873	193,782	256,987
Supplies and services	34,064	613,067	129,788	87,507	163,852	700,574
Grants and subsidies	13,707	18,773	17,405	7,293	31,112	26,066
Depreciation and amortisation	3,282	6,549	2,625	1,784	5,907	8,333
Impairment losses	1,491	310	7	2	1,498	312
Other expenses	316	19,642	2,094	14,008	2,410	33,650
Revaluation decrement	-	1,035	-	-	-	1,035
<b>Total Expenses from Operations</b>	<b>216,802</b>	<b>887,490</b>	<b>181,759</b>	<b>139,467</b>	<b>398,561</b>	<b>1,026,957</b>
<b>Operating Result from Operations</b>	<b>2,033</b>	<b>6,577</b>	<b>5,414</b>	<b>4,723</b>	<b>7,447</b>	<b>11,300</b>
<b>Operating Result for the Year</b>	<b>2,033</b>	<b>6,577</b>	<b>5,414</b>	<b>4,723</b>	<b>7,447</b>	<b>11,300</b>
<b>Total Comprehensive Income</b>	<b>2,033</b>	<b>6,577</b>	<b>5,414</b>	<b>4,723</b>	<b>7,447</b>	<b>11,300</b>

Department of Communities, Disability Services and Seniors  
Balance Sheet - Controlled  
as at 30 June 2020

		<b>Actual</b>	<b>Original</b>	<b>Budget</b>	
	<b>Note</b>	<b>2020</b>	<b>Budget<sup>^</sup></b>	<b>Variance*</b>	<b>Actual</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current Assets</b>					
Cash and cash equivalents	C1	72,041	22,047	49,994	83,208
Receivables	C2	4,841	17,293	(12,452)	23,852
Other current assets		2,377	-	2,377	13
		<b>79,259</b>	<b>39,340</b>	<b>39,919</b>	<b>107,073</b>
Non-current assets classified as held for sale	C3	-	-	-	368
<b>Total Current Assets</b>		<b>79,259</b>	<b>39,340</b>	<b>39,919</b>	<b>107,441</b>
<b>Non-Current Assets</b>					
Receivables	C2	-	-	-	4,202
Property, plant and equipment	C4	283,925	277,375	6,550	276,445
Intangibles	C5	3,226	4,287	(1,061)	2,556
Right-of-use assets		51	-	51	-
<b>Total Non-Current Assets</b>		<b>287,202</b>	<b>281,662</b>	<b>5,540</b>	<b>283,203</b>
<b>Total Assets</b>		<b>366,461</b>	<b>321,002</b>	<b>45,459</b>	<b>390,644</b>
<b>Current Liabilities</b>					
Payables	C6	32,599	16,231	16,368	30,148
Accrued employee benefits	C7	7,619	9,563	(1,944)	23,697
Provisions		2,501	480	2,021	4,145
Other current liabilities	C8	-	497	(497)	13,009
Lease liabilities		51	-	51	-
<b>Total Current Liabilities</b>		<b>42,770</b>	<b>26,771</b>	<b>15,999</b>	<b>70,999</b>
<b>Non-Current Liabilities</b>					
Payables	C6	-	3,850	(3,850)	4,202
Provisions		-	403	(403)	-
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>4,253</b>	<b>(4,253)</b>	<b>4,202</b>
<b>Total Liabilities</b>		<b>42,770</b>	<b>31,024</b>	<b>11,746</b>	<b>75,201</b>
<b>Net Assets</b>		<b>323,691</b>	<b>289,978</b>	<b>33,713</b>	<b>315,443</b>
<b>Equity</b>					
Contributed equity		303,051	301,516	1,535	302,252
Accumulated surplus		20,640	(11,538)	32,178	13,191
<b>Total Equity</b>		<b>323,691</b>	<b>289,978</b>	<b>33,713</b>	<b>315,443</b>

\* An explanation of major variances is included at Note E1-2.

<sup>^</sup> These figures represent budgeted figures as published in the latest Service Delivery Statement tabled in Parliament.

Department of Communities, Disability Services and Seniors  
Statement of Assets and Liabilities by Major Departmental Services - Controlled  
as at 30 June 2020

	Disability Services		Community and Seniors Services		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Current Assets</b>						
Cash and cash equivalents	43,301	74,267	28,740	8,941	72,041	83,208
Receivables	4,547	21,198	294	2,654	4,841	23,852
Other current assets	2,219	13	158	-	2,377	13
Non-current assets classified as held for sale	-	368	-	-	-	368
<b>Total Current Assets</b>	<b>50,067</b>	<b>95,846</b>	<b>29,192</b>	<b>11,595</b>	<b>79,259</b>	<b>107,441</b>
<b>Non-Current Assets</b>						
Receivables	-	4,202	-	-	-	4,202
Property, plant and equipment	169,948	167,919	113,977	108,526	283,925	276,445
Intangibles	1,086	54	2,140	2,502	3,226	2,556
Right-of-use assets	-	-	51	-	51	-
<b>Total Non-Current Assets</b>	<b>171,034</b>	<b>172,175</b>	<b>116,168</b>	<b>111,028</b>	<b>287,202</b>	<b>283,203</b>
<b>Total Assets</b>	<b>221,101</b>	<b>268,021</b>	<b>145,360</b>	<b>122,623</b>	<b>366,461</b>	<b>390,644</b>
<b>Current Liabilities</b>						
Payables	14,252	22,951	18,347	7,197	32,599	30,148
Accrued employee benefits	6,896	22,487	723	1,210	7,619	23,697
Provisions	343	1,865	2,158	2,280	2,501	4,145
Other current liabilities	-	12,988	-	21	-	13,009
Lease liabilities	-	-	51	-	51	-
<b>Total Current Liabilities</b>	<b>21,491</b>	<b>60,291</b>	<b>21,279</b>	<b>10,708</b>	<b>42,770</b>	<b>70,999</b>
<b>Non-Current Liabilities</b>						
Payables	-	3,781	-	421	-	4,202
<b>Total Liabilities</b>	<b>21,491</b>	<b>64,072</b>	<b>21,279</b>	<b>11,129</b>	<b>42,770</b>	<b>75,201</b>

Department of Communities, Disability Services and Seniors  
Statement of Changes in Equity - Controlled  
for the year ended 30 June 2020

	Note	Contributed Equity \$'000	Accumulated Surplus \$'000	Total \$'000
<b>Balance as at 1 July 2018</b>		309,334	1,891	311,225
<b>Operating Result</b>				
Operating result from continuing operations		-	11,300	11,300
<b>Total Comprehensive Income for the Year</b>		-	<b>11,300</b>	<b>11,300</b>
<b>Transactions with owners as owners:</b>				
Net equity withdrawals	C9-2	(4,084)	-	(4,084)
Net transfers in/(out) from other Queensland Government entities - other	C9-1	(2,998)	-	(2,998)
<b>Net Transactions with Owners as Owners</b>		<b>(7,082)</b>	-	<b>(7,082)</b>
<b>Balance as at 30 June 2019</b>		<b>302,252</b>	<b>13,191</b>	<b>315,443</b>

	Note	Contributed Equity \$'000	Accumulated Surplus \$'000	Total \$'000
<b>Operating Result</b>				
Operating result from continuing operations		-	7,447	7,447
<b>Total Comprehensive Income for the Year</b>		-	<b>7,447</b>	<b>7,447</b>
<b>Transactions with owners as owners:</b>				
Net transfers in/(out) from other Queensland Government entities - other	C9-1	(2,458)	-	(2,458)
Net appropriated equity injections	C9-2	3,259	-	3,259
<b>Net Transactions with Owners as Owners</b>		<b>801</b>	-	<b>801</b>
<b>Balance as at 30 June 2020</b>		<b>303,051</b>	<b>20,640</b>	<b>323,691</b>

Department of Communities, Disability Services and Seniors  
Statement of Cash Flows - Controlled  
for the year ended 30 June 2020

	Actual 2020 \$'000	Original Budget <sup>^</sup> 2020 \$'000	Budget Variance* 2020 \$'000	Actual 2019 \$'000
<b>Cash Flows from Operating Activities</b>				
<i>Inflows:</i>				
Service appropriation receipts	363,347	361,571	1,776	932,747
User charges and fees	7,181	8,170	(989)	16,648
Grants and other contributions	13,311	12,088	1,223	22,125
GST input tax credits received from ATO	20,625	-	20,625	75,882
GST collected from customers	1,934	-	1,934	1,908
Interest receipts	15	60	(45)	60
Other	18,038	278,586	(260,548)	24,630
<i>Outflows:</i>				
Employee expenses	(205,861)	(189,666)	(16,195)	(248,569)
Supplies and services	(171,440)	(445,949)	274,509	(705,165)
Grants and subsidies	(28,024)	(13,258)	(14,766)	(23,867)
GST paid to suppliers	(20,772)	-	(20,772)	(74,467)
GST remitted to ATO	(1,934)	-	(1,934)	(1,908)
Other	(1,048)	(2,083)	1,035	-
<b>Net Cash Provided by (Used in) Operating Activities<sup>#</sup></b>	<b>(4,628)</b>	<b>9,519</b>	<b>(14,147)</b>	<b>20,024</b>
<b>Cash Flows from Investing Activities</b>				
<i>Inflows:</i>				
Sales of property, plant and equipment	1,089	-	1,089	-
<i>Outflows:</i>				
Payments for property, plant and equipment	(12,115)	(20,010)	7,895	(17,080)
Payments for intangible assets	(1,078)	-	(1,078)	(588)
<b>Net Cash (Used in) Provided by Investing Activities</b>	<b>(12,104)</b>	<b>(20,010)</b>	<b>7,906</b>	<b>(17,668)</b>
<b>Cash Flows from Financing Activities</b>				
<i>Inflows:</i>				
Equity injections	5,565	-	5,565	-
<i>Outflows:</i>				
Equity withdrawals	-	3,259	(3,259)	(6,390)
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>5,565</b>	<b>3,259</b>	<b>2,306</b>	<b>(6,390)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(11,167)</b>	<b>(7,232)</b>	<b>(3,935)</b>	<b>(4,034)</b>
Cash and Cash Equivalents - Opening balance	83,208	29,279	53,929	87,242
<b>Cash and Cash Equivalents - Closing balance</b>	<b>72,041</b>	<b>22,047</b>	<b>49,994</b>	<b>83,208</b>

\* An explanation of major variances is included at Note E1-3.

<sup>^</sup> These figures represent budgeted figures as published in the latest Service Delivery Statement tabled in Parliament.

<sup>#</sup> Reconciliation is shown on the following page.



Department of Communities, Disability Services and Seniors  
Statement of Cash Flows - Controlled  
for the year ended 30 June 2020

Notes to the Statement of Cash Flows

Reconciliation of Operating Result to Net Cash Provided by Operating Activities

	2020	2019
Note	\$'000	\$'000
Operating Result for the Year	<b>7,447</b>	11,300
<i>Non-cash items included in operating result</i>		
Reversal of revaluation decrement	<b>(6,410)</b>	(3,551)
Revaluation decrement	-	1,035
Depreciation and amortisation expense	<b>5,907</b>	8,333
Donated assets and services received	-	(3,069)
Loss (gain) on disposal of non-current assets	<b>1,308</b>	41
Impairment losses	<b>1,477</b>	-
<i>Changes in assets and liabilities</i>		
(Increase) decrease in GST input tax credits receivable	<b>(148)</b>	1,415
(Increase) decrease in trade receivables	<b>11,293</b>	(5,110)
(Increase) decrease in other current receivables	<b>6,389</b>	(5,923)
(Increase) decrease in other assets	<b>(2,364)</b>	(13)
(Increase) decrease in non-current receivables	<b>4,202</b>	(352)
(Increase) decrease in right-of-use assets	<b>(51)</b>	-
Increase (decrease) in payables	<b>(2,998)</b>	(13,990)
Increase (decrease) in accrued employee benefits	<b>(16,078)</b>	14,134
Increase (decrease) in provisions	<b>(1,644)</b>	3,262
Increase (decrease) in other liabilities	<b>(13,009)</b>	12,512
Increase (decrease) in lease liabilities	<b>51</b>	-
<b>Net Cash (Used in) Provided by Operating Activities</b>	<b>(4,628)</b>	<b>20,024</b>

Department of Communities, Disability Services and Seniors  
Income Statement - Administered  
for the year ended 30 June 2020

		<b>Actual</b>	<b>Original</b>	<b>Budget</b>	<b>Actual</b>
		<b>2020</b>	<b>Budget<sup>^</sup></b>	<b>Variance*</b>	<b>2019</b>
<b>Note</b>		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Income from Continuing Operations</b>					
	G1-1	<b>2,313,108</b>	1,527,222	785,886	1,579,496
	G1-2	<b>71,949</b>	69,273	2,676	8,260
		<b>2,385,057</b>	<b>1,596,495</b>	<b>788,562</b>	<b>1,587,756</b>
<b>Expenses from Continuing Operations</b>					
		<b>2,940</b>	-	2,940	6,863
	G1-3	<b>8,612</b>	-	8,612	24,967
	G1-4	<b>2,328,217</b>	1,592,208	736,009	1,457,858
		-	-	-	2
	G1-5	-	-	-	155,617
		<b>2,339,769</b>	<b>1,592,208</b>	<b>747,561</b>	<b>1,645,307</b>
		<b>45,288</b>	4,287	41,001	(57,551)
		<b>45,288</b>	<b>4,287</b>	<b>41,001</b>	<b>(57,551)</b>
		<b>45,288</b>	<b>4,287</b>	<b>41,001</b>	<b>(57,551)</b>

<sup>^</sup> These figures represent budgeted figures as published in the latest Service Delivery Statement tabled in Parliament.

\* An explanation of major variances is included at Note G1-9.

Department of Communities, Disability Services and Seniors  
 Balance Sheet - Administered  
 as at 30 June 2020

		<b>Actual</b>	<b>Original</b>	<b>Budget</b>	
	<b>Note</b>	<b>2020</b>	<b>Budget<sup>^</sup></b>	<b>Variance*</b>	<b>Actual</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current Assets</b>					
Cash and cash equivalents		<b>190,692</b>	49,479	141,213	256,300
Receivables	G1-6	<b>16,964</b>	1,613	15,351	2,202
<b>Total Current Assets</b>		<b>207,656</b>	51,092	156,564	258,502
<b>Total Assets</b>		<b>207,656</b>	<b>51,092</b>	<b>156,564</b>	<b>258,502</b>
<b>Current Liabilities</b>					
Payables	G1-7	<b>235,774</b>	62,659	173,115	329,519
Accrued employee benefits		-	-	-	2,389
<b>Total Current Liabilities</b>		<b>235,774</b>	62,659	173,115	331,908
<b>Total Non-Current Liabilities</b>		-	-	-	-
<b>Total Liabilities</b>		<b>235,774</b>	<b>62,659</b>	<b>173,115</b>	<b>331,908</b>
<b>Net Assets</b>		<b>(28,118)</b>	<b>(11,567)</b>	<b>(16,551)</b>	<b>(73,406)</b>

<sup>^</sup> These figures represent budgeted figures as published in the latest Service Delivery Statement tabled in Parliament.

\* An explanation of major variances is included at Note G1-9.

**Additional Information**

The reported net asset figure for 2019-20 excludes reimbursement claims currently being assessed by the Queensland Reconstruction Authority totalling \$26.660M as at 30 June 2020. Similarly the reported net asset figure for 2018-19 excluded claims to the amount of \$70.421M as at 30 June 2019.

Department of Communities, Disability Services and Seniors  
Statement of Cash Flows - Administered  
for the year ended 30 June 2020

	<b>Actual 2020 \$'000</b>
<b>Cash Flows from Operating Activities</b>	
<i>Inflows:</i>	
Administered appropriation revenue	2,142,690
Grants and other contributions	71,949
GST input tax credits received from ATO	19,559
GST collected from customers	7,195
<i>Outflows:</i>	
Employee expenses	(5,328)
Supplies and services	(10,610)
Grants and subsidies	(2,264,348)
GST paid to suppliers	(19,520)
GST remitted to ATO	(7,195)
Other	-
<b>Net Cash result Operating Activities</b>	<b>(65,608)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(65,608)</b>
Cash and Cash Equivalents - Opening balance	256,300
<b>Cash and Cash Equivalents - Closing balance</b>	<b>190,692</b>

Notes to the Statement of Cash Flows

Reconciliation of Operating Result to Net Cash Provided by Operating Activities

	2020 \$'000
Operating Result for the Year	45,288
<i>Changes in assets and liabilities</i>	
(Increase) decrease in GST input tax credits receivable	39
(Increase) decrease in trade receivables	(14,801)
Increase (decrease) in payables	(93,745)
Increase (decrease) in accrued employee benefits	(2,389)
<b>Net Cash (Used in) Provided by Operating Activities</b>	<b>(65,608)</b>

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

## A1 Basis of Financial Statement Preparation

### A1-1 General Information

The Department of Communities, Disability Services and Seniors (the department) is a State Government department established under the Public Service Act 2008 and controlled by the State of Queensland, which is the ultimate parent.

The head office of the department is 1 William Street, Brisbane QLD 4000.

The major departmental services undertaken by the department are disclosed in the Income Statement by Major Departmental Services - Controlled, and are further detailed in Note A2 Departmental Objectives.

### A1-2 Compliance with Prescribed Requirements

The department has prepared these financial statements in compliance with section 38 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2019.

The department is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flow which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

New accounting standards applied for the first time in these financial statements are outlined in Note D4-1.

### A1-3 Presentation

#### Currency and Rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

#### Comparatives

Comparative information reflects the audited 2018-19 financial statements. The current year is not comparable to the previous year due to the National Disability Insurance Scheme (NDIS) transition and related impacts to the department (refer to Note A3). In particular the following categories have been impacted: appropriation revenue (Note B1-1), employee expenses (Note B2-1), supplies and services (Note B2-2) and grants and subsidies (Note B2-3). The comparatives for services received below fair value revenue has been reclassified from other revenue (Note B1-3) to grants and other contributions (Note B1-2).

#### Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the balance sheet and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the department does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

### A1-4 Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Director-General and Chief Finance Officer at the date of signing the Management Certificate.

### A1-5 Basis of Measurement

Historical cost is used as the measurement basis in this financial report except for land and buildings which are measured at fair value.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

A1 Basis of Financial Statement Preparation (continued)

A1-5 Basis of Measurement (continued)

Historical Cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Where fair value is used, the fair value approach is disclosed. Refer to Note C4-7 for further information about fair value measurement by the department.

A1-6 The Reporting Entity

The reporting entity is the Department of Communities, Disability Services and Seniors. The financial statements include all income, expenses, assets, liabilities and equity of the department.

The department has not entered into any contractual arrangements which involve the sharing of control or significant influence over another entity. As a result, the department has determined that it does not control any other entity and has no interests in unconsolidated structured entities.

A1-7 Controlled and Administered Transactions and Balances

Transactions and balances are controlled by the department where they can be deployed for the achievement of the departmental objectives.

The department administers, but does not control, certain activities on behalf of the State Government. In doing so, it has responsibility for administering those activities (and related transactions and balances) efficiently and effectively, but does not have the discretion to deploy those resources for the achievement of the department's own objectives.

The department has elected to report the administered transactions and balances as discrete financial statements within the agency's overall financial statements.

Accounting policies applicable to administered items are consistent with the equivalent policies for controlled items, unless stated otherwise.

The department's administered ledger is used to administer community recovery disaster costs and the subsequent reimbursement of those costs from the Queensland Reconstruction Authority (QRA) under Commonwealth-state Disaster Recovery Funding Arrangements (DRFA) guidelines and associated State Government programs. Revenues associated with disaster recovery claims are recognised as grants and other contributions. Administered transactions also include the payment of concessions (such as electricity rebates) to eligible recipients (refer to G1-4).

The State Government's contribution to the National Disability Insurance Agency (NDIA) is recognised as grant payments in the administered ledger. (refer to G1-4).

A1-8 Taxation

The department is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the department. GST credits receivable from, and GST payable to, the Australian Taxation Office (ATO) are recognised (refer to Note C2).

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

## A2 Departmental Objectives

The department's vision is to create thriving Queensland communities, where people of all ages, abilities and backgrounds can participate, are included and resilient, and enjoy high levels of social and economic wellbeing.

The department contributes to the State Government's objectives for the community *Our Future State: Advancing Queensland's Priorities*:

- Create jobs in a strong economy by engaging and partnering with peak organisations and associations, and managing the State Government's ongoing investment in the NDIS;
- Give all our children a great start by supporting vulnerable Queensland families and delivering place-based and local solutions in our communities;
- Keep Queenslanders healthy by delivering targeted programs aimed at improving the wellbeing of individuals requiring community, disability or seniors services;
- Keep communities safe by contributing to programs and initiatives to support seniors, people with disability experiencing domestic and family violence and Queenslanders affected by a disaster;
- Be a responsive government by ensuring streamlined access to the services we deliver or fund with online services developed using a 'tell us once' approach.

The service area objectives of the department cover the below two key areas:

- Disability Services: As part of building inclusive communities, improving social and economic outcomes for people with disability and supporting the disability sector, through strategy development and the design and delivery of high quality supports and services.
- Community and Seniors Services: To support communities to thrive through investing in quality community and seniors services that are connected and support the social and economic inclusion and wellbeing of people of all ages, abilities and backgrounds.

The department is funded for the departmental services it delivers principally by parliamentary appropriations. It also provides the following on a fee for service basis:

- Various corporate services functions provided to the Department of Aboriginal and Torres Strait Islander Partnerships, Department of Housing and Public Works and the Department of Child Safety, Youth and Women via Memorandum of Understanding agreements.
- Application fees for an assessment of persons seeking engagement to work in disability services delivered or funded by the department.

The provision of internal audit and compliance services to the Department of Child Safety, Youth and Women ceased during 2019-20.

## A3 National Disability Insurance Scheme

The NDIS is now available throughout Queensland. The NDIS full scheme agreement was signed by the State Government and Commonwealth on 9 July 2019 with existing transitional arrangements to continue until at least 1 July 2020.

As clients transitioned, existing service providers funded by the department are no longer funded to deliver services to eligible NDIS clients (refer to Note D3-4) and the department continued to experience a commensurate reduction in its workforce (refer to Note D3-5).

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

A3 National Disability Insurance Scheme (continued)

The department continues to monitor the NDIS to ensure it delivers the promised client outcomes and value for money for the State Government investment. The department continues making payments to the NDIA for the NDIS pursuant to s179 *National Disability Insurance Act 2013*. These payments are recognised as administered grants and contributions (refer to Note A1-7).

A4 Volunteer Services and Contribution of Services between Agencies

The department co-ordinates the community recovery process on behalf of the State Government with government employees providing assistance during times of natural disasters and other emergencies. The registered employees are members of the Queensland Government Ready Reserve. Although the employees are paid by their own entities, the department receives the services of members of the Queensland Government Ready Reserve for no cost.

As the fair value of the services received can be measured reliably, and the services would have been purchased had they not been donated, the department is required to disclose its dependence on the value of volunteer services received in accordance with the guidelines outlined as per AASB 1058 *Income of Not-for-Profit-Entities*. The total fair value of volunteer services received from other government agencies as part of community recovery activities is estimated to be \$2.009M (2018-19: \$4.782M). This amount has been recognised as an equivalent revenue and expense in the 2019-20 financial statements.

B1 Revenue

B1-1 Appropriation Revenue

	2020 \$'000	2019 \$'000
<b>Reconciliation of Payments from Consolidated Fund to Appropriation</b>		
<b>Revenue Recognised in Operating Result</b>		
Budgeted appropriation revenue	361,571	841,129
Additional appropriation revenue for unforeseen expenditure	1,776	-
Treasurers transfers	-	91,618
<b>Total Appropriation Receipts (cash)</b>	<b>363,347</b>	<b>932,747</b>
Less: Opening balance of appropriation revenue receivable	(4,202)	(3,850)
Plus: Effect of adoption of new accounting standards *	4,202	-
Plus: Closing balance of appropriation revenue receivable	-	4,202
Plus: Opening balance of departmental services revenue payable	17,049	29,910
Less: Closing balance of departmental services revenue payable	(21,652)	(17,049)
<b>Net Appropriation Revenue</b>	<b>358,744</b>	<b>945,960</b>
Plus: Deferred appropriation refundable to Consolidated Fund (expense)	-	32,530
<b>Appropriation Revenue Recognised in Income Statement</b>	<b>358,744</b>	<b>978,490</b>
<b>Accounting Policy - Appropriation Revenue</b>		

Appropriations provided under the *Appropriation Act 2019* are recognised as revenue when received.

Amounts appropriated to the department for transfer to other entities in accordance with legislative or other requirements are reported as 'administered' appropriations (refer to Note G1-1).

\* There was a change in Australian Accounting Standards for leasing expenses with the prior year appropriation revenue receivable being held with Queensland Treasury under AASB 117, along with a corresponding non-current liability being eliminated at the start of the 2019-20 financial year through an opening balance adjustment. Refer to Note D4-1 (iii) for further information.



Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

B1 Revenue (continued)

B1-2 Grants and Other Contributions

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>Revenue from contracts with customers</b>		
Commonwealth grants - specific obligations	<b>11,590</b>	11,061
<b>Other grants and contributions</b>		
Commonwealth grants - non-specific obligations	<b>1,190</b>	10,730
Grants from Queensland Reconstruction Authority	<b>131</b>	-
Other grants under AASB 1058	-	735
Services received below fair value	<b>2,009</b>	4,782
Assets received below fair value	-	3,069
<b>Total</b>	<b>14,920</b>	<b>30,377</b>

Accounting Policy - Grants, contributions and donations

Grants, contributions and donations are non-reciprocal transactions where the department does not directly provide the grantor with value approximately equal to the revenue received.

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the department to transfer goods or services to a third-party on the grantor's behalf, the revenue is accounted for under AASB15 *Revenue from Contracts with Customers*. In this case revenue is initially deferred (as unearned revenue) and recognised as or when the performance obligations are satisfied.

In all other cases the revenue is accounted for in accordance with AASB 1058 *Income of Not-for-Profit Entities*. Revenue is recognised upon receipt unless it is related to special purpose capital grants for construction of non-financial assets that will be controlled by the department. Under the latter circumstances the grant is recognised as unearned revenue initially, and subsequently recognised as revenue progressively as obligations are met through construction of the related asset.

Disclosure - Grants and contributions

The department has a number of grant arrangements with the Commonwealth that relate to funding of activity-based services. One of these arrangements is for the Continuity of Support (CoS) program and has been identified as having sufficiently specific performance obligations under enforceable grant agreements.

The remaining Commonwealth grants, although under enforceable agreements, do not contain sufficiently specific performance obligations, these grants are recognised upon receipt.

Commonwealth grants - recognised as performance obligations are satisfied

The following table provides information about the nature and timing of the satisfaction of performance obligations, significant payment terms, and revenue recognition for the department's grants and contributions that are contracts with customers.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

B1 Revenue (continued)

B1-2 Grants and Other Contributions (continued)

Type of good or service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
CoS Accommodation Support - Group Homes	The department's obligation under the grant agreement is to provide accommodation support for a minimum of 38 clients over a three and a half year period, with the current agreement running until 30 June 2020.	The total grant funding of \$11.349M is allocated to the services to be performed in 2019-20 and revenue is recognised monthly as those services are being performed.
CoS Community Access - Learning and Skills Development	The department's obligation under the grant agreement is to deliver 966 hours of learning and skill development over a two year period, with the current agreement running until 30 June 2020.	The total grant funding of \$0.051M is allocated to the services to be performed in 2019-20 and revenue is recognised quarterly as those services are being performed.
CoS Community Support - Therapy support for individuals	The department's obligation under the grant agreement is to deliver 1,570 hours of therapy support over a three year period, with the current agreement running until 30 June 2020.	The total grant funding of \$0.125M is allocated to the services to be performed in 2019-20 and revenue is recognised quarterly as those services are being performed.
CoS Community Support - Behaviour / specialist intervention	The department's obligation under the grant agreement is to deliver 555 hours of therapy support over a three year period, with the current agreement running until 30 June 2020.	The total grant funding of \$0.045M is allocated to the services to be performed in 2019-20 and revenue is recognised quarterly as those services are being performed.
CoS Individual Support Packages	The department's obligation under the grant agreement is to deliver individual support packages to three clients over a three and a half year period, with the current agreement running until 30 June 2020.	The total grant funding of \$0.020M is allocated to the services to be performed in 2019-20 and revenue is recognised quarterly as those services are being performed.

Commonwealth grants - recognised upfront

The department received \$1.190 million in 2019-20 for the CoS accommodation management grant. This funding has been recognised as revenue in the 2019-20 financial year as the department's obligations are not sufficiently specific. The terms of the grant are that it must be used to provide support for clients in the CoS program with the department having discretion as to how the support is provided. The department decided the best ongoing use of these funds was to fund a number of capital improvements in the properties occupied by the CoS clients.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

B1 Revenue (continued)

B1-2 Grants and Other Contributions (continued)

At 30 June 2020, \$0.892M of this grant remains unspent. The department plans to spend this remaining funding on additional capital improvements for the CoS clients in the 2020-21 financial year, as construction is scheduled to be completed in that year.

Accounting Policy - Assets received below fair value

Assets received below fair value relate to assets that have been acquired for no cost or for a nominal consideration, other than those acquired through Machinery-of-Government changes. As assets must be initially recorded at their fair value on acquisition, the difference between the consideration given and the fair value of the assets acquired is recognised as a gain in the department's financial statements. Refer to Note C4-1 for further information about the nature of the assets acquired.

Services received below fair value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and expense.

Refer to Note A4 for additional information about the services the department receives that are below fair value.

B1-3 Other Revenue

	2020 \$'000	2019 \$'000
Expenditure recoveries		3
Grant and service procurement refunds <sup>^</sup>	15,197	17,107
Other	3,274	413
<b>Total</b>	<b>18,474</b>	<b>17,520</b>

<sup>^</sup> These refunds relate to the return of prior year unspent funds by non-government organisations.

B2 Expenses

B2-1 Employee Expenses

	2020 \$'000	2019 \$'000
<b>Employee Benefits</b>		
Wages and salaries *	151,552	175,512
Employer superannuation contributions	17,479	21,291
Annual leave levy	14,697	17,166
Long service leave levy	3,497	3,675
Other employee benefits	3,150	35,033
	<b>190,375</b>	<b>252,677</b>
<b>Employee Related Expenses</b>		
Workers' compensation premium	2,113	3,436
Other employee related expenses	1,294	874
	<b>3,407</b>	<b>4,310</b>
<b>Total</b>	<b>193,782</b>	<b>256,987</b>

\* Wages and salaries includes \$2.327M of \$1,250 one-off, pro-rata payments for 1862 full-time equivalent employees (announced in September 2019).

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

B2 Expenses (continued)

B2-1 Employee Expenses (continued)

The number of employees on a full-time equivalent (FTE) basis under the Minimum Obligatory Human Resource Information (MOHRI) classification methodology is:

	2020	2019
Number of full-time equivalent employees:	1,767	2,033

The decrease in the number of employees was due to the continuing transfer of disability services responsibilities to the NDIA. Refer to Note D3-5 for further information.

Accounting Policies - Employee Benefits

Accounting Policy - Wages and Salaries

Wages and salaries due, but unpaid at reporting date, are recognised in the balance sheet at the current salary rates. As the department expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts. Wages and salaries includes any non-vesting sick leave that has been paid by the department during the financial year.

Accounting Policy - Annual Leave

The State Government's Annual Leave Central Scheme (ALCS) became operational on 30 June 2008 for departments, commercialised business units and shared service providers. Under this scheme, a levy is made on the department to cover the cost of employees' annual leave (including leave loading and on-costs). The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave are claimed from the scheme quarterly in arrears.

Accounting Policy - Long Service Leave

Under the State Government's Long Service Leave Scheme, a levy is made on the department to cover the cost of employee's long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

Accounting Policy - Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the State Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

**Defined Contribution Plans** - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

**Defined Benefit Plan** - The liability for defined benefits is held on a Whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the department at the specified rate following completion of the employee's service each pay period. The department's obligations are limited to those contributions paid.

Accounting Policy - Workers Compensation Premiums

The department pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not employee benefits and is recognised separately as employee related expenses.

Key management personnel and remuneration disclosures are detailed in Note F1.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

B2 Expenses (continued)

B2-2 Supplies and Services

	2020 \$'000	2019 \$'000
<b>Service Procurement</b>		
Disability Services	48,707	452,308
Community Services*	55,433	169,734
Seniors Services	10,339	9,741
Outsourced corporate services	15,599	21,834
Property and other leasing expenses	11,461	18,144
Property support, repairs and maintenance costs	8,904	10,189
Professional and technical fees	9,256	11,923
Other	4,028	6,592
Consultancies	125	109
<b>Total</b>	<b>163,852</b>	<b>700,574</b>

\* Community Services now includes the Community Care category that was previously reported separately in the department's 2018-19 financial statements. As a result the department's comparatives have been restated to reflect this.

Accounting Policy - Property and Motor Vehicle Leasing Expenses

The majority of the lease expenses relate to arrangements where the Department of Housing and Public Works provides the department with access to office accommodation and motor vehicles under government-wide frameworks. These arrangements are categorised as procurement of services rather than as leases because the Department of Housing and Public Works has substantive substitution rights over the assets. Refer to Note D4-1 for further information.

These lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred. Incentives received on entering into leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

Disclosure - Property leases

Property leases are entered into as a means of acquiring access to office accommodation and storage facilities. The lease term is generally for an initial fixed period with options to extend the lease for a further period or periods. The department has no option to purchase the leased item at the conclusion of the lease although the leases may provide for a right of renewal at which time the lease terms are renegotiated.

Lease expenses comprises the minimum lease payments payable under lease contracts. Lease payments are generally fixed, but with annual inflation escalation clauses on which future year rentals are determined.

Accounting Policy - Distinction between Service Procurement and Grants

For a transaction to be classified as service procurement, the value of goods or services received by the department must be of approximately equal value to the value of the consideration exchanged for those goods or services. Where this is not the substance of the arrangement, the transaction is classified as a grant (refer to Note B2-3).

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

B2 Expenses (continued)

B2-3 Grants and Subsidies

	2020 \$'000	2019 \$'000
Disability Services	13,707	18,806
Community Services	15,843	5,701
Seniors Services	1,394	1,451
Donations and gifts	168	108
<b>Total</b>	<b>31,112</b>	<b>26,066</b>

^ Refer to B2-2 for the accounting policy on the distinction between service procurement and grants.

B2-4 Depreciation and Amortisation

	2020 \$'000	2019 \$'000
Depreciation - property, plant and equipment (refer C4-1)	5,448	4,944
Depreciation - right-of-use assets *	51	-
Amortisation - intangible assets (refer C5-1)	408	3,389
<b>Total</b>	<b>5,907</b>	<b>8,333</b>

\* The department has one right-of-use asset as a result of the impact of AASB 16 *Leases* which came into effect in 2019-20. This right-of-use asset had an opening value of \$0.102M with \$0.051M in additional depreciation expense being incurred in the 2019-20 financial year. This leaves the net book value at \$0.051M which is shown on the department's balance sheet. Refer to Note D4-1 (iii) for further information about the impacts associated with this change in Australian Accounting Standards.

Refer to Notes C4-5 and C5-3 for the accounting policies for depreciation and amortisation expense.

B2-5 Other Expenses

	2020 \$'000	2019 \$'000
Departmental appropriation adjustments#	-	32,530
Net losses on disposal of property, plant and equipment	1,328	41
Insurance premiums	750	701
External audit fees	285	280
Special payments - ex gratia payments	36	97
Other	11	1
<b>Total</b>	<b>2,410</b>	<b>33,650</b>

# Departmental appropriation adjustments are performed at year end to lapse or carry forward current year funding. In 2018-19 these adjustments were recognised with an expense under the requirements of the superseded AASB 1004 *Contributions*. Under AASB 1058 *Income of Not-for-Profit Entities*, appropriation revenue is instead reduced (refer to Note B1-1) with a corresponding liability still recognised for any lapsed or deferred appropriation adjustments to be recognised (refer to Note C6).

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

B2 Expenses (continued)

B2-3 Other Expenses (continued)

Audit Fees

The Queensland Audit Office is the department's external auditor. Total external audit fees relating to the 2019-20 financial year are estimated to be \$0.285M (2018-19: \$0.280M). There are no non-audit services included in this amount.

Special Payments

Special payments represent ex gratia expenditure and other expenditure that the department is not contractually or legally obligated to make to other parties. Special payments during 2019-20 and 2018-19 include the following payments over \$5,000:

Special payments during 2019-20 include \$0.028M paid on behalf of a community services provider that experienced financial difficulties to ensure continuity of service to the department's clients. A further payment of \$0.008M was also made to cover the funeral expenses of a client in the care of the department. Special payments during 2018-19 include \$0.082M paid on behalf of a disability services provider that experienced financial difficulties to ensure continuity of service to the department's clients.

C1 Cash and Cash Equivalents

	2020 \$'000	2019 \$'000
Cash on hand		4
Cash at bank	72,037	83,203
<b>Total</b>	<b>72,041</b>	<b>83,208</b>

Accounting Policy - Cash and Cash equivalents

For the purposes of the balance sheet and the statement of cash flows, cash assets include all cash and cheques received but not banked at 30 June 2020.

The department's cash at bank is held with the Commonwealth Bank of Australia except for a cash fund held with the Queensland Treasury Corporation (QTC) for the Elderly Parent Carer Innovation Initiative established in February 2013. The weighted average effective interest rate for the QTC cash fund is 0.85% per annum.

C2 Receivables

	2020 \$'000	2019 \$'000
<b>Current</b>		
Trade and other debtors	2,177	13,470
Less: Allowance for impairment loss	(1,780)	(303)
	397	13,167
GST input tax credits receivable	1,302	1,154
Annual leave reimbursements	2,481	5,376
Long service leave reimbursements	661	4,155
<b>Total</b>	<b>4,841</b>	<b>23,852</b>

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C2 Receivables (continued)

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>Non Current</b>		
Appropriation revenue receivable		4,202
<b>Total</b>		<b>4,202</b>

Accounting Policy - Receivables

Trade and other debtors are recognised at the amounts due at the time of sale or service delivery. Settlement of these amounts is required within 30 days from invoice date. The collectability of receivables is assessed periodically with provision being made for impairment.

Accounting Policy - Impairment of receivables

Where the department has no reasonable expectation of recovering an amount owed by a debtor, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of the debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Disclosure - Impairment of receivables

The decrease in trade receivables at 30 June 2020 compared to 30 June 2019 is due to \$1.780M of trade debtors being deemed likely to be uncollectable in the current and future financial years. The larger than normal impairment has been impacted by the transition of disability services to the NDIS, with the department no longer holding related funding agreements. The amount was provided for by increasing the allowance for impairment loss by \$1.477M in 2019-20.

Disclosure - COVID-19 pandemic impact

In response to COVID-19 the State Government announced a new rent relief policy to assist lessees with the financial impact of the pandemic. The department has waived rent for a six month period between 1 April 2020 and 30 September 2020. The policy has minimal impact on the department's revenue as it has few leases in place with a commercial rental.

The department recognises receivables from non-government organisations when required to repay excess funds from prior years, based on the terms and conditions of their funding arrangements. To date there has been no noticeable impact upon related receivables beyond that which existed prior to the pandemic.

The ability of non-government organisations to repay excess funds held from prior years could however manifest over a period of time, as the full impact of the pandemic hits the economy. The department continues to monitor the financial viability of non-government organisations holding funding agreements to identify risks in service delivery and debt recovery.

Disclosure - Credit risk of receivables

The majority of the department's receivables are from the State Government or Commonwealth agencies who are expected to have an insignificant, and therefore immaterial, level of credit risk exposure. No loss allowance is recorded for these receivables on the basis of materiality.



Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C3 Non-Current Assets Held for Sale

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Land		180
Buildings		188
<b>Total</b>		<b>368</b>

Accounting Policy - Non-Current Assets Held for Sale

Non-current assets held for sale consist of those assets that management has determined are available for immediate sale in their present condition, for which their sale is highly probable within the next 12 months.

Under AASB 5 *Non-Current Assets Held for Sale and Discontinued Operations*, when an asset is classified as held for sale, its value is measured at the lower of the asset's carrying amount and fair value less costs to sell. Such assets are no longer amortised or depreciated upon being classified as held for sale.

Disclosures about non-current assets held for sale

The department sold land and buildings at one site in 2019-20 on the open market due to the property no longer being suitable for the department's needs. The total market value of the land and buildings transferred to held for sale and then sold during 2019-20 was \$0.700M. Refer to Note C4-1 for confirmation of this movement in the department's land and building assets.

The department sold land and buildings at one site in 2018-19 due to the long term tenant seeking to purchase them. The *Queensland Government Land Transaction Policy* allows for in-priority sales to long term sitting tenants. The sale was approved to provide the tenant with security of tenure and safeguard future service delivery from the site.

C4 Property, Plant and Equipment

C4-1 Closing Balances and Reconciliations of Carrying Amount

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>Property, Plant and Equipment Reconciliation at 30 June 2020</b>		
<b>Land</b>		
At fair value	<u>82,986</u>	81,998
	<b>82,986</b>	81,998
<b>Buildings</b>		
At fair value	<u>242,084</u>	224,047
Less accumulated depreciation	<u>(52,339)</u>	(43,903)
	<b>189,745</b>	180,144
<b>Plant and equipment</b>		
At cost	<u>7,204</u>	19,788
Less accumulated depreciation	<u>(5,187)</u>	(17,131)
	<b>2,017</b>	2,657
<b>Capital works in progress</b>		
At cost	<u>9,177</u>	11,646
	<b>9,177</b>	11,646
<b>Total</b>	<u><b>283,925</b></u>	<u><b>276,445</b></u>

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C4 Property, Plant and Equipment (continued)

C4-1 Closing Balances and Reconciliations of Carrying Amount (continued)

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Capital works in progress \$'000	Total \$'000
Represented by Movements in Carrying Amount:					
Carrying amount at 1 July 2018	77,200	176,390	3,369	4,660	261,619
Acquisitions (including upgrades)	1,623	-	-	16,524	18,147
Disposals	-	-	(41)	-	(41)
Transfers in from other Queensland Government entities	1,130	600	-	-	1,730
Transfers out to other Queensland Government entities	-	(4,682)	(46)	-	(4,728)
Donations received	1,625	1,444	-	-	3,069
Assets reclassified as held for sale	(180)	(188)	-	-	(368)
Transfers between asset classes	442	7,913	628	(9,538)	(555)
Net revaluation increments/ (decrements) in operating surplus	158	2,358	-	-	2,516
Depreciation expense	-	(3,691)	(1,253)	-	(4,944)
Carrying amount at 30 June 2019	81,998	180,144	2,657	11,646	276,445
Carrying amount at 1 July 2019	81,998	180,144	2,657	11,646	276,445
Acquisitions (including upgrades)	-	-	-	11,005	11,005
Disposals	(741)	(588)	-	-	(1,329)
Transfers out to other Queensland Government entities	(1,258)	(1,200)	-	-	(2,458)
Assets reclassified as held for sale	(500)	(200)	-	-	(700)
Transfers between asset classes	33	13,304	137	(13,474)	-
Net revaluation increments/ (decrements) in operating surplus	3,454	2,956	-	-	6,410
Depreciation expense	-	(4,671)	(777)	-	(5,448)
Carrying amount at 30 June 2020	82,986	189,745	2,017	9,177	283,925

C4-2 Recognition and Acquisition

Accounting Policy - Recognition

Basis of Capitalisation and Recognition Thresholds

Items of property, plant and equipment with a historical cost or other value equal to or in excess of the following thresholds are recognised as assets for financial reporting purposes in the year of acquisition:

- Buildings (including land improvements) \$10,000
- Land \$1
- Plant and equipment \$5,000

Items with a lesser value are expensed in the year of acquisition.

Expenditure on property, plant and equipment is capitalised where it is probable that it will increase the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C4 Property, Plant and Equipment (continued)

C4-2 Recognition and Acquisition (continued)

Accounting Policy - Cost of Acquisition

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to the acquisition (such as architect's fees and engineering design fees), plus all other costs incurred in getting the assets ready for use.

Where assets are received free of charge from another State Government entity, whether as a result of a Machinery-of-Government change, or other involuntary transfer, the acquisition is recognised as the carrying amount in the books of the other entity immediately prior to the transfer.

C4-3 Measurement Using Historical Cost

Accounting Policy

Plant and equipment is measured at historical cost in accordance with the Queensland Treasury's Non-Current Asset Policies (NCAP) for the Queensland Public Sector. The carrying amounts for such plant and equipment is not materially different from their fair value.

C4-4 Measurement Using Fair Value

Accounting Policy

Land and buildings are measured at fair value as required by Queensland Treasury's NCAP for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable (refer to Note C4-1).

The cost of items acquired during the financial year have been judged by management to materially represent their fair value at the end of the reporting period.

Land and buildings are revalued on an annual basis either by appraisals undertaken by an independent professional valuer or by the use of appropriate and relevant indices.

Use of Specific Appraisals

Revaluations using independent professional valuers are undertaken at least once every five years. The department's land and buildings were comprehensively revalued by independent professional valuers, APV Valuers & Asset Management (APV) valuers certificates 2962 and 4079, in the current financial year. Indexations sourced from APV have been applied to these assets in the previous reporting period. The effective date of the comprehensive valuation is 29 February 2020. Management have confirmed there has been no significant shift in the values since then.

Revaluations using independent professional valuers are undertaken annually. However, if a particular asset class experiences significant and volatile changes in fair value, the class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

The fair values reported by the department are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C4 Property, Plant and Equipment (continued)

C4-4 Measurement Using Fair Value (continued)

Use of Indices

Where assets have not been specifically appraised in the reporting period, their previous valuations are materially kept up-to-date via the application of relevant indices. APV performed the revaluation of the department's land and buildings in 2018-19, with indices sourced from APV being applied to these assets (refer to Note C4-7).

APV supplies the indices and provides assurance of their robustness, validity and appropriateness for application to the relevant assets. Management assesses and confirms the relevance and suitability of indices provided by APV based on the department's own particular circumstances.

Accounting for Changes in Fair Value

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount of an asset on revaluation is charged as an expense, to the extent it exceeds the balance if any, in the revaluation surplus relating to the asset class.

The department depleted its asset revaluation reserve in the 2011-12 financial year and a \$201.000M revaluation decrement was recognised. The decrement was due to the revaluation of rental housing stock at fair value prior to the asset transfer to the Department of Housing and Public Works. The fair value of the housing stock was significantly lower than the book value due to economic factors impacting on the property market at that time.

In accordance with Australian Accounting Standards, the revaluation increment on the department's land and buildings in 2019-20 has been recognised as revenue in the Income Statement, as a reversal of the revaluation decrement.

As at 30 June 2020, the carrying amount of the asset revaluation decrements were \$71.331M (2018-19: \$74.786M) for land and \$76.367M (2018-19: \$79.322M) for buildings.

C4-5 Depreciation Expense

Accounting Policy

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less any estimated residual value, progressively over its estimated useful life to the department. The remaining useful lives of buildings, plant and equipment are reviewed annually.

Land is not depreciated as it has an unlimited useful life.

Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to the department.

Assets under construction (work-in-progress) are not depreciated until construction is complete and the asset is put to use or is ready for its intended use, whichever is the earlier. These assets are then reclassified to the relevant class within property, plant and equipment.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is probable.

For the department's depreciable assets, the estimated amount to be received on the disposal at the end of their useful life (residual value) is determined to be zero.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C4 Property, Plant and Equipment (continued)

C4-5 Depreciation Expense (continued)

Depreciation Rates

Key Estimates: Depreciation rates for each class of depreciable asset (including significant identifiable components):

Asset	Range of Useful Life	Average Useful Life
Buildings	7 - 120 years	57.80 years
Plant and Equipment	4 - 19 years	11.63 years

C4-6 Impairment

Accounting Policy - Property, Plant and Equipment

Indicators of Impairment and Determining Recoverable Amount

All property, plant and equipment assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, the department determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Recoverable amount is equal to the higher of the fair value less costs of disposal.

C4-7 Fair Value Measurement

Fair Value Measurement Hierarchy

All assets of the department for which fair value is measured are categorised within the following fair value hierarchy:

- level 1 - represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- level 2 - represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- level 3 - represents fair value measurements that are substantially derived from unobservable inputs.

None of the department's valuations of assets or liabilities are eligible for categorisation into level 1 of the fair value hierarchy.

Categorisation of Assets Measured at Fair Value

	Level 2		Level 3		Total Carrying Amount	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Land	<b>82,816</b>	78,011	<b>170</b>	3,987	<b>82,986</b>	81,998
Buildings	<b>8,135</b>	14,632	<b>181,610</b>	165,512	<b>189,745</b>	180,144

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C4 Property, Plant and Equipment (continued)  
C4-7 Fair Value Measurement (continued)

Level 3 Fair Value Measurement - Reconciliation	Land		Buildings	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Carrying amount at 1 July 2019	<b>3,987</b>	3,263	<b>165,512</b>	163,155
Acquisitions (including upgrades)	-	732	-	-
Disposals	<b>(741)</b>	-	<b>(417)</b>	-
Transfers out to other Queensland Government entities	<b>(351)</b>	-	<b>(1,082)</b>	(4,682)
Assets reclassified as held for sale	-	-	-	(188)
Transfers between asset classes	-	-	<b>13,304</b>	7,389
Transfers into level 3 from level 2	-	-	<b>5,661</b>	1,206
Transfers out of level 3 to level 2	<b>(2,725)</b>	-	-	-
Net revaluation increments/ (decrements) in operating surplus	-	(8)	-	3,102
Net revaluation increments/ (decrements) in asset revaluation surplus	-	-	<b>2,954</b>	-
Depreciation	-	-	<b>(4,322)</b>	(4,470)
Carrying amount at 30 June 2020	<b>170</b>	3,987	<b>181,610</b>	165,512

Basis for Fair Values of Assets

The department's land and buildings were comprehensively revalued by APV in the 2019-20 financial year in accordance with AASB 13 *Fair Value Measurement*. The valuation approach for the department's land assets is a market based assessment. Inputs for this assessment include publicly available data on recently sold properties which are of a similar type. This comparison is adjusted to take into consideration the characteristics of the land, such as size, zoning, topography and configuration etc.

The department's general purpose buildings (level 2 category) also used a market based assessment as their valuation approach. This included residential properties where the relevant inputs were able to be observed from current market evidence. The residential properties fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size.

The department's special purpose buildings (level 3 category) as well as buildings where due to external circumstances there was no evidence to support a market based approach, are valued using current replacement cost as their valuation approach. Under this approach the cost to replace the asset is calculated and then adjusted to take account of any obsolescence. Key inputs used in this approach include the condition of the building assets, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value and useful life. The cost approach method is based on determining the current replacement cost of the buildings modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed obsolescence.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C5 Intangibles

C5-1 Closing Balances and Reconciliations of Carrying Amount

	2020 \$'000	2019 \$'000	
<b>Intangible Assets Reconciliation at 30 June 2020</b>			
<b>Internally Generated</b>			
Software - internally generated (at cost)	45,889	45,889	
Less accumulated amortisation	<u>(43,741)</u>	<u>(43,333)</u>	
	<b>2,148</b>	<b>2,556</b>	
<b>Works in progress</b>			
Software - work in progress (at cost)	<u>1,078</u>	-	
	<b>1,078</b>	-	
<b>Total</b>	<b>3,226</b>	<b>2,556</b>	
	<b>Software internally generated</b>	<b>Software works in progress</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at 1 July 2018	3,422	1,935	5,357
Acquisitions	-	588	588
Transfers between classes	2,523	(2,523)	-
Amortisation	<u>(3,389)</u>	-	<u>(3,389)</u>
Carrying amount at 30 June 2019	2,556	-	2,556
Carrying amount at 1 July 2019	2,556	-	2,556
Acquisitions	-	1,078	1,078
Amortisation	<u>(408)</u>	-	<u>(408)</u>
Carrying amount at 30 June 2020	<u>2,148</u>	<u>1,078</u>	<u>3,226</u>

C5-2 Recognition and Measurement

Accounting Policy

Intangible assets of the department comprise internally developed software and software works in progress. Intangible assets with a historical cost or other value equal to or greater than \$100,000 are recognised in the financial statements. Items with a lesser value are expensed. Any training costs are expensed as incurred.

There is no active market for any of the department's intangible assets. As such, the assets are recognised and carried at historical cost less accumulated amortisation and accumulated impairment losses.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C5 Intangibles (continued)

C5-3 Amortisation Expense

All intangible assets of the department have finite useful lives and are amortised on a straight line basis over their estimated useful life to the department. Straight line amortisation is used reflecting the expected consumption of economic benefits on a progressive basis over the intangible's useful life. The residual value of all the department's intangible assets is nil.

For each class of intangible asset the following amortisation useful lives are used:

Asset	Range of Useful Life	Average Useful Life
Software Internally Generated	3 - 12 years	8.70 years

C5-4 Impairment

Accounting Policy - Intangibles

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the department determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by the department, including discontinuing the use of the software or patent. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use.

C6 Payables

	2020 \$'000	2019 \$'000
<b>Current</b>		
Trade creditors and accruals	5,107	11,093
Grants and subsidies payable	5,501	2,412
Deferred appropriation payable to Consolidated Fund	21,652	17,049
Other	339	(406)
<b>Total</b>	<b>32,599</b>	<b>30,148</b>
	2020 \$'000	2019 \$'000
<b>Non-Current</b>		
Deferred operating lease rent *	-	4,202
<b>Total</b>	<b>-</b>	<b>4,202</b>

Accounting Policy - Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase or contract price, gross of applicable trade and other discounts. Amounts owing are unsecured.

There was a change in Australian Accounting Standards for leasing expenses with the previous non-current liability under AASB 117, along with a corresponding appropriation revenue receivable held with Queensland Treasury being eliminated at the start of the 2019-20 financial year through an opening balance adjustment. Refer to Note D4-1 (iii) for further information



Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C6 Payables (continued)

Disclosure - COVID-19 pandemic impact

In response to COVID-19 the State Government announced a new payment policy to assist suppliers with the financial impact of the pandemic. The department now pays suppliers as soon as possible after the goods or services are received and following receipt of a tax invoice. There is no cash risk to the department. The department continues to monitor the financial viability of major non-government suppliers annually to identify risks to provision of government services.

C7 Accrued Employee Benefits

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
Salaries and wages payable	2,649	18,518
Annual leave levy payable	4,003	4,193
Long service leave levy payable	967	986
<b>Total</b>	<b>7,619</b>	<b>23,697</b>

Accounting Policy - Accrued Employee Benefits

No provision for annual leave or long service leave is recognised in the department's financial statements as the liability is held on a Whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

C8 Other Current Liabilities

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>Current</b>		
Contract liabilities	-	13,009

Disclosure - Contract liabilities

Contract liabilities arised from contracts with customers. Of the amount included in the contract liability balance at 1 July 2019, \$12.780M has been recognised as revenue in 2019-20. The residual balance of unspent funds was returned to the Commonwealth. Refer to Note B1-2 for further information about the agreement that gave rise to both the contract liability and applicable revenue.

Significant changes in contract liabilities during the year:

- The decrease in contract liabilities is largely attributable to services performed under the CoS program. Refer to Note B1-2 for further information.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C9 Equity

C9-1 Contributed Equity

Accounting Interpretation

Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* specifies the principles for recognising contributed equity by the department. The following items are recognised as contributed equity by the department during the reporting and comparative years:

- Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities as a result of Machinery-of-Government changes; and
- Appropriations for equity adjustments (refer to Note C9-2 Appropriations Recognised in Equity).

2020 Movement in Contributed Equity

Asset Class			Receiving	Transfer
Description	Asset Description	\$'000	Department	In/Out
Land	44 School Lane, Emerald. Service delivery for the organisation leasing this property is aligned with DCSYW.	(147)	Department of Child Safety, Youth and Women	Out
Buildings	44 School Lane, Emerald. Service delivery for the organisation leasing this property is aligned with DCSYW.	(588)	Department of Child Safety, Youth and Women	Out
Land	2 Thomson Road, Healy. Service delivery for the organisation leasing this property is aligned with DCSYW.	(351)	Department of Child Safety, Youth and Women	Out
Buildings	2 Thomson Road, Healy. Service delivery for the organisation leasing this property is aligned with DCSYW.	(494)	Department of Child Safety, Youth and Women	Out
Land	119 Stafford Road, Kedron. Service delivery for the organisation leasing this property is aligned with DCSYW.	(410)	Department of Child Safety, Youth and Women	Out
Buildings	119 Stafford Road, Kedron. Service delivery for the organisation leasing this property is aligned with DCSYW.	(118)	Department of Child Safety, Youth and Women	Out
Land	Lot 405 off Cromarty Dr, Wacol, QLD 4076. Transfer of land for use of high secure detention centre.	(350)	Department of Youth Justice	Out
	Total Movement in Contributed Equity	<b><u>(2,458)</u></b>		

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C9 Equity (continued)

C9-1 Contributed Equity (continued)

2019 Movement in Contributed Equity

Asset Class			Transferring	Transfer
Description	Asset Description	\$'000	Department	In/Out
Land	The Oasis, Land - Oonoonba. Transfer is for the proposed Townsville Community Centre for veterans.	1,050	Economic Development Queensland	In
Buildings	The Oasis, Buildings - Oonoonba. Transfer is for the proposed Townsville Community Centre for veterans.	600	Economic Development Queensland	In
Land	Moranbah Neighbourhood Centre - Moranbah. Transfer is for the proposed Moranbah Youth and Community Centre.	80	Economic Development Queensland	In
	<b>Total</b>	<b>1,730</b>		
Asset Class Description	Asset Description	\$'000	Receiving Department	Transfer In/Out
Buildings	West Mackay Community Centre - Mackay. Transfer is in relation to the suitability of ownership as a result of Machinery-of-Government changes and service delivery funding.	(2,546)	Department of Child Safety, Youth and Women	Out
Buildings	Lockhart River Neighbourhood Centre. Transfer is part of the implementation of the State Government's commitments in relation to stores in remote Aboriginal communities.	(2,136)	Department of Aboriginal and Torres Strait Islander Partnerships	Out
Plant & equipment	Transfer is for the Schoolies office accommodation fitout at Surfers Paradise to align with transfer of the responsibility to the Department of Child Safety, Youth and Women.	(46)	Department of Child Safety, Youth and Women	Out
	<b>Total</b>	<b>(4,728)</b>		
	<b>Total Movement in Contributed Equity</b>	<b>(2,998)</b>		

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

C9 Equity (continued)

C9-1 Contributed Equity (continued)

	2020 \$'000	2019 \$'000
<b>Reconciliation of Payments from Consolidated Fund to Equity Adjustment</b>		
Budgeted equity adjustment appropriation	3,259	(7,150)
Transfers from/to other departments - Redistribution of public business	-	760
Additional appropriation revenue for unforeseen expenditure	<u>2,306</u>	-
<b>Equity Adjustment Receipts (Payments)</b>	<b>5,565</b>	<b>(6,390)</b>
Less: Opening balance of equity adjustment receivable	<b>(2,306)</b>	-
Plus: Closing balance of equity adjustment receivable	-	2,306
<b>Equity Adjustment Recognised in Contributed Equity</b>	<b><u>3,259</u></b>	<b><u>(4,084)</u></b>

D1 Financial Risk Disclosures

D1-1 Financial Instrument Categories

Financial assets and liabilities are recognised in the balance sheet when the department becomes party to the contractual provisions of the financial instrument.

The department has the following categories of financial assets and financial liabilities:

	2020 \$'000	2019 \$'000
<b>Financial Assets</b>		
Cash and cash equivalents	C1 <b>72,041</b>	83,208
<b>Financial assets at amortised cost:</b>		
Current Receivables	C2 <b>4,841</b>	23,852
Non-current Receivables	-	4,202
<b>Total financial assets</b>	<b><u>76,882</u></b>	<b><u>111,262</u></b>
<b>Financial Liabilities</b>		
<b>Financial liabilities at amortised cost - comprising:</b>		
Payables	C6 <b>32,599</b>	30,148
<b>Total financial liabilities at amortised cost</b>	<b><u>32,599</u></b>	<b><u>30,148</u></b>

D1-2 Financial Risk Management

Financial risk management is implemented pursuant to State Government and departmental policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the department.

All financial risk is managed under policies approved by the department. The department provides written principles for overall risk management, as well as policies covering specific areas.

The department measures risk exposure using a variety of methods as follows:

Risk Exposure	Measurement Method
Credit risk	Ageing analysis, earnings at risk
Liquidity risk	Sensitivity analysis
Market risk	Interest rate sensitivity analysis

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

D1 Financial Risk Disclosures (continued)

D1-2 Financial Risk Management (continued)

There are no material liquidity, market and credit risks for the department. A sensitivity analysis has not been undertaken for the interest rate risk of the department as it has been determined that the possible impact on income from fluctuations in interest rates is immaterial.

Management review and follow up aged receivables monthly to minimise the credit risk exposure of the department.

D2 Contingencies

D2-1 Native Title Claims over Departmental Assets

As at reporting date, native title claims exist that covers departmental land with buildings and site improvements totalling \$1.846M. At the reporting date it is not possible to make an estimate of any probable outcome of this claim, or any financial effects.

D3 Commitments

D3-1 Lease Commitments

Commitments under leases at reporting date (inclusive of non-recoverable GST input tax credits) are payable as follows:

	No later than one year		Later than one year and not later than five years		Longer than five years		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Payable</b>								
Lease expenses	8,005	11,066	27,981	42,183	19,740	38,933	55,726	92,182
<b>Total</b>	<b>8,005</b>	<b>11,066</b>	<b>27,981</b>	<b>42,183</b>	<b>19,740</b>	<b>38,933</b>	<b>55,726</b>	<b>92,182</b>

The majority of the lease commitments shown relate to leases held with the Department of Housing and Public Works. Refer to Note B2-2 for further information about the lease expenses shown in this note.

The department has lease agreements where, upon cessation of the tenancy, it is required to return the office space to the condition it was in before it was leased (this is referred to as 'make good'). These obligations are recognised as provisions. Provisions for make good obligations on leases expected to expire in the next 12 months are classified as current liabilities. All other provisions are considered non-current liabilities.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

D3 Commitments (continued)

D3-2 Capital Expenditure Commitments

Commitments for capital expenditure at reporting date (inclusive of non-recoverable GST input tax credits) are payable:

	No later than one year		Later than one year and not later than five years		Longer than five years		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Payable</b>								
Land and buildings	12,666	1,946	-	-	-	-	12,666	1,946
Intangibles	82	-	-	-	-	-	82	-
<b>Total</b>	<b>12,748</b>	<b>1,946</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,748</b>	<b>1,946</b>

D3-3 Grants and Subsidies Commitments

Commitments for grants and subsidies at reporting date (inclusive of non-recoverable GST input tax credits) are payable:

	No later than one year		Later than one year and not later than five years		Longer than five years		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Payable</b>								
Community Services*	11,742	2,885	5,885	2,839	-	-	17,627	5,724
Seniors Services	212	212	106	319	-	-	318	531
<b>Total</b>	<b>11,954</b>	<b>3,097</b>	<b>5,991</b>	<b>3,158</b>	<b>-</b>	<b>-</b>	<b>17,945</b>	<b>6,255</b>

\* Community Services now includes the Community Care category that was previously reported separately in the department's 2018-19 financial statements. As a result the department's comparatives have been restated to reflect this.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

D3 Commitments (continued)

D3-4 Service Procurement Commitments

Commitments for service procurement at reporting date (inclusive of non-recoverable GST input tax credits) are payable:

	No later than one year		Later than one year and not later than five years		Longer than five years		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Payable</b>								
Disability Services	6,569	10,047	1,606	20,095	-	-	8,175	30,142
Community Services*	90,021	71,878	65,536	96,168	-	-	155,557	168,046
Seniors Services	10,208	8,615	5,021	9,755	-	-	15,229	18,370
<b>Total</b>	<b>106,798</b>	<b>90,540</b>	<b>72,163</b>	<b>126,018</b>	-	-	<b>178,961</b>	<b>216,558</b>

\* Community Services now includes the Community Care category that was previously reported separately in the department's 2018-19 financial statements. As a result the department's comparatives have been restated to reflect this.

Service procurement and grant commitments for Disability Services and Community Services reflect current contracts and agreements with non-government organisations and individuals for the provision of services. These commitments will reduce as services transition under the extended NDIS rollout.

D3-5 Redundancy Packages and Transfer Payments

Most of the redundancy payments relate to the endorsed NDIS Incentive Scheme. Eligible employees have received a voluntary redundancy package under the endorsed NDIS Incentive Scheme with a termination date that meets the department's business continuity needs. Medical retirements have also been reported as redundancies.

In 2019-20, 59 employees took a voluntary redundancy at a cost of \$4.431M. No further redundancies are expected under the NDIS Incentive Scheme and no commitment is included in the reported amount, with this note being provided for comparative purposes.

In 2018-19, 477 employees took a voluntary redundancy at a cost of \$30.941M. The reported amount included a commitment for a further 17 employees who had accepted voluntary redundancy agreements as at 30 June 2019 at an estimated cost of \$1.512M. In addition, 13 employees transferred to the NDIA in 2018-19 under the first offer of employment arrangement covered by the NDIS Incentive Scheme at a cost of \$0.260M. This cost includes an incentive payment and the payment or transfer of accrued leave entitlements.

The costs incurred by the department under the NDIS Incentive Scheme are reimbursed by Queensland Treasury on validation of claims.

D4 Current and Future Year Impacts of Accounting Standards Changes

D4-1 First Year Application of New Accounting Standards or Change in Accounting Policy

Accounting standards applied for the first time

Three new accounting standards with major impact were applied for the first time in 2019-20:

- AASB 15 *Revenue from Contracts with Customers*
- AASB 1058 *Income of Not-for-Profit Entities*
- AASB 16 *Leases*

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

D4 Current and Future Year Impacts of Accounting Standards Changes (continued)

D4-1 First Year Application of New Accounting Standards or Change in Accounting Policy  
(continued)

The effect of adopting these new standards are detailed below. No other accounting standards or interpretations that apply to the department for the first time in 2019-20 have any material impact on the financial statements.

Accounting Standards Early Adopted

No Australian Accounting Standards have been early adopted for 2019-20.

(1) AASB 15 Revenue from Contracts with Customers

The department applied AASB 15 *Revenue from Contracts with Customers* for the first time in 2019-20. The nature and effect of changes resulting from the adoption of AASB 15 is described below.

1. New revenue recognition model

AASB 15 establishes a new five step model for determining how much and when revenue from contracts with customers is recognised. The five step model and significant judgements are detailed below.

Step Number	Step Description
Step 1 - Identify the contract with the customer	Grant funding that the department receives may contain a contract with a customer and thus fall within the scope of AASB 15. This is the case where the funding agreement requires the department to transfer goods or services to third parties on behalf of the grantor, it is enforceable, and it contains sufficiently specific performance obligations.
Step 2 - Identify the performance obligations in the contract	This step involves identifying all the activities the department is required to perform under the contract, and determining which activities transfer goods or services to the customer. Where there are multiple goods or services transferred, the department must assess whether each good or service is a distinct performance obligation or should be combined with other goods or services to form a single performance obligation. To be within the scope of AASB 15, the performance obligations must be 'sufficiently specific' such that the department is able to measure how far along it is in meeting the performance obligations.
Step 3 - Determine the transaction price	When the consideration in the contract includes a variable amount, the department needs to estimate the variable consideration to which it is entitled and only recognise revenue to the extent that it is highly probable that a significant reversal of the revenue will not occur. This includes sales with a right of return, where the amount expected to be refunded is estimated and recognised as a refund liability instead of revenue.
Step 4 - Allocate the transaction price to the performance obligations	When there is more than one performance obligation in a contract, the transaction price must be allocated to each performance obligation, generally this needs to be done on a relative stand-alone selling basis.
Step 5 - Recognise revenue when or as the department satisfies performance obligations	Revenue is recognised when the department transfers control of the good or service to the customer. A key judgement is whether a performance obligation is satisfied over time or at a point in time. And where it is satisfied over time, the department must also develop a method for measuring progress towards satisfying the obligation.

2. Other changes arising from AASB 15

The department has a number of grant arrangements with the Commonwealth that relate to funding of activity-based services. One of these arrangements is for the Continuity of Support (CoS) program, which includes accommodation support and other grants, which the department has determined is eligible to have the revenue recognition requirements in AASB 15 applied to it.

AASB 15 also specifies the accounting for incremental costs of obtaining a contract and costs directly relating related to fulfilling a contract.



Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

D4 Current and Future Year Impacts of Accounting Standards Changes (continued)

D4-1 First Year Application of New Accounting Standards or Change in Accounting Policy  
(continued)

AASB 15 Revenue from Contracts with Customers (continued)

The standard requires contract assets (accrued revenue) and contract liabilities (unearned revenue) to be shown separately and requires contract assets to be distinguished from receivables.

There are extensive new disclosures, which have been included in Notes B1-2 and C8.

3. Transitional impact

Transitional policies adopted are as follows:

- The department applied the modified retrospective transition method and has not restated comparative information for 2018-19, which continue to be reported under AASB 118 *Revenue*, and related interpretations.
- The department elected to apply the standard retrospectively to all contracts, including completed contracts, at 1 July 2019. Completed contracts include contracts where the department had recognised all of the revenue in prior periods under AASB 1004 Contributions.

At 30 June 2019, grant monies totalling \$13.009M were recognised as unearned revenue (refer to C8) as this was directly attributable to supporting clients in the 2019-20 financial year. At the 1 July 2019 transitional date to AASB 15, the department continued to recognise the \$13.009M as unearned revenue (contract liability). This approach has resulted in a nil aggregate impact on transition to AASB 15.

(2)AASB 1058 Income of Not-for-Profit Entities

The department applied AASB 1058 *Income of Not-for-Profit Entities* for the first time in 2019-20. The nature and effect of changes resulting from the adoption of AASB 1058 is described below.

1. Scope and revenue recognition under AASB 1058

AASB 1058 applies to transactions where the department acquires an asset for significantly less than fair value principally to enable the department to further its objectives, and to the receipt of volunteer services.

The department's revenue line items recognised under this standard from 1 July 2019 include appropriation revenue, most grants and other contributions, and some other revenue.

General revenue recognition framework

- The revenue recognition framework for in scope transactions, other than specific-purpose capital grants, is as follows.
- Recognise the asset - e.g. cash, receivables, PP&E, a right-of-use asset or an intangible asset.
- Recognise related amounts - e.g. contributed equity, a financial liability, a lease liability, a contract liability or a provision; (grants and donations in many cases can have nil related amounts). Recognise the difference as income upfront.

Specific-purpose capital grants

In contrast with previous standards such as AASB 1004, AASB 1058 allows deferral of income from capital grants where:

- the grant requires the department to use the funds to acquire or construct a recognisable non-financial asset (such as a building) to identified specifications;
- the grant does not require the department to transfer the asset to other parties; and
- the grant agreement is enforceable.

For these capital grants, the funding received is initially deferred in an unearned revenue liability and subsequently recognised as revenue as or when the department satisfies the obligations under the agreement.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

D4 Current and Future Year Impacts of Accounting Standards Changes (continued)

D4-1 First Year Application of New Accounting Standards or Change in Accounting Policy  
(continued)

Volunteer Services

Under AASB 1058, the department will continue to recognise volunteer services only when the services would have been purchased if they had not been donated, and the fair value of the services can be measured reliably. This treatment is the same as in prior years.

Refer to Note A4 for further information on the volunteer services the department has received from other state government agencies during the financial year.

2. Transitional impact

Transitional policies adopted are as follows:

- The department applied the modified retrospective transition method and has not restated comparative information for 2018-19. They continue to be reported under relevant standards applicable in 2018-19, such as AASB 1004.
- The department elected to apply the standard retrospectively to all contracts, including completed contracts, at 1 July 2019. Completed contracts are contracts where the department had recognised all of the revenue in prior periods under AASB 1004.

Revenue recognition for the department's appropriations, taxes, royalties and most grants and contributions will not change under AASB 1058, as compared to AASB 1004. Revenue will continue to be recognised when the department gains control of the asset (e.g. cash or receivable) in most instances.

A few of the department's grants will fall within the scope of AASB 15 *Revenue from Contracts with Customers*, the transitional impacts of which are disclosed above.

(3) AASB 16 Leases

The department applied AASB 16 *Leases* for the first time in 2019-20. The department applied the modified retrospective transition method and has not restated comparative information for 2018-19, which continues to be reported under AASB 117 *Leases* and related interpretations.

The nature and effect of changes resulting from the adoption of AASB 16 are described below.

1. Definition of a lease

AASB 16 introduced new guidance on the definition of a lease.

For leases and lease-like arrangements existing at 30 June 2019, the department elected to apply the practical expedient to grandfather the previous assessments made under AASB 117 and Interpretation 4 *Determining whether an Arrangement contains a Lease* about whether those contracts contained leases. However, arrangements were reassessed under AASB 16 where no formal assessment had been done in the past or where lease agreements were modified on 1 July 2019.

Amendments to former operating leases for office accommodation

In 2018-19, the department held operating leases under AASB 117 from the Department of Housing and Public Works for non-specialised commercial office accommodation through the Queensland Government Accommodation Office (QGAO). Effective 1 July 2019, the framework agreements that govern QGAO were amended with the result that these arrangements would not meet the definition of a lease under AASB 16 and therefore are exempt from lease accounting.

From 2019-20 onward, the costs for these services are expensed as supplies and services when incurred. The new accounting treatment is due to a change in the contractual arrangements rather than a change in accounting policy.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

D4 Current and Future Year Impacts of Accounting Standards Changes (continued)

D4-1 First Year Application of New Accounting Standards or Change in Accounting Policy  
(continued)

2. Changes to lessee accounting

Previously, the department classified its leases as operating or finance leases based on whether the lease transferred significantly all of the risks and rewards incidental to ownership of the asset to the lessee.

This distinction between operating and finance leases no longer exists for lessee accounting under AASB 16. From 1 July 2019, all leases, other than short-term leases and leases of low value assets, are now recognised on balance sheet as lease liabilities and right-of-use assets.

Lease liabilities

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that the department is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the department under residual value guarantees
- the exercise price of a purchase option that the department is reasonably certain to exercise
- payments for termination penalties, if the lease term reflects the early termination

The discount rate used is the interest rate implicit in the lease, or the department's incremental borrowing rate if the implicit rate cannot be readily determined.

Subsequently, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

Right-of-use assets

Right-of-use assets are initially recognised at cost comprising the following:

- the amount of the initial measurement of the lease liability
- lease payments made at or before the commencement date, less any lease incentives received
- initial direct costs incurred, and
- the initial estimate of restoration costs

Right-of-use assets will subsequently give rise to a depreciation expense and be subject to impairment.

Right-of-use assets differ in substance from leased assets previously recognised under finance leases in that the asset represents the intangible right to use the underlying asset, rather than the underlying asset itself.

Short term leases and leases of low value assets

The department has elected to recognise lease payments for short term leases and leases of low value assets as expenses on a straight-line basis over the lease term, rather than accounting for them on balance sheet. This accounting treatment is similar to that used for operating leases under AASB 117.

3. Transitional impact

Former operating leases as lessee

- After extensive review one former operating lease, other than the exempt QGAO leases, is now recognised on balance sheet as a right-of-use asset and lease liability.
- On transition, the lease liability was measured at the present value of the remaining lease payments discounted at the department's incremental borrowing rate at 1 July 2019.
- The department's weighted average incremental borrowing rate on 1 July 2019 was 1.619%.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

D4 Current and Future Year Impacts of Accounting Standards Changes (continued)

D4-1 First Year Application of New Accounting Standards or Change in Accounting Policy  
(continued)

- The right-of-use assets was measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.
- The new right-of-use asset was tested for impairment on transition and was found not to be impaired.
- On transition the department used practical expedients to:
  - not recognise right-of-use assets and lease liabilities for leases that end within 12 months of the date of initial application and leases of low value assets;
  - exclude initial direct costs from the measurement of right-of-use assets; and
  - use hindsight when determining the lease term.

The transitional impact of all qualifying lease arrangements that were recognised on balance sheet, under AASB 16 were:

- balance sheet impact on 1 July 2019:
  - \$0.102M increase in lease liabilities;
  - \$0.102M increase in right-of-use assets;
  - nil impact to opening accumulated surplus.
- income statement impact for the 2019-20 financial year, as compared to 2018-19:
  - \$0.051M increase in depreciation and amortisation expense;
  - \$0.001M increase in interest expense;
  - \$0.051M decrease in supplies and services expense;
  - This results in a net increase of \$0.001M in total expenses.

D4-2 Future Impact of Accounting Standards Not Yet Effective

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards issued with future effective dates are set out below:

AASB 1059 Service Concession Arrangements: Grantors

AASB 1059 will first apply to the department's financial statements in 2020-21. This standard defines service concession arrangements and applies a new control concept to the recognition of service concession assets and related liabilities.

As the department does not have any service concession arrangements in operation now, or plans to have them in the future, the impact of adoption of the standard is expected to be immaterial.

E1 Budgetary Reporting Disclosures

E1-1 Explanation of Major Variances – Income Statement

Appropriation revenue

The appropriation revenue balance at year end is \$2.827M (0.8%) lower than budget of \$361.571M mainly due to the Community Drought Support program, the reallocation of funding for the COVID-19 International Students Support package from the Department of State Development, Tourism and Innovation, the Royal Commission into violence, abuse, neglect and exploitation of people with disability, and enterprise bargaining outcomes, additional funding for voluntary redundancy payouts for National Disability Insurance Scheme (NDIS) transitioning staff, as well as funds from the Commonwealth for the NDIS Assessment and Referral Team and Outreach programs. Funding adjustments for these programs is offset by end of year appropriation deferrals for programs with commitments continuing into the 2020-21 financial year.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

E1 Budgetary Reporting Disclosures (continued)

E1-1 Explanation of Major Variances – Income Statement (continued)

User charges and fees

The increase in revenue of \$0.467M (6.7%) compared to budget \$6.957M is mainly due to funding received from the NDIS for specialist disability accommodation and higher than anticipated revenue received from user charges by the department, offset by reductions relating to ceasing inter-departmental billing arrangements.

Grants and other contributions

The increase in grants and other contributions revenue is \$2.832 (23.4%) above budget of \$12.088M due to additional revenue received from the Commonwealth for refurbishment of residential supported accommodation for CoS clients (capital expenditure).

Reversal of revaluation decrement

The reversal of the revaluation decrement balance at year end of \$6.410M is due to the increment on the annual revaluation of land and buildings assets being adjusted against the historical revaluation decrement. A budget was not provided for this item due to the difficulty in forecasting revaluation movements across the asset portfolio.

Other revenue

Other revenue received includes return of \$15.197M unspent grant monies from prior years. These funds were not included within the original budget due to the difficulty in forecasting the magnitude of unspent funds as a result of the transition of disability services to the NDIA. Other revenue also includes a contribution of \$3.239M received from the Commonwealth via Queensland Health for 50% reimbursement of COVID-19 pandemic expenses.

Employee expenses

The increase in employee expenses of \$4.116M (2.2%) compared to budget of \$189.666M is mainly due to NDIS related incentive payments and ongoing staffing to support the slower than anticipated transition of specialist disability services' clients to the NDIS, and the engagement of staff for delivery of the NDIS Assessment and Referral Team and Outreach programs funded by the Commonwealth.

Supplies and services

Supplies and services expenses were \$3.475M (2.1%) lower than the budget of \$167.326M due to a number of outsourced service delivery programs being delayed, in some cases due to the COVID-19 pandemic, and as a result of reclassification of several programs from supplies and services to grants and subsidies in accordance with accounting policy.

Grants and subsidies

The increase in grants and subsidies expenses of \$17.854M (134%) compared to a budget of \$13.258M is due to the receipt and reprioritisation of funds for various initiatives and provided as economic stimulus in response to the COVID-19 pandemic. The department also sourced centrally held funds of \$5.000M for the Community Drought Support Program announced in the 2019-20 State Budget. The reclassification of several programs from supplies and services to grants and subsidies in accordance with accounting policy also added to the increase.

Depreciation and amortisation

Depreciation and amortisation expenses were \$3.859M (39.5%) lower than budget of \$9.766M. The original budget included an allowance for anticipated asset transfers from other agencies, and estimated outcomes from the comprehensive revaluation of assets undertaken during the year. Following completion of the revaluation the budget was revised down as a better reflection of actual depreciation. Expenses have also reduced as a result of plant and equipment assets reaching the end of their useful lives.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

E1 Budgetary Reporting Disclosures (continued)

E1-1 Explanation of Major Variances – Income Statement (continued)

Impairment losses

Impairment losses of \$1.498M have been recognised based on a review of outstanding debts. A number of these debts are long-standing, and relate to funds previously provided to non-government organisations providing disability services that have subsequently transitioned to the NDIS. The recovery of these debts is considered doubtful given their age, absence of recent payments and/or adherence to repayment plans, and protracted engagement with debtors in respect to recovery of the related funds.

Other expenses

The other expenses of \$2.410M include losses on disposal of assets of \$1.328M due to the write-off of assets based on the outcome of native title claims and demolition works undertaken on two properties. These expenses were not budgeted.

E1-2 Explanation of Major Variances – Balance Sheet

Cash and cash equivalents

Cash and cash equivalents at year end were \$49.994M (226.7%) higher than budget of \$22.047M due to alignment with the 2018-19 audited closing balance updating the 2019-20 opening balance, the receipt of new funds for the Royal Commission into violence, abuse, neglect and exploitation of people with disability, the Community Drought Support program, COVID-19 pandemic economic stimulus packages including the International Students Support package from the Department of State Development, Tourism and Innovation and the seniors support and volunteer initiative, and enterprise bargaining outcomes; the receipt of funds from the Commonwealth for the NDIS Assessment and Referral Team and Outreach programs; the department was also reimbursed for incentive payments provided to staff for NDIS transition; and there were reduced payments as a result of delays in the delivery of the capital works program.

Receivables (current)

Current receivables at year end were \$12.452M (72.0%) lower than budget (\$17.293M) due to alignment with the 2018-19 audited closing balance updating the 2019-20 opening balance, a general reduction in receivables related to disability services that have transitioned to the NDIS, and an increase in impaired receivables for long-standing debts related to funds previously provided to non-government organisations providing disability services that have subsequently transitioned to the NDIS.

Other current assets

Other current assets of \$2.377M are due to the prepayment of salaries at financial year end based on the timing of the final pay run for the financial year.

Property, plant and equipment

The property, plant and equipment balance at year end is \$6.550M (2.3%) higher than budget of \$277.375M due to the unbudgeted \$6.410M revaluation increment on land and buildings, and alignment of the 2018-19 audited closing balance updating the 2019-20 opening balance.

Intangibles

Intangibles at year end are \$1.061M (24.7%) lower than budget of 4.287M due to alignment of the 2018-19 audited closing balance updating the 2019-20 opening balance, and the retirement of software that has reached the end of its useful life.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

E1 Budgetary Reporting Disclosures (continued)

E1-2 Explanation of Major Variances – Balance Sheet (continued)

Right-of-use assets

Right-of-use assets represent the right to use leased premises and are recognised for the first time in 2019-20 due to application of AASB16 *Leases*.

Payables (current)

Current payables at year end are \$16.368M (100.8%) higher than budget of \$16.231M due to alignment with the 2018-19 audited closing balance updating the 2019-20 opening balance, and the recognition of end of year appropriation deferrals within the departmental appropriation payable account at financial year end for programs with commitments continuing into 2020-21.

Accrued employee benefits

Accrued employee benefits at year end are \$1.944M (20.3%) below budget of \$9.563M due to alignment of the 2018-19 audited closing balance updating the 2019-20 opening balance, and the payment of benefits to staff who have received incentive payments related to the NDIS transition.

Provisions (current)

Provisions (current) at year end are \$2.021M higher than budget of \$0.480M due to alignment of the 2018-19 audited closing balance updating the 2019-20 opening balance, and the continued retention of funds at year end related to a funding agreement with a non-government organisation that were anticipated to be paid during the year.

Other current liabilities

Other current liabilities at year end were nil, compared to a \$0.497M budget, due to alignment of the 2018-19 audited closing balance updating the 2019-20 opening balance, and the recognition of revenue for balances previously recognised as unearned revenue as at 30 June 2019.

Lease liabilities

Lease liabilities are for leased premises recognised for the first time in 2019-20 due to application of AASB16 *Leases*.

Payables (non-current)

Payables (non-current) were nil, compared to a \$3.850M budget, due to the change in accounting treatment applied to leased premises as a result of the application of AASB16 *Leases* in 2019-20.

Provisions (non-current)

Provisions (non-current) at year end were nil, compared to a \$0.403M budget, due to alignment of the 2018-19 audited closing balance updating the 2019-20 opening balance.

Equity

Actual reported equity at financial year end is \$33.713M (11.6%) higher than budget of \$289.978M due to alignment with the 2018-19 audited closing balance updating the 2019-20 opening balance, and the recognition of a gain on reversal of prior year revaluation decrement for property, plant and equipment.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

E1 Budgetary Reporting Disclosures (continued)

E1-3 Explanation of Major Variances – Statement of Cash Flows

User charges and fees

Cash inflows from user charges and fees are \$0.989M (12.1%) below budget of \$8.170M due to the cessation of a billing arrangement for departmental services provided to another government department.

Grants and other contributions

Cash inflow from grants and other contributions are \$1.223M (10.1%) above budget of \$12.088M due to additional revenue received from the Commonwealth for refurbishment of residential supported accommodation for CoS clients (capital expenditure).

GST inflows

Actual total cash inflows of \$22.559M, compared to a nil budget, relate to the receipt of GST input tax credits from the ATO and collected from customers, classified and rolled up under the budget line item for 'Other Inflows'.

Other inflows

Other cash inflows are \$260.548M (93.5%) below budget of \$278.586M due to GST inflows being classified and rolled up under within the identified budget for 'Other Inflows', and due to the reduction of disability services revenues, including return of unspent funds, following transition to the NDIA.

Equity injections

Equity Injections are \$5.565M, compared to a nil budget, due to planned equity injections being classified and rolled up under the identified budget for 'Equity withdrawals' and relates to impacts on available funding for planned capital projects.

Employee expenses

Cash outflows for employee expenses are \$16.195M (8.5%) above budget of \$189.666M due to NDIS related incentive payments and ongoing staffing to support the slower than anticipated transition of specialist disability services' clients to the NDIS, and the engagement of staff for delivery of the NDIS Assessment and Referral Team and Outreach programs funded by the Commonwealth.

Supplies and Services

Cash outflows for supplies and services are \$274.509M (61.6%) below budget of \$445.949M due to GST outflows being classified and rolled up under within the identified budget for 'Supplies and services', and due to the overall reduction in expenditure following the transition of disability services to the NDIA.

Grants and subsidies

Cash outflows for grants and subsidies are \$14.766M (111.4%) above budget of \$13.258M due to increased economic stimulus payments in response to the COVID-19 pandemic, including the International Students Support package provided on behalf of the Department of State Development, Tourism and Innovation and other internally funded emergency relief support packages aligned to departmental objectives.

GST outflows

Actual total cash outflows of \$22.706M, compared to a nil budget, relate to GST paid to suppliers and remitted to the ATO, classified and rolled up under the budget line item for 'Supplies and Services'.



Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

E1 Budgetary Reporting Disclosures (continued)

E1-3 Explanation of Major Variances – Statement of Cash Flows (continued)

Other outflows

Other cash outflows are \$1.035M (49.7%) below budget of \$2.083M due to the outflows for QGIF insurance, FBT liability and audit fees being overstated within the budgeted cash flow statement, based on estimated impacts arising from the transition of disability services to the NDIS.

Payments for property, plant and equipment

Payments for property, plant and equipment are \$7.895M (39.5%) below budget of \$20.010M due to expenditure on capital projects being carried forward to next year.

Equity withdrawals

Equity withdrawals were nil, compared to a budget of \$3.259M, due to planned equity injections being classified and rolled up under the identified budget for 'Equity withdrawals', and relates to impacts on available funding for planned capital projects.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

F1 Key Management Personnel Disclosures

F1-1 Details of Key Management Personnel and Remuneration Expense

The department's responsible Minister is the Honourable Coralee O'Rourke MP. The responsible Minister has been identified as part of the department's key management personnel (KMP), consistent with AASB 124 *Related Party Disclosures*.

The following details for non-Ministerial KMP reflect those departmental positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2019-20 and 2018-19. Further information about these positions can be found in the body of the Annual Report under the section relating to Executive Management.

The following disclosures focus on the expenses incurred by the department attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Income Statement. The remuneration expenses disclosed include the substantive KMP's remuneration expenses as well as remuneration earned while he/she has acted in another KMP position throughout the financial year on a short term basis. It does not include non-KMPs acting in the position less than six months.

Position Title	Short Term Employee Expenses		Other Employee Benefits				Total Expenses \$'000
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	Long Term Employee Expenses		Post-Employment Expenses		
			Expenses \$'000	Benefits \$'000	Expenses \$'000	Termination benefits \$'000	
1 July 2019 - 30 June 2020							
Director-General	331		5		8	43	387
Assistant Director-General (Community Services and Seniors)	249		5		6	26	286
Assistant Director-General (Disability, Accommodation and Respite Services)	230		5		5	26	266
Deputy Director-General (Disability Services) - until 9 August 2019	74		1		1	4	333
Assistant Director-General (Disability Connect Queensland) - from 16 September 2019	170		4		4	15	193
Deputy Director-General (Corporate Services) - until 13 September 2019	75		1		1	5	315
Assistant Director-General (Corporate Services) - from 16 September 2019	188		2		4	17	211
Assistant Director-General (Strategic Policy and Legislation) - until 27 September 2019	91		1		1	6	146
Executive Director (Strategic Policy and Legislation) - from 3 July 2019	196		5		4	19	224
Assistant Director-General (NDIS Program Management Office) - until 19 July 2019	16		-		-	1	17
Chief Finance Officer	207		5		5	22	239
Chief Human Resources Officer	195		5		4	21	225

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

F1 Key Management Personnel Disclosures (continued)

F1-1 Details of Key Management Personnel and Remuneration Expense (continued)

Position Title	Short Term Employee Expenses		Other Employee Benefits				Total Expenses \$'000
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	Long Term Employee Expenses \$'000	Post-Employment Expenses \$'000	Termination benefits \$'000		
1 July 2018 - 30 June 2019							
Director-General	322		7	7	42	-	378
Deputy Director-General (Disability Services)	287		7	6	32	-	332
Deputy Director-General (Corporate Services)	253		7	5	27	-	292
Assistant Director-General (Strategic Policy and Legislation)	237		7	5	26	-	275
Assistant Director-General (Community Services State Wide)	245		7	5	26	-	283
Assistant Director-General (NDIS Program Management Office) - from 6 August 2018	221		7	4	23	-	255
Senior Executive Director (Accommodation Support and Respite Services and Forensic Disability Services)	232		7	5	26	-	270
Executive Director, Community Services and Seniors - from 3 May 2019	33		1	3	1	-	38
Chief Finance Officer	189		7	4	22	-	222
Chief Human Resources Officer	167		7	3	19	-	196

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

F1 Key Management Personnel Disclosures (continued)

F1-2 Remuneration Policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The department does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the State Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole-of-Government Consolidated financial statements, which are published as part of Queensland Treasury's Report on State Finances.

Remuneration policy for the department's other KMP is set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*. Individual remuneration and other terms of employment (including motor vehicle entitlements and performance payments if applicable) are specified in employment contracts.

Effective from 1 September 2017, remuneration packages of KMP increased by 2.5% in accordance with government policy.

Remuneration expenses for those KMP comprise the following components:

- *Short term employee expenses* including
  - salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied a KMP position.
  - non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- *Long term employee expenses* include amounts expensed in respect of long service leave entitlements earned.
- *Post-employment expenses* include amounts expensed in respect of employer superannuation obligations.
- *Termination benefits* include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

F1-3 Performance Payments

No remuneration packages for KMP provide for any performance or bonus payments.

F2 Related Party Transactions

F2-1 Transactions with other Queensland Government-controlled entities

The department's primary ongoing sources of funding from State Government for its services are appropriation revenue (refer Note B1-1) and equity injections (refer Note C9-2), both of which are provided in cash via Queensland Treasury.

The department's primary source of accommodation leases, motor vehicle leases and asset works and repairs are managed through the Department of Housing and Public Works and its controlled entities. Note B2-2 provides the relevant balance of transactions.

The department also purchases corporate services from the Department of Child Safety, Youth and Women.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

### F3 Climate Risk Disclosures

The department has not identified any material climate related risks relevant to the financial statements at the reporting date. Climate risks are considered by the department within the context of its Enterprise Risk Management framework.

### F4 Impact of COVID-19 pandemic

During the financial year the department incurred significant expenditure as a result of the emergence of the COVID-19 pandemic. Some of the expenditure was incurred as a direct result of State Government announced economic stimulus packages providing financial assistance to individuals, business and industry, either where the department was the lead agency or provided assistance to another lead agency responsible for coordinating and administering related funds. Additional expenditure was also incurred by the department in maintaining frontline services inclusive of disability accommodation and respite support, and in supporting community and senior services for vulnerable Queenslanders.

Total expenditure incurred by the department as a result of the COVID-19 pandemic totalled \$498.808M, with \$8.675M being recognised within the Income Statement - Controlled and the remaining \$490.133M being recognised within the Income Statement - Administered. The department also recognised \$3.239M in revenue in the Income Statement - Controlled for reimbursement of eligible expenditure from the Commonwealth via Queensland Health.

Expenditure recognised within the Income Statement - Controlled includes the following key components:

- \$1.766M for Community Recovery coordination and support of Community Response and Care Army initiatives in providing support to seniors, or anyone in home quarantine or self-isolation, who didn't have family, friends or neighbours to help with accessing food or medicine, and to connect people with over the phone psychosocial support where needed.
- \$3.744M in financial assistance provided to non-government organisations supporting people in home quarantine or isolation who were not self-reliant, in providing emergency relief to people who were directly or indirectly impacted by COVID-19, in assisting older and vulnerable Queenslanders prepare, adapt and recover from the pandemic through psychological support, and in providing resources for people with a disability to prepare, respond to and recover from the pandemic.
- \$2.666M in International Student Crisis Assistance Grants provided to enrolled international students living in Queensland (except those enrolled at universities or TAFE) who were suffering severe financial hardship as a result of COVID-19. This expenditure was part of a \$5.000M economic stimulus package being administered by the department on behalf of the Department of State Development, Tourism and Innovation (DSDTI) who were the lead agency.
- \$0.499M in additional staffing costs and provision of personal protective equipment utilised within disability accommodation and respite support centres owned and managed by the department.

Expenditure recognised within the Income Statement - Administered includes the following key components:

- \$85.920M in relief payments provided under the State Government Power Bill Relief Package for small and medium business enterprises with consumption less than 100,000 kilowatt hours (kWh), with a \$500 rebate being automatically applied to electricity accounts.
- \$404.213M in electricity rebates provided under the State Government Household Utility Assistance Package to Queensland residential households, with a \$200 rebate being automatically applied to their electricity accounts.

Further information on the impact of the COVID-19 pandemic is provided within Note C2, Receivables and Note C6, Payables.

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

G1 Administered

G1-1 Appropriation Revenue

	2020 \$'000	2019 \$'000
<b>Reconciliation of Payments from Consolidated Fund to Administered Appropriation Revenue Recognised in Operating Result</b>		
Budgeted appropriation revenue	1,527,222	1,925,198
Lapsed administered appropriation revenue	-	(318,216)
Treasurer's advance	500,000	-
Transfers from departmental services	-	(92,378)
Additional appropriation revenue for unforeseen expenditure	115,468	-
<b>Total Appropriation Receipts (cash)</b>	<b>2,142,690</b>	<b>1,514,604</b>
Plus: Closing balance of appropriation revenue receivable	14,801	-
Plus: Opening balance of appropriation revenue payable	155,617	64,892
Less: Closing balance of appropriation revenue payable	-	(155,617)
<b>Net Appropriation Revenue</b>	<b>2,313,108</b>	<b>1,423,879</b>
Plus: Deferred appropriation refundable to Consolidated Fund (expense)	-	155,617
<b>Administered Appropriation Revenue recognised in Income Statement*</b>	<b>2,313,108</b>	<b>1,579,496</b>

\* This appropriation revenue is provided in cash via Queensland Treasury and funds activities and expenses that the department administers on behalf of the State Government (refer to Note A1-7).

G1-2 Grants and Other Contributions

	2020 \$'000	2019 \$'000
<b>Other grants and contributions</b>		
Grants from Queensland Reconstruction Authority	71,949	8,260
<b>Total</b>	<b>71,949</b>	<b>8,260</b>

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

G1 Administered (continued)

G1-3 Supplies and Services

	2020 \$'000	2019 \$'000
Service procurement	111	319
Professional and technical fees	11	-
Disaster recovery	8,490	24,648
<b>Total</b>	<b>8,612</b>	<b>24,967</b>

G1-4 Grants and Subsidies

	2020 \$'000	2019 \$'000
Disaster Recovery - Personal hardship assistance scheme	3,414	35,676
Disaster Recovery - Grants	11,694	2,920
Grants - Electricity - COVID-19 - Small Medium Business Relief	85,920	-
Grants - National Disability Insurance Agency	1,544,285	1,045,346
<b>Total grants and subsidies</b>	<b>1,645,313</b>	<b>1,083,942</b>
Concession - Asset ownership electricity dividend	2,944	100,031
Concession - Electricity	189,956	190,149
Concession - Electricity - COVID-19 - Residential Household Relief	404,213	-
Concession - Rates	53,256	52,216
Concession - Water	17,682	17,264
Concession - Home Energy Emergency Assistance	8,739	8,072
Concession - Natural gas	2,388	2,454
Concession - Life Support	2,099	2,182
Concession - Medical cooling and heating electricity	1,627	1,548
<b>Total concession payments</b>	<b>682,904</b>	<b>373,916</b>
<b>Total</b>	<b>2,328,217</b>	<b>1,457,858</b>

G1-5 Other Expenses

	2020 \$'000	2019 \$'000
Departmental appropriation adjustments	-	155,617
<b>Total</b>	<b>-</b>	<b>155,617</b>

G1-6 Receivables

	2020 \$'000	2019 \$'000
<b>Current</b>		
GST input tax credits receivable	2,163	2,202
Appropriation revenue receivable	14,801	-
<b>Total</b>	<b>16,964</b>	<b>2,202</b>

Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

G1 Administered (continued)

G1-7 Payables

	<b>2020</b>	2019
	<b>\$'000</b>	\$'000
<b>Current</b>		
Service concessions available	<b>93,867</b>	19,502
Appropriation revenue payable	-	155,617
Trade creditors and accruals	<b>10</b>	2,008
Grants and subsidies payable	<b>141,895</b>	152,391
Other	<b>2</b>	1
<b>Total</b>	<b><u>235,774</u></b>	<b><u>329,519</u></b>

G1-8 Financial Instruments

The department does not consider that there are any material financial management risks associated with the above financial assets and liabilities.

The department has the following categories of financial assets and financial liabilities:

	<b>2020</b>	2019
<b>Note</b>	<b>\$'000</b>	\$'000
<b>Financial Assets</b>		
Cash and cash equivalents	<b>190,692</b>	256,300
<b>Financial assets at amortised cost:</b>		
Current Receivables	G1-6 <b>16,964</b>	2,202
<b>Total financial assets</b>	<b><u>207,656</u></b>	<b><u>258,502</u></b>
<b>Financial Liabilities</b>		
<b>Financial liabilities at amortised cost - comprising:</b>		
Payables	G1-7 <b>235,774</b>	329,519
<b>Total financial liabilities at amortised cost</b>	<b><u>235,774</u></b>	<b><u>329,519</u></b>



Department of Communities, Disability Services and Seniors  
Notes to the Financial Statements  
for the year ended 30 June 2020

G1 Administered (continued)

G1-9 Budgetary Reporting Disclosures

Explanation of Major Variances - Income Statement

Appropriation revenue

Administered appropriation revenue is \$785.886M (51.5%) over budget of \$1,527.222M due to additional funding being received to support the slower than anticipated transition of specialist disability services' clients to the NDIS, and for announced State Government COVID-19 pandemic economic stimulus packages inclusive of the residential household relief and small to medium business electricity rebates.

Grants and other contributions

Grants and other contributions were \$2.676M (3.9%) higher than budget of \$69.273M due to natural disaster relief and recovery grants received from the Queensland Reconstruction Authority as a result of community recovery activations.

Employee expenses

Employee expenses of \$2.940M were incurred in relation to natural disaster relief and recovery events, and are recoverable from the Queensland Reconstruction Authority.

Supplies and services

Supplies and services of \$8.612M were incurred in relation to natural disaster relief and recovery events, and are recoverable from the Queensland Reconstruction Authority.

Grants and Subsidies

Grants and subsidies were \$736.009M (46.2%) higher than budget of \$1,592.208M due to increased payments to the NDIA based on the number of specialist disability services' clients transitioned to the NDIS, and economic stimulus payments for the residential household relief and small to medium business electricity rebates provided in response to the COVID-19 pandemic.

Explanation of Major Variances – Balance Sheet

Cash and cash equivalents

Cash and cash equivalents were \$141.213M (285.4%) higher than budget of \$49.479M due to alignment with the 2018-19 audited closing balance updating the 2019-20 opening balance, and the timing of receipts relative to expenditure incurred for specialist disability services' clients transitioned to the NDIS, and State Government economic stimulus for the residential household relief and small to medium business electricity rebates provided in response to the COVID-19 pandemic.

Receivables

Current receivables at year end are \$15.351M (951.7%) higher than budget of \$1.613M due to alignment with the 2018-19 audited closing balance updating the 2019-20 opening balance, and end of year appropriation funding adjustments for increased payments to the NDIA, based on the number of specialist disability services' clients transitioned to the NDIS, being recognised within the departmental appropriation receivable account.

Payables

Payables were \$173.115M (276.3%) higher than budget of \$62.659M due to alignment with the 2018-19 audited closing balance updating the 2019-20 opening balance, and monies owed to the NDIA at financial year end.

Department of Communities, Disability Services and Seniors  
Management Certificate  
For the year ended 30 June 2020

CERTIFICATE OF THE DEPARTMENT OF COMMUNITIES, DISABILITY SERVICES AND SENIORS

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 38 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Department of Communities, Disability Services and Seniors for the financial year ended 30 June 2020 and of the financial position of the department at the end of that year.

The Director-General, as the Accountable Officer of the department, acknowledges responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.

Signed

Narinder Singh ACMA CGMA CPA Bsc (Hons) Chief Finance Officer 25 August 2020

Clare O'Connor BA MA Director-General 25 August 2020

# Queensland Audit Office

## INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of the Department of Communities, Disability Services and Seniors

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Department of Communities, Disability Services and Seniors.

In my opinion, the financial report:

- a) gives a true and fair view of the department's financial position as at 30 June 2020, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the balance sheets and statement of assets and liabilities by major departmental service as at 30 June 2020, the income statements, statement of changes in equity, statements of cash flows and income statement by major departmental service for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the department in accordance with the 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 report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

# Queensland Audit Office

## **Valuation of Specialised Buildings (\$181.610 million)**

Refer to notes C4-4 and C4-7 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>The Department of Communities, Disability Services and Seniors' building assets were valued using a market value approach where relevant and current replacement cost method where the market value approach could not be used. Buildings reported at current replacement cost represented 96% of the total building assets.</p> <p>The department's assets were valued on an annual basis according to the valuation methodology adopted for each category by comprehensively valuing the assets at regular intervals and applying indices in the years between comprehensive valuations.</p> <p>The department derived the gross replacement cost of its specialised buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"><li>• Identifying the components of buildings with separately identifiable replacement costs (known as unit categories)</li><li>• Developing a unit rate for each of these components, including:<ul style="list-style-type: none"><li>– Estimating the current cost for a modern substitute (including locality factors and on-costs), expressed as a rate per unit</li><li>– Identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so, estimating the adjustment to the unit rate required to reflect this difference</li></ul></li><li>• Indexing unit rates for subsequent increases in input costs.</li></ul>	<p><b>My procedures for the valuation of specialised buildings included, but were not limited to:</b></p> <ul style="list-style-type: none"><li>• Obtaining an understanding of the methodology used and assessing its design, integrity and appropriateness using common industry practices.</li><li>• Assessing the competence, capability and objectivity of the experts used by the department.</li><li>• Reviewing the scope and instructions provided to the valuer, and obtaining an understanding of the methodology used and assessing its appropriateness with reference to common industry practices.</li></ul> <p><b>For this year all specialised buildings were comprehensively revalued. For these assets:</b></p> <ul style="list-style-type: none"><li>• Assessing the appropriateness of the building components used for measuring gross replacement cost with reference to DCDSS's asset management plans, the unit costs of its recent projects, and common industry practices.</li><li>• For unit rates:<ul style="list-style-type: none"><li>– Assessing the competence, capability and objectivity of the experts used by the entity to develop the models.</li><li>– Obtaining an understanding of the methodology used, and assessing its appropriateness with reference to common industry practices.</li><li>– On a sample basis, evaluating the relevance, completeness and accuracy of source data used to derive the unit rate of the:<ul style="list-style-type: none"><li>■ modern substitute (including locality factors and on-costs)</li><li>■ adjustment for excess quality or obsolescence.</li></ul></li></ul></li></ul>

### Responsibilities of the department for the financial report

The Accountable Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

## Queensland Audit Office

The Accountable Officer is also responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the department or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

I communicate with the Accountable Officer 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.

## Queensland Audit Office

From the matters communicated with the Accountable Officer, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2020:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

### Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the department's transactions and account balances to enable the preparation of a true and fair financial report.



John Welsh  
as delegate of the Auditor-General  
26 August 2020  
Queensland Audit Office

# APPENDICES

## Appendix 1. Details of key management personnel

The department's responsible Minister is identified as part of the department's key management personnel. For the period from 1 July 2019 to 30 June 2020, the department's Minister is the Honourable Coralee O'Rourke, Minister for Communities and Minister for Disability Services and Seniors.

The following details for non-ministerial key management personnel reflect those departmental positions with authority and responsibility for planning, directing and controlling the activities of the department during 2019–20. Further information about these positions can be found in the body of the Annual Report under the section relating to Executive Management.

<b>Position</b>	<b>Position responsibility</b>
Director-General	Responsible for the efficient, effective and economic administration of the department.
Assistant Director-General, Community Services and Seniors	Responsible for providing strategic and operational leadership in managing the delivery of and investment in programs and initiatives that support Queensland communities and seniors.
Assistant Director-General, Disability Accommodation, Respite and Forensic Services	Responsible for providing strategic leadership in the direct service delivery and support to Queenslanders with disability and clients of the Forensic Disability Service.
Assistant Director-General, Disability Connect Queensland	Responsible for providing strategic leadership and management of advocating for people with disability and partnering with the disability sector to create an all-abilities Queensland. This role is also responsible for monitoring the NDIS to ensure it delivers the expected outcomes for Queenslanders with disability.
Assistant Director-General, Corporate Services	Responsible for providing strategic and operational leadership and management of the department's corporate services functions and providing support to all service delivery areas of the department.
Chief Finance Officer	Responsible for providing strategic leadership and operational direction for the financial administration of the department.
Chief Human Resource Officer, Corporate Services	Responsible for providing strategic leadership, direction and advice on human resource management initiatives, policy, organisational capability, workforce planning and systems, employee and industrial relations and ethical standards.
Executive Director, Strategic Policy and Legislation	Responsible for providing strategic leadership and direction of policy, legislation and intergovernmental relations. This position also provides key advice to the Director-General and Executive Management Team on complex legal and public administration matters.

# Appendix 2. Governance boards and committees

## Board of Management

### Description

The role of the Board of Management is to maintain a sharp focus on the department's strategic activities, performance and partnerships, and respond quickly and strategically to emerging issues.

### Membership

- Director-General (chair)
- Assistant Director-General, Community Services and Seniors
- Assistant Director-General, Disability Accommodation, Respite and Forensic Services
- Assistant Director-General, Disability Connect Queensland
- Assistant Director-General, Corporate Services
- Executive Director, Strategic Policy and Legislation
- Chief Human Resource Officer
- Chief Finance Officer

### Meeting frequency

- Fortnightly

## Audit and Risk Committee

### Description

The role of the committee is to provide independent assurance and assistance to the Director-General on the risk, control and compliance frameworks and the department's external accountability responsibilities, as well as other matters related to the duties and responsibilities of the committee.

### Membership

- All appointments to the committee are at the discretion of the Director-General

### Meeting frequency

- Quarterly, or as required by the chair

### Achievements in 2019–20

- Reviewed and endorsed the departmental financial statements, including the Chief Finance Officer Assurance Statement.
- Reviewed and endorsed the Strategic Internal Audit Plan.
- Oversaw and monitored the progress of delivery against the Strategic Internal Audit Plan and implementation of recommendations by the department raised through internal audit reports.



## **Fraud and Corruption Control Committee**

### **Description**

The Fraud and Corruption Control Committee is responsible for overseeing the department's fraud and corruption prevention program and monitoring the effectiveness of internal controls and compliance with relevant legislation and government practice requirements.

The committee also provides an advisory role in relation to fraud and corruption control-related activities to the Audit and Risk Committee and other committees within the governance framework as appropriate.

### **Membership**

- Chief Finance Officer (chair)
- Assistant Director-General, Disability Accommodation Respite and Forensic Service
- Executive Director, Community Services and Statewide Operations
- Manager, Financial Governance, Finance, Procurement and Property Services
- Manager, Ethical Standards
- Chief Procurement Officer
- Manager, Office of the Assistant Director-General, Disability Connect Queensland
- Director, Funding Services
- Director, Information, Innovation and Recovery, Department of Child Safety, Youth and Women

### **Meeting frequency**

- Quarterly, or as required by the chair

## **Financial Performance Committee**

### **Description**

The Financial Performance Committee is responsible for overseeing budget investment decisions and allocation processes, to ensure appropriate financial controls are in place and compliance with financial legislation and standards. The committee also provides financial and budget advice to the Board of Management.

### **Membership**

- Assistant Director-General, Corporate Services (chair)
- Director-General (or nominee)
- Chief Finance Officer
- Assistant Director-General, Disability Connect Queensland
- Assistant Director-General, Disability Accommodation, Respite and Forensic Services
- Assistant Director-General, Community Services and Seniors
- Executive Director, Strategic Policy and Legislation
- Chief Human Resource Officer
- Director, Funding Services
- Director, Finance

### **Meeting frequency**

- Monthly, or as required by the chair

## **Workforce and Capability Committee**

### **Description**

The committee's role is to provide strategic and operational direction on human resource and workforce management issues. It is a decision-making committee.

### **Membership**

- Assistant Director-General, Corporate Services (chair)
- Chief Human Resource Officer
- Assistant Director-General, Disability Connect Queensland
- Assistant Director-General, Disability Accommodation, Respite and Forensic Services
- Assistant Director-General, Community Services and Seniors
- Executive Director, Strategic Policy and Legislation

### **Meeting frequency**

- Bi-monthly

## **Priority Projects Oversight Group**

### **Description**

The Priority Projects Oversight Group will provide leadership for the implementation of identified priority projects, and oversight of key whole-of-government priorities and corporate governance matters.

### **Membership**

- Assistant Director-General, Corporate Services (chair)
- Director-General (optional)
- Assistant Director-General, Disability Connect Queensland
- Assistant Director-General, Disability Accommodation, Respite and Forensic Services
- Assistant Director-General, Community Services and Seniors
- Executive Director, Strategic Policy and Legislation
- Chief Human Resource Officer
- Chief Finance Officer
- Director, Office of the Director-General

### **Meeting frequency**

- Monthly, or as required by the chair

## **Information Innovation Committee**

### **Description**

The role of the Information and Innovation Committee is to manage all ICT-enabled business initiatives and is the primary governance body by which the department — as well as the Department of Child Safety, Youth and Women, and Department of Youth Justice — ensures it maximises the value of its business investments that have an ICT-enabled component.

### **Membership**

- Assistant Director-General and Chief Information Officer, Information, Innovation and Recovery, Department of Child Safety, Youth and Women
- Assistant Director-General, Corporate Services

- Assistant Director-General, Corporate Services, Department of Child Safety, Youth and Women
- Executive Director, Service Delivery, Practice Connect, Department of Child Safety, Youth and Women
- Chief Finance Officer
- Senior Executive Director, Strategy Performance, Department of Youth Justice
- Director, Practice Development, Department of Youth Justice
- Regional Director, South East Region, Department of Youth Justice
- Regional Director, Moreton Region, Department of Child Safety, Youth and Women
- Executive Director, Strategy and Performance, Department of Child Safety, Youth and Women
- Assistant Director-General, Community Services and Seniors
- Regional Executive Director, Far North Queensland Region, Department of Child Safety, Youth and Women
- Whole-of-government representative, Queensland Government Customer and Digital Group
- Head of Internal Audit
- Director, Enterprise Portfolio Management Office, Department of Child Safety, Youth and Women

### **Meeting frequency**

- Bi-monthly, or as required by the chair
- Due to the COVID-19 pandemic, the March and May 2020 meetings were cancelled, with priority matters discussed out of session

## **Data Governance Board**

### **Description**

The board champions the role and value of effective data governance. It also sets and monitors data governance-related strategies, goals, objectives and priorities. The board endorses changes to the data governance framework, standards, policies and procedures and promotes the creation and management of complete and robust data.

### **Membership**

- Assistant Director-General, Corporate Services (chair)
- Assistant Director-General and Chief Information Officer, Information, Innovation and Recovery, Department of Child Safety, Youth and Women
- Assistant Director-General, Disability Accommodation, Respite and Forensic Services
- Director, Data and Application Operations
- Director, Human Resources, Systems and Reporting
- Executive Director, Community Recovery
- Assistant Director-General, Disability Connect Queensland

### **Meeting frequency**

- Tri-annually

# Appendix 3. Our legislation

The department's functions and powers are derived from administering the following Acts of Parliament, in accordance with the relevant Administrative Arrangements Orders.

Our Director-General, on behalf of our Minister, is responsible for administering these Acts. The statutory objectives for each Act are outlined below.

- *Carer's (Recognition) Act 2008*
- *Community Services Act 2007*
- *Disability Services Act 2006*
- *Forensic Disability Act 2011*
- *Guide, Hearing and Assistance Dogs Act 2009.*

# Appendix 4. National partnership agreement

## National Disability Insurance Scheme (NDIS) Full Scheme Bilateral Agreement

On 9 July 2019, the Queensland and Commonwealth governments finalised the full scheme agreement for the NDIS, which puts in place long-term funding and governance arrangements between governments.

The agreement provides certainty for Queenslanders with disability that the NDIS will be there to support them into the future.

Governments have agreed to a temporary continuation of the terms of transition to a date to be negotiated in 2020–21, recognising that Queensland’s participant numbers are lower than estimated.

With approximately 80,000 participants in Queensland currently benefiting from the scheme, the National Disability Insurance Agency and its partners will focus on supporting more people with disability to access the NDIS throughout 2020–21.

The NDIS is now available in all areas in Queensland.

## National Partnership on DisabilityCare Australia Fund (DCAF) Payments

From 1 July 2014, the Commonwealth Government increased the Medicare levy from 1.5 to 2 per cent to help pay for the NDIS.

The DisabilityCare Australia Fund (DCAF), which comprises these funds, was established to reimburse states, territories and the Commonwealth for expenditure incurred in relation to NDIS package costs or other NDIS costs agreed through a bilateral agreement with the Commonwealth.

On 9 July 2019, the Commonwealth and Queensland governments signed the National Partnership on DisabilityCare Australia (DCAF) Payments to access Queensland’s share of DCAF from 1 July 2014.

Under this national partnership, Queensland can access \$1.95 billion in DCAF payments to 2023–24, including back-pay of \$838.6 million owed from 1 July 2014. In 2019–20, Queensland’s total allocation is \$547.4 million (including \$350 million in back-pay). The remaining back-pay of \$488.6 million will be paid in 2020–21.

# Appendix 5. Government bodies

Queensland Carers Advisory Council (QCAC)					
<b>Act or instrument</b>		<i>Carers (Recognition) Act 2008</i>			
<b>Functions</b>		<p>The functions of the council are to:</p> <ul style="list-style-type: none"> <li>work to advance the interests of carers and promote compliance by public authorities with the carers charter</li> <li>make recommendations to the Minister on enhancing compliance by public authorities with the carers charter</li> <li>provide general advice to the Minister on matters relating to carers</li> <li>carry out other functions as directed by the Minister.</li> </ul>			
<b>Achievements</b>		<p>During the 2019-20 financial year, QCAC focussed on two key areas:</p> <ol style="list-style-type: none"> <li>Carer legislation and policy</li> <li>Carer data collection and demographic information.</li> </ol> <p><b>Summary of actions:</b></p> <ul style="list-style-type: none"> <li>The Queensland Government website has been updated to include information on: <ul style="list-style-type: none"> <li>the social and economic contribution of carers</li> <li>practical suggestions on how carers can be supported</li> <li>supporting carers in the workplace, including links to resources for employers and employees.</li> </ul> </li> <li>Government and non-government organisations' support for carers and the people whom they care for were identified and shared with members.</li> <li>The Minister wrote to State and Australian Government Ministers on concerns raised by QCAC members including improving: <ul style="list-style-type: none"> <li>support for grandparents who take on a primary role of carer for their grandchildren</li> <li>the health and wellbeing of carers through access to respite, bulk billing, and extending eligibility for carer financial support to grandparents who provide full time care for grandchildren.</li> </ul> </li> <li>Establishment of a Grandparent working group, to discuss support for grandparents who look after grandchildren on a full-time basis through an informal family arrangement. Membership consists of QCAC and Queensland Government representatives.</li> <li>The Minister wrote to respective Australian Government Ministers asking that consideration be given to extending the collection of carer data and improve access to data.</li> </ul>			
<b>Financial reporting</b>		Not applicable			
<b>Remuneration</b>					
Position	Name	Meetings/ sessions attendance	Approved annual, sessional or daily fee	Approved sub- committee fees if applicable	Actual fees received
Chairperson – Government representative	Katie Holm	3	N/A	N/A	N/A
Carer representative	Louise Jessop	1	\$150 per meeting	N/A	\$150
Carer representative and Deputy Chairperson	Teresa Pilbeam	3	\$150 per meeting	N/A	\$450

Carer representative	Semah Mokak-Wischki	3	\$150 per meeting	N/A	\$450
Grandparent carer representative	Vacant	0	\$150 per meeting	N/A	0
Carer organisation representative	Debra Cottrell	3	N/A	N/A	N/A
Carer organisation representative	Irene Clelland	3	N/A	N/A	N/A
Grandparent Carer organisation representative	Donna Shkalla	3	N/A	N/A	N/A
Carer organisation representative	Sarah Mitchell	2	N/A	N/A	N/A
Carer organisation representative	Kaylene Moore (proxy for Sarah Mitchell)	1	N/A	N/A	N/A
Government representative (Department of Education)	Carmel Ybarlucea	1	N/A	N/A	N/A
Government representative (Department of Education)	Cath Milles	1	N/A	N/A	N/A
Government representative (Department of Education)	Margaret (Meg) Quinn	1	N/A	N/A	N/A
Government representative (Queensland Health)	Hannah Cruickshank	1	N/A	N/A	N/A
Government representative (Queensland Health)	Ross Alcorn	1	N/A	N/A	N/A
Government representative (Department of Justice and Attorney-General)	Shayna Smith	2	N/A	N/A	N/A
<b>No. scheduled meetings/sessions</b>	3				
<b>Total out of pocket expenses</b>	N/A				

## Queensland Social Cohesion Implementation Committee (QSCIC)

<b>Act or instrument</b>	Not applicable				
<b>Functions</b>	<p>The Queensland Social Cohesion Implementation Committee provides expert advice to the Queensland Government to inform whole-of-government and community initiatives that enhance social cohesion in our communities.</p> <p>The committee oversees the development and implementation of action plans for Queensland, with priorities and related strategies that:</p> <ul style="list-style-type: none"> <li>• promote the benefits of diversity in Queensland</li> <li>• strengthen community cohesion and resilience</li> <li>• reduce marginalisation</li> <li>• address anti-social behaviour and behaviour that may lead to violence or physical harm to others.</li> </ul> <p>The committee reports at least annually to the Queensland Security Cabinet Committee through the Premier and Minister for Trade, and the Minister for Communities.</p>				
<b>Achievements</b>	<p>From July 2019 to June 2020, the committee:</p> <ul style="list-style-type: none"> <li>• endorsed <i>Thriving Cohesive Communities: Action Plan for Queensland 2019-2021 (Stage 2)</i> as a second stage of work that built on the achievements of <i>Cohesive Communities: An action plan for Queensland 2016-18</i></li> <li>• shaped an approach to the implementation of the stage two action plan, including the development of the Thriving Cohesive Communities Grants and strategies to engage local government and non-government organisations as partners in project delivery</li> <li>• met three times in September, November and May to oversee implementation of the stage two action plan</li> <li>• monitored the impact of COVID-19 on community cohesion.</li> </ul>				
<b>Financial reporting</b>	Transactions of the committee are accounted for in the financial statements of the department's Social Cohesion program.				
<b>Remuneration</b>					
<b>Position</b>	<b>Name</b>	<b>Meetings/ sessions attendance</b>	<b>Approved annual, sessional or daily fee</b>	<b>Approved sub- committee fees if applicable</b>	<b>Actual fees received</b>
Chair	Mr Scott Stewart MP	3	N/A	N/A	N/A
Deputy Chair	Professor Lesley Chenoweth AO	2	N/A	N/A	N/A
Member	Mrs Josephine Aufai	1	N/A	N/A	N/A
Member	Mr Petero Civoniceva	0	N/A	N/A	N/A
Member	Ms Gail Ker AOM	1	N/A	N/A	N/A
Member	Mr Fahim Khondaker	2	N/A	N/A	N/A
Member	Miss Prudence Melom	3	N/A	N/A	N/A
Member	Ms Tammy Wallace	1	N/A	N/A	N/A
<b>No. scheduled meetings/ sessions</b>	3				
<b>Total out of pocket expenses</b>	Not applicable				



## Queensland Disability Advisory Council (QDAC)

<b>Act or instrument</b>	<i>Disability Services Act 2006 (Qld), sections 222 and 223</i>				
<b>Functions</b>	<p>The Queensland Disability Advisory Council provides the Minister with independent and timely advice about important disability matters that have a regional, state wide or national impact.</p> <p>Members were appointed to the council for a further one-year term through to June 2020 to coincide with Queensland's transition to the National Disability Insurance Scheme (NDIS).</p> <p>In 2019–20 council members had a specific focus on two key priorities:</p> <ol style="list-style-type: none"> <li>a. supporting Queenslanders to prepare for and transition to the NDIS</li> <li>b. promoting a socially inclusive Queensland and promoting state disability plan All Abilities Queensland.</li> </ol> <p>All council members are representative of their communities and include people with disability, family members, carers, advocates and academics, as well as members from community organisations, businesses, local government and disability service providers.</p> <p>The 12-member Queensland Disability Advisory Council comprises the chairs of the seven former regional councils and five additional members with specialist expertise or knowledge.</p>				
<b>Achievements</b>	<p>In 2019–20 council members actively engaged with their networks and communities about the NDIS, providing new information, clarifying processes, raising issues and sharing experiences.</p> <p>Members played a significant role in advising government about the benefits and impacts of the NDIS, including the positive changes that people with disability were experiencing through their NDIS plans and opportunities to further improve the NDIS planning processes and information for participants. Members successfully supported Queenslanders to prepare for and transition to the NDIS, and promoted a socially inclusive Queensland, in line with the priorities identified in All Abilities Queensland disability plan and National Disability Strategy.</p> <p>Council members act as a consultative forum when the Government or Minister request disability stakeholder views. Members provided input on a broad range of issues, including Senate Select Committee on Autism, worker screening and single-use plastic product ban.</p> <p>The Council provided advisory support to the Minister during the active and recovery phases of the COVID-19 pandemic.</p>				
<b>Financial reporting</b>	The transactions of the council are accounted for in the department's financial statements.				
<b>Remuneration</b>					
<b>Position</b>	<b>Name</b>	<b>Meetings/ sessions/ attendance</b>	<b>Approved annual, sessional or daily fee</b>	<b>Approved sub-committee fees if applicable</b>	<b>Actual fees received</b>
Chairperson	Sharon Boyce	7 1 meeting over two days, Chair 1 meeting over two days, Member 5 teleconferences, Chair	\$17,160 pa plus \$520 daily \$260 teleconference		\$20,300
Deputy Chairperson	Anita Veivers	7 1 meeting over two days, Member 1 meeting over two days, A/Chair 5 teleconferences, Member	\$520 daily (if acting Chair) \$400 daily \$200 teleconference		\$2,840

Member	Laurence Bray	7 2 meeting over two days 5 teleconferences	\$400 daily \$200 teleconference		\$2,600
Member	Ken Parker	7 2 meeting over two days 5 teleconferences	\$400 daily \$200 teleconference		\$2,600
Member	Barry Skinner	7 2 meeting over two days 5 teleconferences	\$400 daily \$200 teleconference		\$2,600
Member	Harry McConnell	7 2 meeting over two days 5 teleconferences	N/A		\$0
Member	Peter Gurr	5 1 meeting over two days 4 teleconferences	\$400 daily \$200 teleconference		\$1,600
Member	Semah Mokak-Wischki	5 2 meeting over two days 3 teleconference	\$400 daily \$200 teleconference		\$2,200
Member	Pamela Spelling	7 2 meeting over two days 5 teleconferences	\$400 daily \$200 teleconference		\$2,600
Member	Simon Wright	7 2 meeting over two days 5 teleconferences	\$400 daily \$200 teleconference		\$2,600
Member	Gillian Costabeber	4 1 meeting over two days 3 teleconferences	\$400 daily \$200 teleconference		\$1,400
Member	Paige Armstrong	6 2 meeting over two days 4 teleconferences	\$400 daily \$200 teleconference		\$2,400
<b>No. scheduled meetings/sessions</b>		During 2019-20, the Queensland Disability Council met seven times. Two of these meetings were in person over a four day period. A further five meetings were via teleconference due to the pandemic.			
<b>Total out of pocket expenses</b>		\$5,865			

*Note: Two meetings were held as normal (\$520 for the Chair, \$400 for a Member). Due to the COVID-19 pandemic the five remaining meeting were held by teleconference, and fees were adjusted (\$260 for the Chair, \$200 for a Member)*

# Appendix 6. Contact details

**The department primarily operates out of 1 William Street and 111 George Street and delivers services through the structure outlined in the organisational chart.**

## **Central office**

**Address:** 1 William Street, Brisbane QLD 4000

**Postal:** GPO Box 806, Brisbane QLD 4001

**Phone:** 13 QGOV (13 74 68)

**Website:** [www.communities.qld.gov.au](http://www.communities.qld.gov.au)

## **Community Services and Seniors contacts**

**Address:** 111 George Street, Brisbane Qld 4000

**Postal:** GPO Box 806, Brisbane Qld 4001

**Phone:** 13 QGOV (13 74 68)

**Email:** [communityservicesandseniors@communities.qld.gov.au](mailto:communityservicesandseniors@communities.qld.gov.au)

## **Disability Connect Queensland contacts**

**Address:** 111 George Street, Brisbane Qld 4000

**Postal address:** GPO Box 806, Brisbane Qld 4001

**Phone:** 13 QGOV (13 74 68)

**Email:** [feedback@communities.qld.gov.au](mailto:feedback@communities.qld.gov.au)

## **Disability Accommodation and Respite Forensic Services**

**Address:** 111 George Street, Brisbane Qld 4000

**Postal:** GPO Box 806, Brisbane Qld 4001

**Phone:** 13 QGOV (13 74 68)

**There are a number of Accommodation Support and Respite Service (AS&RS) service locations across the state. For AS&RS contact details refer to:**

[www.communities.qld.gov.au/accommodation-respite-forensic-services/accommodation-support-respite-services/rs-service-locations](http://www.communities.qld.gov.au/accommodation-respite-forensic-services/accommodation-support-respite-services/rs-service-locations)

# Appendix 7. Glossary

## **Carer**

Someone who provides ongoing care or assistance to another person who, because of a disability, impairment, frailty, chronic illness or pain, requires assistance with everyday tasks.

## **Community care**

Provides low-intensity support services to people under 65 years of age who have a disability or condition that restricts their ability to carry out activities of daily living. Core activities of daily living include dressing, bathing or showering, preparing meals, house cleaning and maintenance, and using public transport.

## **Community inclusion**

Occurs when all people are given the opportunity to participate fully in political, cultural, civic and economic life to improve living standards and overall wellbeing. It aims to remove barriers for people that experience a combination of linked problems such as unemployment, poor skills, housing and health, low income, high crime environments and family breakdown.

## **Community recovery**

Coordination of support for the restoration of emotional, social and physical wellbeing. It includes developing financial assistance packages for individuals, families and non-government organisations to help people recover from a disaster as quickly as possible.

## **Customer**

Person or organisation that receives a service. Note that a customer can be internal or external to the organisation. Synonyms include: client, consumer, end user, resident, retailer, beneficiary and purchaser.

## **Disability**

A person's condition that is attributable to an intellectual, psychiatric, cognitive, neurological, sensory or physical impairment, or combination of impairments and results in a substantial reduction of the person's capacity for communication, social interaction, learning, mobility, self-care or management.

## **Governance**

The framework of rules, relationships, systems and processes within, and by which, authority is exercised and controlled within organisations. It encompasses the mechanisms by which organisations, and those in authority, are held to account.

## **Human Services Quality Framework**

A system for assessing and improving the quality of human services that applies to organisations delivering services under a service agreement with the department or other specified arrangements.

## **National Disability Insurance Agency**

The National Disability Insurance Agency (NDIA) is an independent statutory agency whose role is to implement the National Disability Insurance Scheme (NDIS), which will support a better life for Australians with a significant and permanent disability and their families and carers.

## **National Disability Insurance Scheme**

The National Disability Insurance Scheme (NDIS) is an Australian Government scheme that will support people with permanent and significant disability, and their families and carers. The NDIS will provide reasonable and necessary supports to people to live an ordinary life.

## **National partnership agreements**

National partnership agreements are agreements between the Commonwealth of Australia and state and territory governments. The agreements include objectives, outcomes, outputs and performance indicators, and roles and responsibilities that will guide the delivery of services across relevant sectors.

## **Non-government organisations**

Community managed, not-for-profit organisations that receive government funding specifically for the purpose of providing community support services.

## **Respite services**

Services that provide short-term, temporary relief to those who are caring for family members who might otherwise require permanent placement in a facility outside the home.

## **Restrictive practices**

Interventions such as: containment or seclusion; chemical restraint; mechanical restraint and physical restraint; or restricting access (for example, to objects by locking cupboards). These practices are required for adults with intellectual or cognitive disability who exhibit behaviour that places themselves or others at risk of harm.

## **Risk management framework**

An agency's policies, procedures, systems and processes concerned with managing risk.

## **Service provider**

A business or organisation that supplies expert care or specialised services rather than an actual product.

# Appendix 8. Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
<b>Letter of compliance</b>	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Page 3
<b>Accessibility</b>	Table of contents	ARRs – section 9.1	Page 4
	Glossary	ARRs – section 9.1	Page 116
	Public availability	ARRs – section 9.2	Page 2
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Page 2
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	Page 2
	Information licensing	<i>QGEA – Information Licensing</i> <i>ARRs – section 9.5</i>	Page 2
<b>General information</b>	Introductory information	ARRs – section 10.1	Page 5
	Machinery-of-government changes	ARRs – 10.2, 31 and 32 (if applicable)	(not applicable)
	Agency role and main functions	ARRs – section 10.2	Page 6, 108, 115
	Operating environment	ARRs – section 10.3	Pages 6, 12, 15, 16, 18, 19, 22, 24, 25 and 32
<b>Non-financial performance</b>	Government's objectives for the community	ARRs – section 11.1	Page 6
	Other whole-of-government plans/ specific initiatives	ARRs – section 11.2	Page 109
	Agency objectives and performance indicators	ARRs – section 11.3	Page 6
	Agency service areas and service standards	ARRs – section 11.4	Page 6
<b>Financial performance</b>	Summary of financial performance	ARRs – section 12.1	Page 36
<b>Governance, management and structure</b>	Organisational structure	ARRs – section 13.1	Page 7
	Executive management	ARRs – section 13.2	Page 9

	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	Page 110
	<i>Public sector ethics</i>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Page 30
	Human rights	<i>Human Rights Act 2019</i> ARRs – Section 13.5	Page 30
	Queensland public service values	ARRs – section 13.6	Page 6
<b>Governance—risk management and accountability</b>	Risk management	ARRs – section 14.1	Page 32
	Audit committee	ARRs – section 14.2	Page 32
	Internal audit	ARRs – section 14.3	Page 33
	External scrutiny	ARRs – section 14.4	Page 33
	Information systems and recordkeeping	ARRs – section 14.5	Page 33
<b>Governance—human resources</b>	Strategic workforce planning and performance	ARRs – section 15.1	Page 28
	Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Page 30
<b>Open data</b>	Statement advising publication of information	ARRs – section 16	Page 34
	Consultancies	ARRs – section 33.1	Page 34
	Overseas travel	ARRs – section 33.2	Page 34
	Queensland Language Services Policy	ARRs – section 33.3	Page 34
<b>Financial statements</b>	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Page 98
	Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Page 99

FAA – *Financial Accountability Act 2009*

FPMS – *Financial and Performance Management Standard 2019*

ARRs – *Annual report requirements for Queensland Government agencies*

